

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Tuesday, November 26th, 2019

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Tuesday, November 26, 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, John Lunde, Mark Haider, Mark Meier, Kevin Kruiter, Sheila Mennenga, Gina Brown, Lisa Pahl and Attorney Vince Foley. Press Troy VanDusen, KXLG Radio, Dan Crisler, Public Opinion Newspaper. Guest Mayor Sara Caron.

ITEM 7274

Motion by Solum with second by Carter to approve the Agenda with one change moving Item 6 Approve Renewal of Group Health Insurance Plan to Executive Session. Motion carried.

ITEM 7275

Motion by Carter with second by Luken to approve Minutes of regular Board Meeting on October 28th, 2019 and Special Session Meeting on November 14th, 2019. Motion carried.

ITEM 7276

Public Comment: Board Liaison, member of City Council, Glen Vilhauer wanted to tell the Board about the ten thousand plane boarding celebration at the Airport tomorrow at 11:30 am. He wanted to invite everybody to come to this milestone.

ITEM 7277

Motion by Carter with second by Luken to approve the General Manager to sign contract with Utility Services for Maintenance of Mains. Motion carried.

ITEM 7278

Karst presented information on rates as outlined and presented at the November 14th Special Session Board Meeting, overall change on Water Rates will increase by 5%, with no change on Electric or Gas. There is an increase to Private Fire Service along with additional increases on some Schedule of Fees. All changes are effective with the January 2020 readings to be billed February 1, 2020. Motion by Luken with second by Carrico to approve utility rates for 2020. Motion carried unanimously upon roll call vote.

ITEM 7279

Motion by Carter with second by Solum to approve the 2020 budget, including operating budget and capital budget, plus \$125,000 for water pipe installation at the Airport, for the Electric, Water and Gas Departments presented at the November 14th Special Session Board Meeting. Motion carried unanimously upon roll call vote.

ITEM 7280

Open: a) Magstadt and Carter attended the MRES Area Meeting in Sioux Falls on October 24, 2019. Main topics discussed were the Affordable Clean Air Act, Red Rock Hydro Plant, Rates, AMI-time of Use Rates, Legislative topics, Cyber Security, Territory Freeze, Pole Attachment regulations. b) Karst and Lehner discussed the Electric Service Territory Summer Study. There is continual work on the language of Senate Bill 227, which addresses the negotiations of Municipalities and Rural Electrics on territory issues.

ITEM 7281

Magstadt presented the Report on Operations and Projects: The Electric Department, Projects Completed this Month: Energized 2 transformers at Terex, completed terminating 2 feeders of 750 MCM wire from 15th Ave Substation to Terex. Gas Department, Projects Completed this Month: Installed 18 new service lines. Water Department, Projects Completed this Month: Had a 6" cast iron water main break. Engineering Tech Department: Projects in Progress: Working on flood data maps and updating utility maps. 15th Ave. Substation Project. Projects completed this month: Confirmed coordination schedules with WAPA, MRES, Key Construction, CEG, WMU and Electro-Tech for tying-in 115kV transmission cable and testing substation from Dec. 9 - 19.

ITEM 7282

Karst presented the Report on Administration & Financial Statements. Purchasing, Accounting and Facilities, Projects Completed this Month: 2020 lawn mowing contract was quoted by local businesses. Projects in Progress: Working with FEMA on reimbursement for 2019 spring flood expenses. Upcoming Projects: Annual physical inventory. Customer Service: 14,249 payments for \$4,229,853 and 54,485 Services billed for \$3,720,289. Human Resources/Risk Management: Continuing review of health insurance renewal, Retirement of Jerry Burns - Gas Distribution Foreman, worked a combined total of more than 32 years, Promotion of Aaron Erickson to Gas Distribution Foreman, New Employee Christy Brown to A/P Specialist, Representing South Dakota as the SoDak SHRM State Director, attended Volunteer Leader Business Meeting in Washington DC.

Statements of Revenue and Expenses and Capital Additions were presented to the Board for review. Year to date net income is \$1,417,162 over budget for the ten months ending October 31, 2019. Total Capital Additions are \$2,069,428 under budget for the ten months ending October 31, 2019.

ITEM 7283

Motion made by Carter with second by Carrico to approve the following verified salary claims and bills. Motion carried unanimously upon roll call vote. Total Watertown Municipal Utilities Net Payroll for November 2019 Plus ACH Payroll Payments \$523,078.30. Info: Change: G. Brown Salary 6,250/month effective 11/1/2019, S. Myers 24.77/hr. effective 11/2/2019, T. Namken 29.30/hr. effective 11/15/2019. Add. A. Seim 18.85/hr. effective 10/21/2019, C. Brown 22.77/hr. effective 11/13/2019.

