

**MINUTES OF MUNICIPAL UTILITIES BOARD MEETING**  
**Monday, October 28, 2024**

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, October 28, 2024, at 12:00 p.m. with Vice President Dan Brenden presiding.

Board Members present: Dan Brenden, Rich Thomas, Charlie Larkin and Chris Carter. Board President Mike Luken absent. Board Liaison, member of City Council, Mike Danforth. Staff members present: Steve Lehner, Adam Karst, Bert Magstadt, Wayne Lovelis, Brian Benson, John Lunde, Aaron Erickson, Mark Meier, Rod Suttan, Dan LeVasseur, Sheila Mennenga, Gina Brown, Lisa Pahl and Attorney Vince Foley. Guest Steve Jurrens, KXLG Radio and Roger Whittle, Watertown Current.

**ITEM 8089**

Motion by Carter with second by Larkin to approve the agenda. Motion carried.

**ITEM 8090**

Motion by Thomas with second by Larkin to approve minutes of Regular Board Meeting on September 30<sup>th</sup>, 2024. Motion carried.

**ITEM 8091**

Public Comment - None

**ITEM 8092**

Motion by Larkin with second by Thomas to authorize General Manager to sign SD Health Pool Insurance renewal for staff employees. Motion carried.

**ITEM 8093**

Motion by Carter with second by Thomas to approve upgrading the controls on Slaker 1 & 3 at the Water treatment Plant. Motion carried.

**ITEM 8094**

Motion by Thomas with second by Carter to give authorization to declare as surplus the following items. Motion carried.

- a) Removal of 2 boilers - Asset 954 - Electric Department
- b) Removal of 2 boilers - Asset 955 - Water Department
- c) Removal of 2 boilers - Asset 956 - Gas Department
- d) Phone System - Asset 323 - Water Department
- e) Phone System - Asset 607 - Gas Department
- f) Phone System - Asset 693 - Electric Department
- g) Phone System - Asset 1021 - Electric Department
- h) Phone System - Asset 1022 - Water Department
- i) Phone System - Asset 1023 - Gas Department
- j) Phone System - Asset 1196 - Electric Department
- k) Phone System - Asset 1197 - Water Department
- l) Phone System - Asset 1198 - Gas Department

**ITEM 8095**

This being the time and place set for consideration of bids, the following was presented. Bid for Wire for the Electric Department. The bids were opened on October 24<sup>th</sup>, 2024 at 1:30 PM by the Watertown Municipal Utilities Staff as authorized by the Board.

Wire: Two bids were received and upon review and recommendation by Magstadt, motion by Carter with second by Larkin to accept low valid bid with WESCO, Sioux City, IA for the amount of \$211,410.00. Irby Utilities did not meet specs. Motion carried.

**ITEM 8096**

Open: None

**ITEM 8097**

Old Business: Reminder of Finance Committee Meeting on November 12, 2024, at 7am.

**ITEM 8098**

New Business: Magstadt addressed the board regarding Lead Letters that WMU will be mailing out by November 15 to customers that may have a galvanized or unknown service line. This compliance is mandated by the EPA to determine how many services are lead or galvanized. Right now, there are 2,257 total services in question.

**ITEM 8099**

Magstadt presented the Report on Operations and Projects. Electric Department, 6 outages for the month for a total of 67 total outages in 2024, inner duct & 750 MCM wire installed for the 750 MCM uptown project, installed 2" inner duct to New City Hall for fiber optic cable, installed three-phase transformer at the ethanol Plant. Gas Department, Projects in Progress: Replaced 3-4" valves at TBS for the Walmart TBS-2 feeder. Water Department, Projects in Progress: Rauville Spillway placing concrete. Engineer Tech Department, Projects completed this month: 539 One-call locates September 2024, SD811 Board Meeting & Enforcement Panel Meetings, updated lead/copper data. Congratulations to John Lunde, Gas superintendent, for being a recipient of the J. Hardie Johnston service Award.

