

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Monday, March 25th, 2019

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, March 25th, 2019 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, Bert Magstadt, Jeff DeVille, John Lunde, Doug Enstad, Mark Haider, Kevin Kruiter, Sheila Mennenga, Stephanie Ries, Lisa Pahl and Attorney Vince Foley.

ITEM 7189

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

ITEM 7190

Motion by Holley with second by Carter to approve Minutes of regular meeting on February 28th, 2019. Motion carried.

ITEM 7191

This being the time and place set for consideration of bids, the following were presented. Bid for Odorizer for the Gas Department. The bid was opened Monday, March 11, 2019 at 1:30 PM. Bids for 15th Ave Substation Dirt Work and 15th Ave Substation General Contractor for Electric Department were opened on Tuesday, March 19, 2019. Bids for Pebble Lime, Solar Salt and PVC Pipe for the Water Department were opened Thursday, March 21st, 2019 at 1:30 PM. All were opened by the Watertown Municipal Utilities Staff as authorized by the Board.

ODORIZER: Two bids was received and upon review and recommendation by Lehner, motion by Carrico with second by Carter to award bid to low valid bidder PRECO, Inc., Omaha, NE for a total of \$34,692. Motion carried.

15TH AVE SUBSTATION DIRT WORK: Three bids were received and upon review and recommendation by Lehner, motion by Holley with second by Solum to award bid to low valid bidder Clausen Construction, Watertown, SD for a total of \$52,399. Motion carried.

15TH AVE SUBSTATION GENERAL CONTRACTOR: Four bids were received and upon review and recommendation by Lehner, motion by Carter with second by Carrico to award bid to low valid bidders, Key Contracting, Fargo, ND for a total of \$1,379,603. Motion carried.

PEBBLE LIME: Three bids were received and upon review and recommendation by Lehner, motion by Holley with second by Carter to award bid to low valid bidder, Pete Lien, Rapid City, SD for \$150.50 per ton. Motion carried.

SOLAR SALT: Two bids were received and upon review and recommendation by Lehner, motion by Carrico with second by Holley to award bid to low valid bidder, Johnson Feed Inc., Canton, SD for a total of \$198.00 per ton. Motion carried. Motion carried.

PVC PIPE: Three bids were received and upon review and recommendation by Lehner, motion by Carrico with second by Solum to award bid to low valid bidder, Core & Main, Sioux Falls, SD for a total of \$27,966. Motion carried.

ITEM 7192

Motion by Carter with second by Holley to authorize to return checks of unsuccessful bidders. Motion carried.

ITEM 7193

Motion by Carter with second by Carrico to adopt a resolution designating representatives for Missouri River Energy Services. Motion carried.

DESIGNATION OF AUTHORIZED REPRESENTATION RESOLUTION NO. 7198

WHEREAS, the Governing Body of the Watertown Municipal Utilities, Watertown, SD has entered into an agreement to establish The Missouri Basin Municipal Power Agency, d.b.a. Missouri River Energy Services (MRES) and as a member thereof is entitled to a representative who shall represent the Municipal Utility in the business of MRES.

NOW, THEREFORE, BE IT RESOLVED that Steven Lehner be and is hereby authorized and appointed as the representative of the Watertown Municipal Utilities, Watertown, SD, to represent the Municipal Utility in the business of MRES, with the powers, duties and responsibilities as provided in said agreement. The alternate representative, Robert Magstadt, is hereby authorized and appointed with equal powers.

ITEM 7194

Motion by Carter with second by Solum to adopt a resolution designating representative for South Dakota Municipal Power Agency. Motion carried.

DESIGNATION OF AUTHORIZED REPRESENTATION RESOLUTION NO. 7199

WHEREAS, the Governing Body of the Watertown Municipal Utilities, Watertown, SD has entered into an agreement to establish the South Dakota Municipal Power Agency (SDMPA) and as a member thereof is entitled to a representative who shall represent the Municipal Utility in the business of SDMPA.

