

**\* CITY OF PERU COMMON COUNCIL AGENDA \***

6:00 P.M. –May 1st, 2017

PLEDGE OF ALLEGIANCE- led by Councilwoman Jan Languell

INVOCATION – Pastor Brent Wedding

ROLL CALL – Blane Holland, Tom Gustin, Phyllis Torrence, Cheryl Lee, Terry Alley, Jan Languell, Kurt Krauskopf

READING & CORRECTING JOURNAL- of minutes of Regular Meeting on April 3rd, 2017

COMMUNICATIONS:

Civic Center and Golf Update

Building and Zoning Update

Fire Dept. and Animal Shelter Update

Peru City Court Update

Attorney Update

\*Discuss Library Board appointee

UNFINISHED BUSINESS:

ORDINANCE 9, 2017

**AN ORDINANCE FOR ADDITIONAL APPROPRIATIONS**

**WHEREAS** it has been determined that it is now necessary to appropriate more money than was appropriated in the annual budget and;

**NOW THEREFORE:**

**SECTION 1.** Be that the said expenses of said Municipal Corporation the following additional sums of money are hereby appropriated and ordered set apart out of the fund herein named and for the purposes herein specified, subject to the laws governing the same.

NAME OF FUND -FOR	AMT. REQUESTED	AMOUNT
From : Equipment Replacement Fund		
to Fire Territory 440 (Machinery & Equipment)	\$60,450	\$60,450

**NEW BUSINESS:**

**ORDINANCE 11 , 2017  
AMENDING ORDINANCE NO. 9, 2011**

**AN ORDINANCE CONTINUING WITHDRAWL OF THE WATER AND ELECTRIC UTILITIES OWNED BY THE CITY OF PERU FROM THE JURISDICTION OF THE INDIANA UTILITY REGULATORY COMMISSION**

**Whereas**, the City of Peru owns a municipal utility which, among other things, operates Peru and Grissom ARB water and electric utilities; and

**Whereas**, the City of Peru chose to permit the Indiana Regulatory Commission (I.U.R.C.) determine the rates, charges and evidences of indebtedness applicable to its water and electric utilities; prior to 2011; and

**Whereas**, the Peru Utility Service Board has recommended that the water (Peru and Grissom ARB) and electric utilities be withdrawn from the jurisdiction of the I.U.R.C., and that utility rates, charges and evidences of indebtedness be determined according to Indiana law and be approved by the Peru Common Council; and

**Whereas**, I.C. Section 8-1.5-3-9.1 provides means by which the City of Peru may withdraw its water and electric utilities from the jurisdiction of the I.U.R.C.; and

**Whereas**, the Common Council has complied with all requirements of I.C. Section 8-1.5-3-9.1 necessary to withdrawn from the jurisdiction of the I.U.R.C.

**THEREFORE BE IT ORDAINED** by the Common Council of the City of Peru, Indiana, that:

1. Pursuant to the authority of **I.C. Section 8-1.5-3-9.1**, the City of Peru, Indiana, hereby elects to continue removal of its municipally owned water (Peru and Grissom ARB) and electric utilities from the jurisdiction of the Indiana Utility Regulatory Commission for approval of rates, charges and evidences of indebtedness.
2. Rates and charges for water and electric utilities shall be developed by Peru Utilities staff having experience in the preparation of applicable utility rates and other related services. The Common Council may elect to retain an independent firm to review the rates and charges if it deems appropriate.
3. Both electric and water rates and charges shall be subject to the provisions of **I.C. Section 8-1.5-3-8.1** for approval of rates and charges, for public notice and for hearings, even though the statute applies explicitly to water utilities only.
4. Both electric and water (Peru and Grissom ARB) rates and charges shall be subject to the public objection provisions of **I.C. Section 8-1.5-3-8.2**, even though the statute applies explicitly to water utilities only.
5. The Ordinance shall take effect, and be in full force and effect, sixty  
(60) days after its adoption and publication as required by law. In adopting this Ordinance, no change is being made to the rates and charges of either the water or electric utility.

