

**PERU UTILITIES
MINUTES OF THE PERU UTILITIES SERVICE BOARD MEETING OF
NOVEMBER 7, 2018**

The Peru Utilities Service Board held a meeting at the Peru office at 335 East Canal Street, Peru, Indiana, on Wednesday, November 7, 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 Honorable Mayor Gabriel Greer, Attorney Dustin Kern, J. Chance, B. Tillett, M. Svantner, C. Ewer, J. Beisiegel, S. Hines, D. Van Baalen, L. France, J. Clark, B. Hall, (M. Gangstad, Kyle Myers, T. Trinkle, J. DeWitt and W. Pierle – Lochmueller Group).

1.) APPROVAL OF BOARD MINUTES OF OCTOBER 17, 2018:

Mr. Ward moved to accept the Board minutes of October 17, 2018, meeting as mailed. Mr. Burnell seconded the motion. Mrs. Edwards abstained because she was not present at the previous meeting. Four in favor, one abstained. Motion carried.

2.) PAYMENT OF CLAIMS:

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

3.) NEXT REGULAR MEETING:

The next regular meeting will be held on Wednesday, November 21, 2018, at 4:00 p.m. in the Utility Service Boardroom.

4.) PUBLIC COMMENT: None

5.) OLD BUSINESS: None

6.) NEW BUSINESS:

**A.) PRESENTATION OF THE LONG-TERM CONTROL PLAN AMENDMENT BY
LOCHMUELLER GROUP:**

The following staff of Lockmueller presented a Long Term Control Plan Amendment to the Board that they had prepared: Mike Gangstad-Senior Project Manager, Kyle Myers-Manager of Designers and Technicians, Jeff Dewitt-Manager of Water Resources, Todd Trinkle-Regulatory Specialist and Whitney Pierle-Client Service Manager/Project Coordinator.

Lochmueller Group made their presentation of the five Alternative Plans and Cost Estimates as follows:

Alternative 1 – No Action

- No Initial Capital Cost - \$0.00
- CSO Frequency In Violation of the Clean Water Act
- Fines

Alternative 2 – Total Sewer Separation

- Total Cost (Construction, Design, Project Rep., & Fees) - \$103,090,000

Alternative 3 – Interceptor, Wet Weather P.S. with Wet Weather Storage & Dewatering at WWTP

- Total Cost (Construction, Design, Project Rep., & Fees) - \$81,052,000

Alternative 4 – Wet Weather P.S., and Wet Weather Storage along 2nd St. & at WWTP

- Total Cost (Construction, Design, Project Rep., & Fees) - \$63,825,000

Alternative 5 – Storage of 10-Year/1Hour along 2nd St. with Dewatering P.S.

- Total Cost (Construction, Design, Project Rep., & Fees) - \$44,917,000

Of the five Alternative Plans listed, Alternative 5 is Lochmueller’s recommendation.

- Wet Weather Storage Along 2nd Street (8MG)
- Dewatering Pump Station at the Cass Ave. Pump
- Maximizes Existing WWTP
- Total Estimated Cost - \$44,917,000

Given that we have until 2021 to get into the engineering phase of this project, Mr. Chance said we would like to keep our options open to find a more economical solution to this problem. Lochmueller has said that they are also open to exploring every option we can think of. This information has been submitted to IDEM and they have reviewed our plan with very, minor comments. November 30, 2018, is the date that the City of Peru has to respond to IDEM’s comments and questions regarding the LTCP Amendment. For the next four years, we can continue to look at additional cost reduction measures including different land or technologies up to 2022, when the final engineering process will begin. Mr. Chance said that Mr. Burnell had shared research regarding Smart Sewer Systems such as what South Bend had. He asked what Lochmueller’s opinion with that was. Mr. Dewitt noted that EmNet in South Bend, Indiana, specializes with Smart Sewer Systems. He said you typically see a big benefit when your existing sewer system is a very large diameter and there is room to store water. He said it is worth investigating. Lochmueller felt that Peru does not have a large diameter collection system and that it would not be worthwhile to spend a lot of money on consulting services given that we have a smaller diameter system. Lochmueller will provide us with a complimentary analysis to see if it is possible that we have enough volume. Lochmueller reviewed the time line and implementation schedule. There was a lengthy discussion and Board members made various other suggestions and comments.

Full copies of the Long Term Control Plan Amendment are available to interested parties at the Peru Utilities Business Office.

