

**PERU UTILITIES
MINUTES OF THE PERU UTILITIES SERVICE BOARD MEETING OF
MAY 19, 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 Teams Meeting, on Wednesday, May 19, 2021. Chairperson Mary Costin called the meeting to order at 4:00 p.m. pursuant to notice as required by law. The following Board members were present Chairperson Mary Costin, and Mr. Richard Donoho. Absent D. Van Baalen. Mrs. Jami Edwards and Mr. Chris McKinney attended virtually. Others present Attorney Dustin Kern, Mr. Josh Chance, Mrs. Brenda Tillett, Mrs. Alice Hartley, Mr. Michael Biesenbach, Mr. Jamin Beisiegel, Mayor Miles Hewitt and Mrs. Patricia Russell-City Council Liaison.

1.) APPROVE BOARD MINUTES OF MAY 5, 2021:

Mr. Donoho moved that the minutes of April 5, 2021, be approved. Mr. McKinney seconded the motion. The vote was unanimous, 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, June 2, 2021, at 4:00 p.m. in the Team Teaching Room and virtually through Teams Meeting 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 #38 AND #39 FOR THE GRISSOM WATER SYSTEM IMPROVEMENTS:

The Board considered the following disbursement requests #38 and #39 for the Grissom Water System Improvements.

Disbursement #38, NV Grant Services, for professional services rendered for Labor Standards for \$900.

Disbursement Request #39, Thieneman Construction, for contract construction work for the period of 4/1/21 – 4/30/21, for the total amount of \$217,016.

Mrs. Edwards made a motion to approve Disbursement Request #38 to NV Grant Services for the sum of \$900, and to approve Disbursement Request #39 to Thieneman Construction, for contract construction work for the period of 4/1/2021 – 4/30/21, for

the sum of \$217,016 for the Grissom Water System Improvements. Mr. McKinney seconded the motion. The vote was unanimous, the motion passed.

B.) APPROVE CHANGE ORDER NO. 4 TO THIENEMAN CONSTRUCTION FOR THE GRISSOM WATER SYSTEM IMPROVEMENTS:

Thieneman Construction is the general contractor for the Grissom Water System Improvements Project. Mr. Chance reported that Change Order No. 4 is for various additions, and modifications to the project scope/control panel modifications, miscellaneous electrical and demolition scope modifications, HVAC modifications, and filter underdrain rehab scope modifications. This Change Order will be an increase of \$21,785.10. This increases the original contract price from \$3,566,107.44.

Mr. Donoho made a motion to approve Change Order No. 4 to Thieneman Construction for an increase of \$21,785.10. This increases the original contract price from \$3,542,000.00 to \$3,566,107.44. Mrs. Edwards seconded the motion. The vote was unanimous, the motion passed.

C.) APPROVE 3RD QUARTER 2021 ELECTRIC RATES – TRACKER ADJUSTMENT:

Mr. Chance stated that the 3rd Quarter Tracker had decreased. He asked for acceptance of the 3rd Quarter 2021 Electric Rates-Tracker Adjustment.

Rate Class	July 2021 Adj. Rate per kWh	Increase or (Decrease) Per kWh
Residential Service (RS-1)	0.032793	(0.002670)
General Service (GSA-1)	0.029850	(0.001802)
Power Service (PS)	0.034271	0.002228
Security Lighting Service (SL-1)	0.009545	(0.000016)
Municipal Street Lighting Service (MSL-1)	0.009654	0.000231
Traffic Signal Service (TL)	0.008610	0.000441

The above factors represent an average decrease in its schedule of rates for electricity sold in the amount of - \$0.000167 cents per kilowatt-hour (kWh). Residential customers will experience a decrease of \$2.67 per 1,000 kilowatts. Commercial customers will experience a decrease of \$1.80 per 1,000 kilowatts.

A motion was made by Mrs. Edwards to accept the 3rd Quarter 2021 Electric Rates – Tracker Adjustment. Mr. Donoho seconded the motion. The vote was unanimous, the motion passed.

D.) APPROVE CHANGE ORDER NO. 1 TO DEICHMAN EXCAVATING FOR THE CASS STREET BOTTLENECK REMOVAL:

Mr. Chance stated that Deichman Excavating is the general contractor for the Cass Street Bottleneck Removal Project. He shared with the Board an aerial map of where the change was being made and stated that Change Order No. 1 is a decrease of \$16,208.333. Mr. Beisiegel explained the reasoning behind Change Order No. 1, which

will deviate from the engineer's original plan, which would have involved a gas line. This decreases the original contract price from \$407,939.00 to \$391,730.67.

