

**CITY OF PERU COMMON COUNCIL MINUTES**

**PERU CITY HALL, COUNCIL CHAMBERS**

**PERU, INDIANA**

**November 6, 2023**

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Mayor Hewitt called the regularly scheduled meeting of the Common Council to order at 6:00 pm on November 6, 2023. The following members were present: Steve Anderson, Tom Gustin, Mark Ramsey, Peter Sahaidachny, Patricia Russell, Kathleen Plothow and Betsy Wolfe.

Others present were Mayor Hewitt, City Clerk/Treasurer Kurt Krauskopf, City Attorney Dustin Kern, Scott Miller from Baker Tilly, department heads and other interested persons and members of the community.

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**PLEDGE OF ALLEGIANCE** - led by Patricia Russell

**INVOCATION** – led by Pastor Brent Wedding

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**ROLL CALL** – Anderson, Gustin, Ramsey, Russell, Sahaidachny, Plothow and Wolfe were all present.

**READING & CORRECTING JOURNAL** – of minutes of the Regular Meeting on October 2, 2023, and October 30, 2023.

Councilperson Wolfe moved, seconded by Councilperson Ramsey, to suspend the rules and to adopt the minutes as amended.

Roll Call: 7 Ayes 0 Nays

**MOTION CARRIED**

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**Communications:**

Wolfe: Nothing to report.

Ramsey: Reported on the Animal Control Department. They currently have 12 dogs and 3 puppies. A new sidewalk has been installed at the Dog Park. Golf Course fees for 2024 were approved by the Parks Board. Leaf pick-up is on schedule.

Russell: Cookies with Santa will be at the Civic Center on December 9<sup>th</sup>.

Sahaidachny: Nothing to report.

Gustin: Nothing to report.

Plotow: Waiting to hear from the Utilities.

Anderson: Nothing to report.

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**OLD BUSINESS**

NONE

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**NEW BUSINESS**

**ORDINANCE 27-2023**

A motion was made by Councilperson Wolfe, seconded by Councilperson Ramsey, to consider Ordinance 27-2023. Motion carried with a vote of 7 Ayes, 0 Nays.

**AN ORDINANCE TO RE-ZONE IN THE CITY OF PERU**

**WHEREAS;** A PETITION TO REZONE from B-1 to I-1 on Parcel #: 52-08-28-409-002.000-016, commonly known as 214 N Grant. Legal Description-021-28470-00 DUKES ADD PT; LOT 1; PARCEL #2 41 284 70000

After Public Notice and a Public Meeting on the 24<sup>th</sup> day of October 2023 the City of Peru Planning Commission has given its **Favorable** Recommendation and therefore submits their recommendation to the City of Peru Common Council for final action.

NOW THEREFORE BE IT ORDAINED BY THE COMMON COUNCIL FOR THE CITY OF PERU, INDIANA

**SECTION 1:** Parcel #: 52-08-28-409-002.000-016, commonly known as 214 N Grant. Legal Description-021-28470-00 DUKES ADD PT; LOT 1; PARCEL #2 41 284 70000

**SECTION 2:** City of Peru Plan Commission believes this promotes the orderly development of its governmental units and environs and for the purpose of improving growth of the city.

Haley Shuck from the Building Department explained that the Peru Plan Commission voted to make all the area at 214 N Grant Street I-1. This would make it consistent with adjoining properties.

Councilperson Wolfe moved, seconded by Councilperson Ramsey, to adopt Ordinance 27-2023. Motion passed with a vote of 7 ayes, 0 nays.

### **MOTION CARRIED**

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### **ORDINANCE 28, 2023**

Councilperson Wolfe moved, seconded by Councilperson Russell, to consider Ordinance 28-2023. Motion passed with a vote of 7 ayes, 0 nays.

#### **AN ORDINANCE TO VACATE A NORTH/SOUTH ALLEY IN THE CITY OF PERU**

**WHEREAS;** A PETITION TO VACATE a North/South Alley bounded by the north by the Railroad property/tracks, bounded by the south by East 8<sup>th</sup> Street, bounded by the east by parcel # 52-08-27-215-001.000-016, commonly known as 114 E 8<sup>th</sup> St, bounded by the west by parcel # 52-08-27-215-002.000-016, commonly known as 116 E 8<sup>th</sup> St. After Public Notice and Public meeting on the 24<sup>th</sup> day of October 2023 the City of Peru Planning Commission has given its **Favorable** Recommendation and therefore submits their recommendation to the City of Peru Common Council for final action.