NOW, THEREFORE, BE IT RESOLVED that Steven Lehner be and is hereby authorized and appointed as the representative of the Watertown Municipal Utilities, Watertown, SD, to represent the Municipal Utility in the business of SDMPA, with the powers, duties and responsibilities as provided in said agreement. The alternate representative, Robert Magstadt, is hereby authorized and appointed with equal powers.

ITEM 7195

Open: Lehner presented the two bill stuffers, Living Safely with Natural Gas and Residential Disposal Household Hazardous Waste. Lehner invited the Board to attend the MRES Annual Meeting in Sioux Falls, SD on May 8-9, 2019.

ITEM 7196

Magstadt presented the Report on Operations and Projects: Extreme weather conditions continue. The Water Department has had 57 service lines that froze, 49 service lines were thawed out, 6 service lines could not be thawed and 2 service lines the owner didn't want anything done because they were vacant. We have called 194 people as of last week to run their water to prevent freeze up. 1 Water main break, 8th one this year. Electric Department just finish replacing Tap Changer at Pelican Sub, Gas Department finishing some DOT work. Waiting for the ground to thaw and dry up to start dirt work for the 15th Ave Substation.

ITEM 7197

Karst invited the Board to sit in on some APPA Training Webinars he is viewing. It is geared towards Board Members and Governances. Karst continued to present the report on Administration and Financial Statements: Purchasing, Accounting and Facilities, Projects Completed This Month: Preparing for possible flood issues, William Neale & Co. is here working on WMU 2018 financial audit. Customer Service: 14,028 payments for \$5,018,392 and 53,669 Services billed for \$5,700,854, Projects Starting Next Month, Mid-April will be sending out letters to budget bill customers with the new budget bill amounts for the budget bill Season (May 1-April 30). Human Resources/Risk Management: Prepared time sheets/payroll records for possible flood event, hosted supervisor training "5 Generations in the Workplace", presented by Kim Bellum from LATI. 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 \$603,071 under budget for the two months ending February 28, 2019. Total Capital Additions are \$502,743 under budget for the two months ending February 28, 2019.

ITEM 7198

Motion made by Holley with second by Carter to approve the following verified salary claims and bills. Motion carried unanimously upon roll call vote. Total Watertown Municipal Utilities Net Payroll for March 2019 Plus ACH Payroll Payments \$484,932.62. Info: A. Niemann 31.31, effective 2/21/2019, T. Wirtjes 31.31, effective 2/21/2019.

