

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Monday, January 27th, 2025

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Thursday, January 27, 2025, at 12:00 p.m. with President Mike Luken presiding.

Board members present: Mike Luken, Dan Brenden, Rich Thomas, Charlie Larkin and Chris Carter. Board Liaison, member of City Council, Mike Danforth. Staff members present: Steve Lehner, Adam Karst, Bert Magstadt, Wayne Lovelis, Aaron Erickson, Brian Benson, Mark Meier, Rod Sutton, Dan LeVasseur, Cheryl Mack, Sheila Mennenga, Gina Brown, Lisa Pahl and Attorney Vince Foley. Guests: JT Fey, Watertown Current, Steve Jurrens KXLG Radio and Chris Clifton, Watertown Development Company.

ITEM 8139

Motion by Brenden with second by Thomas to approve the agenda with moving Item 10 after Executive Session. Motion carried.

ITEM 8140

Motion by Carter with second by Brenden to approve the consent agenda, which gives the General Manager authorization to sign annual contracts. Motion carried.

CONTRACTS SIGNED ANNUALLY BY GENERAL MANAGER

- a) First District Association of Local Governments
- b) Lawn Care Services
- c) Monitor Contract for Fire Alarm System
- d) Fire Protection System Inspection
- e) Authorization for Staff to Open Bids
- f) SCADA Maintenance Agreement
- g) MMUA Safety Management Program
- h) Change Orders up to \$15,000 for Construction Projects and Equipment during 2025
- i) Water Main Installation Agreements by Developer
- j) Private Water Main Agreements
- k) Midcontinent Communications Agreement
- l) MARCO for M-files Document Management
- m) Generator Maintenance Agreements
- n) Water Tower Attachment Agreements
- o) Energy Worldnet Service Agreements

ITEM 8141

Motion by Carter with second by Brenden to approve minutes of Regular Board Meeting on December 27, 2024, with the correction on Resolution 8132 - Resolution of Salaries. The Executive Secretary wage listed incorrectly as \$34.46 and should have been \$34.81. Motion carried.

ITEM 8142

Public Comment - None

ITEM 8143

Karst presented the 2024 Fixed Asset Report & Solid Waste Disposal Report according to Policy Section #49. This report included - Electric: removal of 34 distribution poles, removal of 22,317 feet of overhead wire, abandoned 22,023 feet of underground wire, retired 4,013 KVA of line transformers, retired 84 electric meters, removed 62 streetlights, removed 4,224 feet of fiber optic cable, removed 1 disaster recovery system hardware, removed 1 HP modular smart array, removed 1 networking and upgrade server, removed 1 backup & replication software for network, transferred to the City of Watertown 1-2007 Ford F150 ½ ton pickup 2WD, transferred to the City of Watertown 1-2008 Ford F150 ½ ton pickup 2WD, removed 1 SCADA software update, removed 2 boilers from the WMU administration building, removed 1 ADIX telephone system from WMU building, removed 1 Accucall Web phone system upgrade w/Appserve, removed 1 ECS phone system at the water plant. Water: Removed 546 water meters, abandoned 659 feet of water main, retired 16 service connections, removed/replaced 12 hydrants, removed 1 disaster recovery system hardware, removed 1 HP modular smart array, removed 1 networking and upgrade server, transferred to the City of Watertown 1-2007 Ford F150 ½ ton pickup 2WD, removed 1-2022 Ford F150 Extended Cab Truck Unit #8, removed 2 boilers from the WMU administration building, removed 1 ADIX telephone system from WMU Building, removed 1 Accucall web phone system upgrade w/Appserve, removed 1 ECS phone system at the Water Plant, removed 2 chlorine tanks and piping on side 3, removed 2 CO2 injectors from side 1 & 2 at the water plant, removed 1 sodium hypochlorite generation equipment, removed 1 slaker. Gas: Abandoned 401 feet of gas services, retired 153 gas meters, abandoned 1,153 feet of gas mains, removed 1 disaster recovery system hardware, removed 1 HP modular smart array, removed 1 networking and upgrade server, transferred to the City of Watertown 1-2005 Ford F150 ½ ton pickup 2WD, removed 2 boilers from the WMU administration building, removed 1 ADIX telephone system from WMU building, removed 1 Accucall web phone system upgrade w/Appserve, removed 1 ECS phone system at the Water Plant, removed 7,181 tons of lime sludge.

ITEM 8144

Motion by Thomas with second by Brenden to declare as surplus CO2 injectors sides 1 & 2 for the Water Department. Motion carried.

ITEM 8145

Motion by Brenden with second by Thomas to approve the General Manager to sign Supplemental Agreement to Transmission Facilities Assignment Agreement with Missouri River Energy Services. This allows Missouri River Energy Services to act as our agents when dealing with SPP on WAPA upgrades. Motion carried.

ITEM 8146

Motion by Larkin with second by Brenden to approve General Manager to sign Task Order #4 Amendment to the DGR Engineering Master Agreement for professional services for 115 kV transmission and circuit breaker upgrade cost estimates. Motion carried.

ITEM 8147

This being the time and place set for consideration of bids, the following were presented. Bids for Installation of Wire, Tapping Saddles & Corporation Stops, and Janitorial Service. These bids were opened Thursday, January 23, 2025, at 1:30 PM by the Watertown Municipal Utilities Staff as authorized by the Board.

Installation of Wire: Three bids were received and upon review and recommendation by Magstadt, motion by Carter with second by Larkin to award bid to low valid bidder, Dakota Directional, Redfield, SD in the amount of \$688,010.00.

Tapping Saddles & Corporation Stops: Five bids were received and upon review and recommendation by Magstadt, motion by Thomas with second by Brenden to award bid to low valid bidders Item 1 for \$200.10 & Item 3 for \$11,210.82 to Northwest Pipe Fittings, Inc, Huron, SD. Item 2 for \$21,744.45 and Item 4 for \$7,529.72 to Core and Main, Sioux Falls, SD. Motion carried.

Janitorial: Three bids were received and upon review and recommendation by Karst, motion by Brenden with second by Carter to award bid to low valid bidder Commercial Cleaning Services, Watertown, SD for a three year contract in the amount of \$142,200.00. Motion carried.

ITEM 8148

Motion by Carter with second by Brenden to authorize General Manger to return checks to unsuccessful bidders. Motion carried.

ITEM 8149

Open: a) Lehner presented Bill Stuffers a)Kindergarten Roundup/Preschool Screening b) Lehner gave an invite to the staff and Board to the Bisco luncheon on March 18 at Lake Area College c) Lehner also invited the Board to the following conferences a) AWWA Conference June 8-11 in Denver, CO b) APPA Conference June 6-11 in New Orleans, LA c) APGA Conference July 20-23, Coeur d'Alene, ID.

ITEM 8150

New Business: Chris Clifton of the Watertown Development Company gave a presentation to the Board including topics on affordable housing, Child Care, Industrial Park and Labor Shed Committees, Master Infrastructure Planning, Industrial Expansions, Annual Outside Audits, Center City Development and Coordination of GOED RFP/RFI activities.

ITEM 8151

Magstadt presented the Report on Operations and Projects. Electric, Projects Completed this Month: Had 1 outage for January for a total of 1 unscheduled power outages in 2025, tree trimming, took down Christmas lights. Gas Department Projects Completed this Month: 15% complete with winter leak survey, troubleshooting GLE vibration on meter set. Water Department, Projects Completed this Month: 2 water main break for a total of 5 for the season, repaired well #32 at Rauville a corroded 6" threaded nipple, Kade Rumpza started in Distribution Department on Jan. 6, 2025. Projects in Progress: Working on 2nd Ave NE watermain replacement project with City Hall. Engineering Tech, Projects Completed this Month: 41 one-call locates for December 2024. Magstadt also gave an update from Winter Storm Enzo January 17-21. WMU had no issues as all our infrastructure handled the cold just fine, NBPL also had no issues, Bakken oil/natural gas field did experience some well freeze offs, but didn't significantly impact pricing or NBPL pressures. Magstadt presented 2024 annual stats for Electric, Gas, Water, and Engineering departments.

ITEM 8152

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects in Progress: Completed 2024 physical inventory. Upcoming Projects: Eide Bailly audit of 2024 inventory. Customer Service Projects Completed this Month: 15,162 Payments

collected for a total of \$5,271,190 and 57,261 services billed for a total of \$6,068,723, Major Projects in Progress - started our new billing software implementation project. It should be a 12-18 month process and involves 6 stages. Stage 1 will be completed this week. Human Resources/Risk Management: Completed Workers Comp. estimate for 2025, 23% increase over 2024 estimate due to adding additional employee (increase in total wages) and large claims with the City affecting the experience modifier and renewal credit, new employee Kade Rumpza Water Distribution & Maintenance, effective 1/6/2025. Information Systems working on deploying 2025 budget items, deploying additional security software, 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 \$84,383 above budget for the twelve months ending December 31, 2024. Total Capital Additions are \$4,024,898 under budget for the twelve months ending December 31,2024. Karst also went over 2024 sales review of all departments.

ITEM 8153

Motion made by Carter with second by Larkin to approve the following verified salary claims and bills. Motion carried unanimously upon roll call vote. Total Watertown Municipal Utilities Net Payroll for January 2025 Plus ACH Payroll Payments \$697,346.68. Add: K. Rumpza \$27.21/hr. effective 1/6/2025. Term: J. Lunde effective 1/3/2025.

February 3, 2025		
ABC EMBROIDERY	SERVICE	\$410.85
ACTIVE HEATING INC	HANGING HEATER - S GARAGE, NW CORNER	\$6,270.42
ADV. ENGINEERING AND ENV. SERVICES, LLC	WTP EQUIPMENT REPLACEMENT	\$51,490.54
AFLAC	ACCIDENT	\$1,702.31
AGWRX	SUPPLIES	\$400.00
AMARIL UNIFORM COMPANY	SAFETY CLOTHING	\$390.96
A-OX WELDING SUPPLY INC	SUPPLIES	\$1,132.78
AQUA-PURE INC	SODIUM TRIPOLYPHOSPHATE	\$3,762.50
AUTO VALUE WATERTOWN	SUPPLIES	\$745.90
BENDIX IMAGING INC	SUPPLIES	\$326.99
BORDER STATES ELECTRIC SUPPLY	PHOTOCELLS, SUPPLIES	\$28,227.93
BORNS GROUP	POSTAGE & MAILING	\$12,015.43
CANNON ELECTRIC, INC.	ENERGY INCENTIVE REBATE	\$50.00
CARTNEY BEARING & SUPPLY	SUPPLIES	\$47.70
CENTER FOR INTERNET SECURITY, INC.	SOFTWARE MAINTENANCE	\$4,275.00
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$3,067.98
CHILD SUPPORT PAYMENT CENTER	EMPLOYEE DEDUCTION: CHILD SUPPORT	\$750.00
CODINGTON COUNTY REGISTER OF DEEDS	SUPPLIES	\$41.00
CODINGTON-CLARK ELECTRIC COOP. INC	WELLFIELD ELECTRIC SERVICE	\$6,067.04
CONNECTING POINT	SOFTWARE MAINTENANCE	\$6,914.93
CORE & MAIN LP	SUPPLIES	\$4,251.88
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$56.99
DAKOTA DATA SHRED	SHREDDING SERVICE	\$82.91
DAKOTA DIRECTIONAL LLC	SERVICES - SECONDARY, STREET LIGHTS	\$5,436.00
DEPARTMENT OF HEALTH	WATER SAMPLES	\$262.00
DTN, LLC	SUBSCRIPTION - JAN & FEB	\$1,159.84
DUTTON-LAINSON COMPANY	ERTS FOR GAS METERS	\$142,910.97
ELECTRIC MOTORS & MOORE INC	SUPPLIES	\$540.00
ENERGY ECONOMICS INC	SERVICE	\$2,400.00
ETHANOL PRODUCTS LLC	BULK CO2	\$1,619.58

FEDERAL EXPRESS CORP	SERVICE	\$230.08
FIDELITY SEC. LIFE INSURANCE CO. (EYEMED)	VISION INSURANCE	\$175.75
FIRST DISTRICT ASSN OF LOCAL GOVTS	2025 GIS WEBSITE	\$1,500.00
FOLEY AND FOLEY LAW OFFICE, PC	DECEMBER LEGAL FEES	\$547.50
GANNETT MEDIA CORP	PUBLISHINGS	\$306.66
GLOBAL SAFETY NETWORK	SERVICE	\$154.86
HAWKINS, INC.	AZONE 15, HYDROFLUOSILICIC ACID	\$11,978.37
HEATH CONSULTANTS INC	SERVICE	\$806.90
IBEW LOCAL 426	UNION DUES	\$4,305.00
J H LARSON COMPANY	SUPPLIES	\$2,271.88
KARST, ADAM	REIMBURSEMENT EXPENSE	\$57.40
LAMB CHEVROLET	2025 CHEVROLET SILVERADO 3500 HD	\$51,225.00
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$304.20
LOCATORS & SUPPLIES INC	SUPPLIES	\$691.03
LUNDE, JOHN	REIMBURSEMENT EXPENSE	\$433.12
M E BARBER CO INC	SUPPLIES	\$378.92
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$143.52
MAC'S HARDWARE	SUPPLIES	\$19.61
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$1,988.60
MATHESON TRI-GAS INC	SUPPLIES	\$166.80
MCKEEVER INC	SUPPLIES	\$210.00
MENARDS INC	SUPPLIES	\$908.95
MET LIFE	LIFE INSURANCE	\$1,596.61
MIDCONTINENT COMMUNICATIONS	INTERNET, CABLE & PHONE SERVICE	\$1,893.92
MILBANK WINWATER WORKS	SUPPLIES	\$3,742.71
MINNESOTA MUNICIPAL UTILITIES ASSN	SAFETY PROGRAM	\$9,514.00
MUELLER CO	SUPPLIES	\$1,567.22
MUNICIPAL UTILITIES - PC	REIMBURSE PETTY CASH	\$1,971.11
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$1,950.69
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$14,405.10
NAPA CENTRAL	SUPPLIES	\$329.66
NAPA CENTRAL	SUPPLIES	\$438.95
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$225.24
NOVASPECT, INC.	GAS REGULATOR	\$8,543.70
OFFICE PEEPS	SUPPLIES	\$924.59
O'REILLY AUTOMOTIVE INC	SUPPLIES	\$95.27
PARA UX LLC	SERVICE	\$100.00
PAYMENTUS GROUP INC.	SERVICE	\$49.75
PETE LIEN & SONS	BULK LIME	\$23,699.31
POMP'S TIRE SERVICE, INC.	SUPPLIES	\$37.10
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,398.89
PRINT 'EM NOW INC	SUPPLIES	\$665.00
PRO LINE INC	SUPPLIES	\$70.00
RELIABANK DAKOTA	FLEX DC	\$6,133.89
RESCO	1/O LOADBREAK ELBOWS	\$3,906.00
RODENBURG LAW FIRM	EMPLOYEE DEDUCTION	\$150.00
RON'S SAW SALES	SUPPLIES	\$1,157.04
RUNNING'S SUPPLY INC	SUPPLIES	\$411.79
SCOTT ENGINEERING CO	SERVICE	\$1,125.00
SD MUNICIPAL ELECTRIC ASSN	2025 DUES	\$28,236.00
SD MUNICIPAL LEAGUE	TRAINING	\$60.00
SD MUNICIPAL LEAGUE	MEMBERSHIP	\$25.00
SD ONE CALL	LOCATES	\$43.05
SD PUBLIC UTILITIES COMMISSION	TRAINING	\$80.00
SDML WORKERS COMP FUND	2025 WORK COMP INS.	\$86,695.00
SDRS SPECIAL PAY PLAN	401a VAC	\$60,560.00
SERVICEMASTER OF WATERTOWN	JANITORIAL SERVICE	\$4,120.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$5,547.09
STAN HOUSTON EQUIP CO	SUPPLIES	\$268.93
STAR LAUNDRY	SERVICE	\$585.36
STUART C IRBY CO	SERVICE	\$845.15
T & R ELECTRIC SUPPLY COMPANY INC	SERVICE	\$1,776.80
TECH PRODUCTS INC	SUPPLIES	\$75.73
TERRY-DURIN CO.	SUPPLIES	\$2,240.00
TG TECHNICAL SERVICES, LLC	SUPPLIES	\$388.90
TITAN MACHINERY- WTN	SUPPLIES	\$606.08
TOSHIBA FINANCIAL SERVICES	COPIER LEASE	\$457.58
TRAV'S OUTFITTER	SAFETY CLOTHING	\$1,389.93
TRI-STATE BOBCAT	SUPPLIES	\$609.08
ULINE INC	SUPPLIES	\$1,865.62
UPS	SERVICE	\$814.39
USA BLUEBOOK	MAGNETIC LOCATORS	\$2,534.21
VERMEER HIGH PLAINS	SUPPLIES	\$71.22
VIA ACTUARIAL SOLUTIONS	2024 OPEB VALUATION	\$3,950.00
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN FORD CHRYSLER	SERVICE	\$1,178.17

WATERTOWN UNITED WAY WESCO DISTRIBUTION INC	United Way SINGLE PHASE BASE., 4 POS MODULE ELASTIMOLDS	\$440.00 \$69,410.56
	TOTAL	\$735,280.97

Total January 2025 \$735,280.97; Transfer to City's General Fund \$124,116.63, Muni Utilities Electric Water Gas \$49,560.13; Missouri River Energy Services Power \$2,089,959.45; BP Canada Energy Marketing Natural Gas \$373,340.92; Dept. of Revenue Sales/Excise Tax \$268,714.91; CPEP #3 Natural Gas \$181,001.25, CPEP #4 Natural Gas \$112,256.66, CPEP #5 Natural Gas \$422,350.20, CPEP #3 Hedge \$66,775.55, CPEP #4 \$5,990.07, City Finance Office Garbage/Sewer \$651,105.29.

ITEM 8154

The Board set date of Wednesday, February 26, 2025, at noon for February Board Meeting.

ITEM 8155

Pursuant to SDCL 1-25-2(3) Thomas moved with second by Brenden to move to Executive Session. The Board does expect to take-action when they reconvene to the regular session. Motion carried.

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

Motion by Larkin with second by Thomas to approve General Manager to sign Facilities Reimbursement Agreement with Northern Natural Gas. Motion carried.

Motion by Larkin 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 27th, day of January, 2025.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

Michael Luken
Board President
Municipal Utilities Department

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Wednesday, February 26th, 2025

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Wednesday, February 26, 2025, at 12:00 p.m. with Vice-President Dan Brenden presiding.

Board members present: Vice-President Dan Brenden, Rich Thomas, Charlie Larkin and Chris Carter. Mike Luken Absent. Board Liaison, member of City Council, Mike Danforth absent. Staff members present: Steve Lehner, Adam Karst, Bert Magstadt, Wayne Lovelis, Aaron Erickson, Brian Benson, Mark Meier, Rod Sutton, Dan LeVasseur, Cheryl Mack, Gina Brown, Lisa Pahl and Attorney Vince Foley. Guests: Steve Jurrens KXLG Radio and Lisa Carrico, Attorney for the City of Watertown.

ITEM 8156

Motion by Thomas with second by Larkin to approve the agenda. Motion carried.

