

MINUTES OF SPECIAL SESSION BOARD MEETING  
FINANCE COMMITTEE MEETING  
MUNICIPAL UTILITIES DEPARTMENT  
TUESDAY, NOVEMBER 21<sup>st</sup>, 2017

The Municipal Utilities Board convened in special session at Municipal Utilities Board Room Watertown, SD on Tuesday, November 21<sup>st</sup>, 2017 at 7:00 AM with President Dustin Padgett presiding.

Board members present: Dustin Padgett, Mike Luken, John Holley, Greg Solum and Dave Strait. Staff Members present: Steve Lehner, Todd Chambers, Adam Karst and Interim Attorney Vince Foley. Press Don Egert, KXLG Radio.

**ITEM 6987**

Discussion on Codington Clark and Watertown Municipal Utilities electric service territory agreement was held. Dave Strait noted that letting Codington Clark out of their agreement could jeopardize development in Watertown. If WMU assesses a 25% rate adder to cover the cost of reimbursement to the Co-op under the state law for a new load, it may not be competitive with neighboring cities. If WMU assesses the additional cost of letting Codington Clark out of the agreement, WMU rates could go up. Codington Clark brought this agreement to Watertown Utilities and all amendments have been approved by both boards and the PUC. There is no reason to let Codington Clark out of the agreement to the detriment of the Watertown rate payers. General Consensus was not to sign the Resolution to rescind the agreement provided by Codington Clark. No vote was taken. It was noted that Solum recused himself from this discussion.

**ITEM 6988**

Discussion on health care for 2018 was reviewed. A proposed health care renewal will be brought to the regular November board meeting for approval.

**ITEM 6989**

Rate Recommendations for Gas, Water and Electric were presented to the board. Proposed rate recommendations will be brought to the regular November Board Meeting for approval.

**ITEM 6990**

Discussion of proposed budget for 2018 including operating budget and capital budget. Review of proposed projects for Electric, Water and Gas Departments; review of proposed items for working tools and equipment. Proposed budget with recommendations will be brought to the regular November Board Meeting for approval.

**ITEM 6991**

Motion by Strait with second by Luken to take Agenda Item 6 Salary Recommendations to Executive Session. Motion carried.

**ITEM 6992**

Pursuant to SDCL 1-25-2(4) Strait moved with second by Luken to move to Executive Session for preparing for contract negotiations or negotiating with employees or employee representatives; The Board does not expect to take action when they reconvene to regular session. Motion carried.

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

Motion by Luken with second by Strait 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 21<sup>st</sup> day of November 2017

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

Lisa Pahl  
Executive Secretary  
Municipal Utilities Board  
Department

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Dustin Padgett  
Board President  
Municipal Utilities