

**PERU UTILITIES  
MINUTES OF THE PERU UTILITIES SERVICE BOARD MEETING OF  
JANUARY 17, 2018**

The Peru Utilities Service Board held a meeting at the Peru office at 335 East Canal Street, Peru, Indiana, on Wednesday, January 17, 2018. 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, M. Burnell and J. Edwards. Others present Attorney D. Kern, J. Chance, B. Tillett, S. Starkey S. Hines, J. Beisiegel, L. France, B. Zartman and T. Alley-City Council Liaison.

**1.) APPROVAL OF BOARD MINUTES OF JANUARY 3, 2018:**

*Mrs. Edwards moved that the minutes of January 3, 2018, be approved. Ms. Costin seconded the motion. The motion passed.*

**2.) PAYMENT OF CLAIMS:**

*Ms. Costin moved to approve the claims as presented. Mr. Burnell seconded the motion and the motion passed.*

**3.) NEXT REGULAR MEETING:**

The next regular meeting will be held Wednesday, February 7, 2018, at 4:00 p.m. in the Utility Service Boardroom.

**4.) AMEND THE AGENDA:**

*Mr. Ward made a motion to amend the agenda and add Item 6-B, Approval of Disbursement Request #12 for Peru Water Upgrades. Mrs. Edwards seconded the motion to accept the agenda as amended. The motion passed.*

**5.) PUBLIC COMMENT: None**

**6.) OLD BUSINESS: None**

**7.) NEW BUSINESS:**

**A.) APPROVAL OF CORPORATE RESOLUTION DESIGNATING SIGNATURE BANK AS A DEPOSITORY AND AUTHORIZING INDIVIDUALS TO MAKE DEPOSITS:**

Mr. Chance stated that Signature Bank is the lessor for our AMI project and requires a resolution for authorized individuals to make deposits.

*Mrs. Edwards made a motion to approve the corporate resolution designating Signature Bank as a depository and authorizing individuals to make deposits. Mr. Ward seconded the motion. The motion passed.*

**B.) APPROVAL OF DISBURSEMENT REQUEST FOR PERU WATER UPGRADES:**

*Mr. Chance noted that during the duration of the SRF Water Improvements Project, line item “Approve Disbursement Requests for Peru Water Upgrades” will remain on the agenda whether action needs to be taken or not because there is no way to predict when invoices will be received.*

The Board considered Disbursement Request #12, Deichman Excavating, Contract “B” preliminary work for the Peru Water Upgrades for \$53,100.

*Ms. Costin made a motion to approve disbursement request #12 for Deichman Excavating for the Peru Water Upgrades for \$53,100. Mrs. Edwards seconded the motion and Disbursement Request #12 was approved.*

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

**9.) CITY ATTORNEY’S UPDATE:**

**LOGANSPOUR MEMORIAL:**

Attorney Dustin Kern stated Logansport Memorial has an office located on Logansport Road and put in a request to connect to our water system. We required that they build a brand new main at their expense and install a meter pit to connect to our system. Part of the agreement is that the main has to be constructed to our specifications, Peru Utilities would assume the assets and take responsibility for the maintenance, and it will include a 1-year warranty.

**10.) MANAGER’S REPORT:**

**LEADERSHIP TRAINING:**

Mr. Chance summarized that the leadership development training with Dr. Gornto was great. There was a lot of positive feedback from staff that attended along with ideas to resolve communications and future problems to increase the efficiency of the organization.

**SUBSTATION #3 VANDALISM:**

The total vandalism damages to substation #3 were \$100,000 of which Tokio Marine has paid \$27,000. Mr. Chance said that our current policy coverage excluded claims involving pollution. Tokio Marine stated that our liability coverage would not have paid the claim even if we had purchased pollution coverage because the financial responsibility of claims associated with pollution has to be filed with the landowner’s insurance. Mr. Chance said it was Peru Utilities moral obligation to clean up the spill, even though it was not our fault. Therefore, we took immediate action to clean it up and make the property as good as or better than before the incident. Tokio Marine indicated that we should litigate the claim ourselves, however; Mr. Chance and Attorney Dustin Kern disagreed with that assessment. Our current policy terminates in July with Tokio Marine and we have asked Saine-Summers to get quotes from other insurance companies.

It was noted that we have been insured with Tokio marine since 2009 and have always been satisfied with their services. Mr. Chances said that preventative measures would be taken to secure substations and all of Peru utility property to deter vandalism. We had investigated the possibility of constructing concrete walls around substation facilities, but it is very costly.

**PRELIMINARY PROJECT SCHEDULE MEETING:**

Mr. Chance provided the board with a Preliminary Project Schedule noting the phases, systems integration, implementation and project closeout. Staff had attended a meeting January 11 with Utility Meter Solution (UMS) and Everett J. Prescott (EJP). EJP is the vendor we are purchasing the meters from and UMS is the installation company that will install the large intermediate water meters. The completion date for these projects is expected in October or November. We plan to prep to install large intermediate water meters on January 29 dependent on the weather and documentation required for clearance to get on the Base. Letters will be mailed to our intermediate/large water customers alerting them to the upgrade and the need for it. We are working on a plan with regard to informing the public on the procedure for the installation of the new residential meters. We plan to install electric meters sometime during April or May. Mr. Akers inquired how soon it would be after installation is complete that we will see results. Mr. Chance felt that once the large and intermediate meters are changed there would be a significant difference because the meters will be accurate. In regards to residential meters, after we have a 12-month exposure we will have good data. Ms. Costin asked how the new water meters would affect our water losses. Mr. Chance said it should correct it by 10%.

**WEATHER RELATED ISSUES:**

We had nine main breaks within ten days, two of them were eight-inch mains and seven were six-inch mains. There were twenty frozen meter pits that crews had to thaw and forty additional customer calls. Field crews were servicing customers for fifteen days. Two utility poles were hit putting fifteen to nineteen customers out of power. There was a fire in a house in Mexico that disrupted a homeowner's and neighbor's services, West City Park was out of service for some unknown reason, and several fuses were blown due to accidents putting thirty customers out of service. Mr. Chance explained that water main breaks are more likely to occur when there is a large change in temperature because freezing and thawing soil creates movement in the ground, which can bend or shift pipes. During cold weather, we utilize additional employees so that they can rotate out to allow coworkers to warm up while work can continue. We provide proper clothing/attire for outside work for our employees and we always get the equipment that the employees need for the job. It was noted that the main breaks would affect next month's water losses.

**POWER PLANT DEMOLITION:**

National Salvage has removed all of their equipment and weather permitting the job trailer will be removed 1/24. Their equipment hydraulics were not working during the

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cold weather. Soil and stone cannot be compacted when frozen. We have a checklist of things that they need to do before leaving. National Salvage will return to finish the demolition March 1 they hope to be finished April 1. It is now necessary for the job trailer space to be used for the Peru Water Upgrades because of the completion date overrun. National Salvage will still have space for their demo equipment when Kokosing starts work in the spring on the water plant. Mr. France stated that National Salvage checks weekly to ensure the demo site is secure.

**11.) ADJOURNMENT:**

*There being no further business to bring before the Board, Mr. Ward made a motion to adjourn. Mrs. Edwards seconded the motion. The meeting adjourned.*

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Geoff Ward, Secretary Peru Utilities Service Board