ITEM 8157

Motion by Carter with second by Thomas to approve minutes of Regular Board Meeting on January 27th, 2025. Motion carried.

ITEM 8158

Public Comment - None

ITEM 8159

Motion by Carter with second by Thomas to sign Engineering Proposal for 115 kV Insulator change out at the uptown substation with CEG for the amount of \$25,000. Motion carried.

ITEM 8160

Motion by Carter with second by Larkin to approve the General Manager to sign Watertown Municipal Utilities Water Treatment Plant Master Plan with AE2S for \$137,032. This will allow a study to evaluate the existing Water treatment Plants No. 1, No. 2 and No. 3 and determine treatment improvements. Motion carried.

ITEM 8161

Motion by Thomas with second by Carter to approve General Manager to sign Amendment to the billing software agreement with Tyler Technologies. This will hold off any billing of the software until it is available to WMU. Motion carried.

ITEM 8162

Karst presented proposed changes to the General Policy, Schedule of Fees, and Employee Handbook. Magstadt presented the proposed changes to the Water Department Policy. The Board has been asked to review these proposed policy changes, and they will be presented for approval at the March Board meeting.

ITEM 8163

This being the time and place set for consideration of bids, the following were presented. Bids for Commercial LED lights, Residential LED lights, Transformers, Wire, Sodium Hypochlorite, Chip Lime, Gas Meters and Installation of Watermain for 2nd Ave NE Neighborhood Street Reconstruction Project No. 2504. These bids were opened Thursday, February 20th, 2025, at 1:30 PM by the Watertown Municipal Utilities Staff as authorized by the Board.

Commercial LED lights: Four bids were received and upon review and recommendation by Magstadt, motion by Larkin with second by Thomas to award bid to low valid bidder, WESCO, Sioux City, IA in the amount of \$28,800.00.

Residential LED lights: Four bids were received and upon review and recommendation by Magstadt, motion by Carter with second by Larkin to award bid to low valid bidders to WESCO, Sioux City, IA in the amount of \$32,925.00. Motion carried.

Transformers: Four bids were received and upon review and recommendation by Magstadt, motion by Carter with second by Thomas to award bid Item 1 and Item 2 to low valid bidder RESCO, Moorhead, MN in the amount of \$195,943.98. Motion carried.

Wire: Seven Bids were received and upon review and recommendation by Magstadt, motion by Larkin with second by Carter to award Item 1, Item 2, and Item 3 to low valid bidder WESCO, Sioux City, IA for a total of \$74,655.00. Motion carried.

Sodium Hypochlorite: One bid was received and upon review and recommendation by Magstadt, Motion by Thomas with second by Carter to award bid to low valid

bidder Hawkins, Inc., Minneapolis, MN for a total of \$5.05 per gallon. Motion carried.

Quick Lime Chips: Two bids were received and upon review and recommendation by Magstadt, Motion by Larkin with second by Carter to award bid to low valid bidder, Pete Lien, Rapid City, SD for a total of \$234.24 per ton. Motion carried.

Gas Meters: One bid was received and upon review and recommendation by Magstadt motion by Thomas with second by Carter to award bid to low valid bidder KGM, Tonganoxie, KS for a total of \$145,094.21

Installation of Watermain for 2nd Ave NE Neighborhood: Five bids were received and upon review and recommendation by Magstadt motion by Larkin with second by Carter to award bid to low valid bidder, DeBoer Construction, Clear Lake, SD in the amount of \$408,300.08, which includes prorated mobilization of \$31,020.00.

ITEM 8164

Open: Lehner extended an invitation to the Board to attend the MRES Annual meeting May 7-8 in Sioux Falls, SD.

ITEM 8165

Old Business: Reminder of BISCO luncheon on Tuesday, March 18 from 11:30-1:30.

ITEM 8166

Magstadt presented the Report on Operations and Projects. Electric Department, Projects Completed this Month: Had 1 outage for February for a total of 2 unscheduled power outages in 2025, MRES completed the annual infrared Inspection of the distribution system. Gas Department Projects Completed this Month: 50% complete with winter leak survey, fixed two leaks. Water Department Projects Completed this Month: 1 water main break for a total of 6 for the winter season and 3 for 2025, fixed 1 fire hydrant that was hit, Cole Brenden, Water Distribution passed his class 2 test. Engineering Tech, Projects Completed this Month: 33 one-call locates for January 2025, Projects Starting Next Month: InfoWater Water & GasWorks Natural Gas Program Design Information. Magstadt also gave an update on the cold snap last week.

ITEM 8167

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects Completed this Month: G & R successfully completed HVAC inspections and Justice Fire & Safety conducted inspections of fire suppression systems. Projects in Progress: Working on 2025 budget items, reviewing inventory for upcoming 2025 construction projects. Customer Service Projects Completed this Month: 15,444 Payments collected for a total of \$6,221,891 and 57,303 services billed for a total of \$6,606,669, Major Projects in Progress - completed stage 1 of our new billing software implementation project. Human Resources/Risk Management: Recruiting efforts have begun for Utility Systems Engineer, Promotion: Cole Brenden, Water Distribution, Class 1 to Class II (effective 2/10/2025), Rehire - Monte Waite for PT Meter Reading and Meter verifications. Information Systems working on Billing Software Upgrade, 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 \$118,564 above budget for the one month ending January 31, 2025. Total Capital Additions are \$13,557 under budget for one month ending January 31, 2025.

ITEM 8168

Motion made by Carter with second by Thomas to approve the following verified salary claims and bills. Motion carried unanimously upon roll call vote. Total Watertown Municipal Utilities Net Payroll for February 2025 Plus ACH Payroll Payments \$740,232.82. Add: M. Waite 22.25/hr. effective 2/18/2025. Term: S. Mennenga effective 2/14/2025. Change: C. Brenden 37.88/hr. effective 2/10/2025.

Name	Payable Description	Payment Amount
March 3, 2025		
ABC EMBROIDERY	SERVICE	\$54.00
ADV. ENGINEERING AND ENVIRONMENTAL SERVICES, LLC	WTP EQUIPMENT REPLACEMENT	\$92,135.32
AFLAC	ACCIDENT	\$1,702.31
AMARIL UNIFORM COMPANY	SAFETY CLOTHING	\$485.53
A-OX WELDING SUPPLY INC	SUPPLIES	\$483.12
APGA	TRAINING EXPENSE	\$525.00
APPLICANT PRO	SERVICE	\$236.00
AUSTIN, STRAIT, BENSON, THOLE AND KOEHN, LLP	JANUARY LEGAL FEES	\$240.00
AUTO VALUE WATERTOWN	SUPPLIES	\$1,096.00
AUTOMATIC BUILDING CONTROLS	SERVICE, SUPPLIES	\$1,069.00
BENDIX IMAGING INC	SUPPLIES	\$468.96
BIG SIOUX WATER FESTIVAL	CONTRIBUTION	\$1,250.00
BISCO	2025 MEMBERSHIP	\$300.00
BORDER STATES ELECTRIC SUPPLY	3 PHASE FAULT INDICATORS	\$14,611.58
BORNS GROUP	POSTAGE & MAILING	\$10,985.34
CANNON ELECTRIC, INC.	ENERGY INCENTIVE REBATE	\$50.00
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$5,559.09
CHILD SUPPORT PAYMENT CENTER	EMPLOYEE DEDUCTION: CHILD SUPPORT	\$750.00
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$6,437.28
COLOURS, INC.	SUPPLIES	\$534.20
CONNECTING POINT	HP PRO MINI(S)	\$14,764.92
CONTROL EQUIPMENT SALES, INC	SUPPLIES	\$1,083.28
CORE & MAIN LP	TAPPING SADDLES & CORP STOPS AS PER BID	\$39,393.71
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$415.83

DAKOTA DATA SHRED	SHREDDING SERVICE	\$126.50
DAKOTA PUMP & CONTROL CO	SERVICE	\$60.00
DSG DAKOTA SUPPLY GROUP	TRANSFORMERS AS PER BID	\$83,292.24
DTN, LLC	SUBSCRIPTION	\$579.92
DUININCK INC	SERVICE - CAST IRON MAIN REPLACEMENT	\$80,463.76
DUININCK INC	SERVICE - WATERMAIN EXTENSION	\$141,125.10
EDM INTERNATIONAL, INC.	SERVICE	\$290.00
ELECTRIC MOTORS & MOORE INC	SUPPLIES	\$331.00
ENERGY LABORATORIES INC	SERVICE	\$1,682.00
ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE, INC	ANNUAL SUBSCRIPTION	\$6,905.48
ERICKSON, STEVE	REIMBURSEMENT EXPENSE	\$208.56
ETHANOL PRODUCTS LLC	BULK CO2	\$1,087.32
EVOLUTION POWERSPORTS	2025 POLARIS WITH V-PLOW	\$30,500.00
FASTENAL COMPANY	SUPPLIES	\$341.01
FEDERAL EXPRESS CORP	SERVICE	\$47.50
FIDELITY SECURITY LIFE INSURANCE CO. (EYEMED)	VISION INSURANCE	\$175.27
FOLEY AND FOLEY LAW OFFICE, PC	JANUARY LEGAL FEES	\$435.00
FRONTIER PRECISION INC	GPS EQUIPMENT	\$22,309.12
GANNETT MEDIA CORP	PUBLISHINGS	\$399.24
GANNETT MEDIA CORP	2025 SUBSCRIPTIONS	\$408.56
GRAINGER	SUPPLIES	\$1,554.79
HAWKINS, INC.	AZONE 15	\$8,880.75
IBEW LOCAL 426	UNION DUES	\$4,305.00
INDUSTRIAL SALES COMPANY, INC	SUPPLIES	\$2,927.10
I-STATE TRUCK CENTER	SERVICE	\$472.37
J H LARSON COMPANY	SUPPLIES	\$1,033.10
JOHNSON CONTROLS INC	SERVICE	\$2,284.68
JUSTICE FIRE & SAFETY	INSPECTION	\$1,044.00
KARST, ADAM	REIMBURSEMENT EXPENSE	\$131.20
LAMB MOTOR CO.	2025 FORD F250 AS PER STATE BID	\$50,180.00
LAMB MOTOR CO.	2025 FORD F150 AS PER STATE BID	\$48,916.00
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$476.40
LOCATORS & SUPPLIES INC	SUPPLIES	\$858.40
LOVELIS, WAYNE	REIMBURSEMENT EXPENSE	\$2,249.48
LUNDE, JOHN	REIMBURSEMENT EXPENSE	\$25.00
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$684.39
MAC'S HARDWARE	SUPPLIES	\$555.28
MAC'S HARDWARE	SUPPLIES	\$185.32
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$700.60
MATHESON TRI-GAS INC	SUPPLIES	\$166.80
MCKEEVER INC	SUPPLIES	\$280.00
MENARDS INC	SUPPLIES	\$1,687.61
MET LIFE	LIFE INSURANCE	\$1,595.31
MICROBAC LABORATORIES, INC.	WATER TESTING FEES	\$3,987.00
MIDCONTINENT COMMUNICATIONS	INTERNET, CABLE & PHONE SERVICE	\$1,893.83
MISSOURI RIVER ENERGY SERVICES	INFRARED INSPECTION SERVICES	\$1,903.75
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$1,089.85
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$3,817.65
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$7,405.37
NAPA CENTRAL	SUPPLIES	\$344.68
NELSON TECHNOLOGIES INC	REGULATORS	\$8,414.88
OFFICE PEEPS	SUPPLIES	\$510.66
PAYMENTUS GROUP INC.	SERVICE	\$89.55
PETE LIEN & SONS	BULK LIME	\$19,578.16
POLLARD WATER	SUPPLIES	\$208.93
POMP'S TIRE SERVICE, INC.	SERVICE	\$74.20
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,307.14
PRO LINE INC	SUPPLIES	\$144.95
RC FIRST AID	SUPPLIES	\$167.00
RELIABANK DAKOTA	FLEX DC	\$6,133.89
RESCO	4/0 LOADBREAK ELBOWS	\$6,398.52
RICE LAKE WEST	WTP EQUIPMENT REPLACEMENT	\$98,074.71
RODENBURG LAW FIRM	EMPLOYEE DEDUCTION	\$150.00
RON'S SAW SALES	SERVICE	\$949.61
RUNNING'S SUPPLY INC	SUPPLIES	\$322.95
SANFORD WATERTOWN OCCUPATIONAL MEDICINE	SERVICE	\$710.00
SCHAEFFER MFG CO	SUPPLIES	\$1,539.45
SCHOOL BOARD OF ED	ENERGY INCENTIVE REBATE	\$8,698.79
SD ONE CALL	LOCATES	\$36.75
SDRS SPECIAL PAY PLAN	401a SICK	\$35,840.73
SERVICEMASTER OF WATERTOWN	JANITORIAL SERVICE	\$4,120.00
SHERWIN WILLIAMS CO	SUPPLIES	\$439.99
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$10,056.11
SNAP-ON INCORPORATED	SUPPLIES	\$69.47
SPEE-DEE DELIVERY SERVICE INC	SERVICE	\$95.08
STAR LAUNDRY	SERVICE	\$634.37

STUART C IRBY CO	FUSE UNITS FOR SWITCH GEAR CABINETS	\$9,036.72
TECHNOLOGY FOR ENERGY CORPORATION	SERVICE	\$2,497.16
TEREX USA, LLC	SERVICE - UNIT 25	\$6,251.61
TITAN MACHINERY- WTN	SERVICE	\$1,389.21
TOSHIBA FINANCIAL SERVICES	COPIER LEASE	\$568.76
TRAV'S OUTFITTER	SAFETY CLOTHING	\$2,179.88
TYNDALE COMPANY INC	SAFETY CLOTHING	\$158.95
USA BLUEBOOK	SUPPLIES	\$1,818.91
UTILITY SERVICE CO., INC	WATER TOWER MAINTENANCE	\$243,569.09
V&M COMPANY, INC.	SUPPLIES	\$1,680.00
WATERTOWN AREA CHAMBER OF COMMERCE	MEMBERSHIP	\$425.00
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN UNITED WAY	United Way	\$240.00
WATERTOWN WHOLESALE INC	SUPPLIES	\$1,700.00
WAYTEK INC	SUPPLIES	\$109.83
WESCO DISTRIBUTION INC	3 PHASE ENCLOSURES	\$45,817.73
ZEP SALES AND SERVICE	SUPPLIES	\$1,020.95
	TOTAL	\$1,248,953.45

Total February 2025 \$1,248,953.45; Transfer to City's General Fund \$124,117.00, Muni Utilities Electric Water Gas \$50,820.62; Missouri River Energy Services Power \$2,321,968.72; BP Canada Energy Marketing Natural Gas \$395,674.45; Dept. of Revenue Sales/Excise Tax \$285,733.13; CPEP #3 Natural Gas \$219,772.56, CPEP #4 Natural Gas \$130,778.31, CPEP #5 Natural Gas \$541,638.20, CPEP #3 Hedge \$60,568.20, CPEP #4 Hedge \$4,459.98, City Finance Office Garbage/Sewer \$783,937.43.

ITEM 8169

Pursuant to SDCL 1-25-2(3) Carter moved with second by Thomas to move to Executive Session. Motion carried.

Vice-President Brenden declared Executive Session done and they reconvened to regular session.

Motion by Larkin with second by Thomas 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 February, 2025.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

Dan Brenden
Board Vice-President
Municipal Utilities Department

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Monday, March 31st, 2025

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, March 31, 2025, at 12:00 p.m. with Board President Mike Luken presiding.

Board members present: Mike Luken, Dan Brenden, Rich Thomas, Charlie Larkin and Chris Carter. Board Liaison, member of City Council, Mike Danforth absent. Staff members present: Steve Lehner, Adam Karst, Bert Magstadt, Wayne Lovelis, Aaron Erickson, Brian Benson, Mark Meier, Dan LeVasseur, Cheryl Mack, Gina Brown, Lisa Pahl and Attorney Vince Foley. Guests: Steve Jurrens KXLG Radio and Roger Whittle, The Watertown Current.

ITEM 8170

Motion by Thomas with second by Carter to approve the agenda. Motion carried.

ITEM 8171

Motion by Carter with second by Thomas to approve minutes of Regular Board Meeting from February 26th, 2025. Motion carried.

ITEM 8172

Public Comment - None

ITEM 8173

Motion by Carter with second by Brenden to accept the policy changes that were presented at the February 26, 2025, Board Meeting. The changes accepted are: General Policy, which included changes to 4.4, 4.9, 25.3, 30.2, and 36. The Schedule of Fee changes were to the residential non-heating and heating deposits and return payment fees. Handbook changes to sections 114, 201, 302, 304, 305, 307, and 603. Water Policy changes to 3.2, 8.5, 12.1, 14.1 - 14.4, 14.11-14.13, 15.2, and 15.3. All policies can be viewed on the Watertown Municipal Utilities website. Motion carried.

ITEM 8174

This being the time and place set for consideration of bids, the following was presented. Bid for Water Plant Storage Building. The bids were opened Thursday, March 27th, 2025, at 1:30 PM by the Watertown Municipal Utilities Staff as authorized by the Board.

Water Plant Storage Building: Three bids were received and upon review and recommendation by Magstadt, motion by Thomas with second by Brenden

to award bid to low valid bidder, Cashway Lumber, Inc., Watertown in the amount of \$199,900.00. Motion carried.

ITEM 8175

Motion by Carter with second by Larkin to authorize General Manger to return checks to unsuccessful bidders. Motion carried.

ITEM 8176

Motion by Carter with second by Brenden to authorize the Board President to sign Resolution #8176. Motion carried unanimously upon roll call vote.

RESOLUTION OF THE CITY OF WATERTOWN, SOUTH DAKOTA MUNICIPAL UTILITIES BOARD TO APPROVE THE USE OF EXCESS WATER SYSTEM SURCHARGE FUNDS TO PAY CERTAIN EXPENSES OF OPERATING AND MAINTAINING IMPROVEMENTS PREVIOUSLY FINANCED THROUGH THE ISSUANCE OF A BOND SECURED BY THE SURCHARGE

WHEREAS, in 2008 the City of Watertown Municipal Utilities Board (the "Utilities Board") undertook a project to make substantial improvements to the City's drinking water system; and

WHEREAS, in contemplation of financing such improvements, on April 28, 2008, the Utilities Board adopted Resolution No. 5632 (the "Surcharge Resolution") to approve an amendment to the rate schedule applicable to users of the City's drinking water system, including the adoption of a surcharge pursuant to SDCL 9-40-15 (the "Act") to be pledged as security for and to be used as the source of repayment for such financing; and

WHEREAS, in order to pay for a portion of the cost of the improvements to the drinking water system and associated costs, including engineering costs, legal and financing costs, and other related costs, the City on October 31, 2008 issued its Water System Revenue Bond in the principal amount of \$23,760,000 (the "Bond") to the South Dakota Conservancy District and in connection with the issuance of the Bond, the City entered into a Loan Agreement dated October 31, 2008 (the "Loan Agreement") with the South Dakota Conservancy District; and

WHEREAS, the surcharge has generated and continues to generate funds in excess of the amounts necessary to pay principal and interest on the Bond, and as a result, after paying principal and interest on the Bond, as of December 31, 2024 the balance remaining in the surcharge fund was \$1,927,317.22 (the "Excess Surcharge Funds"); and

WHEREAS, as required by the Loan Agreement, the surcharge rate currently in effect is reasonably expected to generate during each calendar year not less than 115% of the principal and interest due on the Bond during such year; and

WHEREAS, it has been proposed that some of the Excess Surcharge Funds be used to pay a portion of the expenses of operating and maintaining the improvements financed with the proceeds of the Bond; and

WHEREAS, the Surcharge Resolution contemplates the use of Excess Surcharge Funds for other purposes as permitted under the Act, and the Act permits the surcharge to be used for the services of the facilities financed with the proceeds of the Bond; and

WHEREAS, the Utilities Board has been advised by the City's bond counsel that the Loan Agreement does not prohibit the use of surcharge revenues to pay expenses of operating and maintaining the improvements financed with the proceeds of the Bond if adequate provision has been made for the timely payment of principal and interest on the Bond and the City has otherwise complied with the terms of the Loan Agreement; and

WHEREAS, the Utilities Board has determined that it is in the best interests of the City and the users of the City's drinking water system to use a portion of the Excess Surcharge Funds for the payment of a portion of the expenses of operating and maintaining the improvements financed with the proceeds of the Bond; and

WHEREAS, during calendar year 2024, surcharge collections, or Borrower's Project Income, totaled \$2,450,426.84 and Borrower's Total Debt Service on project totaled \$1,554,996.25 with the difference being \$895,430.59;

NOW, THEREFORE, BE IT RESOLVED by the City of Watertown Municipal Utilities Board, as follows:

1. The General Manager of Watertown Municipal Utilities is authorized and directed to transfer the sum of \$895,430.59 from the DWSRF Loan #1 Surcharge Fund to the DWSRF Loan #1 O&M Fund and to use such funds to pay a portion of the expense to be incurred during each calendar year for operating and maintaining the improvements financed with the proceeds of the Bond.

