

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Wednesday December 27th, 2017

The Municipal Utilities Board convened in regular session at the Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Wednesday, December 27th, 2017 at 12:00 p.m. with President Dustin Padgett presiding.

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

ITEM 7006

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

ITEM 7007

Motion by Holley with second by Strait to approve Consent Agenda, which gives authorization to Call for Bids for the following items and authorization to Declare as Surplus the following items. Motion carried.

AUTHORIZATION TO CALL FOR BIDS:

- a) Pebble Lime - Water Department
- b) Solar Salt - Water Department
- c) Water Meters - Water Department
- d) Lime Sludge Removal - Water Department
- e) Hydrants - Water Department
- f) PVC Pipe - Water Department
- g) Installation of Water Mains - Water Department
- h) Directional Drilling for Water Main Installation - Water Department
- i) Flatbed Truck - Water Department
- j) Vacuum Excavator - Water Department
- k) Backhoe - Water Department
- l) Replace Main on Hwy 81/20th St round-a-bout - Water Department
- m) Replacing existing Main Distribution Areas - Water Department
- n) Transformers - Electric Department
- o) Wire - Electric Department
- p) Install URD Primary & Secondary - Electric Department
- q) Electric Service Installation - Electric Department
- r) Substation Metering Project - Electric Department
- s) Distribution Breakers - Electric Department
- t) Bucket Truck - Electric Department
- u) Installation of Street Light Poles and Service Wires for Lights - Electric Department
- v) Street Light Poles - Electric Department
- w) Bill Processing and Mailing Service - Office

DECLARE AS SURPLUS

- a) 2011 CAN-AM OUTLANDER 400
- b) 434' of Chain-link Fence
- c) 1996 Chev Kodiak Digger Derrick Truck
- d) Uptown Substation Transformer GE 5000 KVA 12470 to 4160 Volts
- e) 1995 Redi-Haul Trailer
- f) 1981 Caterpillar V-80-D 8000# Forklift Unit 309
- g) 2005 Ford F150 Pickup Unit 18
- h) 1999 Chev C65 - 2-ton dump truck Unit 15
- i) 2011 Vermeer Ring-O-Matic 550, Unit 207
- j) 2005 Ford F-150 4 x 4 Pickup Unit 13
- k) 2002 Case 580M Tractor Backhoe Unit 101.

ITEM 7008

Motion by Strait with second by Holley to approve Minutes of regular meeting on November 27th, 2017. Motion carried.

ITEM 7009

Motion by Strait with second by Solum to remove the 2017 bankruptcy list as presented in the Board Packet totaling \$1,195.50 that was discharged in Bankruptcy Court in 2017, from Accounts Receivable. Motion carried.

ITEM 7010

Motion by Holley with second by Luken to remove the delinquent accounts totaling \$30,729.25 from Accounts Receivable. There has been no payment on these accounts for the past seven years. These names will remain on record in case of future payments made or applications for future service. Motion carried.

ITEM 7011

Open: Bill Stuffer - Every two years we send out a residential customer survey. We have compiled a list of questions that are reoccurring from past and present surveys and we are sending these frequently asked questions out as a bill stuffer.

ITEM 7012

Chambers presented the Report on Operations and Projects: Electric Department, Projects Completed This Month: Engelstad Electric completed installation of primary and secondary wire per contract, Dakota Underground completed installation of services per contract, Installed primary wire and transformers at Valley View addition. Projects in Progress: Installing air flow spoilers on overhead line on 43rd Street NE. Projects Starting Next Month: Working on Bid Spec for materials, Writing bid specs for construction projects. Gas Department, Projects Completed this Month: Changed 32 relief valves on the 8 large propane tanks at the peak shaving plant to meet code.

Projects Starting Next Month: Business leak survey. Water Department, Projects Completed this Month: 1 main shut downs, 6 new taps, Completed checking all of the hydrants before winter, Filled side #3 upflow, Drained Side #1 upflow to do maintenance. Projects in Progress: Replacing filter reclaim pumps on side 1 and 2. Engineering Tech Department, Projects Completed this Month: 44 One-Call locates Dec. 1st - 21st, 207 One-Call locates total November 2017, 2 emergency locates (1 private contractor and 1 WMU), Updating AutoCAD Base Maps, Updating AutoCAD Electric Locating Maps. Next Month: 20 One-Call locates in January.

