

**PERU UTILITIES  
MINUTES OF THE PERU UTILITIES SERVICE BOARD MEETING OF  
JUNE 5, 2019**

The Peru Utilities Service Board held a meeting at the Peru office at 335 East Canal Street, Peru, Indiana, on June 5, 2019. The meeting was called to order by Mr. Akers at 4:00 p.m. pursuant to notice as required by law. Board members present S. Akers, M. Costin, D. Van Baalen, M. Burnell and J. Edwards. Others present: Attorney Dustin Kern, J. Chance, B. Tillett, J. Clark, J. Beisiegel, and J. Languell-City Council Liaison.

**1.) BOARD MINUTES OF MAY 15, 2019:**

*The minutes of the May 15, 2019 meeting were approved upon the motion of Mr. Burnell and seconded by Mr. Van Baalen. Motion unanimously carried.*

**2.) PAYMENT OF CLAIMS:**

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

**3.) NEXT REGULAR MEETING:**

The next regular meeting will be held on Wednesday, June 19, 2019, at 4:00 p.m. in the Utility Service Board room.

**4.) PUBLIC COMMENT: None**

**5.) OLD BUSINESS: None**

**6.) NEW BUSINESS:**

**A.) APPROVE DISBURSEMENT #62 FOR THE PERU WATER UPGRADES:**

The Board considered the following disbursement request #62 for the Peru Water Upgrades.

Disbursement #62, Deichman Excavating, the primary contractor, for \$213,983.00 for the Peru Water Upgrades.

Mr. Chance stated that there are two upcoming payments for Peru Water upgrades. This will leave us a balance of \$578,000.00 to utilize for the river crossing projects.

*Mrs. Edwards made a motion to approve SRF Disbursement Request #62 for \$213,983.00 for the Peru Water Upgrades. Mr. Burnell seconded the motion. Motion unanimously carried.*

**B.) APPROVE DWM FOREMAN PAY RANGE ADJUSTMENT:**

Mr. Chance stated that with the upcoming retirement of Steve Hines, DWM Foreman, we are proposing to change the position of Foreman from

an hourly position to a salary position with a pay range of \$51,000 - \$64,250. This will bring that position’s wage in line with the Environmental Lab Pretreatment Director and the Storm Water Coordinator. This person will be based out at Grissom but will be intrical to the DWM. The position will be included in the supervisory on-call rotation.

*Ms. Costin made a motion to approve the DWM Foreman pay range adjustment from \$31.36/hr. to \$51,000 - \$64,250 annually. Mr. Burnell seconded the motion. Motion unanimously carried.*

**C.) CONSIDER BID RECOMMENDATION FOR VALVE ASSESSMENT EXERCISING FOR PERU AND GRISSOM:**

Mr. Chance proposed to the Board to hire M. E. Simpson to inspect and exercise the water main valves. There are 718 valves in Peru and 471 at Grissom. America Water Works recommends that this is done on a regular basis. M. E. Simpson performed this program for us in 1997 and 2007. Their staff demonstrates good work and good results.

M. E. Simpson’s valve exercise and assessment program include:

- Find the valves (sometimes they are buried)
- Operate the valves using manual or mechanical means
- Locate the valve using GPS coordinates
- Record all information regarding the valve (depth, location, number of turns to operate, etc.)
- Coordinate with Utility staff regarding problems
- Provide a “Valve Assessment Exercising Report”

The cost for the program is \$69.00 per valve and M. E. Simpson has said that price is good until December 31, 2020. This year it is planned to do Peru and in 2020 do Grissom.

*Mrs. Edwards moved to approve the hiring of M. E. Simpson to perform the valve exercise program for the Peru project for the amount of \$49,542.00. Mr. Burnell seconded the motion. Motion unanimously carried.*

