

**PERU UTILITIES
MINUTES OF THE PERU UTILITIES SERVICE BOARD MEETING OF
JULY 25, 2018**

The Peru Utilities Service Board held a meeting at the Peru office at 335 East Canal Street, Peru, Indiana, on Wednesday, July 25, 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, J. Edwards and M. Burnell. Others present, Attorney Dustin Kern, J. Chance, B. Tillett, B. Hall, J. Clark, J. Beisiegel, and T. Alley – City Council Liaison.

1.) APPROVAL OF BOARD MINUTES OF JULY 11, 2018:

Mr. Ward moved to accept the minutes of July 11, Board meeting. Mr. Burnell seconded the motion. Motion carried.

2.) PAYMENT OF CLAIMS:

Ms. Costin moved to approve the claims as presented. Mr. Ward seconded the motion, motion carried.

3.) NEXT REGULAR MEETING:

The next regular meeting will be held Wednesday, August 8, 2018, at 4:00 p.m. in the Utility Service Boardroom.

4.) PUBLIC COMMENT: None

5.) OLD BUSINESS: None

6.) NEW BUSINESS:

A.) APPROVAL OF DISBURSEMENT REQUESTS #27, #28, #29, #30 AND OCRA CLAIM VOUCHER FOR THE PERU WATER UPGRADES:

The Board considered the following disbursement requests #27, #28, #29, #30 and OCRA Claim Voucher for the Peru Water Upgrades.

Disbursement #27, Deichman Excavating, the primary contractor, for \$235,359.00 for the Peru Water Upgrades.

Disbursement #28, Kokosing Industrial, contractor for the Peru Filtration Plant rehab for the State Revolving Fund (SRF) projects, for \$186,933.00 for the Peru Water Upgrades.

Disbursement #29, NV Grant Services, a subcontractor for Cornerstone Grants Management, for \$750.00 for the Peru Water Upgrades.

Disbursement #30, Wessler Engineering, for professional services, for \$48,230.00.

OCRA Claim Voucher, for \$18,336.37 for the Peru Water Upgrades.

Mr. Burnell inquired about the approval process for requests. Mr. Chance explained the submittal process as follows: the contractor, Wessler Engineering, Grant Services, Peru Utilities and then forwarded to State Revolving Fund Loan or Cornerstone Grants. The process takes 30 days for reimbursement to the construction companies.

Mr. Burnell made a motion to approve disbursement requests #27, #28, #29, #30 and the OCRA Claim Voucher for the Peru Water Upgrades. Mr. Ward seconded the motion. Mrs. Edwards abstained because she was not available during the discussion. Four in favor, one abstained, motion carried.

B.) CONSIDERATION OF POLE CONTACT AGREEMENT MOBILITIE:

Mr. Chance asked the Board for consideration of a pole attachment agreement with Mobilitie. Representatives of Mobilitie have requested Peru Utilities consideration of an agreement to attach equipment to two Peru Utilities poles at this time. Both Attorney Dustin Kern and Mike Walsh have reviewed the agreement and made necessary changes. There will be a one-time \$100 request fee paid to Peru Utilities for each pole. If a pole does not meet design criteria requirements, Mobilitie will pay the costs to replace the pole and installation. The annual fee per contact will be \$50 per pole.

Mr. Ward made the motion to accept the Mobilitie Agreement. Motion seconded by Mrs. Edwards. Motion carried.

C.) APPROVAL TO PURCHASE REPLACEMENT TRUCKS FOR DIVISION OF WATER MANAGEMENT:

Mr. Chance requested the Board table Item 6-C, which would authorize the purchase of two new trucks for the Division of Water Management. Due to the fact, that 2018's are no on longer available, we will confine our consideration for new pickups to the 2019 model year. Mr. Chance stated completed quotes for 2019 trucks should be available for consideration at the next meeting. Ms. Costin inquired if bids can be negotiated after submittal. Attorney Dustin Kern noted that there are exceptions under the law when negotiating prices if bids are under \$50,000. There was a discussion and Attorney Dustin Kern will look into the matter and have the determination at the next meeting.

