

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Monday, August 27th, 2018

The Municipal Utilities Board convened in regular session at the Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, August 27th, 2018 at 12:00 p.m. with President Dustin Padgett presiding.

Board members present: Dustin Padgett, Mike Luken, John Holley and Greg Solum. Board Member Lisa Carrico absent. Board Liaison, member of City Council, Glen Vilhauer. Staff members present: Steve Lehner, Adam Karst, Bert Magstadt, Jeff DeVille, Doug Enstad, Mark Meier, Mark Haider, Kevin Kruiter, Sheila Mennenga, Stephanie Ries, Lisa Pahl and Attorney Vince Foley. Guest: Chris Schilken, Watertown Development Company and Roger Foote, Upper Big Sioux Watershed Project. Press: Dan Crisler, Watertown Public Opinion and Don Egert, KXLG Radio.

ITEM 7098

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

ITEM 7099

Motion by Luken with second by Solum to approve minutes of the regular Board Meeting on July 30th, 2018. Motion carried.

ITEM 7100

Presentation was given by Roger Foote Project Coordinator of the Upper Big Sioux Watershed Project. Discussion on past, current and future projects, short and long term goals and funding requests. Foote is requesting donations from the utilities for \$150,000 for a three year term. This will be discussed further in Budget Meetings.

ITEM 7101

Open: Lehner presented two bill stuffers, the 5th Annual Watertown Veterans'/First Responders' Appreciation Day Event and the Watertown Regional Library Survey. Lehner also invited the Board to attend one of the MRES Area Meetings coming up in October.

ITEM 7102

Magstadt presented the Report on Operations and Projects: Electric Department, Projects Completed This Month: Completed terminating primary, secondary and transferred customer's load to new underground in alley between uptown Star Laundry alley and Roosevelt school, Contractor replaced a function tested 15 kV breakers at Uptown Substation. Projects Starting Next Month: Installing temporary service for Terex's new building. Gas Department, Projects Completed this Month: Reconfigured 8 propane tanks and set-up portable nitrogen tanks for purging propane, 95% complete with annual leak survey on system. Projects in Progress: Adjusting 4" steel main and emergency valve at Terex Plant. Water Department, Projects Completed this Month: Working on 10 inch main being replaced along Hwy 212 from 21st St to Quadee Dr, Drained the 19th St Tank for a washout and inspection, Power washed the exterior of the 3 million gallon reservoir. Engineering Tech Department, Projects Completed this Month: 458 One-Call locates this month, 398 One-Call locates August 1st - 22nd, Located and Staked 17 blocks for WMU Electric Contractor. Projects in Progress: Locating for Vast, Midco and Century Link Contractors.

ITEM 7103

Karst presented the report on Administration and Financial Statements: Purchasing, Accounting and Facilities, Projects in Progress: Added cement spillway by the Morton building. Projects in Progress: Working on getting junk wood pole pile cleaned up. Upcoming Projects: Installing glass barrier at customer service counter. Customer Service, Projects Completed this Month: 14,022 payments collected for a total of \$4,689,873 total of 53,737 services billed for a total of \$4,631,630. Human Resources/Risk Management: Compiled data requested for IRS audit, Completed internal candidate interviews for Gas Superintendent, Completed summer temp exit interviews. IT: Installed new copier, Installing various software updates and working with RSM on audit issues, working on budget.

Statements of Revenue and Expenses and Capital Additions were presented to the Board for review. Year to date net income is \$1,054,725 over budget for the seven months ending July 31st, 2018. Total Capital Additions are \$1,042,755 under budget for the seven months ending July 31st, 2018.

ITEM 7104

Motion made by Solum with second by Luken to approve the following verified salary claims and bills. Motion carried upon roll call vote. Total Watertown Municipal Utilities Net Payroll for August 2018 Plus ACH Payroll Payments \$488,923.96. Info. Changes: M. McLaughlin effective 8/20/2018 31.48/hr. New: M. Meseberg effective 7/30/2018 18.30/hr.

