

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Monday, March 27th, 2017

The Municipal Utilities Board convened in regular session at the Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, March 27th, 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, 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 6904

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

ITEM 6905

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

ITEM 6906

Motion by Luken with second by Holley to Declare as Surplus Designjet Printer T1100PS. Motion carried.

ITEM 6907

Motion by Luken second by Holley to approve General Manger to sign an Electric Rate Study documents with Missouri River Energy Services. Motion carried.

ITEM 6908

This being the time and place set for consideration of bids, the following were presented. Bids for Hydrants, PVC Pipe, Installation of Water Mains, Pebble Lime and Solar Salt were opened Thursday, March 23rd, 2017 at 1:30 PM by Municipal Utilities Department Staff as authorized by the Board.

HYDRANTS: Two bids were received and upon review and recommendation by Chambers, motion by Luken with second by Holley to award bid to low valid bidder, HD Supply Waterworks, Sioux Falls, SD awarded on total bid price of \$78,573.80. Motion carried.

PVC PIPE: Three bids were received and upon review and recommendation by Chambers, motion by Padgett with second by Solum to award bid to low valid bidder, Ferguson Waterworks, Fargo, SD awarded on total bid price of \$16,427.00. Motion carried.

INSTALLATION OF WATER MAINS: Three bids were received and upon review and recommendation by Chambers, motion by Luken with second by Holley to award bid to low valid bidder, J & J Earthworks, Milbank, SD awarded on total bid price of \$125,410.00. Motion carried.

PEBBLE LIME: Two bids were received and upon review and recommendation by Chambers, motion by Padgett with second by Holley to award bid to low valid bidder, Pete Lien, Rapid City, SD awarded on price per ton of \$148.00. Motion carried.

SOLAR SALT: Two bids were received and upon review and recommendation by Chambers, motion by Luken with second by Holley to award bid to low valid bidder, North American Salt, Compass Minerals, Overland Park, KS on price per ton of \$195.00. Motion carried.

ITEM 6909

Open: Lehner presented three bill stuffers Living Safely with Natural Gas, a bi-annual flyer that gives our customers an awareness of gas pipeline safety. Residential Hazardous Waste Disposal is a schedule when and where you can drop off Household Hazardous Waste. Excess Flow Valve Gas Letter notification; this is now a requirement by the Pipeline Safety to notify and offer this EFV to customers. Lehner also invited the Board to the MRES Annual Meeting in May and also to the Governors Luncheon at Lake Area Tech Institute in April. Lehner gave an update on the Midwest Electric Consumers Association meeting he attended in Washington, DC. They met with legislators and also heard speakers from US Army Corps of Engineers, National Rural Electric Association, American Public Power Association and Western Area Power Association.

ITEM 6910

Chambers presented the Report on Operations and Projects: Electric Department, Projects Completed This Month: Installed capacitor banks at 4 locations for power factor correction on overhead primary lines, Pre-construction meetings for contractors install primary and secondary per contract. Projects Starting Next Month: Connecting and energizing second feeder to Ethanol Plant during GLE shut down, Construction season started crews will be installing primary wire for projects. Gas Department, Projects completed this Month: Completed 3 days of inspections on records, OQ, and Drug and Alcohol Program by the Office of Pipeline Safety, Completed interviews and hired a new gas service foreman. Projects Starting Next Month: Spring Construction. Water Department, Projects Completed this Month: No additional main breaks from last month, we had 11 for the winter season. Projects in Progress: Setting up shelving and getting equipment moved over to the new part of the warehouse. Projects to Start Next Month: Install a new air compressor on side #1. Engineering Tech Department, Projects Completed this Month: 52 One-Call locates March 1st - 23rd, 42 One-Call locates total February, 2017. Next Month: Average 490 One-Call locates in April.

