

**PERU UTILITIES  
MINUTES OF THE PERU UTILITIES SERVICE BOARD MEETING OF  
FEBRUARY 10, 2016**

The Peru Utilities Service Board held a meeting at the Peru office at 335 East Canal Street, Peru, Indiana, on February 10, 2016. The meeting was called to order by Mr. Akers 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. Richter and J. Edwards. Others present: R. Merriman, L. Starkey, B. Tillett, J. Languell-City Council Liaison, and D. Herda-Peru Tribune.

**1.) APPROVAL OF BOARD MINUTES OF JANUARY 27, 2016:**

On a motion from Mr. Richter, seconded by Mrs. Edwards, the minutes from the January 27, 2016, were approved. The motion carried unanimously.

**2.) PAYMENT OF CLAIMS:**

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

**3.) WATER MAIN BREAK:**

Mr. Richter commended the Division of Water Management and crews for repairing the water main as quickly as possible. Mr. Richter also thanked the electric department, business office staff and all who assisted. Congratulations were made to the Department of Natural Resources and the Corp. of Engineers for their assistance and also Bowyer Excavating who quickly mobilized their manpower and equipment to correct the problem. In reference to the thank you letters that were mailed last week to the DNR, Indiana U.S. Senate and House members, Ms. Costin inquired if Bower Excavating was also sent a letter of thanks to let them know what an excellent job that they had done. It was noted that Mr. Merriman had profusely thanked them. The Board was in agreement with praise given to all.

**4.) AMEND THE AGENDA:**

Mr. Merriman asked for the Board's permission to amend the agenda and add Item "C", Board consideration for Utility Service Board Resolution 1-2016, which relinquishes easement rights for vacating an east/west alley between Washington and Adams and Gallahan's and Hay Street. Mr. Richter made the motion to amend the agenda and add Item "C", Utility Service Board Resolution 1-2016, A Resolution Relinquishing Certain Easement Rights. The motion was seconded by Mr. Ward and the motion carried.

**5.) NEXT REGULAR MEETING:**

The next regular meeting will be held Wednesday, February 24, 2016, at 4:00 p.m. in the Utility Service Board room.

**6.) OLD BUSINESS: None**

7.) **NEW BUSINESS:**

A.) **APPROVAL OF CASH FARM LEASE FOR 2016:**

Mrs. Tillett had solicited quotes for the 2016 Cash Farm Lease. Three bids were received as follows: Brent Myers for \$203.50 per acre, Ladd Farms, Inc. for \$183.00 per acre and Leedy Farms, Inc. for \$176.00 per acre. It was noted that the bid amount per acre for crop year 2015 was \$243.50. Mr. Merriman noted that the successful high bidder for 2016, for the 2016 Cash Farm Lease was Brent Myers for \$203.50 per acre.

Mr. Ward made the motion to award the 2016 Cash Farm Lease, to the high bidder, Brent Myers for \$203.50 per acre. Mr. Richter seconded the motion and the motion carried.

B.) **APPROVAL OF BID SELECTION FOR COLLECTION SYSTEM MODELING SERVICES:**

Mr. Merriman noted that five proposals were received for the Peru Collection System Modeling. He briefed the Board that it is part of the process that we are going through in order to comply with our Long-Term CSO Control Plan. The following are the respective bid amounts submitted by the five engineering firms:

<b>FIRM</b>	<b>FEES</b>	<b>HOURS OF EFFORT</b>
Clark Dietz	\$169,775.00	1134
CMT	\$275,000.00	1893
Commonwealth	\$175,592.00	1240
Lochmueller	\$69,990.00	566
Strand	\$159,441.08	1182
Strand Option 2	\$108,951.72	825

Merriman said that Mr. Dahlquist, Division of Water Management had reviewed the five bids received for the engineering work and had noted his assessment in his narrative that was included in the Board's packet. Lochmueller is the lowest bidder at \$69,990.00, which is significantly less than the other bids. This was due to the fact that Lochmueller will use our employees to complete the field work. Mr. Merriman asked for the Peru Utility Service Board to grant permission to award the bid to Lochmueller for the amount of \$69,990.00 to perform the engineering services.

Ms. Costin made the motion to recommend the bid be awarded to Lochmueller for the engineering services for Peru’s Collection System Modeling Services for the amount of \$69,990.00. Mr. Richter seconded the motion.

Mr. Merriman noted that Indiana Department of Environmental Management (IDEM) had granted the City of Peru twenty years to comply with the CSO requirements. We are now on year five, leaving fifteen years yet to get into compliance. Mr. Merriman said that the current SRF Bond will be paid off in 2022. He noted that built into the loan rate is \$746,000.00 for debt service coverage. Our strategy was if we could get an extended period of time to comply with the CSO requirement, we could retire the debt and use the revenue collected for projects that will get us in compliance with CSO regulations. Mr. Merriman said that the debt service will be paid off in six years, leaving a nine year period of time to complete the remainder of the work that needs completed. Mr. Merriman briefed the Board that once the current debt is retired, we can fund the needed projects in order to have them completed in advance of the deadline.

The motion passed unanimously.

**C.) APPROVAL OF RESOLUTION 1-2016:**

Mr. Merriman reviewed a resolution to amend Ordinance 13-2015, that the Peru City Council had passed in order to vacate an east/west alley between Washington and Adams and Gallahan’s and Hay Street. The city ordinance had vested the easement rights back to the utilities. The owner of the new building is concerned that we still have an easement right through the middle of their new building. An official document from the utilities is needed to relinquish those easement rights. Attorney Roberts had written the verbiage for Resolution 1-2016.

Mr. Ward made a motion to accept Resolution 1-2016, Relinquishing Certain Easement Rights. The motion was seconded by Mr. Richter. The motion carried unanimously.

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

Mrs. Languell stated that she had not been able to attend any Board meetings because of her recent back surgery.

**9.) CITY ATTORNEY’S UPDATE:**

Mr. Roberts stated it had been twelve years since he had served on the Peru Utility Service Board and that it was his pleasure to return. He said that from time to time he will have younger attorneys interested in learning governmental law setting in for him during Board meetings as a job shadowing and mentoring program. He noted there are some fine young people that are now getting involved. He recalled how in 1972 Mayor

Moon assisted with the mentorship of Bob Haig, who in his opinion was one of the finest lawyers in governmental service at that time. Attorney Roberts said it was time to pass the baton and introduce the City and Peru Utility Service Board to a candidate competent to perform the duties of a City Attorney. In that regard, he stated that this was his plan and he wanted everyone to have the knowledge of it.

He noted that he currently he spends certain weeks at his Florida home during each month, but should any situation arise that needed immediate attention, he would be available, in person, via phone or computer. He said that with all the modern technology available today distance is no longer a factor. Mr. Akers inquired if Attorney Roberts would be in Florida every other week. Attorney Roberts explained his plans to the Board. Attorney Roberts will for the most part be in his Peru office the first two weeks of each month and then the latter two weeks of each month he will be residing at his Florida home. He stated that he was always available to discuss matters and that his door was always open.

**10.) MANAGER’S REPORT:** None

**11.) ADJOURNMENT:**

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

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Jim Richter, Secretary Peru Utilities Service Board