ITEM 7013

Karst presented the report on Administration and Financial Statements: Purchasing, Accounting and Facilities, Projects Completed This Month: Completed our annual physical inventory. Projects in Progress: Working on year end items in accounting. Upcoming Projects: Getting quotes for 2018 approved budget items for our departments. Customer Service, Projects Completed this Month: 13,600 payments collected for a total of \$3,740,474 total of 53,490 services billed for a total of \$4,220,593. Human Resources/Risk Management: Completed Open enrollment for 2018, Flex Enrollment Statistics: participation increased from 76% in 2017 to 82% in 2018, Amount increased from \$74,560 in 2017 to \$89,580 in 2018. 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 \$208,099 above budget for the Eleven months ending November 30th, 2017. Total Capital Additions are \$1,166,070 under budget for the Eleven months ending November 30th, 2017.

ITEM 7014

Motion made by Holley with second by Strait to approve the following verified salary claims and bills. Motion carried unanimously upon roll call vote. Total Municipal Utilities Dept. Net Payroll for December 2017 Plus ACH Payroll Payments \$476,993.67. Info: J. Rudebusch effective 12/13/2017 31.39/hr., M. Rost effective 12/7/2017 21.56/hr.

Name	Payable Description	Payment Amount
January 2, 2018		
ACTIVE HEATING INC	SUPPLIES	\$20,917.21
ADVANCED DRAINAGE SYSTEMS INC	REFUND FROM CREDIT ON ACCOUNT	\$11,577.86
ADV. ENGINEER. & ENVIRONMENTAL SRV.	I & C SYSTEM SERVICES	\$2,591.02
AFLAC	CANCER PT	\$2,007.64
A-I COMPUTER SOLUTIONS	SUPPLIES	\$270.48
A-OX WELDING SUPPLY INC	SUPPLIES	\$464.33
APPLIED INDUSTRIAL TECH INC	SUPPLIES	\$191.16
AQUA-PURE INC	SUPPLIES	\$3,000.00
AUTO ZONE STORES	ENERGY INCENTIVE REBATE	\$828.00
BENDIX IMAGING INC	COMPUTER SUPPLIES	\$303.98
BENSON, BRIAN	REIMBURSEMENT EXPENSE	\$1,550.00
BORDER STATES ELECTRIC SUPPLY	SUPPLIES	\$14,954.33
BORNS GROUP	POSTAGE & MAILING	\$7,706.68