ITEM 6911

Karst presented the report on Administration and Financial Statements: Purchasing, Accounting and Facilities, Projects Completed This Month: Had the final walk through for the new warehouse addition with West Plains Engineering. The project is considered complete and will be making final payments. Projects in Progress: William Neale Co. is working on our 2016 financial statement audit, Purchasing long lead time items for construction season (Meters, Regulators, etc.) Customer Service, Projects Completed this Month: 13,815 payments collected for a total of \$5,044,040 total of 52,852 services billed for a total of \$4,489,380. Projects Starting Next Month: Annual re-evaluation of customer's monthly budget bill amount. Human Resources/Risk Management, On behalf of the South Dakota State Council for the Society for Human Resources Management, attended the annual, SHRM Employment Law & Legislative Conference in Washington, DC, prepared payroll data for Christmas Day FEMA event, Retirements: Donna Johnson, A/P Specialist, effective 4/20/2017 - 29 years, Stephanie Myers, CSR I, has been promoted to the A/P Specialist Position, currently looking for a CSR I replacement. Doug Riley, Gas Meter Foreman, effective 5/19/2017 - 32 years, Bryan Warborg, Gas Meter Person, has been promoted to the Gas Meter Foreman position, currently looking for a Gas Meter Person replacement. 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 \$229,814 under budget compared to the budget for the two months ending February 28th, 2017. Total Capital Additions are \$127,156 under budget for the two months ending February 28th, 2017.

ITEM 6912

Board set date of Wednesday, April 26th, 2017 at noon for April Board Meeting.

ITEM 6913

Motion made by Luken with second by Padgett to approve the following verified salary claims and bills. Motion carried unanimously upon roll call vote. Total Municipal Utilities Dept. Net Payroll for March 31st, 2017 Plus ACH Payroll Payments \$446,619.17. Steve Witte 33.22 effective 3/9/2017.

<u>Name</u>	<u>Payable Description</u>	<u>Payment Amount</u>
April 3, 2017		
ABC EMBROIDERY	SERVICE	\$75.80
ABC LOCK & KEY	SERVICE	\$206.00
ADV. ENGINEERING & ENV. SERV.	STUDY & REPORT	\$2,488.00
AFLAC	CANCER PT	\$2,346.52
ALLDATA	SUBSCRIPTION RENEWAL	\$1,500.00
ALPS INC	SUPPLIES	\$425.88
A-OX WELDING SUPPLY INC	SUPPLIES	\$90.67
AUTO ZONE STORES	ENERGY REBATE	\$639.60
AUTOMATIC BUILDING CONTROLS	ANNUAL FIRE ALARM CHECK	\$766.00

