

**PERU UTILITIES  
MINUTES OF THE PERU UTILITIES SERVICE BOARD MEETING OF  
JANUARY 20, 2021**

The Peru Utilities Service Board held a meeting at the Peru office at 335 East Canal Street, Peru, Indiana, and virtually through video conferencing via Zoom, on Wednesday, January 20, 2021. Chairperson Mary Costin called the meeting to order at 4:00 p.m. pursuant to notice as required by law. The following Board member was present Ms. Mary Costin. Mayor Miles Hewitt, City Attorney Dustin Kern, and Board members Mrs. Jami Edwards, Mr. Richard Donoho and Mr. Chris McKinney attended virtually. Board member Mr. Dave Van Baalen was absent. Others present Mr. Josh Chance, Mrs. Brenda Tillett, Ms. Joyce Clark, Ms. Cory Ewer, Mr. Lee France, and Mrs. Patricia Russell-City Council Liaison.

**1.) APPROVE BOARD MINUTES OF JANUARY 6, 2021:**

*Mr. Donoho moved that the minutes of January 6, 2021, be approved. Mrs. Edwards seconded the motion. The vote was unanimous, the motion passed.*

**2.) PAYMENT OF CLAIMS:**

*Mr. Donoho moved to approve the claims as presented. Mrs. Edwards seconded the motion. The vote was unanimous, the motion passed.*

**3.) NEXT REGULAR MEETING:**

The next regular meeting will be held on-site Wednesday, February 3, 2021, at 4:00 p.m. in the Team Teaching Room and virtually through Zoom video conferencing. The link to join the meeting will be advertised in the Peru Tribune before the meeting date.

**4.) PUBLIC COMMENT: None**

**5.) OLD BUSINESS: None**

**6.) NEW BUSINESS:**

**A.) APPROVE SRF DISBURSEMENT REQUESTS #27 & #28 FOR THE GRISSOM WATER SYSTEM IMPROVEMENTS:**

The Board considered the following disbursement requests #27 and #28 for the Grissom Water System Improvements.

Disbursement Request #27, Thieneman Construction, for contract construction work for the period of 12/01/20 – 12/31/20, for \$360,039.00, less retainage of \$36,004.00 for the total amount of \$324,035.00.

*Mrs. Edwards made a motion to approve Disbursement Request #27 to Thieneman Construction, for contract construction work for the period of 12/1/20 – 12/31/20, for the amount of \$360,039.00, less retainage of \$36,004.00 for the total amount of \$324,035.00 for the Grissom Water System Improvements. Mr. McKinney seconded the motion. The vote was unanimous, the motion passed.*

Disbursement #28, NV Grant Services, for professional services rendered for Labor Standards for \$900.00.

*Mr. Donoho moved to approve Disbursement Request #28 to NV Grant Services for \$900.00, for the Grissom Water System Improvements. Mr. McKinney seconded the motion. The vote was unanimous, the motion passed.*

**B.) APPROVE CHANGE ORDER NO. 3 TO THIENEMAN CONSTRUCTION FOR THE GRISSOM WATER SYSTEM IMPROVEMENTS PROJECT:**

Thieneman Construction is the general contractor for the Grissom Water System Improvements Project. Mr. Chance reported that Change Order No. 3 is for various additions, and modifications to the project scope/control panel modifications, lighting replacement, concrete rehabilitation addition, additional coatings, prep, and misc. roof modifications. This Change Order will be an increase of \$41,273.05. This increases the original contract price from \$3,542,000.00 to \$3,544,322.34.

