

## **MINUTES OF MUNICIPAL UTILITIES BOARD MEETING**

**Wednesday, September 26, 2018**

The Municipal Utilities Board convened in regular session at the Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Wednesday, September 26<sup>th</sup>, 2018 at 12:00 p.m. with President Mike Luken presiding.

Board members present: Mike Luken, John Holley, Greg Solum, Lisa Carrico and Chris Carter. Board Liaison, member of City Council, Glen Vilhauer. Staff members present: Steve Lehner, Adam Karst, Jeff DeVille, John Lunde, Doug Enstad, Mark Meier, Mark Haider, Kevin Kruiter, Sheila Mennenga, Stephanie Ries, Lisa Pahl and Attorney Vince Foley. Guests, Residents Jason Mack and Dan Saurer, Troy Hieb of William Neale & Co P.C., Press: Dan Crisler, Watertown Public Opinion.

### **ITEM 7107**

Lehner noted that Dustin Padgett finished out his term as a Board Member and had given his resignation to Mayor Caron in August and the Mayor appointed Chris Carter as his replacement to the Board. Lehner presented a resolution of appreciation to outgoing Board Member Dustin Padgett.

Motion by Carrico with second by Carter to approve resolution for Dustin Padgett. Motion carried unanimously upon roll call vote.

### **RESOLUTION OF APPRECIATION**

WHEREAS, Dustin Padgett was first appointed in July, 2011 to the Municipal Utilities Board by the Mayor and City Council of the City of Watertown, South Dakota, and

WHEREAS, Dustin Padgett has held 7 years and 2 months of distinguished service working for and in the best interest of the Watertown Municipal Utilities and the Municipal Utilities Board, and

WHEREAS, Dustin Padgett has served as president of the Board working willingly and untiringly for the betterment of the Watertown Municipal Utilities and the City of Watertown, South Dakota, therefore

BE IT RESOLVED, that the Members of the Municipal Utilities Board and the entire Watertown Municipal Utilities, take this means to express their deep appreciation and gratitude to Dustin Padgett for giving of his time and talents in service to the community, and especially his

service to the direction and management of the Watertown Municipal Utilities of the City of Watertown, by his willingness to serve as a Member of the Municipal Utilities Board, and

BE IT FURTHER RESOLVED, that Dustin Padgett's friendliness and pleasant personality, as well as his business insight and dedication to the business of the Watertown Municipal Utilities, is recognized and appreciated. Dated this 26<sup>th</sup> day of September 2018.

**ITEM 7108**

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

**ITEM 7109**

Motion by Carrico with second by Holley to approve minutes of the regular Board Meeting on August 27<sup>th</sup>, 2018. Motion carried.

**ITEM 7110**

Public Comment: Jason Mack and Dan Saurer addressed the Board to express their concern about a damaged curb stop that is on Mack's property that he was unaware of. They each have a lot and a half that is in the Northridge addition. Mack wanted to let the Board know of his distain of having to be responsible for the cost of maintaining it, when he did not know it was even there. Mack said he understood the utilities policy for being responsible for the curb stop hooked to the house, but again he was not aware of the curb stop that is located in the half lot. No plot map that he was given showed this. He also wanted to see if we knew about insurance programs that protect against such happenings. Saurer spoke also, reiterating everything Mack had to say. Luken and Lehner both commented on the utilities policy on such matters and did let Mack and Saurer know that the Utilities are aware of these types of insurance companies.

**ITEM 7111**

Presentation was made by Troy Hieb of William Neale & Co P.C. for the 2017 audit. There were no audit findings to be included in the Schedule of audit findings. Motion by Carrico with second by Carter to accept 2017 audit as presented. Motion carried.

**ITEM 7112**

Karst presented a report of unclaimed property to be reported to the state. Motion to cancel these check numbers and direct funds to the

South Dakota Unclaimed Property division. Motion by Carrico with second by Holley to approve submittal to the state. Motion carried.