2. In preparation of the Annual Certification of Compliance with Rate Covenant, the Excess Surcharge Funds transferred in 1. above will not be subtracted from or added to Borrower's Project Income for any calendar year.

Dated at Watertown, South Dakota, this 31st day of March 2025

ITEM 8177

Motion by Thomas with second by Carter to approve McKinley Area electric overhead to underground project. Motion carried.

ITEM 8178

Open: Lehner presented the bill stuffers Living Safely with Natural Gas and Household Hazardous Waste. Board President Mike Luken attended the APPA Rally in Washington DC in February and the topics that were discussed on supply chain issues, tariffs, international trade and tax policies. The MRES group had 22 people there and they talked with 8 senators and 9 congresspeople. Rep. Dusty Johnson gave a tour of the capital.

ITEM 8179

Old Business: a) Reminder of MRES Annual Meeting May 7-8, 2025, in Sioux Falls. b) Karst presented the De-obligation letter to the SD DANR for the DWSRF #3 Wellfield.

ITEM 8180

Magstadt presented the Report on Operations and Projects. Electric Department, Projects Completed this Month: 10 outages for the month and 12 total outages for 2025, completed tree trimming. Gas Department Projects Completed this Month: Completed winter leak survey, leak surveyed the new NNG Pipeline, held the SD811 One Call Banquet at 2nd Street Station and heating contractor meeting. Water Department Projects Completed this Month: 8 water main breaks for a total of 14 for the winter season for 2025, Mark Wilson, Cole Brenden, and Logan Redlin passed their Class III Distribution exam, Wyatt Berner and Uriel Araiza passed their Class III Treatment exam, The Watertown Municipal Utilities Public Water System was granted the 2024 Certificate of Achievement from the South Dakota DANR. Engineering Tech, Projects Completed this Month: 115 one-call locates for March 1 to March 25, attended the one call meetings, compiled and mounted new map in lobby.

ITEM 8181

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects in Progress: Ordering, receiving, and stocking materials, reviewing inventory for upcoming 2025 construction projects. Customer Service Projects Completed this Month: Customer Service received a number of phone calls and feedback regarding the high utility bills. It was 34% colder than our January bills. The CSR's reminded customers of the \$13.06 increase of sewer and garbage charges, A total of 3,527 bills for March were mailed out incorrectly. Borns Group mailed the February bills instead. The error was corrected immediately by sending out the correct bills and a letter of explanation, Working on data cleanup in NorthStar and continued Tyler training. 15,497 Payments collected for a total of \$6,763,481 and 57,211 services billed for a total of \$6,720,884. Human Resources/Risk Management: Recruiting for Utility Systems Engineer and conducted salary research, working with LATC, Mitchell Tech, St. Cloud Tech, Northeast Technical School and local high schools to find students for summer internships, reviewing the need for backhoe and payloader training, located UTV training, and preparing for weather awareness training. Information Systems Deploying 2025 budget items, finishing Windows 10 end of life upgrades, preparing systems for billing software upgrade, 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 \$385,447 above budget for the two months ending February 28th, 2025. Total Capital Additions are \$73,876 over budget for two months ending February 28th, 2025.

ITEM 8182

Motion made by Carter with second by Brenden to approve the following verified salary claims and bills. Motion carried unanimously upon roll call vote. Total Watertown Municipal Utilities Net Payroll for March 2025 Plus ACH Payroll Payments \$668,491.94. Add: J. Deville 22.25/hr. effective 3/20/2025.

Name	Payable Description	Payment Amount
March 2025		
ABC EMBROIDERY	SERVICE	\$4.95
ADVANCED ENGINEERING AND ENVIRON. SERVICES, LLC	SERVICE - WTP SLAKER 1 & 3 CON. SYSTEM UPGRADE	\$14,501.21
AFLAC	ACCIDENT	\$1,702.31
AMERICAN WATER WORKS ASSN	MEMBERSHIP	\$504.00
APPLICANT PRO	SERVICE	\$472.00
AQUA-PURE INC	SODIUM TRIPOLYPHOSPHATE	\$7,525.00
AUTO VALUE WATERTOWN	SUPPLIES	\$728.68
BLUMIRA, INC.	SOFTWARE MAINTENANCE	\$455.67
BORDER STATES ELECTRIC SUPPLY	5 POSITION MODULES	\$16,219.53
BORNS GROUP	POSTAGE & MAILING	\$11,247.67
BRIAN'S GLASS & DOOR INC	SUPPLIES - UNIT 16	\$450.00
BURCHATZ CONSTRUCTION COMPANY INC	2025 CONCRETE PATCH WORK	\$2,815.11
CASHWAY LUMBER INC	ENERGY INCENTIVE REBATE	\$1,055.25
CENTER FOR INTERNET SECURITY, INC.	SOFTWARE MAINTENANCE	\$512.33
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$12,163.50
CHILD SUPPORT PAYMENT CENTER	EMPLOYEE DEDUCTION: CHILD SUPPORT	\$750.00
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$5,204.32
CONNECTING POINT	SOFTWARE MAINTENANCE	\$6,191.18
CORE & MAIN LP	SUPPLIES	\$5,272.05
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$321.68
DAKOTA DATA SHRED	SHREDDING SERVICE	\$94.51
DEPARTMENT OF HEALTH	WATER SAMPLES	\$1,167.00
DGR ENGINEERING	115 KV TRANS LINE REBUILD	\$6,447.50
DITCH WITCH OF SOUTH DAKOTA, INC	SUPPLIES	\$1,057.98
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$198.13
DTN, LLC	SUBSCRIPTION	\$579.92
DUININCK INC	CRUSHED CONCRETE, 3/4" ROCK	\$18,975.63
DUPONT ELECTRIC INC	ENERGY INCENTIVE REBATE	\$100.00
DUTTON-LAINSON COMPANY	WATER METERS & ERTS AS PER BID	\$154,914.90
DYNAMIC ENGINEERING	SUPPLIES	\$518.50
EAST RIVER ELEC POWER COOP	2025 SERVICE CONTRACT	\$8,100.00
ELEMENT MATERIALS TECHNOLOGY	WPQ TESTING	\$765.00
EMERGENT SAFETY SUPPLY	SUPPLIES	\$2,245.27
ENERGY ECONOMICS INC	SERVICE	\$808.21
ERICKSON, AARON	REIMBURSEMENT EXPENSE	\$54.00
ETHANOL PRODUCTS LLC	BULK CO2	\$2,587.26
FARWEST LINE SPECIALTIES, LLC	SUPPLIES	\$190.37
FEDERAL EXPRESS CORP	SERVICE	\$42.62
FIDELITY SECURITY LIFE INSURANCE CO. (EYEMED)	VISION INSURANCE	\$175.51
FLAGSHOOTER LLC	SUPPLIES	\$2,498.38
FOLEY AND FOLEY LAW OFFICE, PC	FEBRUARY LEGAL FEES	\$1,357.50
FRANZ REPROGRAPHICS, INC.	SUPPLIES	\$1,040.56
GANNETT MEDIA CORP	PUBLISHINGS	\$862.14
GLASS PRODUCTS INC	SERVICE	\$525.00
GRAINGER	SUPPLIES	\$1,258.31
HAWKINS, INC.	AZONE 15	\$23,986.66
IBEW LOCAL 426	UNION DUES	\$4,305.00
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$88.85
J H LARSON COMPANY	SUPPLIES	\$782.96
JURGENS PRINTING INC	SUPPLIES	\$110.00
KOONS GAS MEASUREMENT	GAS METERS AS PER BID	\$45,349.80
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$194.30
LOCATORS & SUPPLIES INC	SUPPLIES	\$2,760.04
MACKSTEEL WAREHOUSE INC	ENERGY INCENTIVE REBATE	\$2,055.20
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$154.73
MACKSTEEL WAREHOUSE INC	ENERGY INCENTIVE REBATE	\$3,727.91
MAC'S HARDWARE	SUPPLIES	\$188.99
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$1,769.76
MATHESON TRI-GAS INC	SUPPLIES	\$158.95
MCKEEVER INC	SUPPLIES	\$350.00
MENARDS INC	SUPPLIES	\$1,367.62
MET LIFE	LIFE INSURANCE	\$1,595.31
MIDCONTINENT COMMUNICATIONS	INTERNET, CABLE & PHONE SERVICE	\$1,893.83
MILBANK WINWATER WORKS	SUPPLIES	\$736.24
MISSOURI RIVER ENERGY SERVICES	MISC SCANNING- ELECTRIC	\$5,255.00
MUELLER CO	SUPPLIES	\$2,123.20
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$1,123.22
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$3,023.27
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$2,593.51
NAPA CENTRAL	SUPPLIES	\$515.64
NESD SHRM	TRAINING	\$280.00
NORTHERN TRUCK EQUIP CORP	SNOW PLOW	\$11,681.85

NORTHWEST PIPE FITTINGS INC	TAPPING SADDLES AS PER BID	\$23,986.99
NOVASPECT, INC.	REGULATORS	\$12,310.35
OFFICE PEEPS	SUPPLIES	\$817.19
PALMER WAHL INSTRUMENTS INC.	SUPPLIES	\$340.24
PAYMENTUS GROUP INC.	SERVICE	\$99.50
PETE LIEN & SONS	BULK LIME	\$9,881.82
PIPELINE ASSN FOR PUBLIC AWARENESS	2025 ANNUAL DUES	\$715.00
POMP'S TIRE SERVICE, INC.	SERVICE	\$363.70
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,307.14
PRINT 'EM NOW INC	SUPPLIES	\$173.00
RELIABANK DAKOTA	FLEX DC	\$6,133.89
RODENBURG LAW FIRM	EMPLOYEE DEDUCTION	\$150.00
RON'S SAW SALES	SERVICE	\$286.25
RUNNING'S SUPPLY INC	SUPPLIES	\$907.16
SD MUNICIPAL LEAGUE	TRAINING	\$1,200.00
SD ONE CALL	LOCATES	\$42.00
SD PUBLIC ASSURANCE ALLIANCE	INSURANCE - 2025 CHEVY SILVERADO 3500HD	\$680.30
SD RETIREMENT SYSTEM	2024 ADDITIONAL CONTRIBUTIONS	\$4,003.58
SHARP AUTOMOTIVE	SUPPLIES	\$1,376.73
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$6,126.91
STAN HOUSTON EQUIP CO	SUPPLIES	\$159.05
STAR LAUNDRY	SERVICE	\$553.36
STUART C IRBY CO	SUPPLIES	\$1,972.00
TEREX USA, LLC	SERVICE - UNIT 39	\$8,716.40
TITAN MACHINERY - ABERDEEN	SUPPLIES	\$701.50
TITAN MACHINERY- WTN	SUPPLIES	\$735.00
TITAN MACHINERY-SF	SUPPLIES	\$869.33
TOSHIBA FINANCIAL SERVICES	COPIER LEASE	\$320.00
TRANSWEST TRUCK OF SIOUX FALLS	2025 FORD F350 UNIT 10 PER STATE BID	\$60,700.00
TRANSWEST TRUCK OF SIOUX FALLS	2025 FORD F550 UNIT 1 PER STATE BID	\$68,985.00
TRAV'S OUTFITTER	SAFETY CLOTHING	\$209.98
TYLER TECHNOLOGIES	ELECTRIC PACKAGE SUBSCRIPTION	\$17,305.00
USA BLUEBOOK	SUPPLIES	\$1,459.77
UTILITY TESTING SOLUTIONS LLC	DIELECTRIC TESTING	\$6,272.50
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN DEVELOPMENT COMPANY	2025 GROW WATERTOWN	\$60,000.00
WATERTOWN FORD CHRYSLER	SUPPLIES	\$77.90
WATERTOWN UNITED WAY	United Way	\$240.00
WATERTOWN WHOLESALE INC	SUPPLIES	\$158.95
WESCO DISTRIBUTION INC	WIRE AS PER BID	\$106,883.09
WW TIRE SERVICE INC	SERVICE	\$65.30

TOTAL

\$828,808.36

Total April 2025 \$828,808.36; Transfer to City's General Fund \$124,117.00, US Bank Bond Payment DW-1 \$905,121.25, US Bank Water Loan DW-2 Payment \$10,250.50, US Bank Water Loan DW-5 \$4,087.05, Muni Utilities Electric Water Gas \$54,401.63; Missouri River Energy Services Power \$2,200,864.41; BP Canada Energy Marketing Natural Gas \$363,367.01; Dept. of Revenue Sales/Excise Tax \$290,037.93; CPEP #3 Natural Gas \$181,106.10, CPEP #4 Natural Gas \$97,577.13, CPEP #5 Natural Gas \$433,447.28, CPEP #3 Hedge \$31,510.82, CPEP #4 Hedge -\$3,211.66, City Finance Office Garbage/Sewer \$805,381.31.

ITEM 8183

The Board set date of Thursday, May 29, 2025, at noon for May Board Meeting.

Pursuant to SDCL 1-25-2(3) Larkin moved with second by Thomas to move to Executive Session. Motion carried.

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

Motion by Larkin with second by Brenden 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 31st, day of March, 2025.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

Michael Luken
Board President
Municipal Utilities Department

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Monday, April 28th, 2025

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, April 28th, 2025, at 12:00 p.m. with Board Vice President Dan Brenden presiding.

Board members present: Dan Brenden, Rich Thomas, and Chris Carter. Board Members Mike Luken and Charlie Larkin are absent. Board Liaison, member of City Council, Mike Danforth absent. Staff members present: Steve Lehner, Adam Karst, Bert Magstadt, Wayne Lovelis, Aaron Erickson, Brian Benson, Mark Meier, Dan LeVasseur, Rod Suttan, Cheryl Mack, Gina Brown, Lisa Pahl and Attorney Vince Foley. Guests: Steve Jurrens KXLG Radio and Roger Whittle, The Watertown Current.

ITEM 8184

Motion by Carter with second by Thomas to approve the agenda. Motion carried.

ITEM 8185

Motion by Carter with second by Thomas to approve minutes of Regular Board Meeting from March 31st, 2025. Motion carried.

ITEM 8186

Public Comment - None

ITEM 8187

Director of Operations Magstadt gave an overview of the 2024 Annual Water System Quality Report. He noted that there were no substances detected in the water that violated regulations set by the EPA or the SD DANR. This report will be posted on the Watertown Municipal Utilities website and pamphlets available to the public at the office.

ITEM 8188

Consideration of Bids for Natural Gas Rate Study: Two proposals were received and upon review and recommendation by Karst with motion by Thomas with second by Carter to award proposal to Kan Houston, St. Pete Beach, FL, for a total of \$19,900 plus travel expenses. Motion carried.

ITEM 8189

Motion by Carter with second by Thomas for the authorization to declare as surplus the following items. Motion carried.

- a) Asset #1034, Natural Gas Leak Detector (Southern Cross)
- b) Asset #920, 2007 GMC Topkick Cab & Chassis (Dump Truck)
- c) Asset #1048, Replacing Well #39 at the Rauville Well Field

ITEM 8190

Open: Lehner presented the bill stuffer - Mosquito Control.

ITEM 8191

Old Business: a) Reminder May Board Meeting to be held Thursday, May 29, 2025, at noon.

ITEM 8192

Magstadt presented the Report on Operations and Projects. Electric Department, Projects Completed this Month: 8 outages for the month and 20 total outages for 2025, installed three-phase primary at AGWRX to replace the old cable & complete loop, removed streetlights for ADA compatible crosswalks. Gas Department, Projects Completed this Month: OQ modules, hands-on testing. Water Department Projects Completed this Month: Maintenance on Well #35 in Rauville, bringing well #39 online. Engineering Tech, Projects Completed this Month: 375 one-call locates for April 1 to April 23, 199 one-call locates for March 2025. Projects in Progress: Staking and locating for upcoming projects.

ITEM 8193

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects in Progress: Spring clean-up on all WMU properties, Eide Bailly 2024 Audit. Upcoming Projects: Spraying herbicide on WMU properties, asphalt and concrete repairs to streets and private properties. Customer Service, Projects Completed this Month: Sent out 1,978 budget bill letters in April, the average budget bill is \$253, an increase of 9% or (\$28) from last year, mailed out 1,906 water letters to our customers that have an unknown water service line, the service line needs to be identified and is a requirement by the EPA, 15,590 Payments collected for a total of \$7,133,752 and 57,258 services billed for a total of \$5,458,829. Human Resources/Risk Management: One summer internship still open for the Water Department, 5 water department employees passed their Class III certification exams, reviewing HB121 -

cannot prohibit an employee from possessing a concealed firearm, Karst thanked the crew that participated in the city's Team Up to Clean Up Event. Information Systems Deploying 2025 budget items, adding security layers to Microsoft 365 environment, finishing up windows 10 end of life upgrades, assessing and mitigating updates and vulnerabilities found via Management software, preparing systems billing software upgrade, 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 \$178,320 above budget for the three months ending March 31st, 2025. Total Capital Additions are \$485,144 under budget for three months ending March 31st,2025.

ITEM 8194

Motion made by Carter with second by Thomas to approve the following verified salary claims and bills. Motion carried unanimously upon roll call vote. Total Watertown Municipal Utilities Net Payroll for April 2025 Plus ACH Payroll Payments \$685,136.85. Change: U. Araiza 39.90/hr. effective 3/24/2025, T. Ellingson 33.49/hr. effective 3/23/2025.