NAME	PAYABLE DESCRIPTION	PAYMENT AMOUNT
DECEMBER 2, 2109		
ABC EMBROIDERY	SERVICE	\$286.20
ACTIVE HEATING INC	ENERGY INCENTIVE REBATE	\$400.00
ADV. ENGINEERING & ENVIRONMENTAL SERV.	I&C WASTE SYSTEM ENHANCEMENTS	\$157.00
AFLAC	CANCER PT	\$1,626.96
AMARIL UNIFORM COMPANY	SAFETY CLOTHING	\$971.99
AMERICAN WATER WORKS ASSN	2020 MEMBERSHIP DUES	\$2,044.00
A-OX WELDING SUPPLY INC	SUPPLIES	\$414.79
AQUA-PURE INC	SODIUM TRIPOLYPHOSPHATE	\$6,600.00
AZZ	15TH AVE SUBSTATION	\$73,113.00
B & B CONCRETE SEALER	CONCRETE WORK	\$2,040.82
BENDIX IMAGING INC	SECURE DATA DESTRUCTION	\$539.99
BERNIE'S TELEPHONE & TECH	SERVICE CALL	\$75.00
BORDER STATES ELECTRIC SUPPLY	FAULT INDICATORS	\$17,368.13
BORNS GROUP	POSTAGE & MAILING	\$8,494.74
BROWN, GINA L	REIMBURSEMENT EXPENSE	\$515.90
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$92.40
BURNS, JERRY	REIMBURSEMENT EXPENSE	\$474.92
CE POWER ENGINEERED SERVICES, LLC	SUBSTATION MAINTENANCE & TESTING	\$14,895.00
CENTURY LINK	PHONE SERVICE	\$299.02
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$3,326.14
CHEMCO SYSTEMS, LP	SUPPLIES	\$2,963.25
CHILD SUPPORT PAYMENT CENTER	EMPLOYEE DEDUCTION: CHILD SUPPORT	\$750.00
CODINGTON-CLARK ELECTRIC COOP. INC	WELLFIELD ELECTRIC SERVICE	\$4,184.48
CONNECTING POINT	SOFTWARE MAINTENANCE	\$873.48
CONSULTING ENGINEERS GROUP INC	15TH AVE SUBSTATION	\$36,755.63
CONTROL EQUIPMENT SALES, INC	SUPPLIES	\$370.88
CREDIT COLLECTIONS BUREAU	DEBT COLLECTION	\$296.02
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$118.38
DAKOTA DATA SHRED	SHREDDING SERVICE	\$68.45
DAKOTA UNDERGROUND CONST. LLC	INSTALLATION OF UNDERGROUND	\$29,171.00
DEPARTMENT OF HEALTH	WATER SAMPLES	\$487.00
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$2,077.45
DUGAN SALES & SERVICE	SUPPLIES	\$246.90
ELEMENT MATERIALS TECHNOLOGY	PIPE WELD QUALIFICATION	\$450.00
ENGELSTAD ELECTRIC COMPANY	INSTALLATION OF UNDERGROUND	\$336,220.67
EVOLUTION POWERSPORTS	SUPPLIES	\$84.97
FARNAMS GENUINE PARTS	SUPPLIES	\$533.55
FARWEST LINE SPECIALTIES, LLC	SUPPLIES	\$190.00
FASTENAL COMPANY	SUPPLIES	\$161.51