Ms. Costin made a motion to table item 6-C until new quotes are received for 2019 trucks in order to make a determination. Mrs. Edwards seconded the motion. Motion carried.

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

8.) **CITY ATTORNEY'S UPDATE:** None

9.) MANAGER'S REPORT:

AMI UPDATE:

Mr. Chance reported currently 65% or 6,600 of the AMI electric meters have been installed. We have not received the 3-phase electric meters but anticipating delivery in August. At this time, the water meters are 80% complete or 4,900 water meters have been installed. Mr. Chance stated there are 30 customers at Grissom that are proving hard to get ahold of to coordinate installation of the new meters. Utility Metering System (UMS) makes three attempts, after that it falls back to Peru Utilities to get in touch with them. After these methods have been exhausted, we will ask the courts to allow us permission to access our meters. So far, we have enjoyed a good response and cooperation from most of our customers, however; the problem with the 30 homes at Grissom is to be anticipated.

DENNY ORPURT – RETIREMENT:

Mr. Chance announced that Denny Orpurt, Certified Journeyman Lineman will be honored for his 30 years of contributions in a farewell reception to be held in the Team Teaching Room at 2:00 – 3:00 p.m. on Friday, July 27. He invited the Board to extend their good wishes.

LINE DEPARTMENT VACANCIES:

Mr. Chance reported that there are several vacancies in the Line Department. We currently have six Certified Journeyman Linemen (one which will soon be absent on sick leave) and two Apprentice Linemen. One of the apprentice linemen is six months from becoming a Certified Journeyman. July 30 is the last day we will accept applications. Mr. Chance stated that we would proceed with the hiring procedure as quickly as we can to get the best candidates. Ms. Costin wondered if the wages for the Linemen positions could be increased at this time. There was a discussion with regard to linemen retention, and Mr. Chance stated that wages and benefits would remain the same until the current contract expires at the end of 2019, then staff will research wages and benefits comparable to ours for the next contract negotiation. He informed the Board that he would do everything he could to ensure that linemen receive a fair wage and benefit package.

SMITHFIELD FOODS TRANSFORMERS:

Mr. Chance reported that two new 3750 KVA transformers are now on-site at Smithfield Foods. They were offloaded by crane and are stored near their permanent place. We are awaiting Smithfield to take a full outage on Saturday, July 28, 2018, so that we may install the new transformers. One of the existing transformers will be left on-site and the other used transformer will be brought back to our transformer yard so that we have a backup transformer in case of a service outage issue.

COMPANY PICNIC:

Company picnic – Millcreek Lake, Saturday, August 11, 2018, 11:00 am – 3:00 pm

WATER PLANT REHAB – ADDITIONAL PANEL REINFORCEMENT RECOMMENDATION:

Mr. Chance referenced pictures to the Board of the precast concrete panel reinforcement in the ceiling of the water plant. It was noted, that 35 panels were initially identified in the project for repair. He explained that once Atlas started work to clean and repair the panels, there were 31 additional panels found to be in need of repair for a total cost of \$1,200/ea., which is an additional cost of \$37,000.00. Mr. Chance explained that this would not be a direct change order, because existing unit price pay items that increase/decrease in quantity from the bid quantity will be adjusted with a final change order at the end of the project. Mrs. Edwards had some questions with regard to the diagnosis and the procedure for the repairs. Mr. Beisiegel and Attorney Dustin Kern expressed a high degree of confidence with Atlas the subcontractor and their ability to remedy this problem. The structural engineer will be here tomorrow to assess some additional items. Mr. Beisiegel stated that Atlas is not charging us for unnecessary work; they have been good about legitimate things that need to be done.

IMPROVEMENTS FOR AFTER HOUR CALLS FOR OUTAGES/ELECTRIC & WATER EMERGENCIES:

Mr. Chance will address new procedures at the next meeting.

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.

Geoff Ward, Secretary Peru Utilities Service Board