#### **ITEM 7113**

Motion by Solum with second by Carrico for approval for the General Manager to sign an agreement with Consulting Engineers Group, Inc. for engineering services for a new substation. This new substation is for the New Terex building and future expansion in that area. Motion carried

#### **ITEM 7114**

Open: Lehner presented Living Safely with Natural Gas bill stuffer. Lehner also gave an update of the Mid-West Electric Consumers Association Board Meeting. Gary Hinkle and Andrew Wright of the US Army Corps of Engineers both spoke. Mike Maroncelli was reassigned last month to the Omaha region and now the Omaha region has been cut out of our region, so he is not sure where he is going. Mark Gabriel and Dennis Sullivan from WAPA spoke on rates. Jody Sundsted spoke from the Upper Great Plains Region. Mike McElhany Manager of the Rocky Mountain Region announced his retirement. Duane Feekes spoke on the resolutions and Day Payton from Western States Power Corporation also gave a presentation.

#### **ITEM 7115**

Lehner asked the Board Members if they had any questions on the Report on Operations as presented in the Board Packet. There were no questions.

#### **ITEM 7116**

Karst presented the report on Administration and Financial Statements: Purchasing, Accounting and Facilities, Projects Completed this Month: City surplus auction was held on 9-22-2018, Projects in Progress: Working on budget for 2019. Upcoming Projects: Installing glass barrier at customer service counter, Fall spraying of all of WMU properties. Customer Service, Projects Completed this Month: 14,259 payments collected for a total of \$4,699,716 total of 54,077 services billed for a total of \$4,617,240. Human Resources/Risk Management: Prepared payroll reports for 2019 budget, completed internal interviews for the following positions, Gas Superintendent, Cathodic & Leak Survey Technician and Welder-Fitter-Operator, Working on wage survey for all positions in preparation for union negotiations. IT: Normal 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 \$1,138,517 over budget for the eight months ending August 31<sup>st</sup>, 2018. Total Capital Additions are \$1,628,004 under budget for the eight months ending August 31<sup>st</sup>, 2018.

### ITEM 7117

Motion made by Carrico with second by Solum to approve the following verified salary claims and bills. Motion carried upon roll call vote. Total Watertown Municipal Utilities Net Payroll for September 2018 Plus ACH Payroll Payments \$505,763.37. Info. Changes: J. Lunde effective 9/1/2018 7,500/mo, A. Niemann effective 8/21/2018 28.62/hr, J. Rudebusch effective 9/14/2018 39.29/hr, T. Wirtjes effective 8/21/2018 28.62/hr.