FEDERAL EXPRESS CORP	SERVICE	\$93.55
FOLEY AND FOLEY LAW OFFICE, PC	LEGAL FEES	\$6,780.00
GCR TIRE CENTER	SERVICE	\$25.35
GLACIAL LAKES RADIATOR	RADIATOR REPAIR	\$160.00
GROEBNER	SUPPLIES	\$1,873.23
IBEW LOCAL 426	UNION DUES	\$2,876.00
INDELCO PLASTICS CORPORATION	SUPPLIES	\$1,281.84
INFRASTRUCTURE DESIGN GROUP, INC.	HWY 212 WATERMAIN REPLACEMENT	\$3,807.20
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$88.20
J & J EARTHWORKS	NEW MAIN	\$23,165.80
J H LARSON COMPANY	SUPPLIES	\$5,565.21
JOSEPH MEDANICH	ASPHALT REPAIR	\$3,341.84
JURGENS PRINTING INC	OFFICE SUPPLIES	\$408.00
KAN HUSTON ASSOCIATES LLC	GAS RATE STUDY	\$3,550.00
KARST, ADAM	REIMBURSEMENT EXPENSE	\$440.52
KEY CONTRACTING INC	15TH AVE SUBSTATION	\$180,597.60
LAKE AREA DOOR	SUPPLIES	\$69.00
LOCATORS & SUPPLIES INC	PAINT	\$1,350.69
LUNDE, JOHN	REIMBURSEMENT EXPENSE	\$2,804.26
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$25.63
MAC'S HARDWARE	SUPPLIES	\$121.71
MAGSTADT, BERT	EXPENSE REIMBURSEMENT	\$244.18
MARCO	COPIER LEASE	\$323.80
MATHESON TRI-GAS INC	SUPPLIES	\$66.35
MCKEEVER INC	SUPPLIES	\$311.21
MENARDS INC	SUPPLIES	\$1,023.59
MENNENGA, SHEILA	REIMBURSEMENT EXPENSE	\$127.00
MET LIFE	LIFE INSURANCE	\$1,334.26
MIDCONTINENT COMMUNICATIONS	INTERNET & CABLE SERVICE	\$219.72
MIKE KLUDT	REFUND	\$350.00
MINNESOTA MUNICIPAL UTILITIES ASSN	REGISTRATION EXPENSE	\$900.00
MISSOURI RIVER ENERGY SERVICES	INFRARED INSPECTION SERVICE	\$889.60
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$770.62
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$912.74
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$14,484.97
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$695.98
OFFICE PEEPS	SUPPLIES	\$650.81
OLSON, GARY	REIMBURSEMENT EXPENSE	\$597.00
ONYX EMS LLC	ENERGY INCENTIVE REBATE	\$300.00
O'REILLY AUTOMOTIVE INC	SUPPLIES	\$185.22
PETE LIEN & SONS	BULK LIME	\$16,361.40
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$165.35
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,215.55
REDLINGER BROS PLUMBING & HEATING	SERVICE	\$110.93
RELIABANK DAKOTA	TASC MED	\$6,711.17
RESCO	BASEMENTS	\$10,828.00
RONKE, SHANE	REIMBURSEMENT EXPENSE	\$1,232.28
RON'S SAW SALES	SUPPLIES	\$1,601.97
RUNNING'S SUPPLY INC	SUPPLIES	\$629.31
S & P GLOBAL PLATTS	2020 SUBSCRIPTION	\$5,954.00
SANFORD HEALTH OCCUPATIONAL MEDICINE	SCREENS	\$398.00
SD DEPT OF TRANSPORTATION	COMPACTION TESTING	\$4,150.00
SD ONE CALL	LOCATES	\$620.55
SERVICEMASTER	JANITORIAL SERVICE	\$4,120.00
SIGN PRO	SUPPLIES	\$267.50
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$6,809.32
SNAP-ON INCORPORATED	SUPPLIES	\$971.85
SPEE-DEE DELIVERY SERVICE INC	SERVICE	\$89.20
STAN HOUSTON EQUIP CO	EXCAVATOR RENTAL	\$260.00
STAR LAUNDRY INC	RUG SERVICE	\$354.51

STURDEVANTS AUTO PARTS	SUPPLIES	\$388.11
TRAV'S OUTFITTER	SAFETY CLOTHING	\$7,269.94
TYNDALE COMPANY INC	SAFETY CLOTHING	\$1,574.95
USA BLUEBOOK	SUPPLIES	\$50.93
VERIFIED CREDENTIALS	BACKGROUND SCREENING	\$350.10
VESSCO INC	SUPPLIES	\$1,453.73
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN FORD CHRYSLER	SUPPLIES	\$421.05
WATERTOWN PUBLIC OPINION	PUBLISHING	\$839.22
WATERTOWN UNITED WAY	United Way	\$402.50
WEG TRANSFORMERS USA LLC	15TH AVE SUBSTATION	\$256,515.80
WESCO DISTRIBUTION INC	WIRE	\$9,171.56
WW TIRE SERVICE INC	SUPPLIES	\$1,621.12
	TOTAL	\$1,164,152.20

Total November 2019, 1,164,152.20; Transfer to City's General Fund 105,979, Utilities Electric Water Gas 40,034.72; Missouri River Energy Services Power 1,519,894.97; BP Canada Energy Marketing Natural Gas 202,299.30; Dept. of Revenue Sales/Excise Tax 163,899.97; CPEP #3 Natural Gas 15,867.35, CPEP #4 31,789.73, City Finance Office Garbage Sewer 412,226.43.

ITEM 7284

Pursuant to SDCL 1-25-2(3) Motion by Carter with second by Carrico to move to Executive Session for consulting with attorney on contractual and legal matters, action is anticipated when they reconvene to regular session. Motion carried.

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

Motion by Carrico with second by Luken to approve renewal of group health insurance plan. Motion carried.

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

The Watertown Municipal Utilities does not discriminate in employment opportunities or provision of services based on race, color, religion, sex, national origin, age, disability, or any other characteristic protected by law.

Dated at Watertown, South Dakota this 26th, day of November 2019.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

John Holley
Board President
Municipal Utilities Board