

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Monday, July 31st, 2017

The Watertown Municipal Utilities Board convened in regular session at the Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, July 31st, 2017 at 12:00 p.m. with President Dave Strait presiding.

Board members present: Dave Strait, Dustin Padgett, Mike Luken, John Holley and Greg Solum. Board Liaison, member of City Council, Glen Vilhauer. Staff members present: Steve Lehner, Todd Chambers, Adam Karst, Jeff DeVille, Rich Schmidt, Doug Enstad, Mark Haider, Mark Meier, Kevin Kruiter, Steph Ries and Lisa Pahl. Press Dan Crisler, Public Opinion Newspaper.

ITEM 6944

Motion by Padgett with second by Luken to approve the Agenda. Motion carried.

ITEM 6945

Motion by Luken with second by Padgett to approve Minutes of regular meeting on June 26th, 2017. Motion carried.

ITEM 6946

Motion by Luken with second by Solum for approval for the General Manager to sign agreement with DGR for engineering services to relocate WAPA Meter Points. This metering relocation will create significant annual savings for WMU as transmission line losses on the 115 kV system will be removed from the overall metered value. Motion carried

ITEM 6947

Motion by Luken with second by Padgett for approval for General Manager to sign Electric Service Territory Boundaries Agreement with Northwestern Energy. This agreement will define the legal description of boundaries that the PUC prepared. Motion carried.

ITEM 6948

Open: Lehner invited the Board to the Missouri River Energy Services Municipal Power Leadership Academy in Sioux Falls, SD on Sept. 20 - 21. This program was recently implemented by MRES for newly hired utility managers, city managers, mid-level managers, utility board members and city council members.

ITEM 6949

Chambers presented the Report on Operations and Projects: Electric Department, Projects Completed This Month: Installed primary wire and transformer to old Rec Center, Cenex Fuel site on West 212 and to Mike Lantsberger building by Fire Department. Projects in Progress: Engelstad

Electric continue installing primary and secondary wire per contract, Construction crews installing primary wire for projects, Terminating wire Engelstad installed at McKinley Court, Terminating wire and transferring customers to new underground in the Uptown Alley, Terminating primary wire north of Runnings, upgrading old existing wire. Projects Starting Next Month: Engelstad installing primary per contract at Watertown Stadium. Gas Department, Projects Completed this Month: Installed or removed 112 meter sets, Finished 3,000 feet of 2" main in KAK development, Installed 1,200' of 4" steel main at Pheasant Ridge Industrial Park and RP 1162 public awareness customer survey has been completed. Water Department: Projects Completed this Month: 8 main shut downs, 1 new service tap, 3 replacement service taps and 1 hydrant replaced. Projects in Process: Larson Tower has been drained and getting prepped to be repainted. Engineering Tech Department, Projects Completed this Month: 437 One-Call locates July 1st - 26th, 457 One-Call locates total June, 2017, 8 emergency locates (3 private Contractor & 5 WMU) Next Month: Average 425 One-Call locates in August.

ITEM 6950

Karst presented the report on Administration and Financial Statements: Purchasing, Accounting and Facilities, Projects in Progress: New fence around the ball field is complete, Landscaping the southwest corner of the operations building is complete. Projects in Progress: Installing clean agent fire suppression in the IT room, Adding new exhaust systems in weld shop and mechanics shop. Customer Service, Projects Completed this Month: 13,864 payments collected for a total of \$3,799,837 total of 53,820 services billed for a total of \$4,240,258. Human Resources/Risk Management, Completed South Dakota Public Assurance Alliance annual insurance renewal, WMU's total premium for General Liability, Auto, Property and Equipment Breakdown decreased 7.73% (-\$15,832), from \$204,863 to \$189,031, Main reason for our 7.73% decrease was due to the compromise that was reached with the City to split the general liability portion of the premium 60% City 40% Utilities (last year the Utilities paid 68.5% of the general liability portion of the premium) Total premium, including City's portion, increased 8.19%. IT: Installed a new UPS for data room, Website updates and Normal monthly IT maintenance and troubleshooting.

Statements of Revenue and Expenses and Capital Additions were presented to the Board for review. Year to date net income is \$183,677 under budget compared to the budget for the six months ending June 30th, 2017. Total Capital Additions are \$1,215,523 under budget for the six months ending June 30th, 2017.

ITEM 6951

Motion made by Padgett with second by Solum to approve the following verified salary claims and bills. Motion carried unanimously upon roll call vote. Total Watertown Municipal Utilities Net Payroll for July 31st, 2017 Plus ACH Payroll Payments \$492,943.24.

