

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Wednesday, April 26th, 2017

The Municipal Utilities Board convened in regular session at the Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Wednesday, April 26th, 2017 at 12:00 p.m. with President Dave Strait presiding.

Board members present: Dave Strait, Mike Luken, John Holley and Greg Solum. Board Member Dustin Padgett absent. 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, Stephanie Ries, Sheila Mennenga and Lisa Pahl. Press Dan Crisler, Public Opinion Newspaper, Don Egert KXLG radio.

ITEM 6915

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

ITEM 6916

Motion by Luken with second by Solum to approve Minutes of regular meeting on March 27th, 2017. Motion carried.

ITEM 6917

Motion by Luken with second by Holley for approval for the General Manager to sign a Cyber Security Audit Agreement with RSM US LLP, Houston, TX for \$19,400. There are no current issues. RSM will assess our weaknesses and strengths. The Cyber Security Audit will take 4-6 weeks. Motion carried.

ITEM 6918

Motion by Luken with second by Holley to approve the proposed water policy changes by adding wording "whenever possible" to 15.2 and adding section 15.8 on fire protection relating to providing protection only when Watertown Municipal Utilities serves domestic use. Motion carried.

ITEM 6919

Open: Lehner presented the bill stuffer Mosquito Control.

ITEM 6920

Chambers presented the Report on Operations and Projects: Electric Department, Projects Completed This Month: Took Pelican substation off line to connect second Ethanol plant feeder to the breaker. Projects in Progress: Construction season started, crews will be installing primary wire for projects. Projects Starting Next Month: Engelstad installing primary and secondary in the Uptown Alley Project. Gas Department, Projects completed this Month: Completed interviews and hired a new gas serviceman and equipment operator, Completed annual valve maintenance on all emergency

valves as required by the code. Projects in Progress: Spring construction. Water Department, Projects Completed this Month: 3 Main Shut Downs, repaired 20 road box tops damaged from winter snow removal, Brad and Tanner attended the intermediate water treatment class in Sioux Falls. Tanner took the class 3 treatment test and passed it. Projects in Progress: Installing a new air compressor on side #1 of the plant. Engineering Tech Department, Projects Completed this Month: 399 One-Call locates April 1st - 23rd, 157 One-Call locates total March, 2017, 3 emergency locates (3 private Contractor & 0 WMU) Located 68 Vast Cable TV Drops. Next Month: Average 560 One-Call locates in May.

ITEM 6921

Karst presented the report on Administration and Financial Statements: Purchasing, Accounting and Facilities, Projects Completed This Month: William Neale & Co. finished the 2016 year-end financial statement audit fieldwork, We completed/signed the application exit briefing with FEMA regarding the December 2016 storm. Total project costs eligible for reimbursement were \$56,834.12. Projects in Progress: Ordering, receiving and stocking materials, Compiling information for MRES for the 2017 electric rate study. Customer Service, Projects Completed this Month: 14,125 payments collected for a total of \$4,639,768 total of 53,040 services billed for a total of \$4,269,997. Mailed 2,223 budget bill letters. The average budget bill increased an average of 7% from last year. Human Resources/Risk Management, Interviewing for summer temp positions and CSR I position, accepting applications for Apprentice Engineering Tech Position - will be interviewing in May, Promotions D. Brage - Apprentice Gas Meter Person, effective 4/3/2017 and K. Roth - Apprentice Equipment Operator, transition date TBD. IT, 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 \$186,201 under budget compared to the budget for the three months ending March 31st, 2017. Total Capital Additions are \$148,747 under budget for the three months ending March 31st, 2017.

ITEM 6922

Board set date of Wednesday, May 31st, 2017 at noon for May Board Meeting.

ITEM 6923

Motion made by Luken with second by Holley to approve the following verified salary claims and bills. Motion carried unanimously upon roll call vote. Total Municipal Utilities Dept. Net Payroll for April 28th, 2017 Plus ACH Payroll Payments \$492,955.39. D. Johnson retired effective 4/20/2017, M. Waite 14.75/hr effective 4/6/2017, D. Brage 28.89/hr effective 4/3/2017.