**ITEM 8100**

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects in Progress: Irrigation systems have been winterized, organizing for the 2024 physical inventory. Customer Service: 16,066 payments collected totaling \$6,605,777 and 57,437 services billed for a total billing of \$4,866,375, energy assistance customers received a one-time payment of \$200 from the state for their natural gas bill. Human Resources/Risk Management: Completed union negotiations and working with IBEW staff to update contract language and wage data, 2025 overall insurance increase estimate of 4.5%, new hire Cheryl Mack, HR/Risk Coordinator, effective November

4, 2024, thirteen employees and their family members helped pack 587 school food bags for People Against Child Hunger (PACH). Information Systems: New phone system mostly complete, working on SCADA alarms and ringing at WTP, testing and deploying additional security tools, assessing and mitigating vulnerabilities found via vulnerability Management Software, normal monthly IT maintenance and troubleshooting along with Website Stats and top 10 webpages visited.

Statements of Revenue and Expenses and Capital Additions were presented to the Board for review. Year to date net income is \$2,220,810 above budget for the nine months ending September 30<sup>th</sup>, 2024. Total Capital Additions are \$2,667,831 under budget for the nine months ending September 30<sup>th</sup>, 2024.

**ITEM 8101**

Motion made by Carter with second by Larkin to approve the following verified salary claims and bills. Motion carried unanimously upon roll call vote. Total Watertown Municipal Utilities Net Payroll for October 2024 Plus ACH Payroll Payments \$643,104.58. Change: Cole Brenden, \$31.51/hr., effective 9/25/2024, Chad Kranz, \$51.21/hr., effective 9/21/2024. Add: Travis Ellingson, \$29.13/hr., effective 9/21/2024.

Name	Payable Description	Payment Amount
NOVEMBER 1, 2024		
ABC EMBROIDERY	SERVICE	\$4.95
ACTIVE HEATING INC	SERVICE	\$310.00
ACTIVE HEATING INC	ENERGY INCENTIVE REBATE	\$100.00
ADVANCED ENGINEERING AND ENVIRONMENTAL SERVICES, LLC	CAST IRON WATERMAIN REPLACEMENT	\$15,450.32
AFLAC	ACCIDENT	\$1,611.45
AGWRX	SUPPLIES	\$420.00
A-OX WELDING SUPPLY INC	SUPPLIES	\$662.38
APGA	2025 ANNUAL DUES	\$9,486.51
APPLICANT PRO	SERVICE	\$236.00
APPLIED INDUSTRIAL TECH INC	SUPPLIES	\$397.12
AQUA-PURE INC	SODIUM TRIPOLYPHOSPHATE	\$7,525.00
AUTO VALUE WATERTOWN	SUPPLIES	\$141.58
BENCO EQUIPMENT	SERVICE	\$336.47
BENDIX IMAGING INC	SUPPLIES	\$325.98
BORDER STATES ELECTRIC SUPPLY	LED LIGHTS	\$28,690.03
BORNS GROUP	POSTAGE & MAILING	\$11,650.07
BURCHATZ CONSTRUCTION COMPANY INC	2024 CONCRETE REPAIRS	\$30,052.82
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$128.63
CANNON ELECTRIC, INC.	ENERGY INCENTIVE REBATE	\$50.00
CARTNEY BEARING & SUPPLY	SUPPLIES	\$237.62
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$9,248.71
CHILD SUPPORT PAYMENT CENTER	EMPLOYEE DEDUCTION: CHILD SUPPORT	\$750.00
CODINGTON COUNTY REGISTER OF DEEDS	SUPPLIES	\$61.00
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$6,361.52
CONNECTING POINT	PLOTTER	\$23,071.41
CONTROL EQUIPMENT SALES, INC	METER MANIFOLDS	\$26,854.92
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$155.92
DAKOTA DATA SHRED	SHREDDING SERVICE	\$82.91
DAKOTA DIRECTIONAL LLC	SERVICE - MULTIPLE ELECTRIC PROJECTS	\$261,211.06
DAKOTA RIGGERS & TOOL	SUPPLIES	\$37.00
DAKOTA TUBE INC	ENERGY INCENTIVE REBATE	\$468.00
DAN BIERSCHBACH	ENERGY INCENTIVE REBATE	\$1,000.00