Name	Payable Description	Payment Amount
October 1, 2018		
ACTIVE HEATING INC	ENERGY INCENTIVE REBATE	\$200.00
ADV. ENGINEER. & ENVIRON. SERV.	I & C SYSTEM SERVICES	\$982.00
AFLAC	CANCER PT	\$1,754.36
A-OX WELDING SUPPLY INC	SUPPLIES	\$635.93
AP & SONS CONSTRUCTION INC	WATER MAIN- HWY 212	\$149,392.00
APGA	RENEWAL FEE	\$995.00
BATTERIES UNLIMITED INC	SUPPLIES	\$32.00
BENDIX IMAGING INC	OFFICE SUPPLIES	\$1,088.93
BENSON, BRIAN	REIMBURSEMENT EXPENSE	\$121.00
BORDER STATES ELECTRIC SUPPLY	FAULT INDICATORS & MISC SUPPLIES	\$30,507.04
BORNS GROUP	POSTAGE & MAILING	\$7,982.03
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$40.84
BURNS, JERRY	REIMBURSEMENT EXPENSE	\$89.19
CASEY'S STORE #2089	ENERGY INCENTIVE REBATE	\$1,234.71
CENTURY LINK	PHONE SERVICE	\$297.50
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$2,851.70
CHILD SUPPORT PAYMENT CENTER	EMPLOYEE DED. CHILD SUPPORT	\$850.00
CODINGTON-CLARK ELECT COOP INC	WELLFIELD ELECTRIC SERVICE	\$6,413.36
CONNECTING POINT	SOFTWARE MAINTENANCE	\$90.75
CONSULTING ENGINEERS GROUP INC	ENGINEER FEES	\$4,200.00
CORE & MAIN LP	TAPPING VALVES	\$2,363.25
CREATIVE REWARDS	SUPPLIES	\$90.00
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$301.34
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$1,274.74
CRESTONE BUILDERS INC	CONCRETE WORK	\$1,000.00
DAKOTA DATA SHRED	SHREDDING SERVICE	\$68.62
DE VILLE, JEFF	REIMBURSEMENT EXPENSE	\$1,180.29
DENNIS SUPPLY COMPANY	SUPPLIES	\$228.97
DEPARTMENT OF REVENUE	WATER SAMPLES	\$2,987.00
DGR ENGINEERING	SUBSTATION PRIMARY METERING	\$1,885.00
DSG DAKOTA SUPPLY GROUP	WATER METERS	\$38,698.19
DUININCK INC	GRAVEL, ROCK	\$1,617.16
DUPONT ELECTRIC INC	ENERGY INCENTIVE REBATE	\$2,525.00
EFFRAIMSON ELECTRIC INC	INSTALLATION OF UNDERGROUND	\$6,383.00
ELECTRO-TEST & MAINT INC	INSTALLATION OF CIRCUIT BREAKERS	\$288,566.71
ENERGY ECONOMICS INC	SUPPLIES	\$779.20
ENERGY LABORATORIES INC	WATER TESTING	\$1,270.00
ETHANOL PRODUCTS LLC	BULK CO2	\$2,940.30
FARNAMS GENUINE PARTS	SUPPLIES	\$654.68
FARWEST LINE SPECIALTIES, LLC	SUPPLIES	\$400.00
FOLEY AND FOLEY LAW OFFICE, PC	LEGAL FEES	\$630.00
GCR TIRE CENTER	SUPPLIES	\$691.04
GREAT WESTERN BANK	TASC MED	\$6,996.42
GROEBNER	METER LOOP	\$7,617.08
HAIDER, MARK	REIMBURSEMENT EXPENSE	\$306.45
IBEW LOCAL 426	UNION DUES	\$3,134.00
J H LARSON COMPANY	SUPPLIES	\$4,530.70
JURGENS PRINTING INC	OFFICE SUPPLIES	\$584.00
KARST, ADAM	REIMBURSEMENT EXPENSE	\$1,807.27
KOONS GAS MEASUREMENT	GAS METER LOOPS	\$4,107.12