Name	Payable Description	Payment Amount
May 1, 2025		
3CORD ENTERPRISE	SUPPLIES	\$333.00
ABC EMBROIDERY	SERVICE	\$9.90
ADVANCED ENGINEERING AND ENVIRON. SERVICES, LLC	WTP MASTER PLAN	\$11,611.75
AFLAC	ACCIDENT	\$1,702.31
A-OX WELDING SUPPLY INC	SUPPLIES	\$367.52
APGA	TRAINING EXPENSE	\$3,135.00
APPLICANT PRO	SERVICE	\$236.00
APPLIED INDUSTRIAL TECH INC	SUPPLIES	\$569.40
AQUA-PURE INC	SODIUM TRIPOLYPHOSPHATE	\$5,000.00
AUTO VALUE WATERTOWN	SUPPLIES	\$24.99
BERNIE'S TELEPHONE & TECH	SERVICE	\$142.50
BLACKBURN MFG COMPANY	LOCATE FLAGS	\$3,159.25
BORDER STATES ELECTRIC SUPPLY	ARRESTERS, MISCELLANEOUS ELECTRIC SUPPLIES	\$32,174.18
BORNS GROUP	POSTAGE & MAILING	\$12,171.89
BURCHATZ CONSTRUCTION COMPANY INC	2025 CONCRETE PATCH WORK	\$3,085.72
BUTLER MACHINERY CO	SERVICE - WTP FRONT END LOADER	\$5,080.22
CANNON ELECTRIC, INC.	ENERGY INCENTIVE REBATE	\$770.68
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$12,346.25
CHILD SUPPORT PAYMENT CENTER	EMPLOYEE DEDUCTION: CHILD SUPPORT	\$750.00
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$5,691.36
CORE & MAIN LP	SUPPLIES	\$1,914.76
CORE & MAIN LP	HURCO VALVE EXERCISER & VAC TRAILER	\$83,470.00
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$618.04
DAKOTA DATA SHRED	SHREDDING SERVICE	\$104.62
DAVENPORT, EVANS, HURWITZ & SMITH, L.L.P.	LEGAL FEES -DW3 WELLFIELD	\$3,376.00
DEPARTMENT OF HEALTH	WATER SAMPLES	\$384.00
DGR ENGINEERING	115KV TRANSMISSION LINE REBUILD	\$2,544.50
DSG DAKOTA SUPPLY GROUP	TRANSFORMER AS PER BID	\$45,903.05
DTN, LLC	SUBSCRIPTION	\$579.92
DUTTON-LAINSON COMPANY	WATER METERS & ERTS AS PER BID	\$86,800.00
ELEMENT MATERIALS TECHNOLOGY	WPQ TESTING	\$765.00
ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE, INC	SERVICE	\$800.00
ETHANOL PRODUCTS LLC	BULK CO2	\$966.18
FARWEST LINE SPECIALTIES, LLC	SUPPLIES	\$282.92
FASTENAL COMPANY	SUPPLIES	\$4,187.32
FEDERAL EXPRESS CORP	SERVICE	\$237.45
FIDELITY SECURITY LIFE INSURANCE CO. (EYEMED)	VISION INSURANCE	\$175.51

FLOW CONTROL AUTOMATION INC.	HALOGEN SYSTEMS/WET TAP CHLORINE ANALYZE	\$8,025.00
FOLEY AND FOLEY LAW OFFICE, PC	MARCH LEGAL FEES	\$2,077.50
GANNETT MEDIA CORP	PUBLISHINGS	\$738.66
GRAF SIGN PRO OF WATERTOWN	SUPPLIES	\$1,206.00
GRAINGER	SUPPLIES	\$163.55
GROEBNER	HYD. SQUEEZE TOOL - GAS DEPT.	\$3,577.11
HAWKINS, INC.	AZONE 15	\$19,586.86
HEATH CONSULTANTS INC	SERVICE	\$575.14
HOMETOWN BUILDING CENTER	SUPPLIES	\$32.80
IBEW LOCAL 426	UNION DUES	\$4,305.00
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$176.20
I-STATE TRUCK CENTER	SUPPLIES	\$208.56
JOHNSON CONTROLS INC	SERVICE	\$1,400.00
JUSTIN'S LAWN & TREE SERVICE	SERVICE	\$2,725.00
KARST, ADAM	REIMBURSEMENT EXPENSE	\$340.07
KEY CONTRACTING INC	SERVICE - SUBSTATION	\$1,434.00
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$156.80
LL & SONS EXCAVATING INC	REPLACE WATERMAIN 33RD ST SW	\$4,923.48
LOCATORS & SUPPLIES INC	SUPPLIES	\$272.00
M&J RENTALS	ENERGY INCENTIVE REBATE	\$2,331.00
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$246.24
MAC'S HARDWARE	SUPPLIES	\$272.20
MAGSTADT, BERT	RIEMBURSEMENT EXPENSE	\$209.30
MATHESON TRI-GAS INC	SUPPLIES	\$174.70
MCKEEVER INC	SUPPLIES	\$185.00
MENARDS INC	SUPPLIES	\$689.19
MET LIFE	LIFE INSURANCE	\$1,595.31
MICHAEL PAUP	ENERGY INCENTIVE REBATE	\$150.00
MIDCONTINENT COMMUNICATIONS	INTERNET, CABLE & PHONE SERVICE	\$1,896.01
MINNESOTA MUNICIPAL UTILITIES ASSN	SAFETY PROGRAM	\$11,179.00
MUELLER CO	1" METER VALVES	\$4,494.88
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$508.99
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$3,008.59
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$10,300.24
NAPA CENTRAL	SUPPLIES	\$578.56
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$127.29
OFFICE OF ENERGY ASSISTANCE	REFUND OF CREDIT ON ACCT	\$203.24
OFFICE PEEPS	SUPPLIES	\$691.68
O'REILLY AUTOMOTIVE INC	SUPPLIES	\$34.47
PAYMENTUS GROUP INC.	SERVICE	\$49.75
PETE LIEN & SONS	BULK LIME	\$20,586.22
POMP'S TIRE SERVICE, INC.	SUPPLIES	\$697.50
PRESTIGE PAPER PRODUCTS INC.	SUPPLIES	\$118.55
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,307.14
PRO LINE INC	WTP - SCRUBBER	\$5,475.00
RC FIRST AID	SUPPLIES	\$93.50
REDLINGER BROS PLUMBING & HEATING	SUPPLIES	\$109.53
RELIABANK DAKOTA	FLEX DC	\$6,133.89
RESCO	TRANSFORMERS AS PER BID	\$125,953.16
REVOLT ELECTRICAL SERVICES INC.	SERVICE - PELICAN SUBSTATION MAINTENANCE	\$25,988.00
RODENBURG LAW FIRM	EMPLOYEE DEDUCTION	\$150.00
RON'S SAW SALES	SERVICE	\$605.17
RUNNING'S SUPPLY INC	SUPPLIES	\$50.99
SANFORD WATERTOWN OCCUPATIONAL MEDICINE	SERVICE	\$51.00
SD MUNICIPAL LEAGUE	TRAINING EXPENSE	\$50.00
SD ONE CALL	LOCATES	\$214.20
SENSAPHONE	SERVICE	\$299.40
SGS MFG.	SUPPLIES	\$2,900.69
SIOUX RURAL WATER INC	PJNI AND PRAIRIE HAVEN TERRITORY PAYMENTS	\$17,800.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$5,665.92
SIR LINES-A-LOT, LLC	RENTAL	\$3,409.00
STAN HOUSTON EQUIP CO	RENTAL	\$723.15
STAR LAUNDRY	SERVICE	\$556.21
STEIN SIGN DISPLAY	PUBLIC AWARENESS	\$1,100.00
STUART C IRBY CO	CT METERS	\$3,769.67
SUBSURFACE SOLUTIONS	SERVICE	\$360.00
TECH SALES CO	SERVICE	\$1,000.00
TECHNICOLOR SCREEN PRINTING INC.	SUPPLIES	\$213.20
TERMINAL SUPPLY CO.	SUPPLIES	\$116.50
THEIN WELL	SERVICE - WELL #38	\$48,190.27
TITAN MACHINERY- WTN	SUPPLIES	\$148.93
TOSHIBA FINANCIAL SERVICES	COPIER LEASE	\$569.08
TRAV'S OUTFITTER	SAFETY CLOTHING	\$307.99
TWOTREES TECHNOLOGIES	COMPUTER SOFTWARE	\$13,640.45
ULINE INC	SUPPLIES	\$136.51
VAN DIEST SUPPLY COMPANY	PRAMITOL 5PS	\$9,625.00

WALMART	SUPPLIES	\$37.88
WATERTOWN CURRENT LLC	PUBLIC AWARENESS	\$372.00
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN UNITED WAY	United Way	\$240.00
WATERTOWN WHOLESALE INC	SUPPLIES	\$574.85
WAYTEK INC	SUPPLIES	\$227.10
WESCO DISTRIBUTION INC	WIRE AS PER BID	\$277,544.35
WILSON BOHANNAN COMPANY	SUPPLIES	\$353.20
WINSUPPLY OF WATERTOWN	SUPPLIES	\$236.07
WOODS, FULLER, SHULTZ & SMITH PC	LEGAL FEES	\$260.00
	TOTAL	<u>\$1,008,971.83</u>

Total May 2025 \$1,008,971.83; Transfer to City's General Fund \$124,117.00, Muni Utilities Electric Water Gas \$46,707.64; Missouri River Energy Services Power \$1,693,615.41; BP Canada Energy Marketing Natural Gas \$147,485.42; Dept. of Revenue Sales/Excise Tax \$223,763.44; CPEP #3 Natural Gas \$107,591.47, CPEP #4 Natural Gas \$57,283.27, CPEP #5 Natural Gas \$269,572.59, CPEP #3 Hedge \$12,495.00, CPEP #4 Hedge -\$4,209.00, City Finance Office Garbage/Sewer \$810,532.64.

ITEM 8195

Motion by Carter with second by Thomas 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 April, 2025.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

Dan Brenden
Board Vice President
Municipal Utilities Department

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Thursday, May 29th, 2025

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Thursday, May 29th, 2025, at 12:00 p.m. with Board President Mike Luken presiding.

Board members present: Mike Luken, Dan Brenden, Rich Thomas, Charlie Larkin joined at 12:41 pm, and Chris Carter. Board Liaison, member of City Council, Mike Danforth, absent. Staff members present: Steve Lehner, Adam Karst, Bert Magstadt, Wayne Lovelis, Brian Benson, Mark Meier, Dan LeVasseur, Rod Suttan, Cheryl Mack, Gina Brown, Lisa Pahl and Attorney Vince Foley. Guest: Roger Whittle, The Watertown Current.

ITEM 8196

Motion by Carter with second by Brenden to approve the agenda. Motion carried.

ITEM 8197

Motion by Brenden with second by Carter to approve minutes of Regular Board Meeting from April 28th, 2025. Motion carried.

ITEM 8198

Public Comment - None

ITEM 8199

Motion by Brenden with second by Thomas for the authorization to declare as surplus the following item. Motion carried.

- a) Asset #1047, Pumping equipment for Rauville Well #39

ITEM 8200

Motion by Brenden with second by Carter to authorize the General Manager to sign task order No. 5 with DGR Engineering for East Substation Breaker Replacement. Motion carried.

ITEM 8201

This being the time and place set for consideration of bids, the following was presented. Bids for Commercial Street Light Poles and Residential Street

Light Poles. These bids were opened Thursday, May 22, 2025, at 1:30 PM by the Watertown Municipal Utilities Staff as authorized by the Board.

Residential Street Light Poles: Five bids were received and upon review and recommendation by Magstadt, motion by Carter with second by Brenden to reject all bids due to an error in the specifications.

Commercial Street Light Poles: Five bids were received and upon review and recommendation by Magstadt, motion by Thomas with second by Brenden to award bid to low valid bidder, WESCO, Sioux City, IA, in the amount of \$57,150.00. Motion carried.

ITEM 8202

Open: a) Lehner invited the Board to the Safety Picnic Tuesday, June 3, from 11:30 am - 1:00 pm. b) Lehner and Karst attended the MRES Annual Meeting this month and Karst gave an update. Karst said it was MRES's 60th Annual Meeting. The MRES President and CEO, Matt Schull talked about the Marshall, MN solar project, Watertown Power Plant, and upcoming projects. Samantha McDonald of Kanner & Associates talked about Trumps executive orders on programs such as FEMA and Energy Assistant programs, there has been talk about giving States more control on those programs. Dennis Pidherny, Managing Director of Fitch Ratings spoke about the financial outlook and the data center growth. Jim Horan, Mid-West Electric and Col. Robert Newbauer from the US Arm Corps of Engineers talked about the Corps' infrastructure and WAPA. Several people presented on this years "Light Up Navajo VI", where volunteers go to the Navajo nation, where they connect homes to electricity. The Keynote Speaker was Mark Mayfield, discussed how to build teamwork.

ITEM 8203

Lehner presented to the Board WMU's Personnel Policy updates due to the HB 1218 bill that will go into effect July 1st. The Board Members are asked to look this over and bring any comments or suggestions to next month's Board Meeting, where they will be asked to approve the changes.

ITEM 8204

Magstadt presented the Report on Operations and Projects. Electric Department, Projects Completed this Month: 8 outages for the month and 28 total unscheduled outages for 2025, APPA awarded WMU's electric department with a Certificate of Excellence and Reliability. APPA created the eReliability Tracer Annual Report to assist utilities in their efforts to understand and analyze their electric systems. Gas Department, Projects Completed this Month: Replaced 56M meter at GLE, installed vibration

dampener at GLE, installed anodes and inspected NNG 8" pipe. Water Department Projects Completed this Month: Kade Rumpza passed his class I distribution certification, Projects in Progress: Lead service line customer follow ups. Engineering Tech, Projects Completed this Month: 365 one-call locates for May 1 to May 20, 561 one-call locates for April 2025. Lehner wanted to make the Board aware that we are conducting a Natural Gas Survey. A survey that is required every five years by the Department of Transportation.

ITEM 8205

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects Completed this Month: Completed 30' addition to concrete transformer pad in yard. Projects in Progress: Eide Bailly 2024 Audit, Asphalt and concrete repairs to streets and private properties. Customer Service, Projects Completed this Month: Working on data cleanup in NorthStar and continuing Tyler training, working on our current future state analysis for the ERP Pro 10 utility billing, 15,368 Payments collected for a total of \$5,968,832 and 57,290 services billed for a total of \$5,054,189. Human Resources/Risk Management: Began onboarding summer temps, new hire Zeke Hilmoie, Utility System Engineer, effective Monday, June 16, HB 1218 - draft policy changes created with feedback obtained from department heads. Information Systems Deploying new servers, applying additional security controls - (CIS) controls projects, preparing systems for billing software upgrade, normal monthly IT maintenance and troubleshooting along with Website Stats and top 10 webpages visited.

Statements of Revenue and Expenses and Capital Additions was presented to the Board for review. Year to date net income is \$2,244.00 above budget for the four months ending April 30th, 2025. Total Capital Additions are \$169,088.00 under budget for Four months ending April 30th,2025.

ITEM 8206

Motion made by Carter with second by Brenden to approve the following verified salary claims and bills. Motion carried unanimously upon roll call vote. Total Watertown Municipal Utilities Net Payroll for May 2025 Plus ACH Payroll Payments \$708,205.58. NEW Summer Temps: W. Sime, 19.00/hr. effective 5/12/2025, J. Eidson 19.25/hr. effective 5/12/2025, P. Everson 19.25/hr. effective 5/12/2025.

Name	Payable Description	Payment Amount
JUNE 2, 2025		
3D SERVICES LLC	SERVICE	\$972.50
ABC EMBROIDERY	SERVICE	\$34.65

ADVANCED ENG. AND ENVIRONMENTAL SER., LLC	WTP MASTER PLAN	\$20,411.50
AFLAC	ACCIDENT	\$1,702.31
AQUA-PURE INC	SODIUM TRIPOLYPHOSPHATE	\$3,762.50
AUTO VALUE WATERTOWN	SUPPLIES	\$1,096.44
AUTOMATIC BUILDING CONTROLS	SERVICE	\$622.45
BASCOM-TURNER INSTRUMENTS INC.	SERVICE	\$343.55
BENDIX IMAGING INC	SUPPLIES	\$1,770.97
BLUE OTTER SOLUTIONS, LLC	SURVEY SERVICES	\$5,696.51
BORDER STATES ELECTRIC SUPPLY	30' ST LIGHT POLES AS PER BID	\$220,011.33
BORNS GROUP	POSTAGE & MAILING	\$14,835.60
BURCHATZ CONSTRUCTION COMPANY INC	CONCRETE SLAB, SERVICES	\$18,137.79
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$3,766.13
CHILD SUPPORT PAYMENT CENTER	EMPLOYEE DEDUCTION: CHILD SUPPORT	\$750.00
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$5,280.40
COMMERCIAL CLEANING SERVICES INC.	MARCH & APRIL JANITORIAL SERVICE	\$7,950.00
CONTROL EQUIPMENT SALES, INC	SERVICE - HONEYWELL EC350 CORR.	\$4,790.93
CORE & MAIN LP	VALVE BOX ADAPTORS, TAPPING SLEEV.	\$7,137.27
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$324.50
DAKOTA BODIES LLC	SUPPLIES	\$2,010.00
DAKOTA DATA SHRED	SHREDDING SERVICE	\$94.51
DAKOTA DIRECTIONAL LLC	MULTIPLE ELECTRIC PROJECTS	\$153,486.00
DAKOTA RIGGERS & TOOL	SUPPLIES, SERVICE	\$1,060.66
DAKOTA TUBE INC	ENERGY INCENTIVE REBATE	\$1,251.80
DEPARTMENT OF HEALTH	WATER SAMPLES	\$637.00
DITCH WITCH OF SOUTH DAKOTA, INC	SUPPLIES	\$2,478.29
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$641.39
DTN, LLC	SUBSCRIPTION	\$579.92
DUININCK INC	DIRT, GRAVEL, CRUSHED CONCRETE	\$8,689.07
DUTTON-LAINSON COMPANY	WATER METERS & ERTS AS PER BID	\$24,914.70
DYNAMIC ENGINEERING	SUPPLIES	\$501.50
ELECTRIC MOTORS & MOORE INC	SUPPLIES	\$115.00
EMERGENT SAFETY SUPPLY	SUPPLIES	\$2,245.27
ENERGY ECONOMICS INC	GAS METER	\$4,600.00
ENERGY LABORATORIES INC	WATER TESTING FEES	\$3,167.00
ERICKSON, AARON	REIMBURSEMENT EXPENSE	\$357.40
ETHANOL PRODUCTS LLC	BULK CO2	\$1,726.86
EXHAUST PROS	SUPPLIES	\$184.69
FEDERAL EXPRESS CORP	SERVICE	\$89.44
FIDELITY SECURITY LIFE INSURANCE CO. (EYEMED)	VISION INSURANCE	\$175.51
FOLEY AND FOLEY LAW OFFICE, PC	APRIL LEGAL FEES	\$547.50
GANNETT MEDIA CORP	PUBLISHINGS	\$265.27
GLASS PRODUCTS INC	SERVICE - WATER TREATMENT PLANT	\$14,199.50
GRAINGER	SUPPLIES	\$115.88
GROEBNER	SUPPLIES	\$1,614.10
HAWKINS, INC.	AZONE 15	\$21,508.60
IBEW LOCAL 426	UNION DUES	\$4,479.00
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$119.67
ITRON INC	HARDWARE/SOFTWARE MAINTENANCE	\$13,516.76
J H LARSON COMPANY	SUPPLIES	\$4,662.73
JOE MEDANICH ASPHALT SERVICES	ASPHALT SERVICES	\$12,721.45
JORGENSON & OLSON ASPHALT MAINTENANCE, LLC	ASPHALT SERVICES	\$14,219.70
JUSTIN'S LAWN & TREE SERVICE	SERVICE	\$2,340.00
KAN HUSTON ASSOCIATES LLC	GAS RATE STUDY PROGRESS BILL	\$9,950.00
KARST, ADAM	REIMBURSEMENT EXPENSE	\$380.66
LAKE AREA DOOR	SUPPLIES, SERVICE	\$472.96

