

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Monday, August 26th, 2019

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, August 26th, 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: Adam Karst, Bert Magstadt, Jeff DeVille, John Lunde, Mark Haider, Mark Meier, Kevin Kruiter, Sheila Mennenga, Stephanie Ries, Lisa Pahl and Attorney Vince Foley. Press Don Egert, KXLG Radio, Dan Crisler, Public Opinion Newspaper. Guest, Mayor Sara Caron.

ITEM 7235

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

ITEM 7236

Motion by Solum with second by Carter to approve Minutes of regular meeting on July 29th, 2019. Motion carried.

ITEM 7237

Public Comment - Mayor Caron addressed the Board regarding the annual transfer amount to the City's General Fund. The Mayor is asking for a greater transfer from the Utilities that is not in the Municipal Utilities budget, to help the general fund get by. In order to balance the budget all City Departments were ordered to freeze their expenses at 2019 level. The Mayor said she needs an influx of \$764,000 dollars. This is the same amount the Municipal Utilities charges the City for Hydrant & Light Pole Rental. The Mayor stated that the City has reserves and the Utilities has reserves. She added the Utilities has a required amount of reserves they must have and that is 16.5 million and they have over 23 million in reserves right now. Caron said the Utilities has excess money and when there is excess money there are options to give back to the public by lowering rates, put in reserves, or transfer to a general government fund. The mayor said that we already have low utility rates and even though there is budgeting for long term costs that you set aside for future projects, she would ask that the Utilities transfer out of their excess to the general fund. Mayor Caron said if the City does not balance the budget there will be some hard decisions to make for the council. If the Utilities says no to a greater transfer it will mean cuts in services to our general government functions and taxes will likely go up.

ITEM 7238

Date was set for the Rate and Transfers Committee meeting for Monday, September 23, 2019 at noon in the Watertown Municipal Utilities Board Room.

ITEM 7239

Open: a) Karst presented the Bill Stuffer - 6th Annual Watertown Veterans'/First Responders' Appreciation Day Event - Sept. 19, 2019.

ITEM 7240

Magstadt presented the Report on Operations and Projects: The Electric Department, Projects Completed this Month: High winds and lightning caused multiple outages due to fallen tree branches onto overhead lines on August 15th, Lightning strikes caused multiple outages on August 17th, Completed installing 18,000 feet of 500 MCM wire and switchgear for the new Terex building, Completed terminating wire to Roosevelt School converting from 4 KV to 12.5 KV. Gas Department, Projects Completed this Month: Removed 4" valve and three 4" dresser couplings at LATI, Built curb valve for Codington County Museum and replaced service through basement wall at Slumberland Furniture downtown. Water Department, Projects Completed this Month: Repaired 6" cast iron water main break on the 1300 block N. Maple due to corrosion, Drained the 14th Ave Water Tower for interior sand blast with new coating and exterior over coating. Engineering Tech Department: Projects Completed this month: Process GPS elevations for Lake Kampeska and Pelican Gas Meter Data, Staking a lot of areas for different projects. 15th Ave. Substation Project. Projects completed this month: Contractor is back on-site and will be finishing conduit for exiting substation and driveway site.

ITEM 7241

Karst presented the Report on Administration & Financial Statements. Purchasing, Accounting and Facilities, Projects in Progress: G & R completed inspection of HVAC system Sioux Falls Crane completed the yearly inspection of the hoist at treatment plant. Upcoming projects: Painting of the Dryvit siding which had hail damage from 2018 and chip sealing the parking lot. Customer Service: 14,191 payments for \$4,608,066 and 54,358 Services billed for \$4,495,719. Human Resources/Risk Management: Gathered data regarding employee volunteerism and summarized as requested by the Senate Bill 66 summer study committee, Retirement of Stephanie Ries, Customer Service/Billing/collections Supervisor effective 10/31/2019 and Retirement of Brian Keiser, Warehouse/Buyer, effective 9/20/2019 IT: Coordinating installation of new servers and migrating old to new, installed new networking hardware.

Statements of Revenue and Expenses and Capital Additions were presented to the Board for review. Year to date net income is \$1,294,686 over budget for the seven months ending July 31st, 2019. Total Capital Additions are \$2,198,205 under budget for the seven months ending July 31st, 2019.

ITEM 7242

Motion made by Luken 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 August 2019 Plus ACH Payroll Payments \$532,432.87. Info: New: M. Rue, 18.85/hr. effective 7/30/2019, Change: M. Meseberg, 25.48/hr. effective 7/30/2019.