DEPARTMENT OF HEALTH	WATER SAMPLES	\$1,402.00
DIESEL MACHINERY INC	SUPPLIES	\$186.70
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$1,645.12
DTN, LLC	SUBSCRIPTION	\$552.30
DUININCK INC	DIRT, GRAVEL, CRUSHED CONCRETE	\$5,774.29
DUTTON-LAINSON COMPANY	WATER METERS	\$7,836.17
ELECTRIC MOTORS & MOORE INC	SUPPLIES	\$322.00
ELEMENT MATERIALS TECHNOLOGY	SERVICE	\$630.00
ERIC TILBERG	ENERGY INCENTIVE REBATE	\$500.00
ETHANOL PRODUCTS LLC	BULK CO2	\$1,935.24
FASTENAL COMPANY	SUPPLIES	\$175.96
FEDERAL EXPRESS CORP	SERVICE	\$54.38
FIDELITY SECURITY LIFE INSURANCE CO. (EYEMED)	VISION INSURANCE	\$175.76
FOLEY AND FOLEY LAW OFFICE, PC	SEPT LEGAL FEES	\$907.50
G & R CONTROLS INC.	SERVICE - BOILERS	\$7,699.52
GANNETT MEDIA CORP	PUBLISHINGS	\$226.26
GLOBAL SAFETY NETWORK	SERVICE	\$127.44
GRAINGER	SUPPLIES	\$318.20
GROEBNER	RISERS	\$17,451.88
HAWKINS, INC.	AZONE 15, HYDROFLUOSILICIC ACID	\$28,368.45
IBEW LOCAL 426	UNION DUES	\$4,149.00
IMPERIAL SUPPLIES LLC	SUPPLIES	\$138.67
J H LARSON COMPANY	SUPPLIES	\$2,672.06
JOE MEDANICH ASPHALT SERVICES	ASPHALT SERVICE(S)	\$15,714.21
JORGENSON & OLSON ASPHALT MAINTENANCE, LLC	ASPHALT SERVICE	\$6,123.23
KARST, ADAM	REIMBURSEMENT EXPENSE	\$459.19
KOONS GAS MEASUREMENT	ROOTS GAS METERS	\$16,105.82
LEAK LOCATORS OF MONTANA, LLC	SERVICE	\$128.00
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$176.08
LEVASSEUR, DAN	REIMBURSEMENT EXPENSE	\$424.28
LOCATORS & SUPPLIES INC	SUPPLIES	\$1,039.13
LOVELIS, WAYNE	REIMBURSEMENT EXPENSE	\$782.40
LUKEN, MIKE	REIMBURSEMENT EXPENSE	\$307.80
LUNDE, JOHN	REIMBURSEMENT EXPENSE	\$379.45
MAC'S HARDWARE	SUPPLIES	\$78.16
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$580.40
MATHESON TRI-GAS INC	SUPPLIES	\$432.68
MCKEEVER INC	SUPPLIES	\$175.00
MENARDS INC	SUPPLIES	\$645.06
MENNENGA, SHEILA	REIMBURSEMENT EXPENSE	\$280.08
MET LIFE	LIFE INSURANCE	\$1,668.28
MIDCONTINENT COMMUNICATIONS	INTERNET & CABLE SERVICE	\$203.39
MILBANK WINWATER WORKS	SUPPLIES	\$1,263.48
MINNESOTA MUNICIPAL UTILITIES ASSN	SAFETY PROGRAM	\$9,192.50
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$765.09
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$704.84
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$12,407.03
MUNICIPAL UTILITIES-TERM LIFE PAY	TERM LIFE	\$2,082.00
NAPA CENTRAL	SUPPLIES	\$222.93
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$559.66
OFFICE PEEPS	ENERGY INCENTIVE REBATE	\$956.34
OFFICE PEEPS	SUPPLIES	\$920.08
PETE LIEN & SONS	BULK LIME	\$34,755.86
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,481.72
PRINT 'EM NOW INC	SUPPLIES	\$287.00
PRO LINE INC	SERVICE	\$284.90
RC FIRST AID	SUPPLIES	\$77.00