Name	Payable Description	Payment Amount
May 1, 2017		
ACTION BATTERY WHOLESALERS	SUPPLIES	\$24,170.46
ADVANCED ENGINEERING & ENVIRONMENTAL SERVICES	SERVICE	\$366.00
AFLAC	CANCER PT	\$2,346.52

A-OX WELDING SUPPLY INC	SUPPLIES	\$102.92
AQUA-PURE INC	SUPPLIES	\$6,000.00
BELL LUMBER & POLE CO	POLES	\$14,290.00
BENDIX IMAGING INC	SUPPLIES	\$209.98
BORDER STATES ELECTRIC SUPPLY	SUPPLIES	\$16,312.39
BORNS GROUP	POSTAGE & MAILING	\$9,270.47
BURCHATZ CONSTRUCTION COMPANY INC	CONCRETE	\$1,063.42
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$102.59
BURNS, JERRY	REIMBURSEMENT EXPENSE	\$963.07
CARRICO LAW PROFESSIONAL LLC	PROFESSIONAL FEES	\$852.50
CHAMBERS, TODD	REIMBURSEMENT EXPENSES	\$84.53
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$2,499.05
CHILD SUPPORT PAYMENT CENTER	Child Support - Case # 322244010A	\$1,931.00
CODINGTON COUNTY REGISTER OF DEEDS	EASEMENT	\$65.00
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$4,095.04
CONNECTING POINT	SUPPLIES	\$455.63
CONTINENTAL SAFETY EQUIP	SUPPLIES	\$250.32
COTEAU SHOPPER	PUBLISHINGS	\$340.25
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$534.89
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$506.63
DAKOTA DATA SHRED	SHREDDING SERVICE	\$84.00
DE NORA WATER TECHNOLOGIES	SUPPLIES	\$57.34
DE VILLE, JEFF	REIMBURSEMENT EXPENSES	\$798.60
DEPARTMENT OF REVENUE	WATER SAMPLES	\$440.00
DOUG'S ANCHOR MARINE	ENERGY REBATE	\$1,228.50
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$9,619.66
DUININCK INC	Rock, Gravel	\$1,368.87
ENGELSTAD ELECTRIC COMPANY	SUPPLIES	\$380.00
ETHANOL PRODUCTS LLC	SUPPLIES	\$1,848.81
FARNAMS GENUINE PARTS	SUPPLIES	\$235.88
FASTENAL COMPANY	SUPPLIES	\$816.96
GCR TIRE CENTER	SUPPLIES	\$219.98
GLASS PRODUCTS INC	SUPPLIES	\$38.00
GREAT WESTERN BANK	TASC MED	\$6,673.06
GROEBNER	SUPPLIES	\$3,546.43
IBEW LOCAL 426	UNION DUES	\$3,290.00
INDELCO PLASTICS CORPORATION	SUPPLIES	\$132.12
INGERSOLL RAND COMPANY	SUPPLIES	\$15,760.92
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$207.25
IXOM	SUPPLIES	\$10,674.66
J H LARSON COMPANY	SUPPLIES	\$5,810.33
JURGENS PRINTING INC	SUPPLIES	\$474.00
KNOWBE4	COMPUTER TRAINING SUBSCRIPTION	\$1,863.00
LARRY'S LUMBER INC	SUPPLIES	\$22.35
LEHNER, STEVE	REIMBURSEMENT EXPENSES	\$703.95
LOCATORS & SUPPLIES INC	SUPPLIES	\$2,862.80
LUKONEN'S TOOL SERVICE INC	SUPPLIES	\$1,499.01
LUNDE, JOHN	REIMBURSEMENT EXPENSE	\$1,267.25
M & T FIRE & SAFETY INC	SUPPLIES	\$216.50
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$210.76
MAC'S INC	SUPPLIES	\$107.13
MAHOWALD'S HARDWARE & RENTAL	SUPPLIES	\$35.44
MARCO INC	COPIER PRINTS	\$407.34
MC KEEVER INC	OFFICE SUPPLIES	\$324.22
MENARDS INC	SUPPLIES	\$422.77
MESA PRODUCTS INC	SUPPLIES	\$1,352.56
MET LIFE	LIFE INSURANCE	\$1,269.36
METERING & TECHNOLOGY SOLUTIONS	WATER METERS AS PER BID	\$13,125.00
MIDCONTINENT COMMUNICATIONS	INTERNET SERVICE	\$105.00
MIDWEST UNDERGROUND SUPPLY, LLC	SUPPLIES	\$1,060.11
MIKE MC NAMARA	REIMBURSEMENT EXPENSE	\$1,338.66
MILBANK WINWATER WORKS	SUPPLIES	\$3,583.17
MINNESOTA MUNICIPAL UTILITIES ASSN	2017 2ND QTR SAFETY MANAGT PROGRAM	\$8,445.00
MOTION INDUSTRIES	FREIGHT	\$220.12