BENDIX IMAGING INC	SUPPLIES	\$1,077.94
BIG SIOUX WATER FESTIVAL	CONTRIBUTION	\$1,250.00
BORDER STATES ELECTRIC SUPPLY	SUPPLIES	\$15,497.10
BORNS GROUP	POSTAGE & MAILING	\$8,618.49
BRAGE, DOUGLAS J	REIMBURSEMENT EXPENSES	\$1,000.00
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$89.35
CASEY'S STORE #2089	ENERGY REBATE	\$780.00
CENTURY LINK	PHONE SERVICE	\$300.00
CENTURY LINK	PHONE SERVICE	\$297.12
CHAMBERS, TODD	REIMBURSEMENT EXPENSES	\$24.08
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$2,190.90
CHEMCO SYSTEMS, LP	SUPPLIES	\$160.10
CHILD SUPPORT PAYMENT CENTER	Child Support - Case # 322244010A	\$1,931.00
CITY OF WATERTOWN	DONATION	\$1,000.00
CODINGTON COUNTY REGISTER OF DEEDS	EASEMENT	\$30.00
CODINGTON-CLARK ELECTRIC COOP. INC	WELLFIELD ELECTRIC SERVICE	\$4,288.64
CONNECTING POINT	HARD DRIVE FOR SCADA SERVER	\$215.00
CREDIT COLLECTIONS BUREAU	COLLECTION FEES	\$785.40
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$202.23
CUMMINS CENTRAL POWER LLC	SUPPLIES	\$642.54
DAKOTA DATA SHRED	SHREDDING SERVICE	\$63.25
DE VILLE, JEFF	TRAINING EXPENSES	\$1,692.76
DEL-MAR UPHOLSTERY	SERVICE	\$225.00
DEPARTMENT OF REVENUE	WATER SAMPLES	\$959.00
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$4,558.55
EAST RIVER ELEC POWER COOP	ANNUAL SERV. AGRE. & SWITCH. SCHOOL	\$8,100.00
ENERGY LABORATORIES INC	WATER TESTING	\$940.00
ENGELSTAD ELECTRIC COMPANY	SUPPLIES	\$56.00
ETHANOL PRODUCTS LLC	CO2	\$2,773.15
FARNAMS GENUINE PARTS	SUPPLIES	\$491.90
FASTENAL COMPANY	SUPPLIES	\$47.33
GAS PRODUCTS SALES, INC	SUPPLIES	\$50,997.61
GCR TIRE CENTER	TIRE REPAIR	\$184.23
GLACIAL LAKES RUBBER & PLASTICS	ENERGY REBATE	\$3,857.00
GOLLNICK, DAREN	REIMBURSEMENT EXPENSES	\$2,000.00
GRAINGER	SUPPLIES	\$237.10
GRAY CONSTRUCTION CO INC	WAREHOUSE ADDITION	\$10,000.00
GREAT WESTERN BANK	TASC MED	\$6,673.06
GRIFFIN	SUPPLIES	\$2,370.00
GROEBNER	SUPPLIES	\$12,444.45
HAWKINS, INC.	SUPPLIES	\$3,800.16
HEWLETT PACKARD	SUPPLIES	\$6,044.40
IBEW LOCAL 426	UNION DUES	\$3,294.00
INDELCO PLASTICS CORPORATION	SUPPLIES	\$672.46
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$599.60
J H LARSON COMPANY	SUPPLIES	\$908.27
JOHNSON, TIM	REIMBURSEMENT EXPENSES	\$988.04
JONDAHL PLUMBING & HEATING INC	SERVICE	\$407.55
KEROTEST MANUFACTURING CORP	SUPPLIES	\$1,781.79
LAKE CITY FIRE EQUIPMENT LLC	EXTINGUISHER MAINTENANCE	\$321.37
LATI	REGISTRATION	\$225.00
LOCATORS & SUPPLIES INC	SUPPLIES	\$1,960.65
M E BARBER CO INC	SUPPLIES	\$51.17
MACK, ROBIN	REIMBURSEMENT EXPENSES	\$133.08
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$547.98
MAC'S INC	SUPPLIES	\$1,190.75
MARCO INC	COPIER PRINTS	\$332.37
MATHISON'S	SUPPLIES	\$944.20
MEGGER	SUPPLIES	\$624.00
MENARDS INC	SUPPLIES	\$646.88
MERCURY INSTRUMENTS LLC	SUPPLIES	\$127.93
MET LIFE	LIFE INSURANCE	\$1,267.66
METERING & TECHNOLOGY SOLUTIONS	WATER METERS AS PER BID	\$11,310.00
MIDCONTINENT COMMUNICATIONS	INTERNET SERVICE	\$105.00