Name	Payable Description	Payment Amount
August 1, 2017		
ACTION BATTERY WHOLESALERS	SUPPLIES	\$2,806.10

ACTIVE HEATING INC	ENERGY INCENTIVE REBATE	\$100.00
AFLAC	CANCER PT	\$2,067.73
A-OX WELDING SUPPLY INC	SUPPLIES	\$453.80
AQUA-PURE INC	SUPPLIES	\$3,525.00
ARGUS LEADER MEDIA	SUBSCRIPTION	\$213.87
BENDIX IMAGING INC	OFFICE SUPPLIES	\$543.95
BENSON, BRIAN	REIMBURSEMENT EXPENSES	\$1,000.00
BLACKBURN MFG COMPANY	SUPPLIES	\$2,177.42
BORDER STATES ELECTRIC SUPPLY	SUPPLIES	\$22,184.66
BORNS GROUP	POSTAGE & MAILING	\$7,934.45
BRIAN'S GLASS & DOOR INC	SUPPLIES	\$315.00
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$89.79
CALISTO, JOE	FIBER OPTIC SPLICES	\$650.00
CARRICO LAW PROFESSIONAL LLC	PROFESSIONAL FEES	\$790.50
CENTURY LINK	PHONE SERVICE 605 882-6233 B005093	\$297.31
CHAMBERS, TODD	REIMBURSEMENT EXPENSE	\$358.99
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$2,466.14
CHILD SUPPORT PAYMENT CENTER	CHILD SUPPORT - CASE # 322244010A	\$1,656.00
CITY OF WATERTOWN	WASTEWATER DISCHARGE PERMIT	\$30.00
CODING.CTY REGISTER OF DEEDS	COPIES	\$104.00
CODING.-CLARK ELECTRIC COOP.	WELLFIELD ELECTRIC SERVICE	\$5,385.96
COMPASS MINERALS	SUPPLIES	\$9,758.88
CONNECTING POINT	SUPPLIES	\$24.75
CONVERGINT TECHNOLOGIES LLC	SERVICE	\$107.50
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$113.96
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$653.24
DAKOTA DATA SHRED	SHREDDING SERVICE	\$63.25
DAKOTA RIGGERS & TOOL	SUPPLIES	\$1,148.77
DE NORA WATER TECHNOLOGIES	SUPPLIES	\$1,460.43
DEPARTMENT OF REVENUE	WATER SAMPLES	\$457.00
DIAMOND VOGEL PAINT CENTER	SUPPLIES	\$391.70
DSG DAKOTA SUPPLY GROUP	TRANSFORMERS AS PER BID	\$92,468.17
DUININCK INC	GRAVEL, SAND, CRUSHED CONCRETE	\$2,021.47
ENERGY LABORATORIES INC	WATER TESTING	\$140.00
ENERGY WORLDNET, INC	SUBSCRIPTION	\$180.00
ENGELSTAD ELECTRIC COMPANY	PER BID-DOWNTOWN ALLEYS	\$55,108.73
ETHANOL PRODUCTS LLC	SUPPLIES	\$2,199.36
FARNAMS GENUINE PARTS	SUPPLIES	\$765.24
FARWEST LINE SPECIALTIES, LLC	SUPPLIES	\$340.00
FASTENAL COMPANY	SUPPLIES	\$77.90
GCR TIRE CENTER	SUPPLIES	\$66.95
GCR TIRE CENTER	SUPPLIES	\$22.00
GRAYBAR ELECTRIC CO INC	UPS BATTERY BACKUP	\$12,767.85
GREAT WESTERN BANK	TASC MED	\$6,504.66
GROEBNER	SUPPLIES	\$3,077.41
HANTEN, JOHN B.	UB REFUND	\$778.90
HAWKINS, INC.	SUPPLIES	\$10,558.89
HY-VEE FOODS	SUPPLIES	\$33.25
IBEW LOCAL 426	UNION DUES	\$3,203.00
J & J EARTHWORKS	PER BID-8" & 10" MAIN ON 7TH AVE	\$72,549.60
J H LARSON COMPANY	200 AMP METER SOCKET	\$9,434.57
KARST, ADAM	REIMBURSEMENT EXPENSE	\$474.40
LAKE CITY FIRE EQUIPMENT LLC	ANNUAL MAINTENANCE	\$392.47
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$805.57
LUKEN, MIKE	REIMBURSEMENT EXPENSES	\$1,741.27
LUKONEN'S TOOL SERVICE INC	SUPPLIES	\$326.80

