

**PERU UTILITIES
MINUTES OF THE PERU UTILITIES SERVICE BOARD MEETING OF
SEPTEMBER 19, 2018**

The Peru Utilities Service Board held a meeting at the Peru office at 335 East Canal Street, Peru, Indiana, on Wednesday, September 19, 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, B. Zartman, J. Beisiegel, J. Clark and J. Languell-City Council Liaison.

1.) APPROVAL OF BOARD MINUTES OF SEPTEMBER 19, 2018:

Mr. Burnell moved to accept the minutes of the September 19, 2018 Board meeting. Mrs. Edwards seconded the motion. Motion carried.

2.) PAYMENT OF CLAIMS:

A motion was made by Ms. Costin, seconded by Mr. Ward to approve the claims for payment as presented. Motion carried.

3.) NEXT REGULAR MEETING:

The next regular meeting will be held Wednesday, October 17, 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 #35, #36, #37, AND OCRA CLAIM VOUCHER FOR THE PERU WATER UPGRADES:

The Board considered the following disbursement requests #35, #36, #37, and OCRA Claim Voucher for the Peru Water Upgrades.

Disbursement #35, Deichman Excavating, the primary contractor, for \$389,002.00 for the Peru Water Upgrades.

Disbursement #36, NV Grant Services, a subcontractor for Cornerstone Grants Management, for \$750.00 for the Peru Water Upgrades.

Disbursement #37, Wessler Engineering, for professional services, for \$20,991.00.

OCRA Claim Voucher, for \$305,538.97 for the Peru Water Upgrades.

Mrs. Edwards made a motion to approve disbursement requests #35, #36, #37, and the OCRA Claim Voucher for the Peru Water Upgrades. Mr. Ward seconded the motion. Motion carried.

Fund balance remaining for the SRF is \$4,353,009.00 and remaining balance for the OCRA Grant is \$141,791.31.

Ms. Costin inquired about the concrete area adjacent to the water filtration building on the west side. Mr. Beisiegel explained that when the project is complete a local painter or our summer help would paint the concrete; we would rather not use expensive union labor or the upcharge that the current contractor would charge. At the top of the water filtration building, there are two round areas which we plan to have the Peru Utilities logo installed, which was not part of the original project.

7.) CITY ADMINISTRATION UPDATE:

Mrs. Languell reported that the City Council passed the 4th Quarter 2018 Electric Rates – Tracker Adjustment.

8.) CITY ATTORNEY’S UPDATE: None

9.) MANAGER’S REPORT:

ELECTRO-NITE:

Electro-Nite will be expanding their building to add additional warehouse space with the possibility of future manufacturing, it is planned to be finalized by the first quarter of 2020. They are currently occupying a portion of the Progress Rail building and will be moving everything from the West 7th Street building to the new location, the old Berko building. We will need to double the service size for Progress Rail as soon as possible giving them another 3,000 amps of service. We plan to investigate purchasing a rebuilt transformer in order to be able to get Progress Rail the additional amperage quicker.

COMPANY LAWN MOWER:

Mr. Chance said the company owns a zero turn 60” Toro lawnmower that we have not been using for the past several years because it is no longer cost effective to have our employees mowing. We will do some research to find out its current value in order to establish a minimum bid to offer the mower for sale internally. It will be on the October 3 Board meeting agenda for consideration.

BUDGET MEETINGS:

Mr. Chance has been meeting with each superintendent individually in order to calculate each department’s budget requirements working in tandem with their Strategic Planning goals.

AMI AVAILABLE BALANCES:

Electric has an available balance of \$178,489, the original loan amount was \$1.9 million, Peru Water has an available balance of \$39,038, the original loan was \$1.8 million, and Grissom Water has an available balance of \$17,352, the original loan was \$500,000. Mr. Chance reported that 5,835 water meters (96%) and 9,072 electric meters (92%) have been installed. Mr. Chance stated that it is felt that the UMS phase of the meter installation is nearing completion; however, we still have 500-600 water meters in the system that have valve problems which will require our attention and probably be fixed sometime within the next year. Although we have some bugs to work out with this project, we feel that we are coming in financially about where we want. We knew the water would be more expensive; however, Mr. Zartman has done a good job keeping a read on the financials. Mr. Chance stated that Mr. Beisiegel and Mr. Kline have done a good job keeping up with their phase of the project and that Todd Eckelbarger had come up with a method to help homeowners so they did not have to replace their meter bases. Mr. Chance stated that in Mexico, Indiana, capacitors were repaired or new ones installed to eliminate brown outs. Mr. Akers wondered if we held UMS responsible for their installation errors, Mr. Chance stated yes. Mr. Beisiegel and Mr. Kline had met with UMS and explained the proper techniques for working with aged equipment. It was noted that the 3-Phase electric meter installation should go quickly.

DETRASH THE WABASH:

Riverbank Clean Up – Saturday, September 22, 9:00 a.m. – 12:00 p.m. Meet at Peru Wastewater Treatment Plant.

POWER PLANT:

The Power Plant demolition is winding up and there is now grass starting on the empty lot. The final bill of \$2,690,731.19 will be paid minus \$10,000.00 in retainage, pending the correct establishment of the green space. We also received a \$5,000.00 credit because National Salvage scrapped the transformers. We are 10% below the initially approved amount of \$3,000,000.00. In addition, we saved a substantial amount of money by completing the paperwork ourselves. We spent \$11,731.00 prior to demolition on labor to dig out the front and to perform disconnecting work for guardrails. Mr. Chance said Mr. France had done a good job of managing that project. We also spent \$46,000.00 for the Lead Base Paint Study, the Metal Study, the Contamination Study, and for the Environmental Resource Management (ERM) consulting fee for permitting, the total cost for the Power Plant demolition is \$2,736,928.07.

10.) ADJOURNMENT:

September 19, 2018 – Cont’d.

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

Geoff Ward, Secretary Peru Utilities Service Board