

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Monday, October 28th, 2019

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, October 28, 2019 at 12:00 p.m. with President John Holley presiding.

Board members present: John Holley, Greg Solum, Lisa Carrico, Chris Carter and Mike Luken. Board Liaison, member of City Council, Glen Vilhauer. Staff members present Steve Lehner, Adam Karst, Bert Magstadt, Jeff DeVille, Doug Enstad, Mark Haider, Mark Meier, Sheila Mennenga, Stephanie Ries, Gina Brown, Lisa Pahl and Attorney Vince Foley. Press Troy VanDusen, KXLG Radio, Dan Crisler, Public Opinion Newspaper. Guest Mayor Sara Caron and Michael Kan of Kan Houston Associates, LLC.

ITEM 7257

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

ITEM 7258

Motion by Carter with second by Carrico to approve Minutes of regular meeting on September 30, 2019. Motion carried.

ITEM 7259

Michael Kan of Kan Huston Associates, LLC presented results of the Gas Rate Study which included Studies, investigations, assumptions, considerations and analyses. The recommendation from Kan Huston Associates, LLC to the Board was a rate change of 6.10% to provide increase in revenue. A five-year phase-in rate adjustment is recommended. No action required at this time.

ITEM 7260

Motion by Luken with second by Solum to approve the General Manager to sign agreement with Marsh and McLennan Agency for Agent of Record Transfer for our Group Health Insurance. Motion carried by a 4 to 1 vote with Carter voting No.

ITEM 7261

Motion by Carter with second by Carrico to declare as surplus interior recoating and repainting of 14th Ave Tower. Motion carried.

ITEM 7262

Motion by Luken with second by Carrico to approve Board President to sign a Private Service Line Agreement with Krantz and the Watertown Development Company. Motion carried.

ITEM 7263

Finance Committee Meeting date is set for Thursday, November 14th, 2019 at 7 a.m. in the Watertown Municipal Utilities Board Room.

ITEM 7264

Old Business: Magstadt wanted to let the Board know that the Agreements with Northern Border Pipeline discussed at last month's board meeting have been executed.

ITEM 7265

Magstadt presented the Report on Operations and Projects: The Electric Department, Projects Completed this Month: Completed installing primary to Glacial Lakes Plastic addition. Projects in Progress: Terminating wire from VFW to McDonalds and Roosevelt School area converting overhead to underground. Gas Department, Projects Completed this Month: Installed 2" service to the Chamber Building and to CLI Building, turned on permanent gas meter at Terex. Water Department, Projects Completed this Month: Made a replacement 6" x 2" ductile iron tap on the fire line of the Public Opinion. This was part of abandoning the 4" cast iron main on 3rd Ave. Engineering Tech Department: Projects in Progress: Utility facility conversion from AutoCAD to ArcGIS format, doing a lot of staking. 15th Ave. Substation Project. Projects completed this month: Switchgear building was delivered and set Monday, Oct. 21 despite 40+ mph winds. Projects in Progress: Contractor pulling cables and testing connections into switchgear building.

ITEM 7266

Karst presented the Report on Administration & Financial Statements. Purchasing, Accounting and Facilities, Projects Completed this Month: Painting of the Dryvit siding which had hail damage from 2018 is complete. Projects in Progress: Working on 2020 budget, Working with FEMA on March 2019 storm. Customer Service: 14,333 payments for \$4,596,296 and 54,510 Services billed for \$3,725,561. Human Resources/Risk Management: Beginning review of health insurance renewal, including recommendation for changing Agent of Record, Preparing for open enrollment for 2020, New employees Kelsey Nordsiden, Angie Seim and interviewing for A/P specialist (received 30 applications), Stephanie Ries, Customer Service/Billing/Collections Supervisor retirement effective 10/31/2019. Gina Brown was promoted to that position. 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 \$1,138,202 over budget for the

nine months ending September 30th, 2019. Total Capital Additions are \$2,192,098 under budget for the nine months ending September 30th, 2019.

