

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Monday, October 27, 2025

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, October 27th, 2025, at 12:00 p.m. with Board President Dan Brenden presiding.

Board Members present: Dan Brenden, Rich Thomas, Charlie Larkin, Chris Carter, and Mike Luken. Board Liaison, member of City Council, Kyle Peters was absent. Staff members present: Steve Lehner, Adam Karst, Bert Magstadt, Wayne Lovelis, Aaron Erickson, Brian Benson, Dan LeVasseur, Rod Suttan, Zeke Hilmoie, Cheryl Mack, Gina Brown, Lisa Pahl, Angie Mitchell, and Attorney Vince Foley. Guests: Mayor Reid Holien and Roger Whittle, The Watertown Current.

ITEM 8251

Motion by Thomas with second by Carter to approve the Agenda. Motion carried.

ITEM 8252

Motion by Luken with second by Carter to approve minutes of Regular Board Meeting from September 29, 2025. Motion carried.

ITEM 8253

Public Comment - None

ITEM 8254

Presentation by John Hagen via zoom of Eide Bailly for the 2024 audit. There was no audit findings related to Watertown Municipal Utilities to be included in the schedule of current audit findings and questioned costs. Motion by Carter with second by Luken to accept the 2024 audit. Motion carried.

ITEM 8255

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

ITEM 8256

Motion by Thomas with second by Carter to authorize General Manager to sign two separate contracts with Freimark and Associates Inc. with Delta Dental and Equitable for the provision of Dental and Eye Insurance for staff. Motion carried.

ITEM 8257

Motion by Larken with second by Luken to authorize to call for bid to re-drill well #35 at Rauville well field. Motion carried.

ITEM 8258

Board President Brenden appointed the 2025-2026 committee assignments. They are as follows:

Cybersecutiry	Chris Carter and Mike Luken
Rates & transfers	Rich Thomas and Mike Luken
Wages & Personnel	Chris Carter and Charlie Larkin
PEDIB (Production, Equip.,	Rich Thomas and Charlie Larkin
Distribution, Inventory & Bldgs	
Finance: All with Dan Brenden as Chairman. First named member to be Chairman of Committee.	

ITEM 8259

Open: Lehner presented the two bill stuffers a) Winter Snow Reminders. b) WMU ACH form.

ITEM 8260

Magstadt presented the Report on Operations and Projects. Electric Department, Projects Completed this Month: 5 outages for the month and 94 total unscheduled outages for 2025, terminated and energized new three-phase primary at Hunke Transfer, installing new single-phase transformer at South Forty and primary at Lakes of Willow Creek. Projects in Progress: Installing three-phase underground primary on 14th Ave NW for the 2026 bridge project, replacing existing overhead lines. Gas Department, Projects Completed this Month: 19 periodic residential meter change outs (250), total for year - 315, 5 large meter change outs (400-1000) total for year - 31, rerouted 1000' of 4" plastic for the 14th Ave Bridge Project. Projects in Progress: Performing a pilot program for new software reading gas instruments in the field, on Oct. 17 we completed another gas hedge with BP for approximately 20% of needs from Nov. 2025 to May 2026 and Nov. 2026 to May 2027 at \$4.015 only Nymex futures were Hedged. Water, Projects Completed this Month: 0 main break for a total of 14 for the winter season, extended 6 hydrants, submitted updated service line

inventory to DANR due by September 30, completed flushing program for the year, reviewing the water treatment study performed by AE2S, backup generator is installed and running. Engineering Tech, Projects Completed this Month: 258 one-call locates for October 1 to October 16, 2025, 494 one-call locates for September 2025, Mark Meier lined up the installation of the gas and electrical under the river at 14th Ave bridge. Projects in Progress: Review plans and development for proposed future projects.