LAMB MOTOR CO.	2025 FORD EXPEDITION	\$58,805.00
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$268.80
LOVELIS, WAYNE	REIMBURSEMENT EXPENSE	\$28.00
LYLE SIGNS INC	SUPPLIES	\$1,293.35
M E BARBER CO INC	SUPPLIES	\$384.96
MACK, CHERYL	REIMBURSEMENT EXPENSE	\$202.22
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$2,068.75
MAC'S HARDWARE	SUPPLIES	\$474.90
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$2,834.40
MARCO TECHNOLOGIES LLC	MFILES CONTRACT	\$11,854.20
MATHESON TRI-GAS INC	SUPPLIES	\$169.45
MCKEEVER INC	SUPPLIES	\$367.17
MENARDS INC	SUPPLIES	\$2,019.41
MET LIFE	LIFE INSURANCE	\$1,595.31
MIDCONTINENT COMMUNICATIONS	INTERNET, CABLE & PHONE SERVICE	\$1,896.01
MILBANK WINWATER WORKS	SUPPLIES	\$4,393.23
MISSOURI RIVER ENERGY SERVICES	MOTOR BEARING SURVEY	\$1,169.00
MITCHELL REPAIR INFORMATION COMPANY, LLC	2025 SUBSCRIPTION	\$3,060.00
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$811.01
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$2,490.33
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$8,767.03
NAPA CENTRAL	SUPPLIES	\$1,205.28
OFFICE PEEPS	SUPPLIES	\$639.65
PAYMENTUS GROUP INC.	SERVICE	\$39.80
PETE LIEN & SONS	BULK LIME	\$45,113.13
POMP'S TIRE SERVICE, INC.	SERVICE	\$279.71
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,307.14
PRO LINE INC	SUPPLIES	\$115.00
RELIABANK DAKOTA	FLEX DC	\$6,133.89
RESCO	TRANSFORMERS AS PER BID	\$305,175.40
RISING STAR HYDRAULICS	SUPPLIES	\$1,773.68
RODENBURG LAW FIRM	EMPLOYEE DEDUCTION	\$150.00
RON'S SAW SALES	SUPPLIES	\$481.84
RUNNING'S SUPPLY INC	SUPPLIES	\$1,246.87
SCOTT ENGINEERING CO	SERVICE - RAUVILLE SPILLWAY PROJECT	\$1,600.00
SD ONE CALL	LOCATES	\$607.95
SD PUBLIC UTILITIES COMMISSION	PIPELINE SAFETY ASSESSMENT	\$6,053.73
SENSIT TECHNOLOGIES LLC	SERVICE	\$1,465.07
SHERWIN WILLIAMS CO	SUPPLIES	\$30.45
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$7,197.01
SPEE-DEE DELIVERY SERVICE INC	SERVICE	\$84.90
STAN HOUSTON EQUIP CO	SUPPLIES	\$610.30
STAR LAUNDRY	SERVICE	\$553.36
STUART C IRBY CO	TRANSFORMERS	\$146,250.00
SUTTEN, RODNEY N	REIMBURSEMENT EXPENSE	\$151.20
TEREX USA, LLC	SERVICE - UNIT 24	\$7,406.13
TERMINAL SUPPLY CO.	SUPPLIES	\$41.93
TERRY-DURIN CO.	SUPPLIES	\$4,935.94
TITAN MACHINERY- WTN	SERVICE	\$2,410.53
TOSHIBA FINANCIAL SERVICES	COPIER LEASE	\$508.09
TRAV'S OUTFITTER	SAFETY CLOTHING	\$809.94
TWO WAY SOLUTIONS, INC.	SUPPLIES	\$1,567.90
TWOTREES TECHNOLOGIES	2025 SERVER REFRESH	\$43,529.39
TYLER TECHNOLOGIES	NEW BILLING SOFTWARE	\$107,677.00
USA BLUEBOOK	SUPPLIES	\$946.37

VERMEER HIGH PLAINS	PLOW BLADE	\$2,586.36
WATERTOWN AREA CHAMBER OF COMMERCE	SUPPLIES	\$1,000.00
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN FORD CHRYSLER	SUPPLIES - UNIT 26	\$2,148.25
WATERTOWN UNITED WAY	United Way	\$240.00
WAYTEK INC	SUPPLIES	\$559.09
WESCO DISTRIBUTION INC	BASEMENTS	\$44,818.86
WINSUPPLY OF WATERTOWN	SUPPLIES	\$413.45
WW TIRE SERVICE INC	SUPPLIES	\$2,954.95
	TOTAL	\$1,495,979.19

Total June 2025 \$1,495,979.19; Transfer to City's General Fund \$124,117.00, Muni Utilities Electric Water Gas \$45,106.98; Missouri River Energy Services Power \$1,568,972.03; BP Canada Energy Marketing Natural Gas \$96,896.25; Dept. of Revenue Sales/Excise Tax \$202,277.33; CPEP #3 Natural Gas \$39,726.75, CPEP #4 Natural Gas \$54,305.25, CPEP #5 Natural Gas \$125,782.80, CPEP #3 Hedge \$11,874.55, CPEP #4 Hedge \$4,654.65, City Finance Office Garbage/Sewer \$839,614.13.

ITEM 8207

Pursuant to SDCL 1-25-2(3) Brenden moved with second by Larkin to move to Executive Session. The Board does not expect to take-action when they reconvene to the regular session. Motion carried.

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

Motion by Larkin with second by Thomas 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 29th, day of May, 2025.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

Mike Luken
Board President
Municipal Utilities Department

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Monday, June 30th, 2025

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, June 30th, 2025, at 12:00 p.m. with Board President Mike Luken presiding.

Board members present: Mike Luken, Dan Brenden, Rich Thomas, Charlie Larkin, and Chris Carter. Board Liaison, member of City Council, Mike Danforth, absent. Staff members present: Steve Lehner, Adam Karst, Bert Magstadt, Wayne Lovelis, Aaron Erickson, Mark Meier, Dan LeVasseur, Zeke Hilmoe, Cheryl Mack, Gina Brown, and Lisa Pahl. Attorney Vince Foley, absent. Guest, Steve Jurrens, KXLG Radio.

ITEM 8208

Motion by Larkin with second by Brenden to approve the agenda. Motion carried.

ITEM 8209

Motion by Carter with second by Thomas to approve minutes of Regular Board Meeting from May 29th, 2025. Motion carried.

ITEM 8210

Public Comment - None

ITEM 8211

This being the time and place set for consideration of bids, the following was presented. Bids for Residential Street Light Poles. These bids were opened Thursday, June 26, 2025, at 1:30 PM by the Watertown Municipal Utilities Staff as authorized by the Board.

Residential Street Light Poles: Seven bids were received and upon review and recommendation by Magstadt, motion by Thomas with second by Brenden to award bid to low valid bidder, Border States Electric, Sioux Falls, SD in the amount of \$32,042.25.

ITEM 8212

Motion by Larkin with a second by Brenden to Approve changes to the Personnel Policy Manual sections 701, 702, and 708 to comply with HB 1218 state law. Motion carried.

ITEM 8213

Open: a) Lehner presented the bill stuffer which featured two topics - Two-sided Cookin' on Kampeska and Preventing Storm Water Pollution. b) Magstadt informed the Board about the Water Hydrant Flushing Program. c) Larkin updated the Board on the APPA meeting he attended earlier this month in New Orleans. He highlighted two particularly noteworthy sessions - one focused on artificial intelligence and the other on nuclear energy. d) Lehner also reported on the MECA meeting he attended earlier this month in Helena, MT. Jim Horan, Executive Director of MECA, has submitted his resignation. Chris Studer was appointed interim director, and an executive search firm has been hired to find a permanent replacement. The newly formed WAPA efficiency committee created to improve processes with WAPA, gave an update on the progress thus far.

ITEM 8214

Magstadt presented the Report on Operations and Projects. Magstadt introduced Zeke Hilmoie as the new Utility Systems Engineer. Electric Department, Projects Completed this Month: 8 outages for the month and 36 total unscheduled outages for 2025, installed three-phase primary at Northstar System Built Homes replacing trans-closures, installed three-phase primary at Hometown Builders replacing three-phase overhead service and transformers. Gas Department, Projects Completed this Month: Installed 3000' of 2" plastic at KAK addition, installed 1850' of 2" plastic at Valley View, and installed 800' of 2" plastic at Court House to abandon the steel main that had a leak, and Natural Gas Safety Awareness Survey completed by Blue Otter, Neil Frost passed his first welding class. Water Department Projects Completed this Month: 1 main break for a total of 12 through 2025, contractor hit 4" cast water main at N Maple and 1st Ave SE while replacing sewer line downtown, hydrant maintenance - installed new fire hydrant at 4th St SE and 8th Ave SE to replace old hydrant at McDonalds, Well #39A is operational. Engineering Tech, Projects Completed this Month: 448 one-call locates for June 1st to June 24th, 2025, 593 one-call locates for May 2025.

ITEM 8215

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects Completed this Month: Ordering, receiving, and stocking material, Eide Bailly 2024 audit. Upcoming Projects: Review keycard access door security system options,

scope of work and cost, prepare surplus vehicles & equipment for Purple Wave online auction. Customer Service Projects Completed this Month: Working on our current future state analysis for the ERP Pro 10 Utility Billing, 15,474 Payments collected for a total of \$5,572,748 and 57,676 services billed for a total of \$4,6784,647. Human Resources/Risk Management: Onboarding completed for summer temps, onboarding new hire Zeke Hilmoie, Utility System Engineer, HB 1218 - presented draft policy changes to employees at the June Safety Meeting, attended the SMDL HR school in Pierre, and attended the LEAD course at MRES in Sioux Falls. Information Systems: Applying Center for Internet Security (CIS) benchmark, preparing systems for billing software upgrade, normal monthly IT.

Statements of Revenue and Expenses and Capital Additions were presented to the Board for review. Year to date net income is \$86,452 below budget for the five months ending May 31st, 2025. Total Capital Additions are \$904,356 under budget for five months ending May 31st,2025.

ITEM 8216

Motion made by Carter with second by Brenden to approve the following verified salary claims and bills. Motion carried unanimously upon roll call vote. Total Watertown Municipal Utilities Net Payroll for July 2025 Plus ACH Payroll Payments \$752,631.35. Add: Z. Hilmoie, \$8,750/Mo. effective 6/16/2025, Changes: A. Thorson 37.88/hr. effective 6/2/2025, C. Brenden \$39.90/hr. effective 5/23/2025.

Name	Payable Description	Payment Amount
July 1, 2025		
3D SERVICES LLC	SERVICE	\$305.00
ABC EMBROIDERY	SERVICE	\$44.55
ADVANCED ENGINEERING AND ENVIRONMENTAL SERVICES, LLC	UNIDIRECTIONAL FLUSHING PROGRAM	\$34,932.05
AFLAC	ACCIDENT	\$1,702.31
A-OX WELDING SUPPLY INC	SUPPLIES	\$686.25
APPLIED INDUSTRIAL TECH INC	WTP: BEARING BLOCK SIDE 3	\$3,405.14
AUTO VALUE WATERTOWN	SUPPLIES	\$493.21
BENDIX IMAGING INC	SUPPLIES	\$913.94
BORDER STATES ELECTRIC SUPPLY	TRANSFORMERS AS PER BID	\$29,405.69
BORNS GROUP	POSTAGE & MAILING	\$11,388.14
BUTLER MACHINERY CO	SUPPLIES	\$3,404.34
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$12,234.34
CITY OF WATERTOWN	MISCELLANEOUS FEES	\$52.05
CLIMATE SYSTEMS INC	SUPPLIES	\$2,153.91
CODINGTON COUNTY REGISTER OF DEEDS	SUPPLIES	\$51.00
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$5,722.56
COMMERCIAL CLEANING SERVICES INC.	JANITORIAL SERVICES	\$3,975.00
CONSULTING ENGINEERS GROUP INC	SERVICE - UPTOWN FEEDER RELAY SETTINGS	\$4,920.00
CORE & MAIN LP	TAPPING VALVES	\$23,603.64
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$454.70
DAKOTA BODIES LLC	SERVICE BODY - UNIT 1	\$31,675.00
DAKOTA DATA SHRED	SHREDDING SERVICE	\$94.51
DAKOTA DIRECTIONAL LLC	SERVICES - MULTIPLE ELECTRIC PROJECTS	\$266,264.84
DANR	ANNUAL ENVIRONMENTAL FEE	\$7,000.00
DAVENPORT, EVANS, HURWITZ & SMITH, L.L.P.	LEGAL FEES FOR DW-04 LOAN	\$24,877.61
DEPARTMENT OF HEALTH	WATER SAMPLES	\$679.00
DISCOUNT SEEDS, INC.	LUXURY LAWN SEED	\$1,125.00
DITCH WITCH OF SOUTH DAKOTA, INC	SUPPLIES	\$872.74

DLT SOLUTIONS, LLC	2025 SUBSCRIPTION	\$8,880.00
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$2,217.10
DTN, LLC	SUBSCRIPTION	\$579.92
DUININCK INC	GRAVEL, CRUSHED CONCRETE, ROCK	\$9,389.19
DUTTON-LAINSON COMPANY	WATER ERTS	\$102,069.00
EASTSIDE EQUIPMENT	SUPPLIES	\$133.67
ELITE DRAIN AND SEWER CLEANING	SERVICE	\$145.00
ENERGY LABORATORIES INC	WATER TESTING FEES	\$466.00
ETHANOL PRODUCTS LLC	BULK CO2	\$3,008.34
FEDERAL EXPRESS CORP	SERVICE	\$6.31
FIDELITY SECURITY LIFE INSURANCE CO. (EYEMED)	VISION INSURANCE	\$175.51
FOLEY AND FOLEY LAW OFFICE, PC	MAY LEGAL FEES	\$1,965.00
G & R CONTROLS INC.	REPLACE CO2 SENSORS	\$3,582.00
GANNETT MEDIA CORP	PUBLISHINGS	\$304.06
GLOBAL SAFETY NETWORK	SERVICE	\$127.44
GRAINGER	SUPPLIES	\$1,132.66
GROEBNER	SUPPLIES	\$362.97
GROSZ ESCAVATING	LEAD SERVICE LINE REPLACEMENT	\$11,294.56
HAWKINS, INC.	AZONE 15	\$29,821.58
IBEW LOCAL 426	UNION DUES	\$4,479.00
J H LARSON COMPANY	SUPPLIES	\$6,063.96
JOHNSON CONTROLS INC	SERVICE	\$265.71
JORGENSON & OLSON ASPHALT MAINTENANCE, LLC	ASPHALT SERVICES	\$4,102.27
JURGENS PRINTING INC	SUPPLIES	\$103.00
JUSTIN'S LAWN & TREE SERVICE	SERVICE	\$800.00
KOONS GAS MEASUREMENT	GAS METERS AS PER BID	\$99,445.69
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$436.80
LOCATORS & SUPPLIES INC	SUPPLIES	\$41.98
MACK, CHERYL	REIMBURSEMENT EXPENSE	\$464.00
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$473.89
MAC'S HARDWARE	SUPPLIES	\$130.20
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$80.00
MATHESON TRI-GAS INC	SUPPLIES	\$174.70
MCKEEVER INC	SUPPLIES	\$412.17
MENARDS INC	SUPPLIES	\$1,050.27
MET LIFE	LIFE INSURANCE	\$1,596.61
MIDCONTINENT COMMUNICATIONS	INTERNET, CABLE & PHONE SERVICE	\$1,896.01
MILBANK WINWATER WORKS	SUPPLIES	\$1,155.81
MISSOURI RIVER ENERGY SERVICES	TRAINING EXPENSE	\$5,100.00
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$452.67
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$2,494.42
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$6,243.92
NAPA CENTRAL	SUPPLIES	\$57.32
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$915.94
OFFICE PEEPS	OFFICE FURNITURE	\$4,194.98
PARA UX LLC	SERVICE	\$87.50
PAYMENTUS GROUP INC.	SERVICE	\$19.90
PETE LIEN & SONS	BULK LIME	\$43,271.53
PHEASANTLAND INDUSTRIES	SAFETY CLOTHING	\$2,250.14
POMP'S TIRE SERVICE, INC.	SERVICE	\$191.93
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,307.14
RELIABANK DAKOTA	FLEX DC	\$6,133.89
RESCO	ELBOW ARRESTORS, SUPPLIES	\$10,567.38
RODENBURG LAW FIRM	EMPLOYEE DEDUCTION	\$150.00
RON'S SAW SALES	SUPPLIES	\$464.80
RUNNING'S SUPPLY INC	SUPPLIES	\$264.57
SANFORD WATERTOWN OCCUPATIONAL MEDICINE	SERVICE	\$646.00
SD ONE CALL	LOCATES	\$639.45
SD PUBLIC ASSURANCE ALLIANCE	INSURANCE - 2025 FORD EXPEDITION	\$134.63
SENTRY, LLC	WTP - GATE	\$39,792.48
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$7,753.61
STAN HOUSTON EQUIP CO	RENTAL	\$795.00
STAR LAUNDRY	SERVICE	\$557.02
STUART C IRBY CO	SUPPLIES	\$1,767.03
SUTTEN, RODNEY N	REIMBURSEMENT EXPENSE	\$296.80
SUTTON LAWN & SNOW LLC	LAWN CARE	\$2,827.00
TERRY-DURIN CO.	SUPPLIES	\$113.97
TITAN MACHINERY- WTN	SUPPLIES	\$963.60
TOSHIBA FINANCIAL SERVICES	COPIER LEASE	\$627.75
TRAV'S OUTFITTER	SAFETY CLOTHING	\$2,449.77
TWOTREES TECHNOLOGIES	SOFTWARE MAINTENANCE	\$4,378.95
TYLER TECHNOLOGIES	NEW BILLING SOFTWARE	\$5,770.00
TYNDALE COMPANY INC	SAFETY CLOTHING	\$395.95
UPS	SERVICE	\$20.81
USA BLUEBOOK	SUPPLIES	\$834.01
WATERTOWN BOX CORP	SUPPLIES	\$57.50

WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN FORD CHRYSLER	SUPPLIES	\$33.00
WATERTOWN UNITED WAY	United Way	\$240.00
WATTS REGULATOR COMPANY	SUPPLIES	\$2,416.77
WESCO DISTRIBUTION INC	WIRE AS PER BID	\$69,737.84
WILTECH INC	SERVICE	\$2,031.50
ZEP SALES AND SERVICE	SUPPLIES	\$145.21
	TOTAL	\$1,009,552.58

Total July 2025 \$1,009,552.58; Transfer to City's General Fund \$124,117.00, City of Watertown for Eide Bailly \$10,290.00, Muni Utilities Electric Water Gas \$48,530.23; Missouri River Energy Services Power \$1,632,215.89; BP Canada Energy Marketing Natural Gas \$25,869.58; Dept. of Revenue Sales/Excise Tax \$172,264.64; CPEP #3 Natural Gas \$15,098.16, CPEP #4 Natural Gas \$19,782.26, CPEP #5 Natural Gas \$50,672.29, CPEP #3 Hedge \$6,942.60, CPEP #4 Hedge \$2,863.80, City Finance Office Garbage/Sewer \$853,526.42.