ITEM 7267

Motion made by Carter with second by Solum to approve the following verified salary claims and bills. Motion carried unanimously upon roll call vote. Total Watertown Municipal Utilities Net Payroll for October 2019 Plus ACH Payroll Payments \$479,973.46. Info: Term: S. Ries effective 10/31/2019, Add: K. Nordsiden 18.85/hr. effective 10/15/2019 Change: A. Schultz 31.06/hr. effective 9/21/2019.

Name	Payable Description	Payment Amount
11/1/2019		
ABC EMBROIDERY	SERVICE	\$48.60
ACTIVE HEATING INC	ENERGY INCENTIVE REBATE	\$500.00
ADVANCED ENGINEERING & ENVIRONMENTAL SERVICES	I & C SYSTEM SERVICES	\$657.25
AFLAC	CANCER PT	\$1,646.33
A-OX WELDING SUPPLY INC	SUPPLIES	\$560.83
APGA	2020 MEMBERSHIP DUES	\$8,960.52
APPLIED INDUSTRIAL TECH INC	SUPPLIES	\$373.20
AUTO VALUE PARTS STORE	SUPPLIES	\$98.00
AZZ	15TH AVE SUBSTATION	\$331,511.40
B & B CONCRETE SEALER	CONCRETE WORK - BEHIND ZESTOS	\$4,081.64
BENDIX IMAGING INC	COMPUTER SUPPLIES	\$202.97
BENSON, BRIAN	REIMBURSEMENT EXPENSE	\$2,000.00
BERNIE'S TELEPHONE & TECH	PHONE SERVICE	\$75.00
BLACKBURN MFG COMPANY	LOCATE FLAGS	\$3,355.21
BORDER STATES ELECTRIC SUPPLY	ALUMINUM LIGHT POLES	\$32,566.29
BORNS GROUP	POSTAGE & MAILING	\$9,022.97
BROWN, GINA L	REIMBURSEMENT EXPENSE	\$484.10
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$78.47
BURNS, JERRY	REIMBURSEMENT EXPENSE	\$50.33
CARRICO, LISA	REIMBURSEMENT EXPENSE	\$125.28
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$2,333.64
CHILD SUPPORT PAYMENT CENTER	EMPLOYEE DEDUCTION: CHILD SUPPORT	\$750.00
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$4,744.80
CONNECTING POINT	COMPUTER HARDWARE	\$3,563.52
CONSULTING ENGINEERS GROUP INC	15TH AVE SUBSTATION ENGINEERING FEES	\$32,757.88
CONTROL EQUIPMENT SALES, INC	CORRECTOR	\$4,694.46
CORE & MAIN LP	SUPPLIES	\$3,095.64
COUNTRY INN & SUITES	ENERGY INCENTIVE REBATE	\$135.00
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$109.74
CROCKER'S COLLISION CENTER	TRUCK REPAIR	\$1,264.50
DAKOTA DATA SHRED	SHREDDING SERVICE	\$68.45
DEVILLE, JEFF	REIMBURSEMENT EXPENSE	\$924.12
DGR ENGINEERING	REVENUE METERING RELOCATION	\$126.00
DISCOUNT SEEDS, INC.	LAWN CARE	\$625.00
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$619.89
	GRAVEL, ROCK, CRUSHED CONCRETE AND DIRT	\$2,282.83
DUININCK INC	TEST WELD TUBES	\$476.01
DYNAMIC ENGINEERING	PIPE WELD QUALIFICATION	\$225.00
ELEMENT MATERIALS TECHNOLOGY	GAS BORE	\$804.92
ENGELSTAD ELECTRIC COMPANY	REIMBURSEMENT EXPENSE	\$105.03
ENSTAD, DOUG	BULK CO2	\$1,481.40
ETHANOL PRODUCTS LLC	SUPPLIES	\$1,467.54
FARNAMS GENUINE PARTS		

