

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Monday, December 28, 2020

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, December 28th, 2020 at 12:00 p.m. with President Greg Solum presiding.

Board members present: Greg Solum, Chris Carter and Lisa Carrico. Board members via-teleconference Mike Luken and Dan Brenden. Board Liaison, member of City Council, Glen Vilhauer via-teleconference. Staff members present: Steve Lehner, Adam Karst, Bert Magstadt, Mark Haider, Lisa Pahl and Attorney Vince Foley. Staff members via teleconference Jeff DeVille, John Lunde, Doug Enstad, Kevin Kruiter, Mark Meier, Sheila Mennenga, Brian Benson and Gina Brown. Also, via-teleconference were Mayor Sara Caron, Public Works Director/City Engineer Heath VonEye, City Attorney Mark Roby and Dan Crisler, Watertown Public Opinion.

ITEM 7453

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

ITEM 7454

Motion by Luken with second by Carrico to approve the Consent Agenda, which gives authorization to Call for Bids for the following items and authorization to Declare as Surplus the following items. Motion carried.

1. AUTHORIZE TO CALL FOR BIDS

- a) Pebble Lime - Water Department
- b) Solar Salt - Water Department
- c) Water Meters - Water Department
- d) Hydrants - Water Department
- e) PVC Pipe - Water Department
- f) Installation of Water Mains - Water Department
- g) Directional Drilling for Water Main Installation- Water Department
- h) Replace Existing Main Distribution Areas - Water Department
- i) Steel Pipe - Gas Department
- j) Plastic Pipe - Gas Department
- k) Gas Contractor for Main/Service Installs - Gas Department
- l) Gas Regulators - Gas Department
- m) Gas Meters - Gas Department
- n) Backhoe - Gas Department
- o) Vac Trailer - Gas Department
- p) (Qty 2) 2020 AWD Vans - Unit #20 and Unit #35 - Gas Department
- q) Gas Meters - Gas Department
- r) Install URD Primary & Secondary - Electric Department
- s) Electric Service Installation - Electric Department
- t) Pad-Mounted Switchgear - Electric Department
- u) Upgrade Switchgear Bus for Uptown Sub - Electric Department
- v) Installation of Fiber Optic line for Airport - Electric Department
- w) Installation of Flood Wall Berm at Pelican Sub - Electric Department
- x) Digger Derrick Truck Unit #27- Electric Department

- y) Truck ½ ton Unit #19 - Electric Department
- z) Bill Processing and Mailing Service - Office

2. DECLARE AS SURPLUS

- a) 2011 Ford E150 Econoline Van Unit #19, asset 1077
- b) 1996 Chev Kodiak Digger Derrick Truck #27, asset 536
- c) 2011 Ford E150 Econoline Van Unit #20, asset 1078
- d) 2012 Ford E150 Econoline White Van #35, asset 1110
- e) 2007 Case 590 Super M Series II Loader Backhoe #101, asset 935
- f) 1972 Sandblaster

ITEM 7455

Motion by Carter with second by Carrico to approve minutes of regular Board Meeting on November 30, 2020. Motion carried.

ITEM 7456

Public Comment - None

ITEM 7457

Heath VonEye, Public Works Director/City Engineer gave a presentation on Watertown Stormwater Utility. The presentation was on implementing a stormwater utility fee on the monthly utility billing. The City would like to have a Fee resolution adopted and Ordinance in place by April. Some concerns the Board had were any adverse effects the utilities would have to endure, such as, taking phone calls with questions regarding this new charge, unhappy customers, how a landlord/tenant situation would be billed, shut-offs for unpaid stormwater charges and concerns on other fees being added in the future.

ITEM 7458

Motion by Carter with second by Carrico to approve the General Manager to sign Consent Assignment Agreement with Brookings Municipal Utilities DBA Swiftel Communications. Swiftel Communications is being bought out by T-Mobile. The original tower lease with Swiftel is for antennas on three of our towers. The lease agreements say they cannot assign the lease unless we give permission. This agreement allows for that and gives them the ability to assign the lease to T-Mobile. The lease is up in 2021 and at that time we will look at it and be able to make any changes to the terms. Motion carried.