NOW THEREFORE BE IT ORDAINED BY THE COMMON COUNCIL FOR THE CITY OF PERU, INDIANA

**SECTION 1:** bounded by the north by the Railroad property/tracks, bounded by the south by East 8<sup>th</sup> Street, bounded by the east by parcel # 52-08-27-215-001.000-016, commonly known as 114 E 8<sup>th</sup> St, bounded by the west by parcel # 52-08-27-215-002.000-016, commonly known as 116 E 8<sup>th</sup> St. Said petitioner Ryan and Michelle Nead. All existing Easements now in effect will continue in perpetuity.

**SECTION 2:** Said Alley is not necessary for the development growth to the City of Peru, Indiana. That such proposed vacation is for the public good.



**SECTION 3:** Public Utilities for Electric, Gas, Phone and Cable have given their approval and all easement rights to this developed street remain in effect for the above.

Haley Shuck explained that this alley is no longer needed, and the Peru Plan Commission has given their favorable recommendation.

Councilperson Russell moved, seconded by Councilperson Gustin, to adopt Ordinance 28-2023. Motion carried with a vote of 7 Ayes, 0 Nays.

**MOTION CARRIED**

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**ORDINANCE 29, 2023**

Councilperson Wolfe moved, seconded by Councilperson Ramsey, to consider Ordinance 29-2023. Motion passed with a vote of 7 ayes, 0 nays.

**AN ORDINANCE TO RE-ZONE IN THE CITY OF PERU**

**WHEREAS;** A PETITION TO REZONE from B-1 to I-1 on Parcel #: 52-08-28-409-003.000-016, commonly known as 320 W 8th. Legal Description- 021-28460-00 DUKES AD; PT LOTS 1,2,3; PARCEL #3 - NEW DESCRIPTION 41 284 60000

After Public Notice and a Public Meeting on the 24<sup>th</sup> day of October 2023 the City of Peru Planning Commission has given its **Favorable** Recommendation and therefore submits their recommendation to the City of Peru Common Council for final action.

NOW THEREFORE BE IT ORDAINED BY THE COMMON COUNCIL FOR THE CITY OF PERU, INDIANA

**SECTION 1:** Parcel #: 52-08-28-409-003.000-016, commonly known as 320 W 8th. Legal Description- 021-28460-00 DUKES AD; PT LOTS 1,2,3; PARCEL #3 - NEW DESCRIPTION 41 284 60000

**SECTION 2:** City of Peru Plan Commission believes this promotes the orderly development of its governmental units and environs and for the purpose of improving growth of the city.

Haley Shuck explained that this property is adjacent to the property located at 214 N Grant that was rezoned to I-1. This would make all the contiguous areas the same zoning.

Councilperson Russell moved, seconded by Councilperson Wolfe, to adopt Ordinance 29-2023. Motion passed with a vote of 7 ayes, 0 nays.

**MOTION CARRIED**

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**ORDINANCE 31-2023**

Councilperson Wolfe moved, seconded by Councilperson Russell, to consider Ordinance 31-2023. Motion passed with a vote of 7 ayes, 0 nays.

**CITY OF PERU COMMON  
COUNCIL ORDINANCE # 31 -2023**

**ORDINANCE ESTABLISHING A POLICY FOR ELECTRONIC FUNDS  
TRANSFER AND ONLINE BANKING FOR THE CITY OF PERU, INDIANA**

**WHEREAS**, the Clerk-Treasurer of the City of Peru, Indiana finds it necessary to use Electronic Fund Transfers (EFT) including, but not limited to, online banking transfers for payments and deposits, pursuant to Indiana Code 36-1-8-11.5, et seq.; and

**WHEREAS**, the Common Council of the City of Peru, Indiana now determines it to be necessary to adopt a policy to authorize EFT payments, including online transfer transactions pursuant to Indiana Code 5-13-5-5, et seq.; and

**WHEREAS**, the Common Council of the City of Peru, Indiana believes that adopting an ordinance to authorize the Clerk-Treasurer to make EFT payments is in the best interest of the efficient management of the City of Peru, Indiana.