ITEM 8217

Pursuant to SDCL 1-25-2(3) Larkin moved with second by Brenden to move to Executive Session. The Board does not expect to take-action when they reconvene to the regular session. Motion carried.

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

Motion by Larkin 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 30th, day of June, 2025.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

Mike Luken
Board President
Municipal Utilities Department

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Monday, July 28th, 2025

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, July 28th, 2025, at 12:00 p.m. with Board Vice President Dan Brenden presiding.

Board members present: Dan Brenden, Rich Thomas, Charlie Larkin, and Chris Carter. Board President Mike Luken, absent. Staff members present: Steve Lehner, Adam Karst, Bert Magstadt, Aaron Erickson, Brian Benson, Mark Meier, Dan LeVasseur, Rod Suttan, Zeke Hilmoe, Cheryl Mack, Gina Brown, Lisa Pahl, and Attorney Vince Foley. Guests: Steve Jurrens, KXLG Radio, Roger Whittle, Watertown Current, Mayor Reid Holien, Alan Stager, City Manager, and Lisa Carrico, City Attorney.

ITEM 8218

Motion by Thomas with second by Larkin to approve the agenda. Motion carried.

ITEM 8219

Motion by Carter with second by Thomas to approve minutes of Regular Board Meeting from June 30th, 2025. Motion carried.

ITEM 8220

Public Comment - Lehner introduced new City Manager, Alan Stager.

ITEM 8221

Motion by Larkin with second by Carter to authorize the General Manager to sign Amendment #1 to task order No. 4 with DGR Engineering for 115 kV Transmission line rebuild for a total price of \$212,900. Motion carried.

ITEM 8222

Motion by Carter with a second by Thomas to authorize the General Manager to sign an Addendum to the Water Tank Maintenance Contract with Utility Service Co., Inc. This will add \$512.00 per contract year per tank and \$140,465.00 over a three-year period starting in 2026 for lead containment and exterior blast. Motion carried.

ITEM 8223

Watertown Municipal Utilities Attorney Vince Foley gave a review of the South Dakota Open Meeting Laws per SDCL 1-25-13. The new law mandates that the Open Meeting Laws are reviewed annually.

ITEM 8224

Open: a) Magstadt explained the bill stuffer Hydrant Flushing Letter b) Magstadt, Erickson, and Larkin updated the Board on the APGA meeting they attended earlier this month in Coeur d'Alene, Idaho. Things highlighted were the AI session, changes that will take place with the "Big Beautiful Bill", and coal fired generation. c) Lehner gave an invitation to the Board to attend the MRES Leadership Academy, Sept. 17-18, Sioux Falls, SD.

ITEM 8225

Magstadt presented the Report on Operations and Projects. Electric Department, Projects Completed this Month: 7 outages for the month and 43 total unscheduled outages for 2025, updated the Board on last night's storm, energized new three-phase transformer at Glacial Lakes Energy, wrecked out single-phase overhead lines on 5th St. NE between 5th & 7th Ave. Gas Department, Projects Completed this Month: Replaced 16M meter and the strainer cage at Crenlo, The strainer was partially plugged, abandoned 500' of 2" steel main on 1st Ave SE and Maple to eliminate leak. Water Department, Projects Completed this Month: Abandoned hydrant on S Maple, replaced two lead service lines, working on cathodic protection on the Rauville Wells. Engineering Tech, Projects Completed this Month: 303 one-call locates for July 1st to July 16th, 2025, 511 one-call locates for June 2025, 10-year average is 1,790 for a 10% increase and staking and locating projects.

ITEM 8226

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects in Progress: Eide Bailly 2024 audit, reviewing keycard access door security system options, scope of work, and cost, Purple Wave online auction is currently live and closes on August 19th. Customer Service: Working on data cleanup in NorthStar and continuing Tyler training, working on our current future state analysis for the ERP Pro 10 utility billing, 15,534 Payments collected for a total of \$5,264,818 and 58,100 services billed for a total of \$5,299,251. Human Resources/Risk Management: Attended MRES-Tyler Round Table event in Sioux Falls, Reviewing the impact of the "Big Beautiful Bill Act" - no tax on overtime for years 2025 through 2028, FSA dependent care contribution limit increase from \$5,000 to \$7,500, reduction in Affordable Care Act Tax

credits, increase on 1099 reporting threshold from \$600 to \$2,000. Information Systems: Working on 2025 server upgrade, 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 \$301,955 below budget for the six months ending June 30th, 2025. Total Capital Additions are \$1,435,227 under budget for six months ending June 30th, 2025.

ITEM 8227

Motion made by Carter with second by Larkin to approve the following verified salary claims and bills. Motion carried unanimously upon roll call vote. Total Watertown Municipal Utilities Net Payroll for August 2025 Plus ACH Payroll Payments \$704,294.37. Change: A. Erickson, \$10,138/mo. Effective 7/1/2025, R. Suttan, \$8,263/mo. Effective 7/1/2025, C. Mack \$9,042/mo. Effective 7/1/2025, K. Rumpza \$29.93/hr. effective 7/6/2025, N. Frost \$44.80/hr. effective 6/25/2025.

Name	Payable Description	Payment Amount
AUGUST 1, 2025		
ABC EMBROIDERY	SERVICE	\$19.80
ACTIVE HEATING INC	SERVICE - REPAIR GLYCOL LEAK	\$3,955.17
ADVANCED ENGINEER. AND ENVIRON. SERVICES, LLC	WTP MASTER PLAN	\$17,100.50
AFLAC	ACCIDENT	\$1,702.31
AQUA-PURE INC	SODIUM TRIPOLYPHOSPHATE	\$5,000.00
AUTO VALUE WATERTOWN	SUPPLIES	\$373.59
BORDER STATES ELECTRIC SUPPLY	ELECTRIC METERS	\$16,566.49
BORNS GROUP	POSTAGE & MAILING	\$11,253.66
BURCHATZ CONSTRUCTION COMPANY INC	CONCRETE PATCHES	\$9,736.55
BUTLER MACHINERY CO	ANNUAL CONTRACT	\$9,365.76
CHARLES LARKIN	REIMBURSEMENT EXPENSE	\$1,073.91
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$6,341.72
CITY OF WATERTOWN	DONATION	\$2,000.00
CODINGTON COUNTY REGISTER OF DEEDS	SUPPLIES	\$21.00
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$6,145.04
COMMERCIAL CLEANING SERVICES INC.	JUNE/JULY JANITORIAL SERVICE	\$7,950.00
CORE & MAIN LP	VALVES, ELBOWS, SUPPLIES	\$34,866.18
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$36.56
DAKOTA DATA SHRED	SHREDDING SERVICE	\$94.51
DAKOTA DIRECTIONAL LLC	SERVICE - ELECTRIC PROJECTS	\$274,756.45
DEPARTMENT OF HEALTH	WATER SAMPLES	\$452.00
DIESEL MACHINERY INC	SUPPLIES	\$910.92
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$472.17
DTN, LLC	SUBSCRIPTION	\$579.92
DUININCK INC	GRAVEL & ROCK	\$6,903.56
EIDE BAILLY LLP	2024 F/S AUDIT PROGRESS BILLING	\$11,933.25
ELEMENT MATERIALS TECHNOLOGY	SERVICE	\$765.00
ENERGY LABORATORIES INC	WATER TESTING	\$1,496.00

ETHANOL PRODUCTS LLC	BULK CO2	\$1,535.34
FASTENAL COMPANY	SUPPLIES	\$618.00
FEDERAL EXPRESS CORP	SUPPLIES	\$138.71
FIDELITY SECURITY LIFE INSURANCE CO. (EYEMED)	VISION INSURANCE	\$212.03
FOLEY AND FOLEY LAW OFFICE, PC	JUNE LEGAL FEES	\$945.00
GANNETT MEDIA CORP	PUBLISHINGS	\$230.48
GRAINGER	SUPPLIES	\$83.31
GROEBNER	SERVICE	\$667.58
GROSZ ESCAVATING	LEAD SERVICE LINE REPLACEMENT	\$11,090.48
HALME, INC.	REPLACEMENT OF CAST IRON MAINS	\$255,243.22
HAWKINS, INC.	AZONE 15	\$22,075.43
IBEW LOCAL 426	UNION DUES	\$4,522.00
INDUSTRIAL SALES COMPANY, INC	SUPPLIES	\$548.00
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$196.60
J H LARSON COMPANY	SUPPLIES	\$2,453.69
JORGENSON & OLSON ASPHALT MAINTENANCE, LLC	ASPHALT SERVICE	\$10,989.38
KARST, ADAM	REIMBURSEMENT EXPENSE	\$147.66
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$325.20
LOCATORS & SUPPLIES INC	SUPPLIES	\$55.04
LOVELIS, WAYNE	REIMBURSEMENT EXPENSE	\$408.20
MAC'S HARDWARE	SUPPLIES	\$399.55
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$680.40
MATHESON TRI-GAS INC	SUPPLIES	\$169.45
MCKEEVER INC	SUPPLIES	\$297.17
MENARDS INC	SUPPLIES	\$871.94
MET LIFE	LIFE INSURANCE	\$1,596.61
MIDCONTINENT COMMUNICATIONS	INTERNET, CABLE & PHONE SERVICE	\$1,891.68
MINNESOTA MUNICIPAL UTILITIES ASSN	SAFETY PROGRAM	\$9,514.00
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$392.76
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$2,690.65
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$15,992.29
NAPA CENTRAL	SUPPLIES	\$727.14
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$527.82
NOVA FIRE PROTECTION INC	INSPECTION	\$390.00
NOVASPECT, INC.	DISC HOLDER, FILTER CARTRIDGES	\$5,101.91
OFFICE PEEPS	OFFICE SUPPLIES	\$2,204.06
O'REILLY AUTOMOTIVE INC	SUPPLIES	\$52.87
PARA UX LLC	SERVICE	\$175.00
PAYMENTUS GROUP INC.	SERVICE	\$109.45
PETE LIEN & SONS	BULK LIME	\$32,958.13
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,662.82
PRO LINE INC	SUPPLIES	\$248.50
PYE-BARKER FIRE & SAFETY LLC	FIRE EXT. INSPECTION	\$3,424.50
RELIABANK DAKOTA	FLEX DC	\$6,133.89
RIDDLE'S GLASS	SERVICE	\$428.64
RODENBURG LAW FIRM	EMPLOYEE DEDUCTION	\$150.00
RON'S SAW SALES	SUPPLIES	\$308.99
RUNNING'S SUPPLY INC	SUPPLIES	\$660.93
SANFORD WATERTOWN OCCUPATIONAL MEDICINE	SERVICE	\$231.00
SD ONE CALL	LOCATES	\$559.65
SD PUBLIC ASSURANCE ALLIANCE	INSURANCE - (2) 2025 FORD F550(S)	\$894.65
SDSU FOUNDATION ACCT #70507	CENTER FOR POWER SYSTEMS STUDY	\$550.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$7,439.02
SIR LINES-A-LOT, LLC	SERVICE	\$2,668.00
STAN HOUSTON EQUIP CO	SUPPLIES	\$3,179.60

STAR LAUNDRY	SERVICE	\$575.66
STUART C IRBY CO	PME SWITCHGEAR AS PER BID	\$81,622.75
SUTTON LAWN & SNOW LLC	LAWN CARE	\$3,624.00
TEREX USA, LLC	SERVICE - UNIT 45	\$1,204.38
THEIN WELL	WELL #39 REPLACEMENT	\$629,415.00
TITAN MACHINERY- WTN	SUPPLIES	\$493.70
TITAN MACHINERY-SF	SUPPLIES	\$1,489.41
TOSHIBA FINANCIAL SERVICES	COPIER LEASE	\$320.00
TRAV'S OUTFITTER	SAFETY CLOTHING	\$639.94
TWOTREES TECHNOLOGIES	COMPUTER, SUPPLIES	\$7,000.95
ULINE INC	SUPPLIES	\$996.99
USA BLUEBOOK	SUPPLIES	\$653.10
VEGA AMERICAS INC.	SUPPLIES	\$1,399.38
VESSCO INC	WTP - PUMPHEADS	\$3,345.12
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN LAWN & GARDEN	SUPPLIES	\$127.00
WATERTOWN UNITED WAY	United Way	\$240.00
WATERTOWN WHOLESALE INC	SUPPLIES	\$1,702.05
WESCO DISTRIBUTION INC	SUPPLIES	\$3,090.49
WW TIRE SERVICE INC	SERVICE	\$214.95
	TOTAL	\$1,596,485.31

Total July 2025 \$1,596,485.31; US Bank Nat'l Assoc. \$10,250.59, US Bank Nat'l Assoc. \$4,087.05, Transfer to City's General Fund \$124,117.00, Muni Utilities Electric Water Gas \$51,594.32; Missouri River Energy Services Power \$2,283,827.33; BP Canada Energy Marketing Natural Gas \$23,277.33; Dept. of Revenue Sales/Excise Tax \$198,847.21; CPEP #3 Natural Gas \$9,406.88, CPEP #4 Natural Gas \$13,472.63, CPEP #5 Natural Gas \$30,624.00, CPEP #3 Hedge \$6,679.26, CPEP #4 Hedge \$2,134.35, City Finance Office Garbage/Sewer \$854,414.31.

ITEM 8228

The Board set the date of Tuesday, August 26, 2025, at noon for the August Board Meeting.

Pursuant to SDCL 1-25-2(6d) for Cybersecurity Report. With no action coming out of Executive Session. Carter moved with second by Larkin to move to Executive Session. Motion carried.

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

Motion by Carter with second by Thomas 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 July, 2025.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

Dan Brenden
Board Vice President
Municipal Utilities Department

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Tuesday, August 26th, 2025

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Tuesday, August 26th, 2025, at 12:00 p.m. with Board President Mike Luken presiding.

Board members present: Mike Luken, Dan Brenden, Rich Thomas, Charlie Larkin, and Chris Carter via telephone. Board Liaison, member of City Council, Kyle Peters. Staff members present: Steve Lehner, Adam Karst, Bert Magstadt, Wayne Lovelis, Aaron Erickson, Brian Benson, Mark Meier, Dan LeVasseur, Rod Suttan, Zeke Hilmoie, Cheryl Mack, Gina Brown, Lisa Pahl, and Attorney Vince Foley. Guests: Michael Kan of KHA Consulting LLC., Alan Stager, Watertown City Manager.

ITEM 8229

Motion by Thomas with second by Brenden to approve the agenda. Motion carried.

ITEM 8230

Motion by Larkin with second by Brenden to approve minutes of Regular Board Meeting from July 28, 2025. Motion carried.

ITEM 8231

Public Comment - None

ITEM 8232

Motion by Brenden with second by Thomas to declare emergency repair to replace back-up generator at the Rauville Well Field. Motion carried.

ITEM 8233

This being the time and place set for consideration of bids, the following were presented. Bid for Wire. The Bid was opened Thursday, August 21, 2025, at 1:30 PM by the Watertown Municipal Utilities Staff as authorized by the Board.

Wire: One bid was received and upon review and recommendation by Magstadt, motion by Larkin with second by Brenden to award bid to low valid bidder WESCO, Sioux City, IA for \$499,500.00 for Items 1 & 2. Motion carried.

ITEM 8234

The Gas Rate Cost of Service and Rate Design Study was presented by Michael Kan of KHA Consulting LLC. Kan provided an overview of the cost components associated with serving different customer classes. He also shared a comparative analysis, demonstrating that Watertown's gas rates are the lowest among neighboring utilities at typical usage levels. KHA Consulting LLC recommended adopting the proposed rates through a phased-in approach, utilizing financial reserves to ease the impact of any rate changes on customers. Additionally, the implementation of a purchased gas adjustment clause was advised. The board did not take immediate action on these recommendations, opting instead to review the study and proposed measures further during the budget process.

ITEM 8235

Open: Lehner presented the two bill stuffers a) Sump Pump Variance and b) Fighting the Emerald Ash Borer.

ITEM 8236

Magstadt presented the Report on Operations and Projects. Electric Department, Projects Completed this Month: 35 outages for the month and 78 total unscheduled outages for 2025, updated the Board on the August 5 & 6 and August 16th storm damage, replaced trans-closure at LATC with new three-phase pad mount transformer, did a walk through at the East Sub 115 kVA line with DGR. Gas Department, Projects Completed this Month: Replaced 11M meter at Twin City Die and cut in a 2" curb valve, opened the bypass on the NBPL line heater to maximize contact time in water bath. Water Department, Projects Completed this Month: Main breaks for August - Halme hit water main on 2nd Ave project, we received lead service line letters back from customers a total of 1,038 identified as non-lead with 1364 unknown remaining. Projects in Progress: Halme to start on Cast Iron Main Project. Projects Starting Next Month: Started flushing and will flush again the second Tuesday in September. Engineering Tech, Projects Completed this Month: 431 one-call locates for August 1st to August 20th, 2025, 567 one-call locates for July 2025. Projects in Progress: Working on 6" permits for next year.

ITEM 8237

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Pye-Barker Fire & Safety successfully completed inspections of fire suppression equipment in IT room and uptown substation; all systems passed inspection, Purple Wave online auction for surplus equipment concluded on August 19 with 5 items

selling for \$30,400. Projects in Progress: Working on 2026 budget items, Eide Bailly 2024 audit. Customer Service: Working on data cleanup in NorthStar and continuing Tyler training, Tyler go-live date is scheduled for January 2026, 15,805 Payments collected for a total of \$5,780,823 and 58,082 billed for a total of \$5,628,616. Human Resources/Risk Management: Completed South Dakota Public Assurance Alliance annual property and liability insurance renewal for August 1, 2025 - July 31, 2026 this is up 12%, retirement of Rob Mack, Water Plant Operator, effective January 2026, posted Water Plant Operator both internally and externally, attended Tyler User Group training in Madison also a MRES round table in Sioux Falls. Information Systems: Working on Budget items, working on 2025 server upgrade, 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 \$181,179 below budget for the seven months ending July 31st, 2025. Total Capital Additions are \$1,063,163 under budget for seven months ending July 31st, 2025.

ITEM 8238

Motion made by Thomas with second by Larkin to approve the following verified salary claims and bills. Motion carried unanimously upon roll call vote. Total Watertown Municipal Utilities Net Payroll for August 2025 Plus ACH Payroll Payments \$765,989.73. Term: J. Eidson, effective 7/31/2025, S, Karst, effective 8/14/2025, M. Fossum, effective 8/18/2025, and T. Meidinger effective 8/18/2025.