Mr. Donoho made a motion to approve Change Order No. 1 to Deichman Excavating Co. Inc. for a decrease of \$16,208.33. This increases the original contract price from \$407,939.00 to \$391,730.67. Mrs. Edwards seconded the motion. The vote was unanimous, the motion passed.

7.) CITY ADMINISTRATION UPDATE:

Mayor Miles Hewitt announced that the walkway extension connecting West City Park to the Nickle Plate trail is complete. On May 31, the city will be hosting a Memorial Day commemorative on the County Courthouse lawn. Mrs. Marion Fritz a Peru citizen celebrated her 100th birthday today. The Mayor had presented her with a birthday card with the city seal and a bouquet. This Saturday there is a party at the Firehouse to celebrate her milestone. The Mayor has arranged for a police car to pick her up and take her to the Firehouse to celebrate her 100th birthday.

8.) CITY ATTORNEY UPDATE:

Attorney Dustin Kern reported that he and Mr. Walsh had created a new Quit Claim Deed for property owned by Mr. Russ Bellar that our booster station occupies. Mr. Bellar will be granting us this property and Attorney Kern will get the deed to Mr. Bellar for his signature.

9.) MANAGER'S REPORT:

PERU UTILITY SERVICE TERRITORY:

Mr. Chance showed the Board a map of Peru Utility's territorial electric limits that extend from Mexico, Indiana, to Miami, Indiana, and into part of Cass County and ends at the Miami and Wabash County lines, which is 97 square miles.

CASS STREET BOTTLENECK PROJECT:

Mr. Chance showed the Board a video of a Deichman employee working on the Cass Street Bottleneck project. That project is moving forward without incident.

WABASH RIVER CROSSING MAIN PROJECT:

The underground boring is finished and Daystar Drilling will be installing the pipe next week. Atlas Excavating will be connecting the poly pipe to the new HDPE pipe to complete the project. Currently, Atlas Excavating is waiting for the delivery of materials, which have been delayed because of the pandemic.

AMERICAN RESCUE PLAN:

Mr. Chance discussed with the Board the allocation of the American Rescue Plan money. He plans to meet with the City in June, his feeling is that Peru Utilities should be eligible for some of the money.

IMPA'S POSSIBLE CONTRACT EXTENSION:

Mr. Chance stated that IMPA is requesting an eight-year contract extension to 2050, with a 30-year notice of termination. We are currently under a Purchase Power Agreement through 2042. Mr. Jack Alvey, Executive Vice President & Chief Operating Officer of Indiana Municipal Power Agency (IMPA) had presented the new IMPA Power Supply Agreement Extension last year to the Board, at that time it was decided to delay voting until the Board had time to further review the information. Mr. Chance stated that IMPA has invited Peru Utility staff and city council members the opportunity to visit the IMPA facility in Indianapolis in June, have dinner at the IMPA campus, ask questions and express their concerns before giving the okay to extend the agreement. Mr. Chance asked that any Board members who wish to attend let him know what date would work for them, June 28 or June 29. He will also be e-mailing the invitation to the Mayor and city council members. The time for the event has not yet been set.

REVIEW OF CURRENT FINANCIALS:

Mr. Chance reviewed the most recent financials for all divisions with the Board and pointed out some areas of concern.

REVISED NET METERING POLICY FOR SMALL GENERATION SERVICE:

Mr. Chance explained that we currently have a Net Metering Tariff for Small Generation Services that gives the customer a credit for any excess power that the customer has generated through their renewable generation. He explained that if a customer's generation facility would generate more electricity than they needed in their home, they would feed that electricity back to Peru Utilities and we would give them a monetary credit that is equal to the kilowatt-hours that we receive from them, times the energy charge on our Wholesale Power Bill. Mr. Chance stated that the current tariff needs to be modified to accommodate the increase in maximum allowable kilowatts because new customers are inquiring about purchasing solar and wind for their personal use. The revised Net Metering Policy will be on the June 2 Agenda for consideration.

CHLORINE PRICES SPIKING:

Mr. Chance mentioned that chlorine costs increased a bit because of the recent shortage. Hopefully, costs will return to normal soon.

On a personal note, Mr. Donoho commended the Line Department crews for a job well done on the recent project replacing his electric poles in his driveway.

10.) ADJOURNMENT:

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

Jami Edwards, Secretary Peru Utilities Service Board