**NOW THEREFORE, BE IT HEREBY ORDAINED BY THE COMMON COUNCIL OF THE CITY OF PERU, INDIANA, That:**

**Section 1: Electronic Funds Transfers**

(A) The City of Peru's Clerk-Treasurer is hereby authorized to use electronic funds transfers for official business of the City of Peru for all departments within the City of Peru.

(B) ***Electronic Fund Transfers.*** Electronic fund transfers shall include automated



clearinghouse payments (ACH), wire transfers, direct deposit, on-line banking transactions, telephone transfers, and other electronically authorized or implemented transfers or payments on behalf of all departments within the City of Peru.

**Section 2: Documentation.** The Clerk-Treasurer is required to maintain adequate documentation of the above-referenced transactions for future audits as provided by law.

**Section 3:** This Ordinance shall be in full force and effect from and after its passage, approval by the mayor, and publication as prescribed by law.

Clerk Treasurer Krauskopf explained that there have been issues in the past year of late charges being assessed on invoices that haven't been paid on time. This usually has to do with the timing of the invoices and the timing of the Board of Works meetings. The majority of these have been with the postage meter and postage funding. This will allow us to have the postage directly debited from our bank account and eliminate service and late charges.

Councilperson Sahaidachny moved, seconded by Councilperson Wolfe, to adopt Ordinance 31-2023. Motion passed with a vote of 7 ayes, 0 nays.

**MOTION CARRIED**

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**ORDINANCE 30-2023**

Councilperson Russell moved, seconded by Councilperson Plohow, to consider Ordinance 30-2023. Motion passed with a vote of 7 ayes, 0 nays.

**AN AMENDED ORDINANCE REPEALING ORDINANCE NO. 23, 2013, AND  
INSERTING IN ITS PLACE A NEW SCHEDULE OF RATES AND CHARGES  
FOR SERVICE PROVIDED BY THE MUNICIPAL SEWAGE WORKS  
UTILITY OF PERU, INDIANA**

**WHEREAS**, the City of Peru has heretofore constructed and has in operation a sewer system for the purpose of collecting and treating wastewater; and

**WHEREAS**, the City of Peru has heretofore authorized the construction of certain improvements to be paid by the proceeds of a revenue bond issue for the collection, treatment, and disposal of wastewater under the provisions of Chapter 284 of the Acts of the General Assembly of the State of Indiana for the year 1967; and

**WHEREAS**, the municipally owned sewage works utilities in the Peru Municipal Sewage Works Utility service area has been exempted from the jurisdiction of the Utility Regulatory Commission pursuant to I.C. §36-7-30-33; and

**WHEREAS**, the existing rates and charges for services provided by the utility do not produce revenues sufficient to maintain the utility property in a sound physical and financial condition and such the current rates and charges are not “reasonable and just” within the meaning of I.C. 8-1.5-3-8; and

**WHEREAS**, the City of Peru Utility Service Board commissioned a study to determine the amount of revenues required to operate the Peru Municipal Sewage Works Utility in a reliable and efficient manner, determine how the revenues shall be collected from the various users of the Peru Sewage Works utility and to design new rates and charges that reflect the results of said study; and

**WHEREAS**, the proposed rates and charges are in all respects reasonable and nondiscriminatory and will provide sufficient revenues to pay all the costs associated with the operation, maintenance, and system improvements of said Peru Municipal Sewage Works Department; and

**WHEREAS**, the City of Peru Utilities Service Board has passed Resolution #\_\_\_\_\_, 2023 recommending certain rates and charges and service conditions; and **WHEREAS**, this ordinance is introduced and pursuant to I.C. 8-1.5-3-8.1, a notice of a hearing setting forth a proposed schedule of fees has been published in accordance with I.C. 5-3- 1; mailed to owners of vacant or unimproved property; and

**WHEREAS**, the Common Council has held a public hearing pursuant to I.C. 8-1.5-3-8 at which users of the Peru Municipal Sewage Works Utility, owners of property served or to be served by the utility, and other interested persons have been allowed to be heard concerning the proposed rates and charges. The Common Council finds the rates and charges described in Section 1 are nondiscriminatory, reasonable, and just; and

**WHEREAS**, the Common Council also finds the rates and charges produce income in sufficient to maintain the utility property in a sound physical and financial condition to render adequate and efficient service.