ITEM 7459

Motion by Luken with second by Carter to authorize Board President to sign South Dakota VW Program Rebate Agreement. The Watertown Municipal Utilities has a plan to put an Electric Charging Station at the uptown substation parking lot. This rebate will cover approximately 80% of the cost and it will come with a 5-year maintenance agreement. Motion carried.

ITEM 7460

Motion by Carrico with second by Carter to approve Engineering Study for Upgrade of the Switchgear Bus for Uptown Sub from a 1200 amp to a 2000 amp not exceeding \$35,000. Motion carried.

ITEM 7461

Motion by Luken with second by Carrico to remove the bankruptcy list as presented in the Board Packet totaling \$348.32 that was discharged in Bankruptcy Court in 2020, from Accounts Receivable. Motion carried.

ITEM 7462

Motion by Carter with second by Carrico to remove the delinquent accounts totaling \$44,985 from Accounts Receivable. There has been no payment on these accounts for the past seven years. These names will remain on record in case of future payments made or applications for future service. Motion carried.

ITEM 7463

Motion by Carrico with second by Luken to approve Resolution #7463, a resolution providing for the salaries of Watertown Municipal Utilities employees for the period commencing January 1, 2021. Motion carried unanimously upon roll call vote.

RESOLUTION #7463

A RESOLUTION PROVIDING FOR THE SALARIES OF
WATERTOWN MUNICIPAL UTILITIES EMPLOYEES
FOR THE PERIOD COMMENCING JANUARY 1, 2021

WHEREAS Watertown Municipal Utilities employs public employees; and
WHEREAS Watertown Municipal Utilities, thru its Board, desires to formally establish 2021 compensation rates for all exempt employees and non-exempt employees; and

WHEREAS the Municipal Utilities Board with previous Board action at the November 30, 2018 Board Meeting thru Item #7140 authorized a three-year Contract with the IBEW Local 426 Union thus making the year 2021 the Third year of the contract; and

WHEREAS the Municipal Utilities Board has discussed and reviewed Staff salaries and recommends an increase of 3% for Twelve Staff positions including General Manager, Director of Operations, Director of Administration, Electric Superintendent, Gas Superintendent, Water Superintendent, Engineering Technician Superintendent, Customer

Service/Billing/Collections Supervisor, Purchasing/Facilities/Accounting Supervisor, Human Resources/ Risk Coordinator, Information Systems Supervisor, Administrative Assistant/Board Secretary. In addition, the Board also recommends a 2% craft adjustment for Five Staff positions including General Manager, Gas Superintendent, Engineering Tech Superintendent, Customer Service/Billing/Collections Supervisor, and Administrative Assistant/Board Secretary.

NOW THEREFORE BE IT RESOLVED by the Watertown Municipal Utilities to establish the following rates:

Hourly Rate (unless specified) as of January 1, 2021

Electric Department: B Benson 8,750/mo; C Brown 25.67; S Catlette 40.24; J Determan 43.71; D Enstad 9,436/mo; D Frost 24.18; D Gollnick 42.93; M Gollnick 24.18; A Jonnes 42.93; A Karst 11,248/mo; S Koehn 35.23; K Kruiter 7,162/mo; B Magstadt 11,371; M Meier 8,112/mo; S Myers 26.28; A Niemann 42.93; K Nordsiden 24.18; L Pahl 28.29; B Ripley 34.69; S Ronke 34.07; J Rudebusch 42.93; M Rue 24.18; T Schafer 42.93; A Schultz 32.95; N Sime 42.93; C Stangl 36.58; R Suttan 32.95; L Tolley 42.93; T Wirtjes 42.93; Steve Witte 42.93.

Water Department: G Brown 6,764/mo; J DeVille 8,589/mo; C Forman 34.39; N Frost 31.09; D Kraemer 32.75; J Kudrna 37.35; B Lueders 37.35; R Mack 34.39; M McLaughlin 34.39; S Mennenga 7,193/mo; M Meseberg 31.09; A Mitchell 31.46; T Namken 31.09; J Settje 31.09; T Starr \$34.39; S Struss 34.69; M Wilson 24.57.