Name	Payable Description	Payment Amount
SEPTEMBER 4, 2018		
#1 WELDING PORTABLE WELD & FABRICATION	SUPPLIES	\$236.33
ABC EMBROIDERY	SERVICE	\$4.95
ACTIVE HEATING INC	SERVICE	\$342.50
AFLAC	CANCER PT	\$1,754.36
A-I COMPUTER SOLUTIONS	SUPPLIES	\$40.85
ANDOR INC	CO2 TO HIT WATER LINE	\$340.69
A-OX WELDING SUPPLY INC	SUPPLIES	\$275.15
AP & SONS CONSTRUCTION INC	INSTALLATION OF WATER MAIN	\$25,761.00
APPLIED INDUSTRIAL TECH INC	SUPPLIES	\$545.79
AQUA-PURE INC	SODIUM TRIPOLYPHOSPHATE	\$8,040.00
AUTO BODY SPECIALTIES	SUPPLIES	\$208.50
BENDIX IMAGING INC	OFFICE SUPPLIES	\$186.97
BORDER STATES ELECTRIC SUPPLY	BASEMENTS/ENCLOSURES	\$26,474.69
BORNS GROUP	POSTAGE & MAILING	\$7,995.87
BURCHATZ CONSTRUCTION COMPANY INC	CEMENT VALLEYGUTTER- WMU	\$18,086.25
BUREAU OF ADMINISTRATION	STATE PHONE NETWORK USAGE	\$59.15
CARTNEY BEARING & SUPPLY	SUPPLIES	\$48.56
CEMCAST PIPE & PRECAST	SUPPLIES	\$126.25
CENTURY LINK	PHONE SERVICE	\$297.50
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$2,850.42
CHILD SUPPORT PAYMENT CENTER	EMPLOYEE DED. : CHILD SUPPORT	\$850.00
CODINGTON-CLARK ELECTRIC COOP. INC	WELLFIELD ELECTRIC SERVICE	\$6,543.12
CONNECTING POINT	SOFTWARE MAINTENANCE	\$90.50
CONTROL EQUIPMENT SALES, INC	SUPPLIES	\$912.93
CORE & MAIN LP	SUPPLIES	\$804.88
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$317.12
CRESCENT ELECTRIC SUPPLY CO	LED LIGHTS	\$3,799.18
DAKOTA DATA SHRED	SHREDDING SERVICE	\$66.40
DE VILLE, JEFF	REIMBURSEMENT EXPENSE	\$26.71
DGR ENGINEERING	REVENUE METERING RELOC.	\$6,347.23
DK DIESEL INJECTION INC	SERVICE	\$2,637.35
DOUG SHARP	ENERGY INCENTIVE REBATE	\$6,161.67
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$2,390.01
DTN, LLC	SUBSCRIPTION	\$1,014.54
DUININCK INC	GRAVEL,DIRT & ROCK	\$3,609.91
EFRAIMSON ELECTRIC INC	INSTALLATION OF URD	\$22,455.25
ELSTER AMCO WATER, LLC	HYDRANT METERS	\$2,500.32
ENERGY LABORATORIES INC	WATER TESTING	\$340.00
ETHANOL PRODUCTS LLC	BULK CO2	\$1,219.38
FARNAMS GENUINE PARTS	SUPPLIES	\$366.43
FASTENAL COMPANY	SUPPLIES	\$79.19
FOLEY AND FOLEY LAW OFFICE, PC	LEGAL FEES	\$940.00
FRANKLIN PRESS INC	PUBLIC AWARENESS	\$3,592.56

GACKE ENTERPRISES	LIME REMOVAL	\$21,323.25
GCR TIRE CENTER	SUPPLIES	\$49.83
GREAT WESTERN BANK	TASC MED	\$6,996.42
HAWKINS, INC.	HYDROFLUOSILICIC ACID	\$3,356.25
HURON PLAINSMAN	ADVERTISEMENT	\$202.50
IBEW LOCAL 426	UNION DUES	\$3,088.00
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$156.95
J H LARSON COMPANY	SUPPLIES	\$4,571.86
JURGENS PRINTING INC	OFFICE SUPPLIES	\$59.00
JUSTICE FIRE & SAFETY	CLEAN AGENT SYSTEM INSPECT.	\$545.00
KARST, ADAM	REIMBURSEMENT EXPENSE	\$1,193.00
LAKE CITY FIRE EQUIPMENT LLC	ANNUAL MAINTENANCE	\$159.98
LAKE SIDE CONSTRUCTION	DEPOSIT REFUND	\$922.13
LEAGUE OF NEBRASKA MUNICIPALITIES	ADVERTISEMENT	\$39.60
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$340.29
LOCATORS & SUPPLIES INC	SUPPLIES	\$84.94
LUKEN, MIKE	REIMBURSEMENT EXPENSE	\$1,000.00
M & T FIRE & SAFETY INC	SUPPLIES	\$105.00
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$2,084.44
MAC'S INC	SUPPLIES	\$850.18
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$2,041.69
MAHOWALD'S HARDWARE & RENTAL	SUPPLIES	\$85.85
MARCO INC	COPIER LEASE	\$106.68
MC KEEVER INC	SUPPLIES	\$131.10
MEIER, MARK	REIMBURSEMENT EXPENSE	\$29.55
MENARDS INC	SUPPLIES	\$1,401.70
MET LIFE	LIFE INSURANCE	\$1,285.98
MIDCONTINENT COMMUNICATIONS	INTERNET & CABLE SERVICE	\$370.53
MILBANK WINWATER WORKS	SUPPLIES	\$550.66
MINNESOTA MUNICIPAL UTILITIES ASSN	TRAINING EXPENSE	\$1,395.00
MUELLER CO	SUPPLIES	\$1,153.97
MUNICIPAL UTILITIES - PC	PETTY CASH	\$646.31
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDIT ON ACCTS	\$5,795.62
NORMANDY MACHINE COMPANY INC	SUPPLIES	\$889.95
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$5,606.28
OFFICE PEEPS	SUPPLIES	\$494.56
OLSON, GARY	REIMBURSEMENT EXPENSE	\$175.00
PETE LIEN & SONS	BULK LIME	\$24,127.57
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$149.85
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,241.19
PRINT 'EM NOW INC	OFFICE SUPPLIES	\$398.00
PRO LINE INC	SUPPLIES	\$898.63
REDLINGER BROS PLUMBING & HEATING	SUPPLIES	\$24.50
RESCO	WIRE AS PER BID	\$13,153.87
RIGHT A WAY APPLICATORS	DEPOSIT REFUND	\$997.13
RONKE, SHANE	REIMBURSEMENT EXPENSE	\$108.81
RUNNING'S SUPPLY INC	SUPPLIES	\$323.52
SANFORD HEALTH OCCUPATIONAL MEDICINE	SCREENS	\$202.00
SCHMIDT, RICHARD	REIMBURSEMENT EXPENSE	\$115.54
SD ONE CALL	LOCATES	\$513.45
SDWWA	TRAINING EXPENSE	\$360.00
SERVICEMASTER	JANITORIAL SERVICE	\$3,740.00
SHERMAN CANVAS	SUPPLIES	\$60.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$7,596.43
SIOUX VALLEY GREENHOUSES	SERVICE CALL	\$225.00
SOLUM, GREG	REIMBURSEMENT EXPENSE	\$115.77
SPEE-DEE DELIVERY SERVICE INC	SUPPLIES	\$89.63