**NOW THEREFORE, BE IT HEREBY ORDAINED BY THE COMMON COUNCIL OF THE CITY OF PERU, INDIANA, That:**

**Section 1:** All rates and charges collected pursuant to this ordinance shall be considered revenues of the Peru Municipal Sewage Works Utility. The sewage works rates and charges shall be based on the quantity of the sewage works used on or in the property or premises subject to such rates and charges, as the same is measured by the water meter there in use. For the purpose of billing and collecting the charges for sewage works services, the water meters shall be read monthly (or period equaling a month), if the utility cannot access the meter remotely. The sewage works usage schedule on which the amount of said rates and charges shall be determined as set forth in “Exhibit A”, attached hereto, and made a part hereof and incorporated herein by reference. Further, all ordinances and parts of ordinances in conflict herewith are hereby repealed.

**Section 2:** The rates and charges as set forth in “Exhibit A” shall be subject to review and adjustment using the process as set forth in “Exhibit B”, attached hereto, made a part hereof and incorporated herein by reference.

a. The review and adjustment shall be performed annually; and



- b. It shall be the responsibility of the Peru Utility Service Board to perform the review and adjustment calculations as required in this Section 2; and
- c. The adjusted rates and charges shall be submitted to the Peru Common Council for approval; and d. Rate increases implemented under this Section 2 shall not exceed 1.5% per year.

**Section 3: This Ordinance shall be in full force and effect beginning January 1, 2024.**

## "EXHIBIT A"

PERU (INDIANA) MUNICIPAL SEWAGE WORKS

SCHEDULE OF PRESENT AND PROPOSED RATES AND CHARGES

Proposed

Present (1) Phase I (2) Phase II (3) Phase III (4) Phase IV (5) Phase V (6)

Monthly Metered Consumption (per 1,000 gallons)

First 5,000 gallons \$9.12 \$12.87 \$18.16 \$22.79 \$27.94 \$30.79 Next 10,000 gallons 8.36 11.80 16.65 20.90 25.62 28.23 Next 60,000 gallons 6.97 9.83 13.87 17.41 21.34 23.52 Over 75,000 gallons 5.89 8.31 11.73 14.72 18.05 19.89

Gallons

Monthly Minimum Charge Allowed

5/8 - 3/4 inch meter 3,000 \$27.37 \* \$38.61 \* \$54.48 \* \$68.37 \* \$83.82 \$92.37 \* 1 inch meter 5,000 45.62 64.35 90.80 113.95 139.70 153.95 1 1/4 inch meter 10,000 87.44 123.35 174.05 218.45 267.80 295.10 1 1/2 inch meter 15,000 129.26 182.35 257.30 322.95 395.90 436.25 2 inch meter 25,000 198.96 280.65 396.00 497.05 609.30 671.45 3 inch meter 35,000 268.66 378.95 534.70 671.15 822.70 906.65 4 inch meter 50,000 373.21 526.40 742.75 932.30 1,142.80 1,259.45 6 inch meter 75,000 547.46 772.15 1,089.50 1,367.55 1,676.30 1,847.45

Unmetered Residential "Shall not be less than the minimum charge based on the size of the sewer connection, however, in the case of a residential user, the minimum charge also shall be applicable to those using 3,000 gallons or less."

Unmetered - Any Other "Shall not be less than the minimum charge based on the size of the sewer connection, but shall not be less than 5,000 gallons."