Gas Department: M Andrews 39.26; D Brage 39.26; A Erickson 43.92; B Gubka 40.44; M Haider 7,156/mo; J Jellis 40.44; C Kranz 40.44; S Lehner 16,079/mo; J Lunde 8,611/mo; T Pahl 36.69; T Remacle 34.69; M Rost 30.24; K Roth 40.44; A Seim 24.18; B Warborg 43.70.

Dated at Watertown, South Dakota, this 28th day of December 2020

ITEM 7464

Magstadt presented the Report on Operations and Projects. Magstadt introduced Brian Benson as the new Electric Superintendent. Electric, Projects Completed this Month: We had 4 outages since the last report for a total of 78 unscheduled power outages in 2020. Gas, Projects Completed this Month: New tap has been flowing since November 30th, abandoned 2" steel main and service at Palace Apartments. Water, Projects Completed this Month: 2 main breaks for a total of 3 for the 2020-2021 season. Projects in Progress: Side #2 maintenance while it is drained for the next year. Engineering Tech Department, Projects Starting Next Month: Update all Electric, Gas and Water locating maps.

ITEM 7465

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects in Progress: Annual physical inventory. Upcoming projects: Bidding and ordering of 2021 budget items, ordering long lead time items for spring construction. Customer

Service, Projects Completed this Month: 14,089 Payments collected for a total of \$4,016,148 and 54,609 services billed for a total of \$4,394,438. Total Amount of Assistance Received Year-to-date \$122,312. Human Resources/Risk Management: Completed open enrollment for 2021, Completed 2021 work comp estimate - approximately 13% decrease in premium, Continuing to document payroll data information for COVID reimbursement through the South Dakota Cares Act. IT: Normal monthly IT maintenance and troubleshooting along with Website Stats and top 10 webpages visited.

Statements of Revenue and Expenses and Capital Additions were presented to the Board for review. Year to date net income is \$774,008 above budget for the eleven months ending November 30th, 2020. Total Capital Additions are \$1,516,216 under budget for the eleven months ending November 30th, 2020.

ITEM 7466

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 December 2020 Plus ACH Payroll Payments \$513,249.71.

Name	Payable Description	Payment Amount
JANUARY 4, 2020		
ABC EMBROIDERY	SERVICE	\$69.30
ACTIVE HEATING INC	HEATER	\$3,824.50
ADVANCED ENGINEERING & ENVIRON. SERVICES	I&C SYSTEM SERVICES	\$3,073.36
AFLAC	SHORT TERM DISABILITY	\$1,813.64
AMARIL UNIFORM COMPANY	SAFETY CLOTHING	\$200.81
A-OX WELDING SUPPLY INC	SUPPLIES	\$1,057.43
ARGUS LEADER MEDIA	ADVERTISEMENTS	\$479.30
B & B CONCRETE SEALER	CONCRETE REPAIR	\$2,091.84
BATTERIES UNLIMITED INC	SUPPLIES	\$20.00
BENCHMARK GROUP, INC.	ENERGY INCENTIVE REBATE	\$34,560.09
BENDIX IMAGING INC	SUPPLIES	\$282.97
BLAST BROS.	NBPL TAP	\$3,158.17
BORDER STATES ELECTRIC SUPPLY	WIRE AS PER BID	\$47,523.88
BORNS GROUP	POSTAGE & MAILING	\$8,548.00
BURCHATZ CONSTRUCTION COMPANY INC	2020 SIDEWALK REPAIRS	\$14,983.40
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$66.69
CARTNEY BEARING & SUPPLY	SUPPLIES	\$167.02
CENTURY LINK	PHONE SERVICE	\$306.97
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$2,041.54
CHILD SUPPORT PAYMENT CENTER	EMPLOYEE DEDUCTION: CHILD SUPPORT	\$750.00
CIVIL DESIGN INC	SERVICES	\$1,800.00
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$5,544.52
CONNECTING POINT	SOFTWARE MAINTENANCE	\$624.50
CONSULTING ENGINEERS GROUP INC	15TH AVE SUBSTATION	\$1,900.00
CONVERGINT TECHNOLOGIES LLC	ALARM MONITORING	\$360.00
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$269.62
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$390.57
DAKOTA DATA SHRED	SHREDDING SERVICE	\$74.41
DAKOTA DIRECTIONAL LLC	INSTALLATION OF WIRE	\$15,962.00
DAKOTA UNDERGROUND CONSTRUCTION LLC	INSTALLATION OF UNDERGROUND	\$3,440.00
DENR	2021 RENEWAL CERTIFICATION	\$72.00
DENR	2021 ENVIRONMENTAL FEE	\$50.00
DEPARTMENT OF HEALTH	WATER SAMPLES	\$427.00