LEE'S STUMP REMOVAL	STUMP REMOVALS	\$4,545.00
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$183.41
LOCATORS & SUPPLIES INC	SUPPLIES	\$909.15
LUEDERS, BRAD	REIMBURSEMENT EXPENSE	\$458.92
LUKEN, MIKE	REIMBURSEMENT EXPENSE	\$108.59
LUNDE, JOHN	REIMBURSEMENT EXPENSE	\$572.87
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$146.25
MAC'S INC	SUPPLIES	\$34.57
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$923.42
MARCO	COPIER LEASE	\$174.17
MATHESON TRI-GAS INC	NITROGEN TO PURGE TANKS	\$12,532.94
MC KEEVER INC	SUPPLIES	\$205.59
MEIER, MARK	REIMBURSEMENT EXPENSE	\$114.45
MENARDS INC	SUPPLIES	\$971.46
MESEBERG, DAVID	REIMBURSEMENT EXPENSE	\$121.00
MET LIFE	LIFE INSURANCE	\$1,246.28
MIDCONTINENT COMMUNICATIONS	INTERNET & CABLE SERVICE	\$203.53
MID-WEST ELECTRIC CON. ASSN	REGISTRATION EXPENSE	\$350.00
MILBANK WINWATER WORKS	SUPPLIES	\$6,131.30
MINNESOTA MUNICIPAL UTILIT ASSN	TRAINING EXPENSE	\$1,395.00
MISSOURI RIVER ENERGY SERVICES	ENERGY INCENTIVE REBATE	\$300.00
MUELLER CO	SUPPLIES	\$1,851.97
MUNICIPAL UTILITIES - PC	PETTY CASH	\$405.12
MUNI UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$368.00
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$10,200.82
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$5,375.95
OFFICE PEEPS	SUPPLIES	\$430.78
OLSON, GARY	REIMBURSEMENT EXPENSE	\$546.41
O'REILLY AUTOMOTIVE INC	SUPPLIES	\$773.42
PETE LIEN & SONS	BULK LIME	\$17,564.64
PETERSON, DELORES	REIMBURSEMENT EXPENSE	\$64.49
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$159.61
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,153.07
PRINT 'EM NOW INC	OFFICE SUPPLIES	\$325.00
RESCO	SUPPLIES	\$6,508.45
RONKE, SHANE	REIMBURSEMENT EXPENSE	\$64.50
RON'S SAW SALES	SUPPLIES	\$96.18
ROTH, KEENAN M	REIMBURSEMENT EXPENSE	\$693.40
RUNNING'S SUPPLY INC	SUPPLIES	\$510.22
SAME DAY EXPRESS, INC.	SHIPPING	\$20.00
SANFORD HEALTH OCCUP. MEDICINE	SCREENS	\$260.00
SCHAFER, TRENT	REIMBURSEMENT EXPENSE	\$121.00
SCHULTZ, ANDY	REIMBURSEMENT EXPENSE	\$27.27
SD ELECTRICAL COUNCIL	2019 MEMBERSHIP DUES	\$40.00
SD MUNICIPAL LEAGUE	REGISTRATION EXPENSE	\$65.00
SD ONE CALL	LOCATES	\$603.75
SENSIT TECHNOLOGIES	SUPPLIES	\$694.95
SERVICEMASTER	JANITORIAL SERVICE	\$3,740.00
SHIRTS IN THE WORKS	SUPPLIES	\$1,322.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$7,763.15
SOLUM, GREG	REIMBURSEMENT EXPENSE	\$97.14
STAN HOUSTON EQUIP CO	SUPPLIES	\$248.95
STAR LAUNDRY INC	SUPPLIES	\$371.50
STATE TREASURER	2018 UNCLAIMED PROPERTY	\$1,640.03
STUART C IRBY CO	SUPPLIES	\$3,121.86
STURDEVANTS AUTO PARTS	SUPPLIES	\$246.22
T & R ELECTRIC SUPPLY CO. INC	REPAIR PAD MOUNT SWITCH	\$7,560.00
TAC SERVICES LLC	LAWN SERVICE	\$1,850.00
TELESCADA	NEXGEN SCADA SYSTEM	\$3,404.52
THEIN WELL	WELL REPAIR	\$14,395.56
TITAN MACHINERY- WTN	TRUCK REPAIR	\$12,190.50
TRACTOR SUPPLY CO	SUPPLIES	\$143.99
TYLER BUSINESS FORMS	OFFICE SUPPLIES	\$277.64
UPS	SHIPPING	\$156.17
US DEPT OF ENERGY WAPA	ANNUAL MAINTENANCE	\$3,000.00
WATERTOWN DEVELOPMENT CO.	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN PUBLIC OPINION	PUBLISHINGS	\$414.17
WATERTOWN UNITED WAY	United Way	\$402.50
WESCO DISTRIBUTION INC	SUPPLIES	\$758.75
WINSUPPLY OF WATERTOWN	SUPPLIES	\$513.45
	TOTAL	\$748,235.87

Total September 2018 748,235.87; Transfer to City's General Fund 103,901, Muni Utilities Electric Water Gas 64,419.51, Northern Natural Gas 2,273.20; Missouri River Energy Services Power 2,293,914.32; BP Canada Energy Marketing Natural Gas 107,520.14; Dept. of Revenue Sales/Excise Tax 198,951.33; CPEP Natural Gas 8,067.13, City Finance Office Garbage Sewer 410,274.42.

**ITEM 7118**

Motion by Carrico with second by Solum 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 26<sup>th</sup>, day of September 2018.

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

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Lisa Pahl  
Executive Secretary  
Municipal Utilities Board

Mike Luken  
Board President  
Municipal Utilities Board