BRAGE, DOUGLAS J	REIMBURSEMENT EXPENSE	\$52.54
BROWNLEE CONST, INC.	ENERGY INCENTIVE REBATE	\$3,459.00
BURCHATZ CONSTRUCTION COMPANY INC	CONCRETE WORK	\$16,830.03
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$126.54
CARRICO LAW PROFESSIONAL LLC	LEGAL FEES	\$201.50
CARTNEY BEARING & SUPPLY	SUPPLIES	\$34.06
CENTURY LINK	PHONE SERVICE	\$297.50
CHAMBERS, TODD	REIMBURSEMENT EXPENSE	\$267.75
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$5,410.40
CHEMCO SYSTEMS, LP	SUPPLIES	\$1,430.80
CHILD SUPPORT PAYMENT CENTER	EMPLOYEE DED.: CHILD SUPPORT	\$1,656.00
CITY OF WATERTOWN	2017 ATTORNEY FEES	\$41,199.28
CODINGTON COUNTY REGISTER OF DEEDS	COPIES	\$35.00
CODINGTON-CLARK ELECTRIC COOP. INC	WELLFIELD ELECTRIC SERVICE	\$5,095.26
COMPASS MINERALS	SUPPLIES	\$4,832.78
CONNECTING POINT	SOFTWARE MAINTENANCE	\$1,583.50
CONVERGINT TECHNOLOGIES LLC	2018 ALARM MONITORING CONTRACT	\$360.00
COUNTY FAIR FOOD STORE	ENERGY INCENTIVE REBATE	\$7,192.30
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$206.90
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$577.00
DAKOTA BODIES	ENERGY INCENTIVE REBATE	\$4,800.00
DAKOTA DATA SHRED	SHREDDING SERVICE	\$63.25
DAKOTA UNDERGROUND CONST. LLC	INSTALLATION OF UNDERGROUND	\$45,591.00
DE VILLE, JEFF	REIMBURSEMENT EXPENSE	\$747.84
DENR	2018 ENVIRONMENTAL FEE	\$50.00
DEPARTMENT OF REVENUE	WATER SAMPLES	\$517.00
DITCH WITCH OF SOUTH DAKOTA, INC	SUPPLIES	\$208.98
DLT SOLUTIONS, LLC	2018 SUBSCRIPTION	\$6,312.60
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$2,934.96
ELECTRIC MOTORS & MOORE INC	SUPPLIES	\$134.00
ELEMENT MATERIALS TECHNOLOGY	PIPE WELD QUALIFICATION	\$225.00
ENDERSON, MARSHA	REIMBURSEMENT EXPENSE	\$57.28
ENERGY ECONOMICS INC	SUPPLIES	\$399.00
ENERGY LABORATORIES INC	WATER TESTING	\$1,240.00
ENGELSTAD ELECTRIC COMPANY	INSTALLATION OF UNDERGROUND AS BID	\$215,957.00
ETHANOL PRODUCTS LLC	BULK CO2 AS PER BID	\$1,565.59
FARNAMS GENUINE PARTS	SUPPLIES	\$1,850.00
FARWEST LINE SPECIALTIES, LLC	SUPPLIES	\$846.50
FASTENAL COMPANY	SUPPLIES	\$1,162.04
FIRST DISTRICT ASSN OF LOCAL GOVTS	2018 GIS WEBSITE	\$1,500.00
FORMAN, CHRIS	REIMBURSEMENT EXPENSE	\$154.49
GCR TIRE CENTER	SUPPLIES	\$137.78
GEOTEK ENGINEERING & TESTING SERVI	2017 GROUNDWTR MONITORING & REPORT	\$3,061.00
GLACIAL LAKES RADIATOR	SUPPLIES	\$127.50
GRAINGER	SUPPLIES	\$128.28
GREAT WESTERN BANK	TASC MED	\$6,503.23
HIGHWAY IMPROVEMENT, INC.	ASPHALT CRACK-SEALING PARKING LOT	\$10,650.00
HILLS, KELSIE	REIMBURSEMENT EXPENSE	\$1,566.03
HOMETOWN BUILDING CENTER	SUPPLIES	\$51.86
IBEW LOCAL 426	UNION DUES	\$3,163.47
INGERSOLL RAND COMPANY	SUPPLIES	\$667.79
INNOVYZE	2018 SUBSCRIPTION	\$2,291.63
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$154.00
J & J EARTHWORKS	MAIN FOR VALLEY VIEW ADDITION AS BID	\$88,038.20
J H LARSON COMPANY	SUPPLIES	\$8,127.41
JOINT UTILITY TRAINING SCHOOL	REGISTRATION EXPENSE	\$800.00
JUSTICE FIRE & SAFETY	CLEAN AGENT SYSTEM INSPECTION	\$100.00
KARST, ADAM	REIMBURSEMENT EXPENSE	\$75.00
KOONS GAS MEASUREMENT	SUPPLIES	\$786.89
KRUITER, KEVIN	REIMBURSEMENT EXPENSE	\$214.00

LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$131.49
LOCATORS & SUPPLIES INC	SUPPLIES	\$64.64
LYLE SIGNS INC	SUPPLIES	\$66.45
M & T FIRE & SAFETY INC	SUPPLIES	\$120.00
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$22.80
MAC'S INC	SUPPLIES	\$115.45
MAHOWALD'S HARDWARE & RENTAL	SUPPLIES	\$63.85
MARCO INC	COPIER PRINTS	\$422.97
MC KEEVER INC	SUPPLIES	\$288.68
MENARDS INC	SUPPLIES	\$449.61
MENNENGA, SHEILA	REIMBURSEMENT EXPENSE	\$247.11
MET LIFE	LIFE INSURANCE	\$1,471.58
MIDCONTINENT COMMUNICATIONS	INTERNET SERVICE	\$165.00
MINNESOTA MUNICIPAL UTILITIES ASSN	REGISTRATION EXPENSE	\$1,190.00
MONARCH INSTRUMENT	SUPPLIES	\$440.11
MOTION INDUSTRIES	SUPPLIES	\$2,355.39
MUNICIPAL UTILITIES - PC	PETTY CASH	\$628.93
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$418.71
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$5,190.93
NACE INTERNATIONAL	REGISTRATION EXPENSE	\$690.00
NELSON TECHNOLOGIES INC	REGULATORS	\$4,447.55
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$412.58
OFFICE PEEPS	SUPPLIES	\$695.19
PEDERSON, MIKE	REIMBURSEMENT EXPENSE	\$70.52
PETE LIEN & SONS	BULK LIME	\$11,616.52
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$147.95
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$498.60
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,565.91
PRINCIPAL FINANCIAL GROUP	VISION INSURANCE	\$304.73
PRINCIPAL FINANCIAL GROUP	VISION INSURANCE	\$83.75
REDLINGER BROS PLUMBING & HEATING	SUPPLIES	\$198.04
RESCO	SUPPLIES	\$11,093.62
RONKE, SHANE	REIMBURSEMENT EXPENSE	\$508.05
RON'S SAW SALES	SUPPLIES	\$190.00
ROTH, KEENAN M	REIMBURSEMENT EXPENSE	\$322.63
RUNNING'S SUPPLY INC	SUPPLIES	\$141.13
SCHAEFFER MFG CO	SUPPLIES	\$491.67
SCHMIDT, RICHARD	REIMBURSEMENT EXPENSE	\$624.47
SD ONE CALL	LOCATES	\$240.45
SDML WORKERS COMP FUND	2018 WORK COMP INSURANCE	\$76,603.00
SENSIT TECHNOLOGIES INC	SUPPLIES	\$292.23
SERVICEMASTER	JANITORIAL SERVICE	\$3,740.00
SHERMAN CANVAS	SUPPLIES	\$100.00
SIGN PRO	SUPPLIES	\$216.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$5,461.18
SIOUX VALLEY GREENHOUSES	SUPPLIES	\$90.00
STAN HOUSTON EQUIP CO	SUPPLIES	\$679.99
STAR LAUNDRY INC	SUPPLIES	\$371.50
STARR, TANNER E	REIMBURSEMENT EXPENSE	\$545.12
STEVE'S WORLD	SUPPLIES	\$131.25
STONEY BROOK	ENERGY INCENTIVE REBATE	\$1,972.56
STRUSS, SCOTT	REIMBURSEMENT EXPENSE	\$1,000.00
STUART C IRBY CO	SUPPLIES	\$7,525.76
STURDEVANTS AUTO PARTS	SUPPLIES	\$388.57
T & R ELECTRIC SUPPLY COMPANY INC	PCB LAB TESTING	\$20.00
TOOL TIME RENTAL	SUPPLIES	\$517.00
TRACTOR SUPPLY CO	ENERGY INCENTIVE REBATE	\$1,038.00
TW ENTERPRISES, INC.	SUPPLIES	\$677.51
TYLER TECHNOLOGIES	2018 SOFTWARE MAINTENANCE SERV.	\$14,895.22
UPS	SUPPLIES	\$74.86

USA BLUEBOOK	SUPPLIES	\$261.72
VESSCO INC	SUPPLIES	\$14.50
VISION SERVICE PLAN (VSP) (CA)	VISION INSURANCE	\$358.47
WALMART COMMUNITY	SUPPLIES	\$131.64
WATERTOWN BOX CORP	SUPPLIES	\$73.00
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN PUBLIC OPINION	SUBSCRIPTIONS	\$400.93
WATERTOWN UNITED WAY	United Way	\$446.00
WATERTOWN WHOLESALE	SUPPLIES	\$440.97
WHEELCO	SUPPLIES	\$72.45
	TOTAL	<u>\$745,597.92</u>

Total December 2017 745,597.92; Transfer to City's General Fund 101,864, Muni Utilities Electric Water Gas 37,039.42; Northern Natural Gas 6,061.20; Missouri River Energy Services Power 1,710,929.27; BP Canada Energy Marketing Natural Gas 556,105.90; Dept. of Revenue Sales/Excise Tax 195,488.39; CPEP Natural Gas 58,100.25, City Finance Office Garbage Sewer 402,788.01.

ITEM 7015

Pursuant to SDCL 1-25-2(3) Luken moved with second by Solum to move to Executive Session for discussion of contractual matters and pending litigation. 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 Holley with second by Luken 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 December, 2017.

ATTEST: _____

Lisa Pahl
Executive Secretary
Municipal Utilities Board

Dustin Padgett
Board President
Municipal Utilities Department