DIESEL MACHINERY INC	SUPPLIES	\$191.02
DLT SOLUTIONS, LLC	2021 SUBSCRIPTION	\$4,692.60
DTN, LLC	SUBSCRIPTION	\$531.00
DUININCK INC	GRAVEL, ROCK AND SAND	\$7,454.11
DYNAMIC ENGINEERING	SUPPLIES	\$348.50
ELECTRIC MOTORS & MOORE INC	SUPPLIES	\$83.00
ENDERSON, MARSHA	REIMBURSEMENT EXPENSE	\$683.80
ENGELSTAD ELECTRIC COMPANY	NBPL TAP	\$20,499.00
ENSTAD, DOUG	REIMBURSEMENT EXPENSE	\$64.98
ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE, INC	SUPPLIES	\$167.12
ETHANOL PRODUCTS LLC	BULK C02	\$541.92
FARNAMS GENUINE PARTS	SUPPLIES	\$1,348.72
FASTENAL COMPANY	SUPPLIES	\$711.72
FEDERAL EXPRESS CORP	SERVICE	\$4.52
FIDELITY SECURITY LIFE INSURANCE CO. (EYEMED)	VISION INSURANCE	\$352.99
FOLEY AND FOLEY LAW OFFICE, PC	OCTOBER LEGAL FEES	\$440.00
GRAINGER	SUPPLIES	\$1,355.43
GROEBNER	SUPPLIES	\$289.83
HARRIS COMPUTER SYSTEMS	2021 SOFTWARE MAINTENANCE	\$55,443.83
IBEW LOCAL 426	UNION DUES	\$2,818.00
INDELCO PLASTICS CORPORATION	SUPPLIES	\$352.90
INGERSOLL RAND COMPANY	SUPPLIES	\$1,842.42
INNOVYZE	2021 SUBSCRIPTION	\$2,817.00
J H LARSON COMPANY	SUPPLIES	\$2,225.03
KARST, ADAM	REIMBURSEMENT EXPENSE	\$636.01
KEROTEST MANUFACTURING CORP	VALVES	\$3,566.70
LUNDE, JOHN	REIMBURSEMENT EXPENSE	\$168.47
M E BARBER CO INC	SUPPLIES	\$178.57
MACK, ROBIN	REIMBURSEMENT EXPENSE	\$418.72
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$246.42
MAC'S HARDWARE	SUPPLIES	\$387.77
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$135.70
MARCO	COPIER LEASE	\$426.33
MATHESON TRI-GAS INC	SUPPLIES	\$78.20
MENARDS INC	SUPPLIES	\$1,079.80
MENNENGA, SHEILA	REIMBURSEMENT EXPENSE	\$175.00
MET LIFE	LIFE INSURANCE	\$1,356.47
MIDCONTINENT COMMUNICATIONS	INTERNET & CABLE SERVICE	\$221.03
MINNESOTA MUNICIPAL UTILITIES ASSN	2021 MEMBER DUES	\$375.00
MUELLER CO	SUPPLIES	\$965.33
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$429.42
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$192.44
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$11,168.73
NELSON TECHNOLOGIES INC	NBPL TAP	\$3,504.22
NORTH STAR LOGISTICS, LLC	BORING GAS LINE	\$25,901.15
NORTHERN CON-AGG LLP	NBPL SUPPLIES	\$1,800.62
NOVASPECT, INC.	GAS REG. & TRAINING AS PER BID	\$6,750.00
OFFICE PEEPS	SUPPLIES	\$1,798.44
OLSON, CINDY	REIMBURSEMENT EXPENSE	\$129.00
O'REILLY AUTOMOTIVE INC	SUPPLIES	\$64.98
PAHL, TIMOTHY A	REIMBURSEMENT EXPENSE	\$1,105.90
PETE LIEN & SONS	BULK LIME	\$7,236.36
POMP'S TIRE SERVICE, INC.	SUPPLIES	\$805.66
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$195.18
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$930.58
PROFESSIONAL COMPUTER SERVICES LLP	SERVICE	\$692.90
RC FIRST AID	SUPPLIES	\$110.00
REDLINGER BROS PLUMBING & HEATING	SUPPLIES	\$131.21
RELIABANK DAKOTA	TASC MED	\$6,098.86
RESCO	LIGHTS	\$7,952.40