Connection Fee (Plus actual costs in excess of minimum) \$750.00 \$750.00 \$750.00 \$750.00 \$750.00 \$750.00

- (1) Present rates and charges were approved pursuant to Ordinance No. 23, 2013 passed October 7, 2013.
- (2) Phase I represents a 41.1% across-the-board increase in present rates and charges, to begin January 1, 2024.
- (3) Phase II represents a 41.1% across-the-board increase in Phase I rates and charges, to begin January 1, 2025.
- (4) Phase III represents a 25.5% across-the-board increase in Phase II rates and charges, to begin January 1, 2026.
- (5) Phase IV represents a 22.6% across-the-board increase in Phase III rates and charges, to begin January 1, 2027.
- (6) Phase V represents a 10.2% across-the-board increase in Phase IV rates and charges, to begin January 1, 2028.

\* The 5/8 - 3/4 inch meter minimum monthly charge provides for 3,000 gallons but is priced for 2,000 gallons reflecting a 1,000 gallon discount.



SCHEDULE OF PRESENT AND PROPOSED RATES AND CHARGES

Equivalent to

Single Family Proposed

Flat Rate Charges

Residential

Single family residence/unit 1.00 \$45.62 \$64.35 \$90.80 \$113.95 \$139.70 \$153.95 Apartment or trailer court/unit 0.75 34.22 48.26 68.10 85.46 104.78 115.46

Commercial

Retail establishments:

First 3 employees 1.00 45.62 64.35 90.80 113.95 139.70 153.95 Each additional employee 0.25 11.41 16.09 22.70 28.49 34.93 38.49

Gasoline service stations:

W/o car wash facilities 1.50 68.43 96.53 136.20 170.93 209.55 230.93 With car wash facilities 2.50 114.05 160.88 227.00 284.88 349.25 384.88

Restaurants, drive-ins and taverns with eating and/or drinking facilities:

First 2 employees 1.00 45.62 64.35 90.80 113.95 139.70 153.95 Each additional employee 0.33 15.05 21.24 29.96 37.60 46.10 50.80

Hotels, motels w/o eating facilities:

Per room 0.33 15.05 21.24 29.96 37.60 46.10 50.80

Hotels, motels with eating facilities:

Per room 0.75 34.22 48.26 68.10 85.46 104.78 115.46

Nursing Homes:

Per bed 0.33 15.05 21.24 29.96 37.60 46.10 50.80

Laundromats:

Per washer 0.75 34.22 48.26 68.10 85.46 104.78 115.46

Car Wash, manual:

Per bay 2.50 114.05 160.88 227.00 284.88 349.25 384.88 Shop or office in home: 2.00 91.24 128.70 181.60 227.90 279.40 307.90

Professional offices:

First 2 employees 1.00 45.62 64.35 90.80 113.95 139.70 153.95 Each additional employee 0.33 15.05 21.24 29.96 37.60 46.10 50.80

Governmental/Institutional:

Per school student 0.05 2.28 3.22 4.54 5.70 6.99 7.70

Churches, lodges and veterans' organizations:

For each 200 members 1.00 45.62 64.35 90.80 113.95 139.70 153.95

Government offices:

First 3 employees 1.00 45.62 64.35 90.80 113.95 139.70 153.95 Each additional employee 0.25 11.41 16.09 22.70 28.49 34.93 38.49

Industrial (sanitary flow only):

First 3 employees 1.00 45.62 64.35 90.80 113.95 139.70 153.95 Each additional employee 0.25 11.41 16.09 22.70 28.49 34.93 38.49

Septic Tank Discharge

1 - 1500 gallons \$57.03 \$80.47 \$113.54 \$142.49 \$174.69 \$192.51

1,501 - 3,000 gallons 0.091 0.128 0.181 0.227 0.278 0.306 Industrial Waste Surcharges

Surcharge is based on a biochemical oxygen demand of 200 milligrams per liter, or where a BOD cannot be determined, a chemical oxygen demand of 400 milligrams per liter; and/or suspended solids content of 250 milligrams per liter.