Name	Payable Description	Payment Amount
SEPTEMBER 1, 2025		
3D SERVICES LLC	SERVICE	\$220.00
ABC EMBROIDERY	SERVICE	\$54.45
ADV. ENGINEERING AND ENVIRON.SERVICES, LLC	WTP MASTER PLAN	\$40,830.50
AFLAC	ACCIDENT	\$1,702.31
ANDOR INC	GAS METER PIPING SERVICES	\$7,495.00
AQUA-PURE INC	SODIUM TRIPOLYPHOSPHATE	\$3,762.50
ARROW EDUCATION FOUNDATION OFFICE	HARVEST 2025	\$1,000.00
AUTO VALUE WATERTOWN	SUPPLIES	\$638.83
AVA MARIA SCHOOL	ENERGY INCENTIVE REBATE	\$7,000.00
BATTERIES UNLIMITED INC	SUPPLIES	\$410.00
BERNARD MASON	ENERGY INCENTIVE REBATE	\$400.00
BERNIES BODY & GLASS	SERVICE	\$126.00
BORDER STATES ELECTRIC SUPPLY	ELBOW SLEEVES, PEDESTAL CONNECTORS,	\$27,274.55
BORNS GROUP	POSTAGE & MAILING	\$13,383.39
BROWN, GINA L	REIMBURSEMENT EXPENSE	\$143.41
BURCHATZ CONSTRUCTION COMPANY INC	2025 CONCRETE PATCH WORK	\$7,824.12
BUTLER MACHINERY CO	SERVICE	\$172.00
CENTER FOR INTERNET SECURITY, INC.	SOFTWARE MAINTENANCE	\$1,995.00
CHARLES LARKIN	REIMBURSEMENT EXPENSE	\$1,427.93

CHASE CARDMEMBER SERVICE	CREDIT CARD	\$7,885.95
CLIMATE SYSTEMS INC	SUPPLIES	\$155.33
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$6,424.64
COLOURS, INC.	SUPPLIES	\$654.56
COMMERCIAL CLEANING SERVICES INC.	JANITORIAL SERVICE	\$3,975.00
CONTROL EQUIPMENT SALES, INC	GAS CORRECTORS SUPPLIES	\$13,579.16
CORE & MAIN LP	SUPPLIES	\$9,581.18
CREATIVE REWARDS	SUPPLIES	\$20.00
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$457.54
DAKOTA BODIES LLC	SERVICE BODY UNIT 10	\$49,379.00
DAKOTA DATA SHRED	SHREDDING SERVICE	\$94.51
DAKOTA DIRECTIONAL LLC	SERVICES - MULTIPLE ELECTRIC PROJECTS	\$340,499.00
DEPARTMENT OF HEALTH	WATER SAMPLES	\$852.00
DGR ENGINEERING	SERVICE	\$2,161.00
DIESEL MACHINERY INC	SUPPLIES	\$748.84
DITCH WITCH OF SOUTH DAKOTA, INC	SUPPLIES	\$202.53
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$1,033.00
DTN, LLC	SUBSCRIPTION	\$579.92
DUININCK INC	DIRT, GRAVEL	\$12,789.36
DUTTON-LAINSON COMPANY	WATER METERS & ERTS AS PER BID	\$30,841.75
ENERGY LABORATORIES INC	WATER TESTING FEES	\$1,737.00
ERICKSON, AARON	REIMBURSEMENT EXPENSE	\$2,764.40
ETHANOL PRODUCTS LLC	BULK CO2	\$2,302.74
FAST THREADS	SUPPLIES	\$1,851.00
FASTENAL COMPANY	SUPPLIES	\$370.65
FEDERAL EXPRESS CORP	SERVICE	\$142.63
FIDELITY SECURITY LIFE INSURANCE CO. (EYEMED)	VISION INSURANCE	\$193.77
FLAGSHOOTER LLC	SUPPLIES	\$2,474.50
FOLEY AND FOLEY LAW OFFICE, PC	JULY LEGAL FEES	\$2,438.40
GANNETT MEDIA CORP	PUBLISHINGS	\$206.28
GRAF SIGN PRO OF WATERTOWN	SUPPLIES	\$412.50
GRAINGER	SUPPLIES	\$486.31
HALME, INC.	REPLACEMENT OF CAST IRON MAINS	\$255,243.22
HAWKINS, INC.	AZONE 15	\$33,399.89
HILMOE, ZEKE	REIMBURSEMENT EXPENSE	\$252.00
IBEW LOCAL 426	UNION DUES	\$4,774.00
INDUSTRIAL SALES COMPANY, INC	SUPPLIES	\$1,258.55
J H LARSON COMPANY	SUPPLIES	\$4,322.07
JOE MEDANICH ASPHALT SERVICES	ASPHALT SERVICE - WTP	\$6,122.46
JORGENSON & OLSON ASPHALT MAINTENANCE, LLC	ASPHALT SERVICES	\$4,383.42
JURGENS PRINTING INC	SUPPLIES	\$55.00
KARST, ADAM	REIMBURSEMENT EXPENSE	\$495.79
KHA CONSULTING LLC	GAS COST OF SERVICE STUDY	\$9,950.00
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$152.60
LOCATORS & SUPPLIES INC	SUPPLIES	\$98.04
LOVELIS, WAYNE	REIMBURSEMENT EXPENSE	\$228.39
LYLE SIGNS INC	SUPPLIES	\$159.37
M E BARBER CO INC	SUPPLIES	\$185.02
MACK, CHERYL	REIMBURSEMENT EXPENSE	\$672.49
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$224.07
MAC'S HARDWARE	SUPPLIES	\$341.42
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$3,252.98
MATHESON TRI-GAS INC	SUPPLIES	\$174.70
MENARDS INC	SUPPLIES	\$1,231.86
MET LIFE	LIFE INSURANCE	\$1,596.61

MICROBAC LABORATORIES, INC.	WATER TESTING FEES	\$597.00
MIDCONTINENT COMMUNICATIONS	INTERNET, CABLE & PHONE SERVICE	\$1,891.68
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$433.23
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$3,829.91
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$15,864.55
MYERS ASSOCIATES, INC.	SOIL TESTING EQUIPMENT	\$617.64
NAPA CENTRAL	SUPPLIES	\$78.24
NOVASPECT, INC.	GAS REGULATORS	\$12,880.48
OFFICE PEEPS	SUPPLIES	\$955.47
PAYMENTUS GROUP INC.	SERVICE	\$39.80
PETE LIEN & SONS	BULK LIME	\$45,196.51
POLLARD WATER	SUPPLIES	\$1,350.06
POMP'S TIRE SERVICE, INC.	SERVICE	\$37.45
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,484.98
PRINT 'EM NOW INC	OFFICE SUPPLIES	\$53.00
PRO LINE INC	SUPPLIES	\$170.34
PYE-BARKER FIRE & SAFETY LLC	SERVICE	\$1,044.00
RC FIRST AID	SUPPLIES	\$111.00
RELIABANK DAKOTA	FLEX DC	\$6,133.89
RODENBURG LAW FIRM	EMPLOYEE DEDUCTION	\$150.00
RON'S SAW SALES	SUPPLIES	\$1,988.93
RUNNING'S SUPPLY INC	SUPPLIES	\$610.68
SCHAEFFER MFG CO	SUPPLIES	\$1,482.25
SCHOOL BOARD OF ED	ENERGY INCENTIVE REBATE	\$851.00
SD ONE CALL	LOCATES	\$613.20
SD PUBLIC ASSURANCE ALLIANCE	GEN LIAB/PROPERTY INSURANCE	\$339,680.97
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$8,271.58
SPEE-DEE DELIVERY SERVICE INC	SERVICE	\$83.50
STAN HOUSTON EQUIP CO	RENTAL	\$795.00
STAR LAUNDRY	SERVICE	\$987.50
STUART C IRBY CO	PME SWITCHGEAR AS PER BID	\$74,140.00
SUTTEN, RODNEY N	REIMBURSEMENT EXPENSE	\$296.80
SUTTON LAWN & SNOW LLC	LAWN CARE	\$3,368.00
TEREX USA, LLC	SUPPLIES	\$287.04
TITAN MACHINERY - MARSHALL	SUPPLIES	\$637.00
TITAN MACHINERY- WTN	SUPPLIES	\$534.61
TOSHIBA FINANCIAL SERVICES	COPIER LEASE	\$474.99
TRAV'S OUTFITTER	SAFETY CLOTHING	\$1,144.92
TROXLER	SOIL TESTING EQUIPMENT	\$17,165.00
TWO WAY SOLUTIONS, INC.	SUPPLIES	\$102.00
TWOTREES TECHNOLOGIES	SOFTWARE MAINTENANCE	\$1,213.95
US BANK NATIONAL ASSOCIATION	BANKING FEES	\$750.00
USA BLUEBOOK	SUPPLIES	\$114.50
WALMART	SUPPLIES	\$579.86
WATERTOWN CONCRETE PRODUCTS	SCREENED DIRT	\$1,487.80
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN LAWN & GARDEN	SUPPLIES	\$282.00
WATERTOWN UNITED WAY	United Way	\$240.00
WESCO DISTRIBUTION INC	LOADBREAKS, ELBOWS, SUPPLIES	\$54,775.46
WW TIRE SERVICE INC	SERVICE	\$60.00
	TOTAL	\$1,556,356.16

Total August 2025 \$1,556,356.16; Transfer to City's General Fund \$124,117.00, Muni Utilities Electric Water Gas \$53,047.44; Missouri River Energy Services Power \$2,578,561.35; BP Canada Energy Marketing Natural Gas \$23,635.56; Dept. of Revenue Sales/Excise Tax \$218,094.65; CPEP #3 Natural Gas \$9,634.80, CPEP #4 Natural Gas \$11,555.25, CPEP #5 Natural Gas \$33,534.64, CPEP #3 Hedge \$7,460.46, CPEP #4 Hedge \$3,545.81, City Finance Office Garbage/Sewer \$844,495.58.

ITEM 8239

Lehner requested reorganization of the Board. Lehner announced that Mayor Holien reappointed Dan Brenden for a five-year term at Monday's August 18, 2025, City Council meeting. The mayor also appointed Kyle Peters to serve as the City Council liaison. Motion by Thomas with second by Larkin to appoint Dan Brenden as President. Motion carried. Motion by Luken with second by Brenden to appoint Rich Thomas as Vice President. Motion carried.

Pursuant to SDCL 1-25-2(3) Luken moved with second by Larkin to move to Executive Session. Motion carried.

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

Motion by Larkin with second by Luken 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, 2025.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

Dan Brenden
Board President
Municipal Utilities Department

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Monday, September 29th, 2025

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, September 29th, 2025, at 12:00 p.m. with Board Vice President Rich Thomas presiding.

Board Members present: Rich Thomas, Charlie Larkin, and Mike Luken. Dan Brenden and Chris Carter were absent. Board Liaison, member of City Council, Kyle Peters. Staff members present: Steve Lehner, Adam Karst, Bert Magstadt, Wayne Lovelis, Aaron Erickson, Brian Benson, Dan LeVasseur, Rod Suttan, Zeke Hilmoie, Cheryl Mack, Gina Brown, Lisa Pahl, and Attorney Vince Foley. Guests: Mayor Reid Holien and Roger Whittle, The Watertown Current.

ITEM 8240

Motion by Luken with second by Larkin to approve the agenda as amended by removing Item 8, Board Committee assignments. Motion carried.

ITEM 8241

Motion by Luken with second by Larkin to approve minutes of Regular Board Meeting from August 26, 2025. Motion carried.

ITEM 8242

Public Comment - None

ITEM 8243

Karst presented a report of unclaimed property to be reported to the state. Motion by Larkin with second by Luken to approve to cancel the presented check numbers and direct these funds to the South Dakota Unclaimed Property Division. Motion carried.

ITEM 8244

Motion by Luken with second by Larkin to authorize General Manager to execute the Memorandum of Understanding for the Calvin Industrial Park Lift Station Project No. 2428. Codington County, The City of Watertown, Watertown Development Company, and Watertown Municipal Utilities mutually agree to provide for the development the sanitary lift station and to share all costs

associated with its engineering, development and construction. Each entity is estimated to contribute approximately \$235,000-\$285,000 depending upon awarded LIIP grant. Motion carried.

ITEM 8245

Motion by Luken with second by Larkin to authorize General Manager to sign Task Order No. 11 for remote water SCADA system upgrades with AE2S, total estimated compensation is \$46,000. Motion carried.

ITEM 8246

Open: Lehner presented the two bill stuffers a) Living Safely with Natural Gas and b) Watertown Regional Airport. Lehner also gave an invite to the Board to attend the MRES Area Meetings next month.

ITEM 8247

Magstadt presented the Report on Operations and Projects. Electric Department, Projects Completed this Month: 11 outages for the month and 89 total unscheduled outages for 2025, terminated and energized new primary at Kibble Equipment and Sewer Plant, wrecked out overhead lines and poles on 3rd Ave. to 10th Ave. NE between 6th and 9th St. following underground conversion. Gas Department, Projects Completed this Month: Finished installing and heating up 1,750' of 4" plastic at Lake of Willow Creek, lowered 100' of 2" plastic main at Sewer Plant, finalizing some transfer items on the Northern Natural Gas line we are buying. Water Department, Projects Completed this Month: 1 main break for a total of 14 for the winter season, replaced lead service line on 2nd St. NW, mailing out next month Lead Service Line letters total of 1,361 unknowns remaining, completed September flushing segments. Projects in Progress: Halme delayed Cast Iron Replacement Project until 2026, temporary generator for Rauville Well Field will be installed on Sept. 25th. Projects Starting Next Month: Will started flushing program again second Tuesday in October. Engineering Tech, Projects Completed this Month: 390 one-call locates for September 1st to September 23rd, 2025, 598 one-call locates for August 2025. Projects in Progress: Stake and Locate Electric Primary and Natural Gas Main relocate on 14th Ave. bridge project.

ITEM 8248

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Eide Bailly completed the 2024 Audit and will be having a Teams presentation in October. Projects in Progress: Working on 2026 budget items. Customer Service: Working on data cleanup in NorthStar and continuing Tyler training, Tyler go-live date is

scheduled for February 2026, 15,947 Payments collected for a total of \$6,284,085 and 58,126 billed for a total of \$5,551,924. Human Resources/Risk Management: Recruiting for Water Plant Operator, search continues for viable candidates, working on 2026 payroll budget, including wage survey for salaried positions. Information Systems: Decommissioned 2 old servers, 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 \$194,817 below budget for the eight months ending August 31st, 2025. Total Capital Additions are \$1,784,279 under budget for eight months ending August 31st, 2025.

ITEM 8249

Motion made by Larkin with second by Luken to approve the following verified salary claims and bills. Motion carried unanimously upon roll call vote. Total Watertown Municipal Utilities Net Payroll for September 2025 Plus ACH Payroll Payments \$725,751.66. Term: W. Sime, effective 8/22/2025.

Name	Payable Description	Payment Amount
OCTOBER 1, 2025		
ABC EMBROIDERY	SERVICE	\$34.65
ACTIVE HEATING INC	ENERGY INCENTIVE REBATE	\$400.00
ADVANCED ENGINEERING AND ENVIRONMENTAL SERVICES, LLC	WTP MASTER PLAN	\$51,527.12
AFLAC	ACCIDENT	\$1,702.31
APGA	ANNUAL SUBSCRIPTION	\$995.00
APPLICANT PRO	SERVICE	\$472.00
AQUA-PURE INC	SODIUM TRIPOLYPHOSPHATE	\$3,762.50
AUTO VALUE WATERTOWN	SUPPLIES	\$1,389.39
AVA MARIA SCHOOL	ENERGY INCENTIVE REBATE	\$2,000.00
BENDIX IMAGING INC	SUPPLIES	\$271.97
BORDER STATES ELECTRIC SUPPLY	DEAD FRONT PAD MOUNT SWITCHGEAR AS PER BID	\$127,702.96
BORNS GROUP	POSTAGE & MAILING	\$13,107.70
BRIAN'S GLASS & DOOR INC	SERVICE	\$407.24
BURCHATZ CONSTRUCTION COMPANY INC	CONCRETE SLAB, SERVICE	\$12,900.79
BUTLER MACHINERY CO	SERVICE - WTP - GENERATOR	\$5,782.48
CARTNEY BEARING & SUPPLY	SUPPLIES	\$67.01
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$4,689.22
CODINGTON COUNTY REGISTER OF DEEDS	SUPPLIES	\$67.00
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$6,472.88
COMMERCIAL CLEANING SERVICES INC.	JANITORIAL SERVICE	\$3,975.00
CORE & MAIN LP	HYDRANT EXTENSION KITS	\$58,957.36
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$38.85
DAKOTA DATA SHRED	SHREDDING SERVICE	\$94.51
DEPARTMENT OF HEALTH	WATER SAMPLES	\$900.00
DGR ENGINEERING	EAST SUBSTATION BREAKER REPLACEMENTS	\$7,985.60
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$1,394.99
DTN, LLC	SUBSCRIPTION	\$579.92
DUININCK INC	ROCK, GRAVEL, SAND	\$5,123.20
DUTTON-LAINSON COMPANY	GAS ERTS	\$74,525.78

EASTSIDE EQUIPMENT	SUPPLIES	\$251.00
EIDE BAILLY LLP	2024 F/S AUDIT	\$5,593.09
ELEMENT MATERIALS TECHNOLOGY	SERVICE	\$765.00
ENERGY ECONOMICS INC	LARGE VOLUME METER REPAIR - GAS DEPT.	\$6,456.99
ENERGY LABORATORIES INC	WATER TESTING	\$6,419.00
ENGELSTAD ELECTRIC COMPANY	SERVICE - ELECTRIC	\$8,880.40
ERICKSON, AARON	REIMBURSEMENT EXPENSE	\$41.06
ETHANOL PRODUCTS LLC	BULK CO2	\$1,477.38
FASTENAL COMPANY	SUPPLIES	\$322.69
FEDERAL EXPRESS CORP	SERVICE	\$6.31
FIDELITY SECURITY LIFE INSURANCE CO. (EYEMED)	VISION INSURANCE	\$193.77
FOLEY AND FOLEY LAW OFFICE, PC	AUGUST LEGAL SERVICES	\$727.50
FRANKLIN PRESS INC	FALL GAS FLYER	\$4,542.55
G & R CONTROLS INC.	REPLACED CO/NO2 SENSORS	\$7,191.00
GANNETT MEDIA CORP	PUBLISHINGS	\$201.48
GRAINGER	SUPPLIES	\$282.69
GROSZ ESCAVATING	LEAD SERVICE LINE REPLACEMENT	\$11,090.48
HALME, INC.	REPLACEMENT OF CAST IRON MAINS	\$22,500.00
HAWKINS, INC.	AZONE 15	\$18,328.06
HILMOE, ZEKE	REIMBURSEMENT EXPENSE	\$183.40
IBEW LOCAL 426	UNION DUES	\$4,774.00
INGERSOLL RAND COMPANY	SUPPLIES	\$2,234.92
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$183.60
I-STATE TRUCK CENTER	SERVICE	\$486.66
J H LARSON COMPANY	SUPPLIES	\$2,277.17
JOE MEDANICH ASPHALT SERVICES	ASPHALT SERVICES	\$20,134.73
JORGENSON & OLSON ASPHALT MAINTENANCE, LLC	ASPHALT SERVICES - ELECTRIC	\$9,051.47
KARST, ADAM	REIMBURSEMENT EXPENSE	\$221.52
KORTERRA	LOCATE SERVICE	\$5,150.00
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$373.60
LEVASSEUR, DAN	REIMBURSEMENT EXPENSE	\$1,194.42
LOCKSMITH & MORE LLC	SERVICE	\$115.00
LOVELIS, WAYNE	REIMBURSEMENT EXPENSE	\$125.16
MAC'S HARDWARE	SUPPLIES	\$11.92
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$247.80
MATHESON TRI-GAS INC	SUPPLIES	\$174.70
MCKEEVER INC	SUPPLIES	\$310.17
MENARDS INC	SUPPLIES	\$629.13
MESA PRODUCTS INC	SUPPLIES	\$703.61
MET LIFE	LIFE INSURANCE	\$1,596.61
MIDCONTINENT COMMUNICATIONS	INTERNET, CABLE & PHONE SERVICE	\$1,891.68
MILBANK WINWATER WORKS	SUPPLIES	\$385.72
MISSOURI RIVER ENERGY SERVICES	OIL SAMPLING SERVICES	\$6,155.00
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$476.49
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$2,870.69
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$10,617.59
NAPA CENTRAL	SUPPLIES	\$957.87
NORTHERN NATURAL GAS CO.	NNG PIPELINE ACQUISITION - LAND	\$11,145.00
NORTHERN NATURAL GAS CO.	NNG PIPELINE ACQUISITION - ABANDONMENT COST	\$261,726.00
NORTHERN NATURAL GAS CO.	NNG PIPELINE ACQUISITION - PIPELINE	\$19,478.00
NOVA FIRE PROTECTION INC	SERVICE	\$350.00
NOVASPECT, INC.	SUPPLIES	\$542.31
OFFICE PEEPS	SUPPLIES	\$992.49
O'REILLY AUTOMOTIVE INC	SUPPLIES	\$152.99
OVERHEAD DOOR CO OF WTN	SUPPLIES	\$120.00