*Mrs. Edwards made a motion to approve Change Order No. 3 to Thieneman Construction for an increase of \$41,273.05. This increases the original contract price from \$3,542,000.00 to \$3,544,322.34. Mr. Donoho seconded the motion. The vote was unanimous, the motion passed.*

**C.) REPLACEMENT OF LINE DEPARTMENT UNDERGROUND PICKUP TRUCK:**

Mr. Chance reviewed Mike Biensenbach’s memo in regards to replacing the current Line Department underground pickup truck explaining that the electric crews use the truck to carry equipment, wire, and tools to job sites for underground wire maintenance and installation. Mr. Chance said that \$45,000.00 has been budgeted to replace the current 2012 Ford, which has some mechanical issues that will be addressed, and then the truck will be moved over to Technical Services Dept. to replace an existing truck, which will be internally bid. Specifications were mailed to O’Daniel Motor Sales, Grissom Chrysler, O’Daniel Ford, and Paul-Richard for quotes. The following quotes were obtained.

<b>O’Daniel Motor Sales</b>	2021 Ram 2500 – Delivery Time up to 8 Months, Quote <b>Did Not Meet Specifications</b>	<b>\$29,317.25</b>
<b>Grissom Chrysler</b>	2021 Ram 2500 Classic Delivery Time up to 8 Months <b>Quote Meets Specifications</b>	<b>\$30,396.00</b>
<b>O’Daniel Ford</b>	2020 Ford F250 – On the Lot Immediate Delivery <b>Quote Meets Specifications</b>	<b>\$31,911.45</b>

<b>Paul Richard GM</b>	2021 Chevrolet 2500HD Delivery Time up to 8 Months <b>Quote Meets Specifications</b>	<b>\$32,170.00</b>
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It is Mr. Biensenbach’s recommendation to accept the low bid from O’Daniel Ford, for the amount of \$31,911.45 for a 2020 Ford F250 pickup.

*Mr. Donoho made a motion to accept the bid of \$31,911.45 from O’Daniel Ford for a 2020 Ford F250 pickup, and to use the current 2012 Ford pickup truck to replace the aging Technical Services vehicle, and to bid the Technical Service vehicle as-is internally. Mrs. Edwards seconded the motion, the vote was unanimous, the motion passed.*

**D.) CONSIDER REPLACEMENT OF ONE TRUCK FOR THE DIVISION OF WATER MANAGEMENT:**

Mr. Chance reviewed Mr. Beisiegel’s memo in regards to replacing Truck #355, which is a 2005 Ford F-150 pickup truck with a 5.4-liter gasoline engine and 106,620 miles. Seven quotes were received from the following dealers:

Paul Richard GM	2500HD	Crew Cab	\$37,086
Grissom Chrysler	Ram 2500	Crew Cab	\$33,061
Peru Ford	F250	Super Crew	\$46,414
Hare Chevrolet, Indianapolis	2500HD	Crew Cab	\$36,632
Kelly Chevrolet, Fort Wayne	2500HD	Crew Cab	\$33,503
O’Daniel Ford, Fort Wayne	F250	Crew Cab	No Bid
Kelly Chrysler, Fort Wayne	Ram 2500	Crew Cab	\$33,834

Mr. Chance stated that it is Mr. Beisiegel’s recommendation to accept the bid from Kelly Chevrolet of Fort Wayne for \$33,503. It is not the lowest bid but the option of having a 110-volt outlet in the bed and the new 6.6-liter V8 engine offsets the \$442 price difference due to our needs in the field. The truck is not in stock and it could be up to 8 months for delivery. Mr. Chance asked for permission to dispose of the 2005 Ford internally when the new pickup is received.

*Mr. Donoho made a motion to accept the bid of \$33,503, from Kelly Chevrolet, Fort Wayne, for a 2021 Chevrolet 2500HD Crew Cab Pickup and to bid internally the existing vehicle through closed bids when the new truck is received. Mrs. Edwards seconded the motion. The vote was unanimous, the motion passed.*

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

8.) **CITY ATTORNEY'S UPDATE:**

Attorney Dustin Kern stated he received easement information for the development of the former CSX property near the new YMCA from Mike Walsh. He is reading this information and working with Mike Walsh to review recommendations and changes we may or may not need.

9.) **MANAGER'S REPORT:**

**POSSIBLE NEW DEVELOPMENT ON NORTH BROADWAY:**

Mr. Chance reported that there has been a party interested in developing the property located at the southwest corner of Mexico Road and US 24.