Surcharges (per pound)

Biochemical Oxygen Demand \$0.18 \$0.25 \$0.35 \$0.44 \$0.54 \$0.60 Chemical Oxygen Demand 0.18 0.25 0.35 0.44 0.54 0.60 Suspended Solids 0.17 0.24 0.34 0.43 0.53 0.58

- (1) Present rates and charges were approved pursuant to Ordinance No. 23, 2013 passed October 7, 2013.
- (2) Phase I represents a 41.1% across-the-board increase in present rates and charges, to begin January 1, 2024.
- (3) Phase II represents a 41.1% across-the-board increase in Phase I rates and charges, to begin January 1, 2025.
- (4) Phase III represents a 25.5% across-the-board increase in Phase II rates and charges, to begin January 1, 2026.
- (5) Phase IV represents a 22.6% across-the-board increase in Phase III rates and charges, to begin January 1, 2027.
- (6) Phase V represents a 10.2% across-the-board increase in Phase IV rates and charges, to begin January 1, 2028.

## “EXHIBIT B”

### CALCULATION OF CITY OF PERU MUNICIPAL SEWAGE WORKS UTILITY LOCATED IN THE PERU MUNICIPAL SEWAGE WOKRS UTILITY SERVICE AREA ADJUSTMENT

**Eligible Expenses** – Shall be only those expenses shown as Operations and Maintenance Expenses and Payment in Lieu of Taxes for the Pro Forma Year as contained in the Baker Tilly Municipal Advisors, LLC Peru Municipal Sewage Works Utility of the Peru Municipal Sewage Works Utility Service Area dated October 17, 2023, appropriate excerpts of which are attached and made a part of this “Exhibit B”.

**Annual Cost Index** – Shall be the Annual Cost Index as published by the Indiana Utility Regulatory Commission.

**Revenue Requirement Adjustment** – Shall be the product of the Pro Forma Operations and Maintenance expenses and Payment in Lieu of Taxes from the Study plus the total of all previous revenue Requirement Adjustment times the current Annual Cost Index.

**Percentage Increase Adjustment Calculation** – Shall be the quotient of the Revenue Requirement Adjustment calculation divided by the previous 12-months total revenue, expressed as a percentage, which shall then be applied equally across the rate schedules, not to exceed a gross increase of 1.5%. This does not apply to Nonrecurring Charges.

Josh Chance, General Manager for Peru Utilities, and Scott Miller from Baker Tilly explained the need to upgrade the Wastewater Facilities for the City of Peru. These improvements are mandated by the US Government and must be completed by 2030. If not completed by the deadline, we will be subject to fines of \$25,000 per day. Municipal bonds totaling approximately \$130,000,000 will need to be issued, with the city utilizing the state of Indiana’s credit rating to obtain more favorable interest rates. These bonds will be issued over a period of time, rather than all at once. They are also looking into grants to offset some of the cost. Meetings will be held in the city for citizens to ask questions.

This Ordinance will come back to the council at the December meeting for public comment and final approval.

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**Communications:**

Mike Vinopal representing the Peru Police Department requested the council look into unspent funds from the Police Department 2023 budget. The police department was short handed for much of the year, and there should be unspent funds that could be distributed to the officers who did serve during 2023. He asked that the council consider amending the wage ordinance for 2023 to allow any unspent funds to be distributed. Clerk Treasurer Krauskopf said he would look into the numbers and have an answer at the next council meeting.

Councilperson Plothow expressed concerns for the soil testing being done at the new Wabash River Commons housing complex on West Canal Street. Tests have been sent to IDEM. They



are waiting for results of those tests. IDEM and the building department have been very forthcoming with information. Comments were heard from the audience.

Councilperson Gustin recommended that everyone attend one of the meetings concerning the sewage treatment upgrades.

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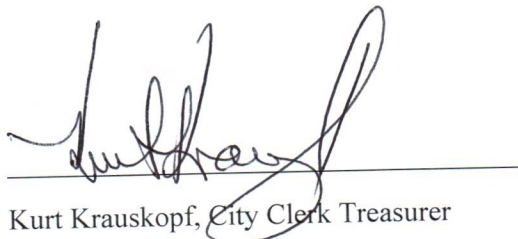
**ADJOURNMENT:**

There being nothing further, Councilperson Anderson moved to adjourn the meeting, seconded by Councilperson Russell. Motion carried.

**MEETING ADJOURNED**



Miles Hewitt, Council President  
Mayor of Peru Indiana



Kurt Krauskopf, City Clerk Treasurer  
City of Peru, Indiana