FARWEST LINE SPECIALTIES, LLC	SUPPLIES	\$103.75
FASTENAL COMPANY	SUPPLIES	\$561.44
FEDERAL EXPRESS CORP	SHIPPING	\$23.45
FOLEY, VINCE	REIMBURSEMENT EXPENSE	\$125.28
G & R CONTROLS INC.	HVAC COMPUTER & SOFTWARE	\$7,540.01
GCR TIRE CENTER	SUPPLIES	\$684.44
GRAINGER	SUPPLIES	\$82.26
GROEBNER	RISERS	\$4,976.93
HAWKINS, INC.	HYDROFLUOSILICIC ACID	\$1,821.03
HEEMEYER ELECTRIC	ELECTRICAL SERVICE	\$1,103.97
IBEW LOCAL 426	UNION DUES	\$2,928.00
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$615.81
J H LARSON COMPANY	SUPPLIES	\$579.44
JOSEPH MEDANICH	ASPHALT REPAIR	\$10,204.00
KARST, ADAM	REIMBURSEMENT EXPENSE	\$193.00
KEY CONTRACTING INC	15TH AVE SUBSTATION	\$208,484.32
KOONS GAS MEASUREMENT	GAS METERS	\$16,802.13
LAKE AREA DOOR	DOOR REPAIR	\$306.05
LAKE CITY FIRE EQUIPMENT LLC	ANNUAL MAINTENANCE	\$194.75
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$1,627.62
LOCATORS & SUPPLIES INC	SUPPLIES	\$2,328.28
LUEDERS, BRAD	REIMBURSEMENT EXPENSE	\$577.74
LUKEN, MIKE	REIMBURSEMENT EXPENSE	\$301.60
LUNDE, JOHN	REIMBURSEMENT EXPENSE	\$551.46
LYLE SIGNS INC	SUPPLIES	\$708.07
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$351.93
MAC'S HARDWARE	SUPPLIES	\$102.41
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$1,304.14
MARCO	COPIER LEASE	\$302.33
MATHESON TRI-GAS INC	NITROGEN	\$52.75
MENARDS INC	SUPPLIES	\$728.76
MERCURY INSTRUMENTS LLC	GAS METER CORRECTORS	\$864.78
MESA PRODUCTS INC	SUPPLIES	\$204.04
MET LIFE	LIFE INSURANCE	\$1,297.02
MIDCONTINENT COMMUNICATIONS	INTERNET & CABLE SERVICE	\$207.72
MID-WEST ELECTRIC CONSUMERS ASSN	REGISTRATION EXPENSE	\$350.00
MILBANK WINWATER WORKS	SUPPLIES	\$3,773.60
MINNESOTA MUNICIPAL UTILITIES ASSN	SAFETY PROGRAM	\$7,387.50
MISSOURI RIVER ENERGY SERVICES	ENERGY INCENTIVE REBATE	\$1,012.50
MUELLER CO	SUPPLIES	\$59.80
MUNICIPAL UTILITIES - PC	PETTY CASH	\$523.26
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$533.00
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$5,110.38
MUNICIPAL UTILITIES-TERM LIFE PAY	TERM LIFE	\$1,032.60
NELSON TECHNOLOGIES INC	ODORANT	\$18,188.04
NIEMANN, ANDY	REIMBURSEMENT EXPENSE	\$131.00
NORTHERN TRUCK EQUIP CORP	SUPPLIES	\$717.35
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$3,216.56
NORTHWESTERN ENERGY	SERVICE RIGHTS PAYABLE	\$2,792.03
OFFICE PEEPS	SUPPLIES	\$198.91
OLSON, GARY	REIMBURSEMENT EXPENSE	\$1,141.14
ONYX EMS LLC	ENERGY INCENTIVE REBATE	\$2,295.00
O'REILLY AUTOMOTIVE INC	SUPPLIES	\$113.99
OVERHEAD DOOR CO OF WTN	SUPPLIES	\$100.00
PAHL, LISA M	REIMBURSEMENT EXPENSE	\$120.64
PETE LIEN & SONS	BULK LIME AS PER BID	\$13,129.08
PINNACLE INVESTMENTS LLC	UB REFUND	\$3,000.00
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$166.19
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,046.51
PRO LINE INC	SUPPLIES	\$326.50

