

**PERU UTILITIES  
MINUTES OF THE PERU UTILITIES SERVICE BOARD MEETING OF  
OCTOBER 18, 2017**

The Peru Utilities Service Board held a meeting at the Peru office at 335 East Canal Street, Peru, Indiana, on Wednesday, October 18, 2017. Mr. Akers called the meeting to order at 4:00 p.m. pursuant to notice as required by law. The following Board members were present: S. Akers, M. Costin, G. Ward, J. Edwards and M. Burnell. Others present J. Chance, B. Tillett, L. Starkey, R. Kline, J. Languell-City Council Liaison, and C. Eggers-Peru Tribune.

**1.) APPROVAL OF BOARD MINUTES OF OCTOBER 4, 2017:**

*Mr. Ward moved that the minutes of October 4, 2017, be approved. Ms. Costin seconded the motion. The motion passed.*

**2.) PAYMENT OF CLAIMS:**

*Ms. Costin moved to approve the claims as presented. Mrs. Edwards seconded the motion and the motion passed.*

**3.) NEXT REGULAR MEETING:**

The next regular meeting will be held Wednesday, November 1, 2017, at 4:00 p.m. in the Utility Service Boardroom.

**4.) PUBLIC COMMENT: None**

**5.) OLD BUSINESS:**

**A.) FLEXTIME:**

Mr. Akers inquired what became of Flextime which was discussed at an earlier Board meeting. Mr. Chance reported that the Board had authorized a 30-day trial at the July 26 Board meeting subject to AFSCME approval. He referenced Mr. Pandy's e-mail of July 27, 2017: *this does not mean we have 30 days from now to try it; it means that if/when we reach agreement with the union, we would then be able to try the flex time in whatever jobs (not necessarily company-wide) are appropriate for a 30 day trial period; management would have discretion with respect to how/when to manage the work.* The Union held a meeting and concluded that at this time they would not vote on the Flextime proposal. Mr. Chance said because the Flextime arrangement doesn't seem to be a good fit for most employees and management, it may be a good idea to let the matter rest. After discussion, all Board members agreed to leave the Flextime 30-day trial open for future consideration by AFSCME.

**6.) NEW BUSINESS:**

**A.) BOARD RECOGNIZES MR. KEVIN SHIVES, ASSISTANT OFFICE MANAGER, FOR HIS 40 YEARS OF SERVICE TO PERU UTILITIES:**

Mr. Chance, the Board and staff joined in honoring Kevin Shives, Assistant Office Manager for 40 years of dedicated and exemplary service to Peru Utility ratepayers and staff. Mr. Chance read aloud the many accomplishments that Kevin Shives had

during his 40-year career with Peru Utilities and expressed appreciation. Mr. Chance presented Mr. Shives with an award to commemorate his 40 years of service. His services will be greatly missed and best wishes to him on his retirement. Peru Utility loss will be his family’s gain.

**B.) CONSIDER RECOMMENDATION FOR TREE TRIMMING SERVICES FOR 2018-2019:**

Mr. Chance recommended that the bid is awarded to All Reliable Services for fiscal years 2018-2019. We asked for two-year bids because it’s time-consuming to annually do the bids and also we can stay with the same company for several years instead of a new company having to learn our system each year.

The companies that submitted bids were as follows:

	<u>2018 Bid</u>	<u>2019 Bid</u>
ARS Corp.	\$114.57/hour	\$118.00/hour
Williams Tree	\$130.00/hour	\$130.00/hour

*Mrs. Edwards made a motion for Peru Utilities to accept All Reliable Services Corp. bid for \$114.57/hour for tree trimming services for the fiscal year 2018 and \$118.00/hour for tree trimming services for the fiscal year 2019. Mr. Ward seconded the motion and the motion carried.*

**C.) CONSIDER BID RECOMMENDATION FOR WATER CHEMICALS FOR YEARS 2018-2019-2020:**

Bids were opened on October 9, 2017, for water chemicals for drinking water treatment for both Peru and Grissom operations for 2018-2019-2020. We received three quotes from Alexander Chemical, JCI Jones, and Water Solutions Unlimited. Mr. Chance recommended to award to the following vendors:

- Chlorine – JCI Jones @ \$0.3333/lb.
- Sodium Hypochlorite – Water Solutions Unlimited @ \$2.25/gallon
- Hydrofluorosilicic Acid – Water Solutions Unlimited @ \$0.43/lb.
- Potassium Permanganate – Water Solutions Unlimited @ \$2.74/lb.

