

**PERU UTILITIES
MINUTES OF THE PERU UTILITIES SERVICE BOARD MEETING OF
SEPTEMBER 18, 2019**

The Peru Utilities Service Board held a meeting at the Peru office at 335 East Canal Street, Peru, Indiana, on September 18, 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 and M. Burnell. Absent: J. Edwards. Others present: Attorney Dustin Kern, J. Chance, B. Tillett, J. Beisiegel, J. Clark, B. Zartman, B. Hall, and J. Languell-City Council Liaison.

1.) APPROVE BOARD MINUTES OF SEPTEMBER 4, 2019:

Mr. Burnell moved to accept the Board minutes of September 4, 2019, meeting as mailed. Mr. Van Baalen seconded the motion. Motion carried.

2.) PAYMENT OF CLAIMS:

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

3.) NEXT REGULAR MEETING:

The next regular meeting will be held on Wednesday, October 2, 2019, at 4:00 p.m. in the Utility Service Boardroom.

4.) PUBLIC COMMENT: None

5.) OLD BUSINESS: None

6.) NEW BUSINESS: None

7.) CITY ADMINISTRATION UPDATE:

Mrs. Languell stated that the City Council had approved the third Quarter 2019 Electric Rates Tracker Adjustment filing at the September 9 City Council meeting. Mrs. Languell reported that City Councilman Terry Alley has submitted his resignation as City Councilman.

8.) CITY ATTORNEY'S UPDATE: None

9.) MANAGER REPORT:

GRISSOM WATER FINANCING SCENARIOS AND RATE IMPACT:

Mr. Chance stated that he had a good conversation with Mr. Ted Sommers of the Department of Corrections. Mrs. Sommers is aware of the need for the rate increase and the DOC agrees with our rate case. Mr. Chance will get in touch with Bakertilly and encourage them to move forward as fast as possible. Mr. Chance gave the Board comparisons of financing scenarios and proposed rates and charges as follows:

COMPARISON OF FINANCING SCENARIOS AND RATE IMPACT

Percent Increase in Revenues for Customer Classes				
Financing Amount	Across-The-Board Increase Amount	Residential	Commercial	Industrial
\$ -	44.6%	13.2%	50.1%	8.0%
2,800,000	81.1%	33.5%	82.5%	36.5%
3,500,000	90.2%	40.4%	88.8%	42.5%

Mr. Chance hoped to have the final rate study to submit for Board approval in October.

PUBLIC HEARING | GAR ROOM MIAMI COUNTY COURTHOUSE:

Mr. Chance stated that Peru Utilities held the Community & Rural Affairs (OCRA) Grant public hearing September 17 @ 6:30 p.m. He stated that Peru Utilities would be required to schedule another OCRA meeting at Peru Utilities sometime in October.

BUSINESS OFFICE PARKING LOT:

Next week Gaunt and Son Asphalt will be milling and resurfacing the employee parking beginning Thursday, September 26 and Friday, September 27.

BUDGET MEETINGS AND LONG-TERM CAPITAL PLAN:

Mr. Chance reported that staff has been busy meeting regarding next year’s budget and the Long-Term Capital Plan. It is anticipated, the 2020 Budget plans and information will be ready in a timely manner for the Board to have sufficient time for review.

WESSLER ENGINEERING:

Mr. Chance explained to the Board that he is trying to work out a payment plan with Wessler Engineering for the Grissom Waterworks Project because we have not yet closed on the State Revolving Fund (SRF) Loan, which includes money for engineering, and we do not have the money available in the Grissom budget to pay them at this time. However, we have the option of doing an inter-utility loan, but the State Board of Accounts requires these types of loans to be paid by the end of the calendar year. Because it is so late in the year, Mr. Chance felt that option is not feasible. He explained that Wessler has agreed to work out a payment plan until the loan is acquired. Mr. Chance stated he felt confident that Peru Utilities would receive the SRF Loan and the OCRA Grant money in January, if not then the next go around in 2020. He felt that it would be prudent to establish the rate before the SRF loan is approved.

EMERGENCY RESPONSE PLAN:

Mr. Chance said that Bob Hall is working to provide a detailed Emergency Response Plan. As soon as the plan is established, it will be reviewed and updated by staff every 6-12 months. Mr. Chance said he would make copies available to the Board as soon as it is completed.

September 18, 2019 – Cont’d.

10.) ADJOURNMENT:

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

Matthew Burnell, Secretary Peru Utilities Service Board