REDLINGER BROS PLUMBING & HEATING	SUPPLIES	\$168.95
REEDE CONSTRUCTION INC.	HWY 212 WATER MAIN REPLACEMENT	\$139,801.05
RELIABANK DAKOTA	TASC MED	\$6,817.53
RESCO	TRANSFORMER BASEMENT	\$8,955.66
RISING STAR HYDRAULICS INC	SUPPLIES	\$94.32
ROST, MICHAEL	REIMBURSEMENT EXPENSE	\$52.95
RUNNING'S SUPPLY INC	SUPPLIES	\$705.57
SAFETY BENEFITS INC	SAFETY CONFERENCE	\$195.00
SCOTT ENGINEERING CO	HWY 212 WATER MAIN REPLACEMENT	\$1,440.00
SD ELECTRICAL COUNCIL	2020 MEMBERSHIP DUES	\$40.00
SD ONE CALL	LOCATES	\$495.60
SDRS SPECIAL PAY PLAN	401a SICK	\$38,088.60
SENSIT TECHNOLOGIES	SUPPLIES	\$532.78
SERVICEMASTER	JANITORIAL SERVICE	\$4,120.00
SHERWIN WILLIAMS CO	SUPPLIES	\$264.88
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$6,122.62
STAN HOUSTON EQUIP CO	SUPPLIES	\$683.00
STANGL, CHRIS	REIMBURSEMENT EXPENSE	\$131.00
STAR LAUNDRY INC	RUG SERVICE	\$380.21
STUART C IRBY CO	SUPPLIES	\$2,930.00
STURDEVANTS AUTO PARTS	SUPPLIES	\$164.11
STURDEVANT'S DELIVERY	SHIPPING	\$29.00
TAC SERVICES LLC	LAWN SERVICE	\$1,995.00
TIKKA CONSTRUCTION	ENERGY INCENTIVE REBATE	\$56.00
TITAN MACHINERY- WTN	SUPPLIES	\$280.00
TRACTOR SUPPLY CO	SUPPLIES	\$43.98
TRAV'S OUTFITTER	SAFETY CLOTHING	\$2,713.00
TYLER TECHNOLOGIES	OFFICE SUPPLIES	\$138.00
TYNDALE COMPANY INC	SAFETY CLOTHING	\$2,658.65
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN PUBLIC OPINION	PUBLISHINGS & ADVERTISEMENTS	\$894.59
WATERTOWN UNITED WAY	United Way	\$402.50
WESCO DISTRIBUTION INC	SUPPLIES	\$1,681.00
WILSON BOHANNAN COMPANY	SUPPLIES	\$1,500.10
WINSUPPLY OF WATERTOWN	SUPPLIES	\$111.08
WIRTJES, TRISTON	REIMBURSEMENT EXPENSE	\$131.00
	Total	\$1,027,867.78

Total October 2019, 1,027,867.78; Transfer to City's General Fund 105,979, Qtrly US Bank - 413,660.20, Muni Utilities Electric Water Gas 42,523.36; Missouri River Energy Services Power 1,589,038.75; BP Canada Energy Marketing Natural Gas 81,981.60; Dept. of Revenue Sales/Excise Tax 158,324.73; CPEP #3 Natural Gas 6,419.85, CPEP #4 10,804.35, City Finance Office Garbage Sewer 417,759.10.

ITEM 7268

November Board Meeting date is set for Tuesday, November 26th, 2019.

Pursuant to SDCL 1-25-2(3) Motion by Luken with second by Carrico to move to Executive Session for consulting with attorney on contractual and legal matters, no action anticipated when they reconvene to regular session. Motion carried.

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

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

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.

Dated at Watertown, South Dakota this 28th, day of October 2019.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

John Holley
Board President
Municipal Utilities Board