MIKE MC NAMARA	REIMBURSEMENT EXPENSES	\$661.34
MILBANK WINWATER WORKS	SUPPLIES	\$231.00
MISSOURI RIVER ENERGY SERVICES	INFRARED INSPECTION SERVICES	\$3,831.80
MOES, SHANNON	SHARE COST OF HYDRANT MOVE	\$954.08
MOTION INDUSTRIES	SUPPLIES	\$6,068.45
MUELLER CO	SUPPLIES	\$1,684.60
MUNICIPAL UTILITIES - PC	PETTY CASH	\$249.92
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND 11671-2	\$227.51
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$2,772.87
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$2,284.11
NOVASPECT, INC.	SUPPLIES	\$1,138.66
OFFICE PEEPS	OFFICE SUPPLIES	\$638.58
ONE WILLOW CREEK	ENERGY INCENTIVE REBATE	\$400.00
PETE LIEN & SONS	SUPPLIES	\$8,582.55
PETERSON, TRAVIS	REIMBURSEMENT EXPENSES	\$226.19
PIPELINE ASSN FOR PUBLIC AWARENESS	PIPELINE ASSOC. FOR PUBLIC AWARENESS	\$845.00
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$147.95
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,023.97
PRINT 'EM NOW INC	SUPPLIES	\$381.28
PRO LINE INC	SWEEPER	\$14,500.29
PSILAB INC	ANALYSIS	\$337.56
RAGELS, DON	REFUND	\$3,000.00
REDLINGER BROS PLUMBING & HEATING	SERVICE	\$4,134.31
RESCO	SUPPLIES	\$4,101.40
RING-O-MATIC	SUPPLIES	\$836.60
RONKE, SHANE	REIMBURSEMENT EXPENSES	\$25.00
RON'S SAW SALES	SUPPLIES	\$238.34
RUNNING'S SUPPLY INC	SUPPLIES	\$474.42
SANFORD HEALTH OCCUP. MEDICINE CLI	SCREENS	\$245.00
SD ONE CALL	LOCATES	\$50.40
SECOND STREET STATION	CALL BEFORE YOU DIG BANQUET	\$2,308.67
SERVICEMASTER	JANITORIAL SERVICE	\$3,740.00
SHERWIN WILLIAMS CO	SUPPLIES	\$80.68
SIGN PRO	SUPPLIES	\$164.00
SIOUX VALLEY CO-OP	FUEL EXPENSE	\$4,360.51
STAN HOUSTON EQUIP CO	SUPPLIES	\$38.30
STAR LAUNDRY INC	SUPPLIES	\$386.93
STUART C IRBY CO	SUPPLIES	\$1,101.56
STURDEVANTS AUTO PARTS	SUPPLIES	\$36.60
TELVENT DTN	SUBSCRIPTION	\$2,952.00
TEREX SERVICES	SUPPLIES	\$1,222.46
TITAN MACHINERY-SF	SUPPLIES	\$2,269.29
TODD ARCHITECTS LTD	WAREHOUSE ADDITION	\$1,000.00
TOOL TIME RENTAL	RENTAL	\$220.00
TOP TIER TRANSPORATION INC	UB REFUND	\$800.00
TRAV'S OUTFITTER	SUPPLIES	\$1,405.00
UPS	SHIPPING	\$213.09
USA BLUEBOOK	SUPPLIES	\$119.59
VISION SERVICE PLAN (VSP) (CA)	VISION INSURANCE	\$376.03
WATERTOWN AREA CHAMBER OF COMM.	ANNUAL MEMBERSHIP DUES	\$499.36
WATERTOWN DEVELOPMENT	2017 Focus IV Pledge	\$50,000.00
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN FLOWERS INC	FUNERAL FLOWERS	\$67.00
WATERTOWN FORD CHRYSLER	PICKUP TRUCK	\$28,894.56
WATERTOWN PUBLIC OPINION	PUBLISHINGS	\$502.79
WATERTOWN UNITED WAY	United Way	\$456.00
WATERTOWN WHOLESALE	SUPPLIES	\$926.59
WINSUPPLY OF WATERTOWN	SUPPLIES	\$49.40
TOTAL		<u>\$369,046.65</u>

Total March 2017 369,046.65; Transfer to City's General Fund 101,864, Muni Utilities Electric Water Gas 46,694.24; Northern Natural Gas 6,061.20; Missouri River Energy Services Power 1,898,442.55; BP Canada Energy Marketing Natural Gas 543,131.34; Dept. of Revenue Sales/Excise Tax 208,519.04; CPEP Natural Gas 114,340.84, City Finance Office Garbage Sewer 402,628.34

ITEM 6914

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 27th day of March, 2017

ATTEST: _____

Lisa Pahl
Executive Secretary
Municipal Utilities Board

Dave Strait
Board President
Municipal Utilities Department