*Mr. Ward moved to approve that the bids be awarded according to Mr. Chance’s recommendation for 2018-2019-2020. Ms. Costin seconded the motion and the motion passed.*

7.) **CITY ADMINISTRATION UPDATE:** None

8.) **CITY ATTORNEY’S UPDATE:** None

9.) **MANAGER’S REPORT:**

**MEMORANDUM OF UNDERSTANDING BETWEEN LOCAL 1030, AFSCME AND PERU UTILITIES:**

AFSCME Local 1030 has agreed to remove the two Commercial Bookkeeper positions from the Union to be replaced with the SCADA Technician and Network Systems Technician as classified union positions. At the next Board meeting, the Commercial Bookkeeper job description and salary range will be changed in response to additional assignments. It was noted that Nan Orpurt, SCADA Technician will be retiring in January 2018. It has not yet been determined whether or not to fill the position when vacant or to assign those duties amongst other employees.

**SRF PRELIMINARY COSTS:**

Mr. Chance shared the SRF Preliminary costs results with the Board noting that Wessler Engineering opened bids for the SRF water projects October 4. Multiple bids were received for Contracts “A” & “B”, but no bids or proposals were received for Contract “C”, the river crossing. Wessler’s estimate for Contract “A” is \$2,969,000, lowest bid is \$2,732,670. The low bid amount allows us to perform alternate work on metal structures within the Filtration Plant such as paint coating of beams and the generators. Contract “B” is the small line replacements and is higher than Wessler’s estimate at \$4,376,980. We plan to remove Add Alternate 1 & 2 charges from the bid to lessen the cost. Engineer’s estimate for Contract “C” is \$1,200,000. It is hoped to get Board approval of the bids for the water projects in November.

**RIVER CROSSINGS:**

Mr. Chance explained that because the river crossings are directional bores and without bore samples, they are considered high-risk projects so no one wanted to bid on them. Strand had performed soundings in the river, which determined where the rock was at but did not reveal the hardness of the rock or the depth. The Army Corps. of Engineers and the DNR requested we directional bore the river crossing projects unless we could show good reason to perform an open cut. We now have a good reason to pursue an open cut due to lack of interest in directional boring. We have commissioned the bore sample of the river bed. It is estimated the cost will be \$50,000 to install a drilling machine in the waterway of the river to find any unforeseen issues and poor riverbed conditions. We plan to rebid the river crossings with both an open cut and directional bores. The issue is that we need to obtain clearance from the Army Corps. of Engineers and the DNR which could take six months. If we wait six months to fund all the water projects, the funding might not be available. We plan to close on Contracts “A” & “B” in November and to rebid and close on Contract “C” in 2018. The proposed lead and galvanized line removal costs are \$2,399,325. Mr. Chance noted that it is possible that our interest rate on borrowing from the SRF may be lower than 2% by changing lead line services wherever we encounter them. Mr. Akers inquired why this was not anticipated earlier. Mr. Kline explained that Wessler was very shocked at the bid openings because they received inquiries from contractors until the bid opening date.

**AMI:**

Financing for AMI is still pending until an agreement with the State Revolving Loan Fund is completed. All parties involved will hold a conference call tomorrow to continue to discuss solutions.

**POWER PLANT EMPTY LOT:**

It was noted that after demolition is completed the ground will be maintained as a green space.

**10.) ADJOURNMENT:**

*There being no further business to bring before the Board, Ms. Costin made a motion to adjourn. Mrs. Edwards seconded the motion. The meeting adjourned by unanimous consent.*

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Geoff Ward, Secretary Peru Utilities Service Board