STAN HOUSTON EQUIP CO	SUPPLIES	\$679.30
STAR LAUNDRY INC	SUPPLIES	\$376.31
STUART C IRBY CO	SUPPLIES	\$957.78
STURDEVANTS AUTO PARTS	SUPPLIES	\$300.65
SWEENEY CONTROLS COMPANY	REPAIR CONTROLS FOR WELLS	\$1,294.05
TAC SERVICES LLC	LAWN SERVICE	\$4,075.00
TITAN MACHINERY-SF	SUPPLIES	\$264.85
TOOL TIME RENTAL	EQUIP. RENTAL	\$838.00
TRAV'S OUTFITTER	SUPPLIES	\$903.97
UPS	SHIPPING	\$141.18
UPTOWNE CLEANERS	SERVICE	\$47.10
USA BLUEBOOK	SUPPLIES	\$1,364.29
UTILITIES PLUS ENERGY SERVICES INC	SUBSTATION MAINTENANCE	\$21,660.00
VERIFIED CREDENTIALS	BACKGROUND SCREENINGS	\$218.80
WALMART COMMUNITY	SUPPLIES	\$43.46
WATERTOWN CO-OP ELEVATOR ASSN	SUPPLIES	\$743.27
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVEL. EXPENSE	\$8,690.00
WATERTOWN FORD CHRYSLER	SUPPLIES	\$455.00
WATERTOWN PUBLIC OPINION	PUBLISHINGS & ADVERTISEMENT	\$418.89
WATERTOWN SCHOOL DISTRICT	ENERGY INCENTIVE REBATE	\$1,450.00
WATERTOWN UNITED WAY	United Way	\$402.50
WATERTOWN WHOLESALE	SUPPLIES	\$567.60
WESCO DISTRIBUTION INC	WIRE	\$10,258.00
WW GOETSCH	SLUDGE PUMP	\$8,778.06
	TOTAL	\$349,398.46

Total August 2018 349,398.46; Transfer to City's General Fund 103,901, Muni Utilities Electric Water Gas 60,840.71, Northern Natural Gas 2,273.20; Missouri River Energy Services Power 2,344,162.62; BP Canada Energy Marketing Natural Gas 95,178.06; Dept. of Revenue Sales/Excise Tax 201,593.14; CPEP Natural Gas 8,099.99, City Finance Office Garbage Sewer 410,264.66.

ITEM 7105

Lehner noted that Dustin Padgett was temporarily appointed to continue to serve until a replacement is chosen by the Mayor and Glen Vilhauer was appointed to serve as the City Council liaison by Mayor Caron. Lehner requested reorganization of the Board. Motion by Padgett with second by Solum to appoint Mike Luken as President and John Holley as Vice President. Motion carried.

Board President Luken appointed the committees, they are as follows:

Rates & Transfers	Dustin Padgett and Greg Solum
Wages & Personnel	Lisa Carrico and Greg Solum
Production & Distribution	Lisa Carrico and Dustin Padgett
Buildings & Equipment	John Holley and Lisa Carrico

Inventory Control

Greg Solum and John Holley

Finance: All with Mike Luken as Chairman First named member to be
Chairman of Committee

ITEM 7106

Board set date of Wednesday, September 26th, 2018 at noon for
September Board Meeting.

Pursuant to SDCL 1-25-2 (1)(3) Padgett moved with second by Holley to
move to Executive Session for consulting with attorney on contractual
and personnel matters. The Board does not expect to take action when
they reconvene to regular session. Motion carried.

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

Motion by Padgett 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 27th, day of August, 2018.

ATTEST: _____

Lisa Pahl
Executive Secretary
Municipal Utilities Board

Mike Luken
Board President
Municipal Utilities Board