## ORDINANCE 12, 2017

### AN ORDINANCE TO REPEAL ORDINANCE 12, 2011

**WHEREAS**, Peru Utilities wishes to repeal Ordinance 12 ,2011 and

**WHEREAS**, Ordinance 12, 2011 reads:

**AN ORDINANCE AMENDING THE ELECTRIC RATE ORDINANCE FOR**

**THE PURPOSE OF PROMOTING ECONOMIC DEVELOPMENT**

WHEREAS, Peru Utilities wishes to add an economic development aid to its rate structure for the purpose of providing incentive for existing industry to expand in Peru and Miami County and to attract new industry with favorable electric rates; and

WHEREAS, Peru Utilities has employed a reputable and experienced consultant to perform a rate study to determine the feasibility of providing such an incentive; and

WHEREAS, the rate study provides a means of providing additional electrical service to certain new or expanding industries while at the same time recovering incremental costs incurred by Peru Utilities; and

WHEREAS, a public hearing was advertised pursuant to I.C. § 5-3-1, and was held at 5:45 p.m. on August 1, 2011, in the City Council Chamber of Peru City Hall.

THEREFORE BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF PERU, INDIANA, AS FOLLOW:

The Electric Rate Ordinance for Peru Utilities is hereby amended by adding the following language:

Rider ED For Rate Schedule PS

(Power Service) Applicability

This Rider is available as an economic development incentive to any existing or new customer of the Peru Municipal Electric Utility that:

1. Meets the criteria for, and receives service under, Rate Schedule PS, unless superseded by a requirement of this Rider.
2. Has a new or additional load of at least 300 kW and not more than 1,500 kW above the initial base load each month the Rider is applied. For any existing customer, the 300 kW would be in addition to the customer's current load.
3. Enters into an agreement for economic development satisfactory to the City of Peru or Peru Utilities. Unless otherwise specified in the economic development agreement, this Rider shall apply for a term of no more than three (3) years.

Rider ED is not applicable if Peru Municipal Electric Utility must expend its own funds for capital improvements or additional expenses that would be necessary to provide service for the new

load. If the customer provides its own funding for capital improvements or additional expenses such that Peru Municipal Electric Utility is not required to do so then Rider ED may be applicable if all other conditions of Rider ED are met.

#### Rate

Under Rider ED, the determination of the monthly charge for purposes of Rate Schedule PS is as follows:

1. Customers qualifying for Rider ED will be billed monthly for their actual kilowatt hours used at the following rate (subject to the tracking factor described below):
  - a. \$0.06072 per kWh.
  - b. This amount represents the average rate per kilowatt hour incurred by Peru Municipal Electric Utility for its power purchased from IMPA from May, 2010 through April, 2011.
2. The actual rate billed to customers will increase or decrease as appropriate on a monthly basis to reflect the difference in actual cost of purchased power from the Indiana Municipal Power Agency ("IMPA") and the rate as stated in 1. a., above.

#### Terms and Conditions

The customer must contact Peru Municipal Electric Utility to initiate the application of the Rider for the three (3) year term of the Rider. The customer may request an effective date of the Rider, which is no later than twelve (12) months after the date of acceptance to the Rider.

**And, WHEREAS**, the Common Council of the City of Peru has full authority to repeal said ordinance,

**NOW THEREFORE BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF PERU** that Ordinance 12, 2011 has been repealed.

**ORDINANCE 10, 2017**

**AN ORDINANCE FOR ADDITIONAL APPROPRIATIONS**

**WHEREAS** it has been determined that it is now necessary to appropriate more money than was appropriated in the annual budget and;

**NOW THEREFORE:**

**SECTION 1.** Be that the said expenses of said Municipal Corporation the following additional sums of money are hereby appropriated and ordered set apart out of the fund herein named and for the purposes herein specified, subject to the laws governing the same.

<u>FUND : FROM &gt;TO</u>	<u>AMT. REQUESTED</u>	<u>AMOUNT</u>
GENERAL to Aviation 320	\$2388.64	\$2388.64
AVIATION COMMISSION to Aviation 430	\$6626.51	\$6626.51
AVIATION COMMISSION to Aviation 310	\$2816.34	\$6626.51
AVIATION COMMISSION to Aviation 360	\$9900.00	\$9900.00

**ADJOURNMENT**

**NOTICE:**

The City of Peru is committed to making its programs accessible to individuals with disabilities. Anyone who requires an auxiliary aid or service for effective communication, or a modification of policies or procedures to participate in a program, service, or activity of the City of Peru, should contact the ADA Coordinator, Josh Sigler, 35 S. Broadway, Peru, IN 46970, (765) 472-2400, as soon as possible but no later than five (5) days before the scheduled event.