Name	Payable Description	Payment Amount
September 3, 2019		
ACTIVE HEATING INC	ENERGY INCENTIVE REBATE	\$100.00
ADV. ENGINEERING & ENVIRON. SERV.	I & C SYSTEM SERVICES	\$1,468.50
AFLAC	CANCER PT	\$1,718.52
AMERICAN ENGINEERING TESTING INC	WATER TESTING	\$566.50
A-OX WELDING SUPPLY INC	SUPPLIES	\$362.54
AP & SONS CONSTRUCTION INC	WATER MAIN- HWY 212	\$75,000.00
AQUA-PURE INC	SODIUM TRIPOLYPHOSPHATE	\$3,300.00
AUSTIN, HINDERAKER, HOPPER, STRAIT &	LEGAL FEES	\$1,430.40
AUTO BODY SPECIALTIES	SUPPLIES	\$606.50
AZZ	SWITCHGEAR BUILDING	\$333,750.60
B & B CONCRETE SEALER	REPAIRED ALLEY WAYS	\$7,653.00
BENDIX IMAGING INC	OFFICE SUPPLIES	\$206.97
BORDER STATES ELECTRIC SUPPLY	ENCLOSURES	\$26,673.93
BORNS GROUP	POSTAGE & MAILING	\$8,605.15
BOYER TRUCKS SIOUX FALLS, INC	REFRIGERANT	\$178.00
BURCHATZ CONSTRUCTION COMPANY INC	CONCRETE REPAIR	\$1,125.00
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$62.33
BURNS, JERRY	REIMBURSEMENT EXPENSE	\$179.15
CARTNEY BEARING & SUPPLY	SUPPLIES	\$132.69
CENTURY LINK	PHONE SERVICE	\$298.83
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$3,755.30
CHILD SUPPORT PAYMENT CENTER	EMPLOYEE DEDUCTION: CHILD SUPPORT	\$750.00
CODINGTON COUNTY REGISTER OF DEEDS	COPIES	\$48.00
CODINGTON-CLARK ELECTRIC COOP. INC	WELLFIELD ELECTRIC SERVICE	\$6,795.81
CONNECTING POINT	COMPUTERS	\$36,344.00
CONSULTING ENGINEERS GROUP INC	SUBSTATION ENGINEERING FEES	\$11,403.77
CONTINENTAL SAFETY EQUIP	SUPPLIES	\$465.81
CORE & MAIN LP	VALVES & MISC SUPPLIES	\$10,063.91
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$85.14
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$545.86
DAKOTA DATA SHRED	SHREDDING SERVICE	\$80.59
DAKOTA RIGGERS & TOOL	SUPPLIES	\$807.66
DAKOTA UNDERGR. CONSTR. LLC	INSTALLATION OF UNDERGROUND	\$32,869.75
DAYS INN	ENERGY INCENTIVE REBATE	\$1,856.25
DEVILLE, JEFF	REIMBURSEMENT EXPENSE	\$138.62
DITCH WITCH OF SOUTH DAKOTA, INC	SUPPLIES	\$160.64
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$1,529.51
ELECTRIC MOTORS & MOORE INC	SUPPLIES	\$460.00
ELECTRO-TEST & MAINT INC	INTERNAL INSPECTION & TESTING SERVICES	\$58,839.14
ENERGY WORLDNET, INC	OQ SUBSCRIPTION	\$133.50
ENGELSTAD ELECTRIC COMPANY	MAINTENANCE OF STREET LIGHTS	\$3,307.89
ETHANOL PRODUCTS LLC	BULK CO2	\$985.32
FARNAMS GENUINE PARTS	SUPPLIES	\$592.88
FASTENAL COMPANY	SUPPLIES	\$146.43
FEDERAL EXPRESS CORP	SHIPPING	\$11.96
FOLEY AND FOLEY LAW OFFICE, PC	LEGAL FEES	\$3,830.00
GCR TIRE CENTER	SERVICE	\$25.35
GROEBNER	SUPPLIES	\$930.93
HAIDER, MARK	REIMBURSEMENT EXPENSE	\$775.00
HEATHER R RADEMAKER	DEPOSIT REFUND	\$273.80
HOLDGRAFER & OKERSON	ENERGY INCENTIVE REBATE	\$2,946.78
IBEW LOCAL 426	UNION DUES	\$2,962.00
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$108.75
J H LARSON COMPANY	SUPPLIES	\$3,559.79
JOSEPH MEDANICH	ASPHALT REPAIR	\$3,061.23
KARST, ADAM	REIMBURSEMENT EXPENSE	\$3,029.26
KEISER, BRIAN	REIMBURSEMENT EXPENSE	\$2,000.00
KEROTEST MANUFACTURING CORP	GATE VALVES	\$3,313.14
KEY CONTRACTING INC	15TH AVE SUBSTATION	\$527,243.40
LEE'S STUMP REMOVAL	STUMP REMOVAL	\$2,250.00
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$560.38
LOCATORS & SUPPLIES INC	SPRAY PAINT	\$1,567.50
LUNDE, JOHN	REIMBURSEMENT EXPENSE	\$1,770.69
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$1,049.97
MAC'S HARDWARE	SUPPLIES	\$546.64
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$121.80
MARCO	COPIER LEASE	\$284.57