NAME	PAYABLE DESCRIPTION	PAYMENT AMOUNT
APRIL 1, 2019		
ABC EMBROIDERY	SERVICE	\$188.10
ACTIVE HEATING INC	SERVICE CALL FOR HEATERS	\$795.98
AFLAC	CANCER PT	\$1,964.57
A-OX WELDING SUPPLY INC	SUPPLIES	\$120.44
AUTO BODY SPECIALTIES	SUPPLIES	\$250.00
AUTOMATIC BUILDING CONTROLS	ANNUAL FIRE ALARM TESTING	\$837.00
AUTOMATIC TRANSMISSION & GEAR	SUPPLIES	\$185.99
BENDIX IMAGING INC	OFFICE SUPPLIES	\$382.98
BORDER STATES ELECTRIC SUPPLY	WIRE AS PER BID	\$23,880.19
BORNS GROUP	POSTAGE & MAILING	\$8,538.11
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$87.97
CARGILL INCORPORATED	BULK SALT	\$4,406.89
CENTURY LINK	PHONE SERVICE	\$297.88
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$6,332.27
CHILD SUPPORT PAYMENT CENTER	EMPLOYEE DEDUCTION: CHILD SUPPORT	\$850.00
CITY OF WATERTOWN	15TH AVE SUBSTATION BUILDING PERMIT	\$433.00
CODINGTON-CLARK ELECTRIC COOP. INC	WELLFIELD ELECTRIC SERVICE	\$5,291.84
CONSULTING ENGINEERS GROUP INC	SUBSTATION ENGINEERING FEES	\$27,038.84
CORE & MAIN LP	SUPPLIES	\$1,028.98
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$365.65
DAKOTA DATA SHRED	SHREDDING SERVICE	\$85.92
DENR	FUTURE WATER RATES FEE	\$285.00
DEPARTMENT OF HEALTH	WATER SAMPLES	\$515.00
DEVILLE, JEFF	REIMBURSEMENT EXPENSE	\$850.00
DGR ENGINEERING	REVENUE METERING RELOCATION	\$704.00
DSG DAKOTA SUPPLY GROUP	ELECTRIC METERS	\$2,490.53
DTN, LLC	SUBSCRIPTION	\$4,734.00
DUININCK INC	CRUSHED CONCRETE, ROCK	\$1,559.10
EAST RIVER ELEC POWER COOP	2019 SERVICE CONTRACT	\$8,100.00
EDGEN MURRAY CORPORATION	GAS PIPE	\$20,678.34
ELEMENT MATERIALS TECHNOLOGY	PIPE WELD QUALIFICATION	\$225.00
ENERGY LABORATORIES INC	WATER TESTING	\$1,007.00
ENGELSTAD ELECTRIC COMPANY	SERVICE	\$132.65
ETHANOL PRODUCTS LLC	BULK CO2	\$849.48
FARNAMS GENUINE PARTS	SUPPLIES	\$496.18
FASTENAL COMPANY	SUPPLIES	\$96.10
FEDERAL EXPRESS CORP	SHIPPING	\$142.13
FOLEY AND FOLEY LAW OFFICE, PC	LEGAL FEES	\$460.00
FORMAN, CHRIS	REIMBURSEMENT EXPENSE	\$2,000.00
FRANZ REPROGRAPHICS, INC.	SUPPLIES	\$384.43
G & R CONTROLS INC.	SERVICE	\$945.00
GAS PRODUCTS SALES, INC	REGULATORS	\$21,266.12
GCR TIRE CENTER	SUPPLIES	\$335.01
GENUINE PARTS COMPANY, INC.	2019 SUBSCRIPTION	\$2,628.00
GRAINGER	SUPPLIES	\$200.60
GREAT WESTERN BANK	TASC MED	\$7,339.96
GROEBNER	GAS LEAK DETECTORS	\$18,080.21
HUMAN SERVICE AGENCY	EAP SERVICES	\$405.00
IBEW LOCAL 426	UNION DUES	\$3,043.00

INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$177.95
J H LARSON COMPANY	SUPPLIES	\$420.40
KOONS GAS MEASUREMENT	GAS METER	\$3,992.51
KRANZ, CHAD	REIMBURSEMENT EXPENSE	\$504.33
KXLG	PUBLIC AWARENESS	\$1,800.00
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$253.12
LIGHT & SIREN	SUPPLIES	\$1,516.00
LOCATORS & SUPPLIES INC	SUPPLIES	\$129.57
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$2,339.15
MAC'S HARDWARE	SUPPLIES	\$325.60
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$63.22
MARCO	COPIER LEASE	\$321.34
MATHESON TRI-GAS INC	METHANE	\$114.94
MC KEEVER INC	SUPPLIES	\$156.58
MENARDS INC	SUPPLIES	\$575.02
MET LIFE	LIFE INSURANCE	\$1,393.80
MIDCONTINENT COMMUNICATIONS	INTERNET & CABLE SERVICE	\$203.51
MIDWEST UNDERGROUND SUPPLY, LLC	CARBIDE TIPS	\$703.30
MIKE MCNAMARA	REIMBURSEMENT EXPENSE	\$640.40
MINNESOTA MUNICIPAL UTILITIES ASSN	TRAINING EXPENSE	\$450.00
MUELLER CO	METER VALVES	\$2,365.00
MUNICIPAL UTILITIES - PC	PETTY CASH	\$703.94
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$912.15
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$1,958.92
NORTHWEST LINEMAN COLLEGE	TRAINING	\$616.00
NORTHWEST PIPE FITTINGS INC	GAS METER VALVES	\$1,756.92
NOVASPECT, INC.	REGULATORS	\$3,371.05
OFFICE PEEPS	SUPPLIES	\$518.52
OLSON, GARY	REIMBURSEMENT EXPENSE	\$1,076.89
OVERHEAD DOOR CO OF WTN	SERVICE	\$159.13
PETE LIEN & SONS	BULK LIME PER BID	\$5,920.00
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$163.40
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,239.92
REDLINGER BROS PLUMBING & HEATING	SUPPLIES	\$65.14
RESCO	SUPPLIES	\$3,900.52
RONKE, SHANE	REIMBURSEMENT EXPENSE	\$494.71
RSM US LLP	CYBER SECURITY AUDIT	\$4,200.00
RUNNING'S SUPPLY INC	SUPPLIES	\$954.89
SCHWEITZER ENGINEERING	SUBSTATION METER	\$2,075.00
SCOTT ENGINEERING CO	15TH AVE SUBSTATION DIRTWORK	\$3,030.00
SD ONE CALL	LOCATES	\$21.00
SD RETIREMENT SYSTEM	2018 ADDITIONAL CONTRIBUTIONS	\$2,824.96
SENSIT TECHNOLOGIES	SERVICE	\$492.29
SERVICEMASTER	JANITORIAL SERVICE	\$4,120.00
SIGN PRO	DECALS	\$384.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$5,033.58
SOUTH DAKOTA SHRM	2019 SHRM CONFERENCE	\$225.00
STAR LAUNDRY INC	RUG SERVICE & CLOTHING CLEANING	\$376.01
STUART C IRBY CO	SUPPLIES	\$2,873.61
STURDEVANTS AUTO PARTS	SUPPLIES	\$81.54
TC COMMUNICATIONS, INC.	SUBSTATION EQUIPMENT	\$14,495.61
TEREX SERVICES	SERVICE	\$1,607.71
TIKKA CONSTRUCTION	ENERGY INCENTIVE REBATE	\$68.00
TITAN MACHINERY- WTN	SUPPLIES	\$224.55
TITAN MACHINERY-SF	SUPPLIES	\$1,011.25
TRAV'S OUTFITTER	SAFETY CLOTHING	\$4,241.74
TYNDALE COMPANY INC	SAFETY CLOTHING	\$678.90
UPS	SHIPPING	\$111.37
UTILITIES PLUS ENERGY SERVICES INC	TRANSFORMER MAINTENANCE	\$21,057.00
VOIGHT, DANIEL J	REIMBURSEMENT EXPENSE	\$2,000.00

WATERTOWN AREA CHAMBER OF COMM.	ANNUAL MEMBERSHIP DUES	\$515.90
WATERTOWN DEVELOPMENT CO.	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN PUBLIC OPINION	PUBLISHINGS	\$700.44
WATERTOWN UNITED WAY	United Way	\$447.50
WEISMANTEL RENT-ALL	PORTABLE SCAFFOLD RENTAL	\$55.00
WHEELCO	SUPPLIES	\$20.91
WINSUPPLY OF WATERTOWN	SUPPLIES	\$204.68
TOTAL		\$307,439.83

Total March 2019, 307,439.83; Transfer to City's General Fund 105,979, Muni Utilities Electric Water Gas 46,080.85; Missouri River Energy Services Power 1,987,058.43; BP Canada Energy Marketing Natural Gas 913,091.71; Dept. of Revenue Sales/Excise Tax 275,099.90; CPEP Natural Gas 111,717.90, City Finance Office Garbage Sewer 396,357.52.

ITEM 7199

Pursuant to SDCL 1-25-2(3) Carrico moved with second by Holley to move to Executive Session for discussion of contractual 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.

The Watertown Municipal Utilities 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.

Motion by Carter with second by Holley to adjourn. Motion carried.

Dated at Watertown, South Dakota this 25th, day of March, 2019.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

Michael Luken
Board President
Municipal Utilities Department