ITEM 8261

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects Completed this Month: Fall herbicide applications completed at utility properties, irrigation systems at utility properties have been winterized. Projects in Progress: Main office backup generator currently operating with temporary circuit breaker and will be replaced with specified breaker to meet design and load requirements upon delivery. Upcoming Projects: Organizing for 2025 physical inventory. Customer Service: Tyler has been extracting data from our NorthStar system and reviewing our processes. 15,725 Payments collected for a total of \$6,431,875 and 58,027 billed for a total of \$4,873,823. Human Resources/Risk Management: Final selection narrowed to 2 candidates, additional external recruitment efforts via social media and outdoor signage, successfully completed LEAD course offered by Missouri River Energy Services (MRES). Information Systems: working with Electric and Gas departments on new software and services, added 46 followers from Facebook, 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 \$360,027 below budget for the nine months ending September 30th, 2025. Total Capital Additions are \$2,148,730 under budget for nine months ending September 30th, 2025.

ITEM 8262

Motion made by Carter with second by Luken to approve the following verified salary claims and bills. Motion carried unanimously upon roll call vote. Total Watertown Municipal Utilities Net Payroll for September 2025 Plus ACH Payroll Payments \$701,615.24. Change: T. Ellingson, \$36.84/hr., effective 9/23/2025.

Name	Payable Description	Payment Amount
NOVEMBER 3, 2025		
ABC EMBROIDERY	SERVICE	\$14.85
ADVANCED ENGINEERING AND ENVIRONMENTAL SERVICES, LLC	SERVICE - WTP MASTER PLAN	\$26,337.94
AFLAC	ACCIDENT	\$1,702.31
AGWRX	SUPPLIES	\$380.00

AMARIL UNIFORM COMPANY	SAFETY CLOTHING	\$200.82
A-OX WELDING SUPPLY INC	SUPPLIES	\$25.23
APGA	2026 MEMBERSHIP DUES	\$9,698.33
APPLICANT PRO	SERVICE	\$236.00
AQUA-PURE INC	SODIUM TRIPOLYPHOSPHATE	\$3,870.00
BATTERIES UNLIMITED INC	SUPPLIES	\$200.00
BLUMIRA, INC.	SECURITY SOFTWARE	\$10,380.00
BORDER STATES ELECTRIC SUPPLY	20' ST LIGHT POLES AS PER BID	\$48,404.20
BORNS GROUP	POSTAGE & MAILING	\$12,649.97
BROWN, GINA L	REIMBURSEMENT EXPENSE	\$1,025.72
BUTLER MACHINERY CO	RENTAL	\$5,573.15
CARTNEY BEARING & SUPPLY	SUPPLIES	\$40.69
CASHWAY LUMBER INC	WTP NEW EQUIPMENT BUILDING	\$59,970.00
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$4,582.49
CODINGTON COUNTY REGISTER OF DEEDS	EASEMENTS	\$181.00
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$6,480.08
COMMERCIAL CLEANING SERVICES INC.	JANITORIAL SERVICE	\$3,975.00
CONTROL EQUIPMENT SALES, INC	GAS CORRECTORS, SUPPLIES	\$13,667.46
CORE & MAIN LP	TAPPING VALVES	\$10,887.11
CREATIVE VISIONS LANDSCAPE & DESIGN	SERVICE	\$5,440.00
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$56.88
CUMMINS SALES AND SERVICE	SERVICE	\$1,960.00
DAKOTA DATA SHRED	SHREDDING SERVICE	\$94.51
DAKOTA DIRECTIONAL LLC	SERVICE - ELECTRIC PROJECTS	\$190,861.11
DANR	REFUNDING OF GRANT MONEY	\$371,908.00
DEBOER CONSTRUCTION INC.	2ND AVE NE MAIN REPLACEMENTS	\$281,815.92
DEPARTMENT OF HEALTH	WATER SAMPLES	\$524.00
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$833.84
DTN, LLC	SUBSCRIPTION	\$579.92
DUININCK INC	CONCRETE SAND	\$2,313.51
DYNAMIC ENGINEERING	ENERGY INCENTIVE REBATE	\$2,040.00
ERICKSON, AARON	REIMBURSEMENT EXPENSE	\$571.46
ETHANOL PRODUCTS LLC	BULK CO2	\$2,733.90
FEDERAL EXPRESS CORP	SERVICE	\$244.39
FIDELITY SECURITY LIFE INSURANCE CO. (EYEMED)	VISION INSURANCE	\$193.77
FLATLAND ENTERPRISE	LEAD SERVICE LINE REPLACEMENT	\$11,502.88
FOLEY AND FOLEY LAW OFFICE, PC	SEPTEMBER LEGAL FEES	\$1,380.00
G & R CONTROLS INC.	REPLACED CO/NO2 SENSORS	\$7,248.01
GANNETT MEDIA CORP	PUBLISHINGS	\$172.96
GRAF SIGN PRO OF WATERTOWN	SUPPLIES	\$135.00
GRAINGER	SUPPLIES	\$421.10
HALME, INC.	REPLACEMENT OF CAST IRON MAINS	\$462,861.16
HAWKINS, INC.	AZONE 15, HYDROFLUOSILICIC ACID	\$23,017.93
HEATH CONSULTANTS INC	SERVICE	\$580.98
HILMOE, ZEKE	REIMBURSEMENT EXPENSE	\$30.10
IBEW LOCAL 426	UNION DUES	\$4,774.00
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$171.30
I-STATE TRUCK CENTER	SERVICE	\$1,037.32
J H LARSON COMPANY	SUPPLIES	\$262.49
JORGENSEN & OLSON ASPHALT MAINTENANCE, LLC	ASPHALT SERVICES	\$3,178.81
KARST, ADAM	REIMBURSEMENT EXPENSE	\$295.55
LATC FOUNDATION	2024, 2025 CAMPAIGN PLEDGES	\$40,000.00
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$207.20
LOCATORS & SUPPLIES INC	SUPPLIES	\$1,155.21
LOVELIS, WAYNE	REIMBURSEMENT EXPENSE	\$197.84