MATHESON TRI-GAS INC	NITROGEN	\$1,206.15
MENARDS INC	SUPPLIES	\$1,700.37
MESA PRODUCTS INC	ANODES	\$2,110.41
MESEBERG, DAVID	REIMBURSEMENT EXPENSE	\$1,000.00
MET LIFE	LIFE INSURANCE	\$1,368.57
MIDCONTINENT COMMUNICATIONS	INTERNET & CABLE SERVICE	\$207.72
MILBANK WINWATER WORKS	SUPPLIES	\$626.31
MINN. MUNICIPAL UTILITIES ASSN	REGISTRATION EXPENSE	\$1,240.00
MISSOURI RIVER ENERGY SERVICES	MOTOR CIRCUIT ANALYSIS	\$1,218.75
MUELLER CO	AUTOPERF TEES	\$2,701.92
MUNICIPAL UTILITIES - PC	PETTY CASH	\$234.07
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$922.23
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$8,377.44
NEW PIG CORP	SUPPLIES	\$101.61
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$6,683.36
OFFICE PEEPS	SUPPLIES	\$681.76
PETE LIEN & SONS	BULK LIME AS PER BID	\$21,018.96
PETERSON, DELORES	REIMBURSEMENT EXPENSE	\$183.10
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$161.65
PRECO INC	ODORIZER PUMP	\$33,592.00
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,181.75
PRINT 'EM NOW INC	OFFICE SUPPLIES	\$256.05
REDLINGER, MARK	REIMBURSEMENT EXPENSE	\$1,803.71
REEDE CONSTRUCTION INC.	HWY 212 WATER MAIN REPLACEMENT	\$113,610.15
RELIABANK DAKOTA	TASC MED	\$7,133.60
RESCO	MODULES/ELBOWS	\$7,865.30
RON'S SAW SALES	SERVICE	\$246.10
ROTH, KEENAN M	REIMBURSEMENT EXPENSE	\$262.50
RUNNING'S SUPPLY INC	SUPPLIES	\$400.50
SANFORD HEALTH OCCUP. MEDICINE	SCREENS	\$437.00
SCOTT ENGINEERING CO	ENGINEERING FEES	\$1,200.00
SD ONE CALL	LOCATES	\$502.95
SERVICEMASTER	JANITORIAL SERVICE	\$4,120.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$8,296.60
SIOUX VALLEY GREENHOUSES	STUMP REMOVAL	\$2,250.00
SPEE-DEE DELIVERY SERVICE INC	SHIPPING	\$93.82
STAN HOUSTON EQUIP CO	SUPPLIES	\$769.40
STAR LAUNDRY INC	RUG SERVICE	\$354.51
STUART C IRBY CO	SUPPLIES	\$2,267.91
STURDEVANTS AUTO PARTS	SUPPLIES	\$286.79
TEREX SERVICES	WINCH MOTOR FOR #29	\$3,527.44
THE ELECTRIC COMPANY OF SD	REPLACING GAS MAIN-HWY 212	\$42,908.24
TITAN MACHINERY-SF	SUPPLIES	\$22.30
TRAV'S OUTFITTER	SAFETY CLOTHING	\$716.00
TYNDALE COMPANY INC	SAFETY CLOTHING	\$490.90
UPS	SHIPPING	\$71.47
USA BLUEBOOK	SUPPLIES	\$1,458.49
VERIFIED CREDENTIALS	BACKGROUND SCREENINGS	\$231.00
WALMART COMMUNITY	SUPPLIES	\$167.52
WATERTOWN DEVELOPMENT CO.	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN PUBLIC OPINION	PUBLISHINGS	\$397.38
WATERTOWN UNITED WAY	United Way	\$447.50
WEG TRANSFORMERS USA LLC	15TH AVE SUBSTATION	\$128,257.90
WESCO DISTRIBUTION INC	SUPPLIES	\$5,074.50
WW TIRE SERVICE INC	NEW TIRES #28	\$2,934.14
	TOTAL	\$1,631,877.13

Total September 2019, 1,631,877.13; Transfer to City's General Fund 105,979, Muni Utilities Electric Water Gas 56,463.72; Missouri River Energy Services Power 2,320,137.25; BP Canada Energy Marketing Natural Gas 80,846.49; Dept. of Revenue Sales/Excise Tax 197,630.21; CPEP Natural Gas 5,931.23, City Finance Office Garbage Sewer 411,022.76.

ITEM 7243

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

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

Motion by Solum with second by Carter 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 26th, day of August, 2019.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

John Holley
Board President
Municipal Utilities Board