**D.) APPROVE HIRING COMMONWEALTH ENGINEERING TO REVIEW PERU COMBINED SEWER OVERFLOW LONG TERM-CONTROL PLAN:**

Mr. Chance asked the Board to approve hiring Common Wealth Engineering to review Lochmueller’s Long-Term Control Plan (LTCP). Due to the large cost of the LTCP project, Mr. Chance said that it is felt that Peru Utilities should make every attempt to find a more economical way to accomplish our goals. He said that if we can potentially save a substantial amount of money the additional \$50,000 for Commonwealth’s

review would be money well spent. They have a pretty good track record for savings to other communities in the state. Mr. Chance showed a video of tunnels being constructed for Cleveland’s Northeast Ohio Regional Sewer District, which will re-route the overflow wastewater to protect the Cuyahoga River. Mr. Chance noted that this project although on a much larger scale illustrates what will be accomplished with our own LTCP. We have time to get more information and to look for USDA Grants which Miami County Economic Development has offered to help us with. Mr. Chance stated that due to the fact that the LTCP must be implemented by 2025, we should go into this project with as much high-quality information as we possibly can. Also, we are attempting to network with other communities in the same situation.

*Mr. Burnell made the motion to approve hiring Commonwealth Engineering to review the Peru CSO Long-Term Control Plan for the amount of \$49,849.00. Mrs. Edwards seconded the motion. Motion unanimously carried.*

**7.) CITY ADMINISTRATION UPDATE:**

Mrs. Languell reported that no one had attended the June City Council Public Hearing regarding the bond issuance. The City Council also passed the 3<sup>rd</sup> Quarter Electric Rate Tracker unanimously.

**8.) CITY ATTORNEY’S UPDATE:**

Attorney Dustin Kern reported that the State Board of Accounts is currently auditing the City. Neither the City of Peru nor Peru Utilities has been audited in the last four years. In 2018 Mr. Chanced stated that Peru Utilities had contracted with IMPA’s auditing program, Crowe LLP to audit Electric. IMPA then reimbursed Peru Utilities for the audit charges billed by Crowe in excess of the charges that would have been billed by the State Board of Accounts if SBOA had audited Peru Utilities financial statements. Mr. Chance Felt that SBOA will accept the Electric audit determination.

**9.) MANAGER’S REPORT:**

**BUSINESS OFFICE:**

The new glass has been installed in the front business office.

**SYNTHETIC ORGANIC CONTAMINANTS (SOC’s):**

Mr. Chance said that the DWM had tested for Synthetic Organic Contaminants (SOC’s) at Grissom which we have to do twice this year. The first round of testing has come back non-detect. These are man-made compounds used for a variety of industrial and agricultural purposes. This group of contaminants includes pesticides, PCBs, and dioxins.

**LONG-TERM CONTROL PLAN:**

Mr. Chance said that he has been contacted by Craig Williams, Superintendent of Angola wastewater who is affiliated with the Indiana Water Environmental Association (IWEA) which we are a member of. They discussed the criteria involved with regard to the Long-Term Control Plan. Between the Federal Government and the State there are differences in rules. Mr. Chance said that he has not yet heard back from Mr. Williams with more details, but if he can lessen the standards it would help to lower the cost of our LTCP end result.

**PRELIMINARY ENGINEERING REPORT FOR GRISSOM WATER:**

Mr. Chance presented the Board with Wessler’s preliminary opinion of probable construction costs, noting that all probable construction costs are based upon 2019 dollars, and that estimated project costs will likely increase with time. It is anticipated that with Wessler’s recommended improvements the SRF the total probable overall project cost is anticipated at \$3,535,000.00 for the Grissom water project. The estimate will be further lowered from \$4,000,000.00 to \$2,810,000.00 by shifting some project costs to the Capital Improvements Plan and minus the OCRA Grant for \$700,000.00 and minus the SRF Asset Management Grant for \$25,000.00. He said that the Preliminary Engineering Report (PER) for the State Revolving Fund (SRF) financing will be submitted to the SRF this Friday. Mr. Chance has contacted the Department of Corrections Attorney and the Grissom Air Base regarding the proposed water rate information. Mr. Chance reviewed with the Board Umbaugh’s comparison of monthly billing, present and proposed rate charges, which outlined different rates that apply to varying levels of financing. Umbaugh’s findings give varied rates which will be applied to whatever level of financing that is chosen. Mr. Chance and the Board felt that it would probably be best to accomplish as much as we can as soon as we can. Mr. Chance then reviewed with the Board a project time line from start to finish.

**10.) ADJOURNMENT:**

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

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Matthew Burnell, Secretary Peru Utilities Service Board