B.) APPROVAL OF PICK UP TRUCK PURCHASE:

We received five bids for for the replacement of Safety Director’s current 2002 Chevy Trail Blazer with 125,000 miles. It was felt that a more appropriate vehicle for the Safety Director needs to be a pickup truck. The lowest bid was from Paul Richard Chevrolet at \$32,505. Grissom Chrysler bid \$40,702. Bob Schwartz Ford bid \$35,229. O’Daniel Chrysler (Ft. Wayne) bid \$33,999 and Bob Thomas Ford (Ft. Wayne) bid \$33,156. Mr. Chance recommended the Board accept the bid from Paul Richard Chevrolet for \$32,505. The truck will be a 2019 ½ ton 4x4 Crew Cab Pickup equipped for Safety Department functions. The trade in-value of the Trail Blazer is \$1,000-\$1,500. Mr. Chance requested Board approval to purchase the new vehicle out right and to dispose of the Trail Blazer through the Utilities’ internal bid process.

Mr. Burnell made a motion to approve the quote to replace the Safety Manager’s vehicle from Paul Richard Chevrolet for \$32,505 and to bid the Trail Blazer internally for a minimum bid of \$1,000. Mr. Ward the seconded the motion. Motion unanimously carried.

C.) APPROVAL OF INTER-LOCAL COOPERATION AGREEMENT WITH MIAMI COUNTY:

Mr. Chance presented to the Board the revised Inter-Local Cooperation Agreement with regard to our fiber connections, which supply the internet connections to the Miami County Courthouse and Annex Building. We will bill Miami County starting January 1, 2019, \$500 monthly, which will be added to their monthly utility bill.

Ms. Costin made the motion to approve the Inter-Local Cooperation Agreement with Miami County for \$500 monthly, to be included in their monthly utility bill. Mrs. Edwards seconded the motion. Motion unanimously carried.

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

8.) **CITY ATTORNEY’S UPDATE:** None

9.) **MANAGER’S REPORT:**

OVERTIME:

Since Mr. Burnell had recently inquired about our overtime, Mr. Chance passed out information demonstrating when you hire additional full time employees to mitigate overtime expenses you really do not save money. He explained that when you hire additional full time employees with benefits the cost is actually higher than paying overtime to existing employees. In addition, it must be remembered that due to safety requirements the Electric Department must send out at least two employees each shift.

AT & T CONTRACT FOR GRISSOM WATER TOWERS:

We are looking into an agreement with AT & T to lease the water towers at Grissom; we currently have an agreement with SBA for our other water towers.

LEAD ACTION LEVEL EXCEEDANCE:

Mr. Chance said that we have received notice from the Indiana Department of Environmental Management (IDEM) that we have failed our Lead and Copper Test. The Utilities is required to perform 30 homeowner water tests twice a year. It is the homeowner’s responsibility to collect the water for the test themselves because of liability issues. We provide the homeowners with a protocol to follow concerning the proper way of making the water collection; however, we feel many homeowners fail to follow the correct protocol. Many times the problem can be traced back to the homeowner’s plumbing. Mrs. Edwards inquired how the locations for the samples were chosen. Mr. Beisiegel stated that mostly we reach out to anyone that has asked to be on our testing list, we also ask customers that we know in the community and choose locations that are believed to have lead. Mr. Beisiegel said in the past we were allowed to retest, but due to the problems in Flint, Michigan, now we are not. Next year we are required to sample 60 services because of the exceedance. Our employees will assist the homeowner with a much more stringent protocol with regard to the collection of the samples next go around and we will attempt to find out the condition of the homeowner’s plumbing. Mr. Beisiegel stated that Peru Utilities is going to take the initiative and add water corrosion protection at the water filtration plant. The cost estimate for this treatment is \$35,000 - \$40,000. Mr. Chance said the treatment would follow the protocols set by the State. For customers that did not pass the lead and copper test, we will give them the opportunity to conduct the test correctly. Mr. Chance said Customer Service staff would be able to assist homeowners with ways they can eliminate lead within their own home. We will also send a letter to the Office of Water Quality letting them know what our plans are regarding this issue. We test directly out of our wells and pass the information to IDEM. Mr. Chance stated that lead was found in some homes but we are very confident that it is in the homes. Mr. Beisiegel explained that if lead was in our drinking water it would be in every home. Mrs. Edwards inquired as to how the information will reach our customers. Mr. Chance said the staff is working on that, Facebook is limited, but all water customers soon will receive a copy of IDEM’s form letter regarding “Important Information about Lead in Your Drinking Water”, which includes things that homeowners can do to eliminate the problem. Mr. Chance asked that customers be encouraged to call Customer Service.

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