LYLE SIGNS INC	SUPPLIES	\$451.20
M & T FIRE & SAFETY INC	SUPPLIES	\$91.50
MAC'S INC	SUPPLIES	\$1,606.47
MAHOWALD'S HARDWARE & RENTAL	SUPPLIES	\$146.59
MARCO INC	COPIER PRINTS	\$532.67
MARCO TECHNOLOGIES LLC	MFILES CONTRACT 8-3-17 TO 8-2-18	\$8,645.00
MC KEEVER INC	SUPPLIES	\$258.67
MENARDS INC	SUPPLIES	\$979.57
MET LIFE	LIFE INSURANCE	\$1,264.90
MIDCONTINENT COMMUNICATIONS	INTERNET SERVICE	\$165.00
MILBANK WINWATER WORKS	SUPPLIES	\$5,283.40
MINNESOTA MUNICIPAL UTILITIES	SAFETY PROGRAM	\$7,125.00
MUNICIPAL UTILITIES - PC	PETTY CASH	\$69.90
MUNICIPAL UTILITIES-NSF CHECK	REIMBURSE NSF FUND	\$63.94
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$14,690.42
NEW PIG CORP	SUPPLIES	\$93.95
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$8,574.70
NORTHWESTERN ENERGY	SERV. RIGHTS PAY. 3-23-17 TO 6-22-17	\$2,705.63
OFFICE PEEPS	SUPPLIES	\$413.01
PETE LIEN & SONS	BULK LIME	\$30,995.64
PRAIRIE LAKES WELLNESS CENTER	ENERGY INCENTIVE REBATE	\$35,653.00
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$147.95
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,074.95
REDLINGER BROS PLUMBING & HTG	SUPPLIES	\$123.35
RESCO	SUPPLIES	\$8,227.10
RIISING STAR HYDRAULICS INC	SUPPLIES	\$113.90
RON'S SAW SALES	SUPPLIES	\$134.20
ROTH, KEENAN M	REIMBURSEMENT EXPENSES	\$83.20
RUNNING'S SUPPLY INC	SUPPLIES	\$383.24
SANFORD HEALTH OCCUP. MED.	SCREENS	\$245.00
SD ONE CALL	LOCATES	\$481.95
SD PUBLIC ASSURANCE ALLIANCE	GEN LIABILITY INSURANCE 2017	\$189,031.08
SDSU FOUNDATION ACCT #70507	CENTER FOR POWER SYSTEMS	\$350.00
SERVICEMASTER	JANITORIAL SERVICE	\$3,740.00
SHERMAN CANVAS	SUPPLIES	\$445.50
SIGN PRO	SUPPLIES	\$750.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$6,017.78
SIOUX VALLEY GREENHOUSES	LAWN SERVICE	\$3,215.00
SOLUS LED	ENERGY INCENTIVE REBATE	\$1,000.00
STAN HOUSTON EQUIP CO	SUPPLIES	\$260.00
STAR LAUNDRY INC	SUPPLIES	\$397.69
STARR, TANNER E	REIMBURSEMENT EXPENSES	\$2,000.00
STUART C IRBY CO	SUPPLIES	\$2,676.44
TAC SERVICES LLC	LAWN SERVICE	\$1,885.00
TEREX SERVICES	SUPPLIES	\$2,301.46
TITAN MACHINERY- WTN	SUPPLIES	\$2,388.34
TITAN MACHINERY-SF	SUPPLIES	\$699.09
TOOL TIME RENTAL	SUPPLIES	\$237.36
TRAV'S OUTFITTER	SAFETY CLOTHING	\$140.00
TREATMENT RESOURCES, INC	SUPPLIES	\$886.65
UPS	SUPPLIES	\$124.56
US PLASTICS CORP	SUPPLIES	\$432.76
USA BLUEBOOK	SUPPLIES	\$863.98
VISION SERVICE PLAN (VSP) (CA)	VISION INSURANCE	\$376.03
WARBORG, BRYAN	REIMBURSEMENT EXPENSES	\$20.00
WATERTOWN DEVELOPMENT CO.	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00

WATERTOWN PUBLIC OPINION	PUBLISHINGS	\$408.78
WATERTOWN UNITED WAY	UNITED WAY	\$446.00
WATERTOWN WHOLESALE	SUPPLIES	\$391.78
WEISMANTEL RENT-ALL	SUPPLIES	\$155.00
WESCO DISTRIBUTION INC	SUPPLIES	\$1,973.05
WW TIRE SERVICE INC	SUPPLIES	\$1,100.00
TOTAL		<u>\$709,596.94</u>

Total July, 2017 709,596.94; Transfer to City's General Fund 101,864, Qtrly First Nat'l Bank - SF 413,660.20, Muni Utilities Electric Water Gas 57,220.61; Northern Natural Gas 2,273.20; Missouri River Energy Services Power 2,163,092.18; BP Canada Energy Marketing Natural Gas 30,424.25; Dept. of Revenue Sales/Excise Tax 182,772.88; CPEP Natural Gas 9,091.50, City Finance Office Garbage Sewer 410,257.02.

ITEM 6952

Pursuant to SDCL 1-25-2(3) Luken moved with second by Solum to move to Executive Session for consulting with attorney on contractual matters and pending litigation. Motion carried.

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

Motion by Luken with second by Padgett to adjourn. Motion carried.

The Watertown Municipal Utilities Department 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 31st, day of July, 2017.

ATTEST: _____

Lisa Pahl
Executive Secretary
Watertown Municipal Utilities Board

Dave Strait
Board President
Watertown Municipal Utilities Board