RONKE, SHANE	REIMBURSEMENT EXPENSE	\$140.00
ROST, MICHAEL	REIMBURSEMENT EXPENSE	\$76.51
RUNNING'S SUPPLY INC	SUPPLIES	\$483.48
S & P GLOBAL PLATTS	2021 SUBSCRIPTION	\$6,127.00
SALVATION ARMY	REFUND OF CREDIT ON ACCOUNT	\$200.00
SANFORD HEALTH OCCUPATIONAL MEDICINE	SCREENS	\$288.00
SD MUNICIPAL ELECTRIC ASSN	2021 DUES	\$22,824.00
SD ONE CALL	LOCATES	\$340.20
SDML WORKERS COMP FUND	2021 WORK COMP INSURANCE	\$57,241.00
SERVICEMASTER OF WATERTOWN	JANITORIAL SERVICE	\$4,120.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$4,999.10
STADHEIM LAWN CARE	OCT/NOV SERVICE	\$2,980.00
STAR LAUNDRY INC	SERVICE	\$377.39
STRUSS, SCOTT	REIMBURSEMENT EXPENSE	\$28.25
STUART C IRBY CO	SUPPLIES	\$3,310.46
STURDEVANTS AUTO PARTS	SUPPLIES	\$906.04
TITAN MACHINERY- WTN	SERVICE	\$413.89
TITAN MACHINERY-SF	SUPPLIES	\$1,659.02
TRAV'S OUTFITTER	SAFETY CLOTHING	\$848.00
TYLER BUSINESS FORMS	SUPPLIES	\$173.60
TYNDALE COMPANY INC	SAFETY CLOTHING	\$297.00
USA BLUEBOOK	SUPPLIES	\$903.18
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN PUBLIC OPINION	ADVERTISEMENTS & PUBLISHINGS	\$643.32
WATERTOWN UNITED WAY	United Way	\$424.00
WESCO DISTRIBUTION INC	PEDESTALS	\$6,324.85
WINSUPPLY OF WATERTOWN	SUPPLIES	\$20.32
WW TIRE SERVICE INC	SUPPLIES	\$69.96
	TOTAL	\$473,515.11

Total December 2020 \$473,515.11; Transfer to City's General Fund \$116,433.33, Muni Utilities Electric Water Gas \$43,816.78; Missouri River Energy Services Power \$1,521,059.34; BP Canada Energy Marketing Natural Gas \$280,043.40; Dept. of Revenue Sales/Excise Tax \$197,639.15; CPEP #3 Natural Gas \$63,335.03, CPEP #4 Natural Gas \$74,873.25, Sequent Energy Mgmt. Natural Gas \$207,851.52, Northern Border Pipeline Natural Gas Tap \$87,160.80 City Finance Office Garbage/Sewer \$438,711.06.

ITEM 7467

Set date for January 28, 2021 for January Board Meeting.

Pursuant to SDCL 1-25-2(3) Carrico moved with second by Carter to move to Executive Session for discussion of legal and contractual matters. Motion carried.

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

Motion by Carter with second by Carrico to adjourn. Motion carried unanimously upon roll call vote.

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 December 2020.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

Greg Solum
Board President
Municipal Utilities Department