

**PERU UTILITIES
MINUTES OF THE PERU UTILITIES SERVICE BOARD MEETING OF
OCTOBER 3, 2018**

The Peru Utilities Service Board held a meeting at the Peru office at 335 East Canal Street, Peru, Indiana, on Wednesday, October 3, 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, and M. Burnell. Absent: J. Edwards. Others present Attorney Dustin Kern, J. Chance, B. Tillett, J. Clark, B. Zartman, J. Beisiegel, and B. Hall.

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

Mr. Ward moved to accept the Board minutes of September 19, 2018, meeting as mailed. Ms. Costin seconded the motion. Motion carried.

2.) PAYMENT OF CLAIMS:

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

3.) NEXT REGULAR MEETING:

The next regular meeting will be held on 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 TO RECEIVE IN-HOUSE BIDS FOR USED LAWN MOWER:

Mr. Chance stated that we have a mower that we no longer use, and want to auction off to our employees. The mower is a 2013 commercial Toro 60" 5,000 Z Master Toro with 1100 hours, the original purchase price was \$8,479, it retailed for \$12,000 but our purchase price was \$8,479 because we received a government discount. Mr. Chance had consulted with Plevna Implement Company and McGavic Outdoor Power to establish the value of the mower, it was determined that the minimum starting bid will be \$3,000. Prior to any action being taken Mr. Chance is asking for the Board's approval to bid out the lawn mower internally to employees.

Ms. Costin made a motion to give the approval to advertise in-house for bids for the used lawn mower. Mr. Ward seconded the motion. Motion carried.

7.) CITY ADMINISTRATION UPDATE: None

8.) CITY ATTORNEY'S UPDATE: None

9.) MANAGER’S REPORT:

AMI UPDATE:

9,000 electric meters have been installed, 99% of total electric meters, 5,800 water meters have been installed 99.7% of total water meters. The AMI system is working as planned. UMS’s will be leaving in the next couple of days; however, they will have one or two employees around for backup for the next month in case we need them. We are still awaiting the arrival of the remaining 3-phase electric meters. Mr. Chance stated that the new system had identified outages even before the customer was aware. We anticipate we will be able to diagnose/detect outages in a much more efficient manner. He said that contractors would now have to follow our guidelines when it is necessary to pull a meter. Ms. Costin inquired about a tamper policy. Mr. Chance said that there is a water tamper fee in place, but not for electric. We do not have a tampering fee in place for electric due to the Customer Service Agreement, which allows us to charge for damages to our equipment, plus labor. He noted that the electric would be a rate structure change, requiring Board and City Council approval. We will look into the matter with the next Electric Rate Study.

IMPA/MCEDA JOINT VENTURE SOLAR FIELD:

Mr. Chance said that IMPA has finished a tentative agreement with MCEDA for the lease of property for a 5 ½ MW solar park that will connect to our electric system. It will be similar to the three MW solar energy park located at the water well field at the end of Jackson Street. It will be located on land adjacent to the Prison on the west side, Mr. Chance referenced a map noting where it would connect to our 3-phase. IMPA will be paying all costs attendant to this project. Mr. Chance will meet with the 434th Air Refueling Wing to discuss acquiring permits with the FAA to make sure the solar field plans comply with the FAA requirements. Mr. Burnell inquired if it would be a benefit to Peru Utilities and if there would be any changes in the electric rate. Mr. Chance stated it is good optics for both Peru Utilities and IMPA and will improve IMPA’s generation portfolio with regard to renewables. He stated that solar costs have decreased and there would be no changes in the electric rate. Mr. Chance reported that at last week’s IMPA meeting, they discussed the budget for next year; we anticipate that our IMPA wholesale rate will decrease in 2019.

PUBLIC POWER WEEK:

Mr. Chance said that Peru Utilities would be celebrating Public Power Week on Monday, October 8, 9:30 a.m. – 2:30 p.m. at the Business Office. He referenced a Proclamation from the Governor regarding Public Power week. A tent will be setup for the linemen and staff to greet customers. We will serve cookies, donuts, apple cider and coffee along with distributing handouts. The information has been posted to Facebook and will be advertised in the Peru Tribune. Next spring we plan to celebrate Water Week. We would like to use events like these to inform and educate the public what a municipal utility is and its value.

CSO LONG-TERM CONTROL PLAN (LTCP) AMENDMENT:

Mr. Chance said the Board will be receiving a copy of the CSO Long-Term Plan Control Amendment in their October 17 Board packet to review. He reminded the Board that the preliminary CSO sewer separation structural project is included in the amended LTCP. Presently there are four options, which carry quite a large expense. We hope that with the passage of time the industry will come up with improved procedures that will help to mitigate the costs. Mr. Burnell inquired if Peru Utilities will be subject to a fine if we are not in compliance. Mr. Beisiegel said that the fine would be \$25,000 per day. The goal of the project is not to have any overflows to the river. Lochmueller Group had put together this amendment.

10.) ADJOURNMENT:

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