**PERU UTILITY RETURN ON INVESTMENT (ROI) & PAYMENT IN LIEU OF TAXES (PILT):**

Mr. Chance said that Peru Utilities pays a sum to the City of Peru through Return on Investment (ROI) and Payment in Lieu of Taxes (PILT), which constitutes 5.7% of the City's total budget of \$14,252,339.00. The 5.7% of the City's budget represents payment to the City by Peru Utility ratepayers of 9.6% of the total Electric Revenue and 9.1% of the total Peru Water Revenue. Mr. Chance said he would be available to discuss it at the next City Council meeting.

**AGING REPORT UPDATE:**

Mr. Chance referenced the current Aging Report; there are nine active 6-Month Payment Plans that have been paid for a total of \$161.00. Remaining customers on the 6-Month Payment Plan has either left town, their utilities have been shut off, or they have paid their arrearage in full. We have thirty-three active 3-Month Payment Plans for a total of \$9,149.19. Mr. Chance stated that the upcoming 4<sup>th</sup> Quarter Bad Debt Write-Offs probably will be large. Mrs. Edwards inquired if a third party could pay a customers' bill if they are not able to make their payment for some reason. Mr. Chance explained that it would be fine but all customer's information is confidential; he explained the process in detail, noting that a customer can add a contact person's name to their account. It was also noted, that if a customer has a bad debt pending when they return to sign up for a new service, the bad debt has to be paid in full; we do not send bad debts to collection agencies because it costs us more money than we recover.

**2020 FINANCIAL SUMMARIES FOR ALL DIVISIONS:**

Mr. Chance summarized all Peru Utility division's gross revenues, net margins, operating expenses, and fund balances to the Board members; he also noted that Peru Utility chose to postpone some projects and expenses across all divisions as part of COVID planning until it was felt that the economy was more stable.

**IDEM INSPECTION – GRISSOM WASTEWATER:**

The recent Grissom Wastewater Treatment Plant IDEM inspection was overall satisfactory; the Wastewater Plant was good, lab, and documentation on the system maintenance was good.

**GRISSOM WATER SYSTEM IMPROVEMENTS PROJECT UPDATE:**

Mr. Chance introduce long time Peru Utility employee Ms. Cory Ewer to the Board. Ms. Ewer is fulfilling the duties performed by the late Mr. Randy Kline. Mr. Chance noted her qualifications, plus the added fact that she is one of the few female WW Assistant Superintendents in the state. Ms. Ewer went on to show pictures to the Board of the work currently going on at the Grissom Water Plant: the old control panel that operates the water plant and manages the filters has been replaced with a more efficient one that will control the entire plant, along with the service pumps once the new ones are completely installed. They are partially functional at this time. The new control panel has a touch screen monitor and the new computer installed in the water plant will mirror the new monitor. She explained that the rubberized coating has been removed from the filter walls in the water tank and that a layer of anthracite media was installed; the water tank is being chlorinated today. Once chlorinated and it passes the bacteria test the filter will be brought back online. Filter No. 1 will be used a few days before taking Filter No. 2 down to ensure that we do not have any functionality problems. Ms. Ewer explained how the anthracite was pumped from a truck into the filter tank. She referenced a picture of the water plant operator’s office noting that drywall and new windows have been installed. She explained that the electricians are working on the lower level of the water plant building and will be there until closer to the end of the project because much of the ongoing work is electrical. She noted that at one point the water plant was completely shut down and contractors worked through the night to change out the piping that flows through the filters in the downstairs area. Ms. Ewer explained that contractors have been working on the outside of Well 6 noting that a new roof was installed along with a new access panel on the top of the roof in the event pumps need to be extracted; the inside of the structure and doors will also be repainted. She also showed a picture of the outside of Well 7 that is adjacent to AZI.

Mr. Donoho thanked Mrs. Russell – City Council Liaison for her presence at the PUBS meetings.

**10.) ADJOURNMENT:**

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

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Jami Edwards, Secretary Peru Utilities Service Board