RELIABANK DAKOTA	FLEX DC	\$6,435.22
RESCO	FIBER WIRE	\$7,532.57
RODENBURG LAW FIRM	EMPLOYEE DEDUCTION	\$150.00
RON'S SAW SALES	SUPPLIES	\$659.98
RUNNING'S SUPPLY INC	SUPPLIES	\$493.97
SANFORD WATERTOWN OCCUPATIONAL MEDICINE	SERVICE	\$395.00
SCHAEFFER MFG CO	SUPPLIES	\$1,482.25
SCOTT ENGINEERING CO	SERVICE - RAUVILLE SPILLWAY PROJECT	\$6,400.00
SD ONE CALL	LOCATES	\$584.85
SENSIT TECHNOLOGIES LLC	SUPPLIES	\$2,453.87
SENTRY HOLDINGS	ENERGY INCENTIVE REBATE - 1414 5TH ST SE	\$2,022.00
SERVICEMASTER OF WATERTOWN	JANITORIAL SERVICE	\$4,120.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$7,171.96
STAR LAUNDRY	SERVICE	\$562.28
SUTTON LAWN & SNOW LLC	SEPT LAWN CARE	\$2,268.00
T & M AUTOBODY INC	SERVICE - UNIT 22	\$1,432.64
TEREX USA, LLC	SERVICE - UNIT 29	\$5,230.02
TERRY-DURIN CO.	SUPPLIES	\$1,233.66
TITAN MACHINERY- WTN	SUPPLIES	\$62.47
TOSHIBA FINANCIAL SERVICES	COPIER LEASE	\$320.00
TRAV'S OUTFITTER	SAFETY CLOTHING	\$744.93
US DEPT OF ENERGY WESTERN AREA POWER ADMINISTRATION	ANNUAL MAINTENANCE	\$3,000.00
USA BLUEBOOK	SUPPLIES	\$294.48
WALMART	SUPPLIES	\$50.08
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN UNITED WAY	United Way	\$225.00
WATERTOWN WHOLESALE INC	SUPPLIES	\$1,047.25
WESCO DISTRIBUTION INC	WIRE AS PER BID	\$525,494.28
WILTECH INC	SERVICE - SUBSTATION	\$4,531.50
	TOTAL	<u>\$1,227,119.61</u>

Total October 2024 \$1,227,119.61; US Bank Nat'l Assoc. \$50,121.25, Transfer to City's General Fund \$120,500.00, Muni Utilities Electric Water Gas \$63,321.44; Missouri River Energy Services Power \$1,689,423.66; BP Canada Energy Marketing Natural Gas \$37,762.20; Dept. of Revenue Sales/Excise Tax \$179,115.63; CPEP #3 Natural Gas \$4,959.75, CPEP #4 Natural Gas \$6,682.50, CPEP #5 Natural Gas \$8,694.45, CPEP #3 Hedge \$26,436.03, CPEP #4 Hedge \$17,944.35, Sequent Energy Mgmt \$2,354.04. Finance Office Garbage/Sewer \$669,090.74.

#### ITEM 8102

Pursuant to SDCL 1-25-2(3) Carter moved with second by Larkin to move to Executive Session. The Board does not expect to take-action when they reconvene to the regular session. Motion carried.

Vice President Brenden declared Executive Session done and they reconvened to regular session.

Motion by Thomas with second by Larkin to adjourn. Motion carried.

The Watertown Municipal Utilities does not discriminate in employment opportunities or provision of services on-the basis of race, color, religion, sex, national origin, age, disability, or any other characteristic protected by law.

Dated at Watertown, South Dakota this 28<sup>th</sup>, day of October, 2024.

ATTEST: \_\_\_\_\_

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Lisa Pahl  
Board Secretary  
Municipal Utilities Board

Dan Brenden  
Board Vice President  
Municipal Utilities Department