LUKEN, MIKE	REIMBURSEMENT EXPENSE	\$3,367.15
MACK, CHERYL	REIMBURSEMENT EXPENSE	\$326.32
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$609.05
MAC'S HARDWARE	SUPPLIES	\$215.07
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$1,525.54
MATHESON TRI-GAS INC	SUPPLIES	\$169.45
MCKEEVER INC	SUPPLIES	\$622.17
MENARDS INC	SUPPLIES	\$826.25
MET LIFE	LIFE INSURANCE	\$1,596.61
METERING & TECHNOLOGY SOLUTIONS	BRONZE METER	\$4,270.44
MIDCONTINENT COMMUNICATIONS	INTERNET, CABLE & PHONE SERVICE	\$1,906.83
MIDWEST UNDERGROUND SUPPLY, LLC	SUPPLIES	\$717.14
MILBANK WINWATER WORKS	SUPPLIES	\$221.86
MINNESOTA MUNICIPAL UTILITIES ASSN	SAFETY PROGRAM	\$9,514.00
MINSAIT ACS, INC.	SERVICE CONTRACT	\$12,602.00
MISSOURI RIVER ENERGY SERVICES	REFUND	\$37.80
MISSOURI RIVER ENERGY SERVICES	TRAINING EXPENSE	\$99.00
MUELLER CO	GAS - TRANSITION TEES	\$8,429.01
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$360.00
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$2,038.51
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$7,587.05
MUNICIPAL UTILITIES-TERM LIFE PAY	TERM LIFE	\$2,082.00
NAPA CENTRAL	SUPPLIES	\$1,187.03
OFFICE OF ENERGY ASSISTANCE	REFUND OF CREDIT ON ACCOUNT	\$76.43
OFFICE PEEPS	SUPPLIES	\$777.45
PAYMENTUS GROUP INC.	SERVICE	\$109.45
PETE LIEN & SONS	BULK LIME	\$33,370.28
POMP'S TIRE SERVICE, INC.	SUPPLIES	\$71.69
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,484.98
PRO LINE INC	SUPPLIES	\$30.07
PROLEC-GE WAUKESHA, INC.	SUPPLIES	\$3,401.00
RELIABANK DAKOTA	FLEX DC	\$6,133.89
RUNNING'S SUPPLY INC	SUPPLIES	\$1,801.76
SANFORD WATERTOWN OCCUPATIONAL MEDICINE	SERVICE	\$340.00
SD ONE CALL	LOCATES	\$532.35
SEPPALA HEATING & AIR	ENERGY INCENTIVE REBATE	\$40.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$7,555.85
STAN HOUSTON EQUIP CO	RENTAL	\$795.00
STAR LAUNDRY	SERVICE	\$557.83
STUART C IRBY CO	SUPPLIES	\$4,338.60
SUTTEN, RODNEY N	REIMBURSEMENT EXPENSE	\$291.20
SUTTON LAWN & SNOW LLC	SEPT LAWN CARE	\$2,826.00
TEREX USA, LLC	SERVICE - UNIT 45	\$1,045.00
TERRY-DURIN CO.	SUPPLIES	\$3,029.06
THOMPSON MECHANICAL INC	SERVICE - WTP	\$612.00
TITAN MACHINERY - FARGO	SUPPLIES	\$1,986.55
TITAN MACHINERY- WTN	SUPPLIES	\$1,176.35
TITAN MACHINERY-SF	SUPPLIES	\$65.05
TOSHIBA FINANCIAL SERVICES	OCT/NOV COPIER LEASE	\$987.41
TRAV'S OUTFITTER	SAFETY CLOTHING	\$1,022.93
TWO WAY SOLUTIONS, INC.	SUPPLIES	\$311.76
TWOTREES TECHNOLOGIES	SOFTWARE MAINTENANCE	\$1,218.75
TYLER TECHNOLOGIES	SERVICE	\$1,305.00
US DEPT OF ENERGY WESTERN AREA POWER ADMINISTRATION	ANNUAL MAINTENANCE	\$3,000.00
USA BLUEBOOK	SUPPLIES	\$1,819.26