MUNICIPAL UTILITIES - PC	PETTY CASH	\$179.87
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF #15266-20/#185888-1	\$816.00
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$5,458.50
NO. 1 ASIAN BUFFET	UB REFUND	\$2,944.09
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$7,819.66
NORTHWESTERN ENERGY	SERV RIGHTS PAYABLE 12-23-16 TO 3-22-17	\$2,967.99
OFFICE PEEPS	SUPPLIES	\$1,277.60
PETE LIEN & SONS	BULK LIME	\$20,813.00
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$135.95
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,023.97
PRINT 'EM NOW INC	SUPPLIES	\$68.38
REDLINGER BROS PLUMBING & HEATING	SUPPLIES	\$162.28
REPPE, JOHN L.	CREDIT REFUND	\$500.00
RESCO	SUPPLIES	\$223.20
RON'S SAW SALES	SUPPLIES	\$505.95
ROTH, KEENAN M	REIMBURSEMENT EXPENSE	\$112.70
RUNNING'S SUPPLY INC	SUPPLIES	\$570.02
SCHAEFFER MFG CO	SUPPLIES	\$997.15
SCHMIDT, RICHARD	REIMBURSEMENT EXPENSE	\$121.46
SD GOVERNMENTAL HUMAN RESOURCE ASSOCIATION	MEMBERSHIP DUES	\$25.00
SD GOVERNMENTAL HUMAN RESOURCE ASSOCIATION	REGISTRATION FEE	\$50.00
SD ONE CALL	LOCATES	\$177.45
SDRS SPECIAL PAY PLAN	401a VAC	\$22,406.37
SENSIT TECHNOLOGIES INC	SUPPLIES	\$570.37
SERVICEMASTER	JANITORIAL SERVICE	\$3,740.00
SHERWIN WILLIAMS CO	SUPPLIES	\$60.46
SIGN PRO	SUPPLIES	\$132.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$4,641.72
SOCIETY FOR HUMAN RESOURCE MGMT	RENEWAL 6/1/17-5/31/18	\$199.00
SOUTH DAKOTA SHRM	TRAINING EXPENSE	\$209.00
ST. MARTIN'S LUTHERAN CHURCH & SCHOOL	ENERGY REBATE	\$5,364.25
STAR LAUNDRY INC	RUG SERVICE	\$706.53
STEVE'S WORLD	SERVICE	\$93.75
STUART C IRBY CO	TRANSFORMERS AS PER BID	\$25,361.05
STURDEVANTS AUTO PARTS	SUPPLIES	\$459.78
T & R ELECTRIC SUPPLY COMPANY INC	SUPPLIES	\$7,526.50
TECHNOLOGY FOR ENERGY CORPORATION	SUPPLIES	\$1,280.50
TEREX SERVICES	SERVICE	\$7,824.97
TITAN MACHINERY- WTN	SUPPLIES	\$792.42
TREATMENT RESOURCES, INC	SUPPLIES	\$19,827.12
US PLASTICS CORP	SUPPLIES	\$115.33
USA BLUEBOOK	SUPPLIES	\$68.13
UTILITIES PLUS ENERGY SERVICES INC	MAINTENANCE & TESTING	\$15,194.00
VAN DIEST SUPPLY COMPANY	SUPPLIES	\$2,650.00
VISION SERVICE PLAN (VSP) (CA)	VISION INSURANCE	\$376.03
VOIGHT, DANIEL J	REIMBURSEMENT EXPENSE	\$458.87
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN PUBLIC OPINION	PUBLISHINGS	\$1,414.54
WATERTOWN UNITED WAY	United Way	\$456.00
WATERTOWN WHOLESALE	SUPPLIES	\$427.18
WEISMANTEL RENT-ALL	SUPPLIES	\$255.00
WESCO DISTRIBUTION INC	SUPPLIES	\$1,395.50
WILTECH INC	EMPLOYEE TESTING	\$1,311.23
WW TIRE SERVICE INC	SUPPLIES	\$2,354.00
	TOTAL	\$374,271.35

Total April 2017 374,271.35; Transfer to City's General Fund 101,864, Qtrly First Nat'l Bank - SF 413,660.20; Muni Utilities Electric Water Gas 36,648.96; Northern Natural Gas 6,061.20; Missouri River Energy Services Power 1,719,156.41; BP Canada Energy Marketing Natural Gas 496,820.96; Dept. of

Revenue Sales/Excise Tax 197,288.56; CPEP Natural Gas 60,905.84, City Finance Office Garbage Sewer 395,117.22.

ITEM 6924

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. The Board does not expect to take action when they reconvene to regular session. Motion carried.

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

Motion by Luken with second by Holley 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 26th, day of April, 2017

ATTEST: _____

Lisa Pahl
Executive Secretary
Municipal Utilities Board

Dave Strait
Board President
Municipal Utilities Department