UTILITY SERVICE CO., INC	RESERVOIR TANK MAINTENANCE	\$18,610.00
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN FORD CHRYSLER	SUPPLIES	\$1,037.07
WATERTOWN IRON & METAL	SUPPLIES	\$22.00
WATERTOWN UNITED WAY	United Way	\$240.00
WAYTEK INC	SUPPLIES	\$147.94
WESCO DISTRIBUTION INC	ELBOW TAP SUPPLIES	\$17,730.30
WILTECH INC	SERVICE - WT WASTEWATER PLANT SPLICING	\$3,652.50
	TOTAL	\$1,833,836.44

Total October 2025 \$1,833,836.44; Transfer to City's General Fund \$124,117.00, Muni Utilities Electric Water Gas \$44,483.61; Missouri River Energy Services Power \$1,741,445.94; BP Canada Energy Marketing Natural Gas \$12,864.75; Dept. of Revenue Sales/Excise Tax \$180,911.45; CPEP #3 Natural Gas \$10,047.00, CPEP #4 Natural Gas \$12,069.00, CPEP #3 Hedge \$23,452.28, CPEP #4 Hedge \$13,991.85, City Finance Office Garbage/Sewer \$879,430.44.

ITEM 8263

The Board set date of Wednesday November 12th, 2025, at 7 am for November Finance Committee meeting and Tuesday November 25th, 2025, at noon for November Regular Session Board Meeting. Motion carried.

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 27th, day of October, 2025.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

Dan Brenden
Board President
Municipal Utilities Department