PAYMENTUS GROUP INC.	SERVICE	\$39.80
PETE LIEN & SONS	BULK LIME	\$32,727.02
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,484.98
R & F HOLDINGS	ENERGY INCENTIVE REBATE	\$4,673.30
RELIABANK DAKOTA	FLEX DC	\$6,133.89
REVOLT ELECTRICAL SERVICES INC.	SERVICE	\$1,950.00
RIPLEY ACRES	SUPPLIES	\$369.00
RON'S SAW SALES	SERVICE	\$165.68
RUNNING'S SUPPLY INC	SUPPLIES	\$1,306.72
SANFORD WATERTOWN OCCUPATIONAL MEDICINE	SERVICE	\$61.00
SCHAEFFER MFG CO	SUPPLIES	\$1,099.96
SCOTT ENGINEERING CO	SERVICE	\$1,375.00
SD ONE CALL	LOCATES	\$636.30
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$8,571.83
SPEE-DEE DELIVERY SERVICE INC	SERVICE	\$24.98
STAN HOUSTON EQUIP CO	RENTAL	\$1,590.00
STAR LAUNDRY	SERVICE	\$632.34
STATE TREASURER	2025 UNCLAIMED PROPERTY	\$2,082.19
STUART C IRBY CO	SERVICE	\$705.71
SUTTEN, RODNEY N	REIMBURSEMENT EXPENSE	\$886.46
SUTTON LAWN & SNOW LLC	LAWN CARE	\$3,187.00
T & R ELECTRIC SUPPLY COMPANY INC	SERVICE	\$1,651.95
TITAN MACHINERY - FARGO	SUPPLIES	\$161.85
TITAN MACHINERY - MARSHALL	SUPPLIES	\$497.00
TITAN MACHINERY- WTN	SUPPLIES	\$63.95
TITAN MACHINERY-SF	SUPPLIES	\$379.13
TRAV'S OUTFITTER	SAFETY CLOTHING	\$1,272.92
TWOTREES TECHNOLOGIES	SOFTWARE MAINTENANCE	\$1,888.75
USA BLUEBOOK	SUPPLIES	\$110.66
WATERTOWN CURRENT LLC	SUBSCRIPTION	\$95.00
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN UNITED WAY	UNITED WAY	\$240.00
WATERTOWN WHOLESALE INC	SUPPLIES	\$119.10
WELD-IT-ALL	SERVICE	\$222.00
WESCO DISTRIBUTION INC	1/O LOADBREAK ELBOWS	\$11,538.10
WW TIRE SERVICE INC	SUPPLIES	\$723.00
	TOTAL	<u>\$947,995.87</u>

Total September 2025 \$947,995.87; Transfer to City's General Fund \$124,117.00, US Bank Nat'l Assoc. \$46,487.50, US Bank Nat'l Assoc. Loan DW-2 \$10,372.65, US Bank Nat'l Assoc. Loan DW-5 \$9,404.85, Muni Utilities Electric Water Gas \$51,745.20; Missouri River Energy Services Power \$2,543,044.14; BP Canada Energy Marketing Natural Gas \$30,582.91; Dept. of Revenue Sales/Excise Tax \$219,997.27; CPEP #3 Natural Gas \$9,678.20, CPEP #4 Natural Gas \$13,844.76, CPEP #5 Natural Gas \$34,859.89, CPEP #3 Hedge \$9,858.30, CPEP #4 Hedge \$4,606.20, City Finance Office Garbage/Sewer \$873,548.02.

ITEM 8250

Karst requested that the Board consider rescheduling the November Board Meeting and establish a date for the Finance Committee Meeting. After discussing potential dates, the Board agreed to consult the two absent members about their availability before making a final decision.

Pursuant to SDCL 1-25-2(3) Larkin moved with second by Luken to move to Executive Session. Motion carried.

Vice-President Thomas declared Executive Session done and they reconvened to regular session.

Motion by Larkin with second by Luken 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 29th, day of September, 2025.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

Rich Thomas
Board Vice-President
Municipal Utilities Department

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Monday, October 27, 2025

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, October 27th, 2025, at 12:00 p.m. with Board President Dan Brenden presiding.

Board Members present: Dan Brenden, Rich Thomas, Charlie Larkin, Chris Carter, and Mike Luken. Board Liaison, member of City Council, Kyle Peters was absent. Staff members present: Steve Lehner, Adam Karst, Bert Magstadt, Wayne Lovelis, Aaron Erickson, Brian Benson, Dan LeVasseur, Rod Suttan, Zeke Hilmoie, Cheryl Mack, Gina Brown, Lisa Pahl, Angie Mitchell, and Attorney Vince Foley. Guests: Mayor Reid Holien and Roger Whittle, The Watertown Current.

ITEM 8251

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

ITEM 8252

Motion by Luken with second by Carter to approve minutes of Regular Board Meeting from September 29, 2025. Motion carried.

ITEM 8253

Public Comment - None

ITEM 8254

Presentation by John Hagen via zoom of Eide Bailly for the 2024 audit. There was no audit findings related to Watertown Municipal Utilities to be included in the schedule of current audit findings and questioned costs. Motion by Carter with second by Luken to accept the 2024 audit. Motion carried.

ITEM 8255

Motion by Luken with second by Carter to authorize General Manager to sign SD Health Pool Insurance renewal for staff employees. Motion carried

ITEM 8256

Motion by Thomas with second by Carter to authorize General Manager to sign two separate contracts with Freimark and Associates Inc. with Delta Dental and Equitable for the provision of Dental and Eye Insurance for staff. Motion carried.

ITEM 8257

Motion by Larken with second by Luken to authorize to call for bid to re-drill well #35 at Rauville well field. Motion carried.

ITEM 8258

Board President Brenden appointed the 2025-2026 committee assignments. They are as follows:

Cybersecutiry	Chris Carter and Mike Luken
Rates & transfers	Rich Thomas and Mike Luken
Wages & Personnel	Chris Carter and Charlie Larkin
PEDIB (Production, Equip., Distribution, Inventory & Bldgs	Rich Thomas and Charlie Larkin
Finance: All with Dan Brenden as Chairman. First named member to be Chairman of Committee.	

ITEM 8259

Open: Lehner presented the two bill stuffers a) Winter Snow Reminders. b) WMU ACH form.

ITEM 8260

Magstadt presented the Report on Operations and Projects. Electric Department, Projects Completed this Month: 5 outages for the month and 94 total unscheduled outages for 2025, terminated and energized new three-phase primary at Hunke Transfer, installing new single-phase transformer at South Forty and primary at Lakes of Willow Creek. Projects in Progress: Installing three-phase underground primary on 14th Ave NW for the 2026 bridge project, replacing existing overhead lines. Gas Department, Projects Completed this Month: 19 periodic residential meter change outs (250), total for year - 315, 5 large meter change outs (400-1000) total for year - 31, rerouted 1000' of 4" plastic for the 14th Ave Bridge Project. Projects in Progress: Performing a pilot program for new software reading gas instruments in the field, on Oct. 17 we completed another gas hedge with BP for approximately 20% of needs from Nov. 2025 to May 2026 and Nov. 2026 to May 2027 at \$4.015 only Nymex futures were Hedged. Water, Projects Completed this Month: 0 main break for a total of 14 for the winter season, extended 6 hydrants, submitted updated service line

inventory to DANR due by September 30, completed flushing program for the year, reviewing the water treatment study performed by AE2S, backup generator is installed and running. Engineering Tech, Projects Completed this Month: 258 one-call locates for October 1 to October 16, 2025, 494 one-call locates for September 2025, Mark Meier lined up the installation of the gas and electrical under the river at 14th Ave bridge. Projects in Progress: Review plans and development for proposed future projects.

ITEM 8261

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects Completed this Month: Fall herbicide applications completed at utility properties, irrigation systems at utility properties have been winterized. Projects in Progress: Main office backup generator currently operating with temporary circuit breaker and will be replaced with specified breaker to meet design and load requirements upon delivery. Upcoming Projects: Organizing for 2025 physical inventory. Customer Service: Tyler has been extracting data from our NorthStar system and reviewing our processes. 15,725 Payments collected for a total of \$6,431,875 and 58,027 billed for a total of \$4,873,823. Human Resources/Risk Management: Final selection narrowed to 2 candidates, additional external recruitment efforts via social media and outdoor signage, successfully completed LEAD course offered by Missouri River Energy Services (MRES). Information Systems: working with Electric and Gas departments on new software and services, added 46 followers from Facebook, 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 \$360,027 below budget for the nine months ending September 30th, 2025. Total Capital Additions are \$2,148,730 under budget for nine months ending September 30th, 2025.

ITEM 8262

Motion made by Carter with second by Luken to approve the following verified salary claims and bills. Motion carried unanimously upon roll call vote. Total Watertown Municipal Utilities Net Payroll for September 2025 Plus ACH Payroll Payments \$701,615.24. Change: T. Ellingson, \$36.84/hr., effective 9/23/2025.

Name	Payable Description	Payment Amount
NOVEMBER 3, 2025		
ABC EMBROIDERY	SERVICE	\$14.85
ADVANCED ENGINEERING AND ENVIRONMENTAL SERVICES, LLC	SERVICE - WTP MASTER PLAN	\$26,337.94
AFLAC	ACCIDENT	\$1,702.31
AGWRX	SUPPLIES	\$380.00

AMARIL UNIFORM COMPANY	SAFETY CLOTHING	\$200.82
A-OX WELDING SUPPLY INC	SUPPLIES	\$25.23
APGA	2026 MEMBERSHIP DUES	\$9,698.33
APPLICANT PRO	SERVICE	\$236.00
AQUA-PURE INC	SODIUM TRIPOLYPHOSPHATE	\$3,870.00
BATTERIES UNLIMITED INC	SUPPLIES	\$200.00
BLUMIRA, INC.	SECURITY SOFTWARE	\$10,380.00
BORDER STATES ELECTRIC SUPPLY	20' ST LIGHT POLES AS PER BID	\$48,404.20
BORNS GROUP	POSTAGE & MAILING	\$12,649.97
BROWN, GINA L	REIMBURSEMENT EXPENSE	\$1,025.72
BUTLER MACHINERY CO	RENTAL	\$5,573.15
CARTNEY BEARING & SUPPLY	SUPPLIES	\$40.69
CASHWAY LUMBER INC	WTP NEW EQUIPMENT BUILDING	\$59,970.00
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$4,582.49
CODINGTON COUNTY REGISTER OF DEEDS	EASEMENTS	\$181.00
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$6,480.08
COMMERCIAL CLEANING SERVICES INC.	JANITORIAL SERVICE	\$3,975.00
CONTROL EQUIPMENT SALES, INC	GAS CORRECTORS, SUPPLIES	\$13,667.46
CORE & MAIN LP	TAPPING VALVES	\$10,887.11
CREATIVE VISIONS LANDSCAPE & DESIGN	SERVICE	\$5,440.00
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$56.88
CUMMINS SALES AND SERVICE	SERVICE	\$1,960.00
DAKOTA DATA SHRED	SHREDDING SERVICE	\$94.51
DAKOTA DIRECTIONAL LLC	SERVICE - ELECTRIC PROJECTS	\$190,861.11
DANR	REFUNDING OF GRANT MONEY	\$371,908.00
DEBOER CONSTRUCTION INC.	2ND AVE NE MAIN REPLACEMENTS	\$281,815.92
DEPARTMENT OF HEALTH	WATER SAMPLES	\$524.00
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$833.84
DTN, LLC	SUBSCRIPTION	\$579.92
DUININCK INC	CONCRETE SAND	\$2,313.51
DYNAMIC ENGINEERING	ENERGY INCENTIVE REBATE	\$2,040.00
ERICKSON, AARON	REIMBURSEMENT EXPENSE	\$571.46
ETHANOL PRODUCTS LLC	BULK CO2	\$2,733.90
FEDERAL EXPRESS CORP	SERVICE	\$244.39
FIDELITY SECURITY LIFE INSURANCE CO. (EYEMED)	VISION INSURANCE	\$193.77
FLATLAND ENTERPRISE	LEAD SERVICE LINE REPLACEMENT	\$11,502.88
FOLEY AND FOLEY LAW OFFICE, PC	SEPTEMBER LEGAL FEES	\$1,380.00
G & R CONTROLS INC.	REPLACED CO/NO2 SENSORS	\$7,248.01
GANNETT MEDIA CORP	PUBLISHINGS	\$172.96
GRAF SIGN PRO OF WATERTOWN	SUPPLIES	\$135.00
GRAINGER	SUPPLIES	\$421.10
HALME, INC.	REPLACEMENT OF CAST IRON MAINS	\$462,861.16
HAWKINS, INC.	AZONE 15, HYDROFLUOSILICIC ACID	\$23,017.93
HEATH CONSULTANTS INC	SERVICE	\$580.98
HILMOE, ZEKE	REIMBURSEMENT EXPENSE	\$30.10
IBEW LOCAL 426	UNION DUES	\$4,774.00
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$171.30
I-STATE TRUCK CENTER	SERVICE	\$1,037.32
J H LARSON COMPANY	SUPPLIES	\$262.49
JORGENSON & OLSON ASPHALT MAINTENANCE, LLC	ASPHALT SERVICES	\$3,178.81
KARST, ADAM	REIMBURSEMENT EXPENSE	\$295.55
LATC FOUNDATION	2024, 2025 CAMPAIGN PLEDGES	\$40,000.00
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$207.20
LOCATORS & SUPPLIES INC	SUPPLIES	\$1,155.21
LOVELIS, WAYNE	REIMBURSEMENT EXPENSE	\$197.84

LUKEN, MIKE	REIMBURSEMENT EXPENSE	\$3,367.15
MACK, CHERYL	REIMBURSEMENT EXPENSE	\$326.32
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$609.05
MAC'S HARDWARE	SUPPLIES	\$215.07
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$1,525.54
MATHESON TRI-GAS INC	SUPPLIES	\$169.45
MCKEEVER INC	SUPPLIES	\$622.17
MENARDS INC	SUPPLIES	\$826.25
MET LIFE	LIFE INSURANCE	\$1,596.61
METERING & TECHNOLOGY SOLUTIONS	BRONZE METER	\$4,270.44
MIDCONTINENT COMMUNICATIONS	INTERNET, CABLE & PHONE SERVICE	\$1,906.83
MIDWEST UNDERGROUND SUPPLY, LLC	SUPPLIES	\$717.14
MILBANK WINWATER WORKS	SUPPLIES	\$221.86
MINNESOTA MUNICIPAL UTILITIES ASSN	SAFETY PROGRAM	\$9,514.00
MINSAIT ACS, INC.	SERVICE CONTRACT	\$12,602.00
MISSOURI RIVER ENERGY SERVICES	REFUND	\$37.80
MISSOURI RIVER ENERGY SERVICES	TRAINING EXPENSE	\$99.00
MUELLER CO	GAS - TRANSITION TEES	\$8,429.01
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$360.00
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$2,038.51
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$7,587.05
MUNICIPAL UTILITIES-TERM LIFE PAY	TERM LIFE	\$2,082.00
NAPA CENTRAL	SUPPLIES	\$1,187.03
OFFICE OF ENERGY ASSISTANCE	REFUND OF CREDIT ON ACCOUNT	\$76.43
OFFICE PEEPS	SUPPLIES	\$777.45
PAYMENTUS GROUP INC.	SERVICE	\$109.45
PETE LIEN & SONS	BULK LIME	\$33,370.28
POMP'S TIRE SERVICE, INC.	SUPPLIES	\$71.69
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,484.98
PRO LINE INC	SUPPLIES	\$30.07
PROLEC-GE WAUKESHA, INC.	SUPPLIES	\$3,401.00
RELIABANK DAKOTA	FLEX DC	\$6,133.89
RUNNING'S SUPPLY INC	SUPPLIES	\$1,801.76
SANFORD WATERTOWN OCCUPATIONAL MEDICINE	SERVICE	\$340.00
SD ONE CALL	LOCATES	\$532.35
SEPPALA HEATING & AIR	ENERGY INCENTIVE REBATE	\$40.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$7,555.85
STAN HOUSTON EQUIP CO	RENTAL	\$795.00
STAR LAUNDRY	SERVICE	\$557.83
STUART C IRBY CO	SUPPLIES	\$4,338.60
SUTTEN, RODNEY N	REIMBURSEMENT EXPENSE	\$291.20
SUTTON LAWN & SNOW LLC	SEPT LAWN CARE	\$2,826.00
TEREX USA, LLC	SERVICE - UNIT 45	\$1,045.00
TERRY-DURIN CO.	SUPPLIES	\$3,029.06
THOMPSON MECHANICAL INC	SERVICE - WTP	\$612.00
TITAN MACHINERY - FARGO	SUPPLIES	\$1,986.55
TITAN MACHINERY- WTN	SUPPLIES	\$1,176.35
TITAN MACHINERY-SF	SUPPLIES	\$65.05
TOSHIBA FINANCIAL SERVICES	OCT/NOV COPIER LEASE	\$987.41
TRAV'S OUTFITTER	SAFETY CLOTHING	\$1,022.93
TWO WAY SOLUTIONS, INC.	SUPPLIES	\$311.76
TWOTREES TECHNOLOGIES	SOFTWARE MAINTENANCE	\$1,218.75
TYLER TECHNOLOGIES	SERVICE	\$1,305.00
US DEPT OF ENERGY WESTERN AREA POWER ADMINISTRATION	ANNUAL MAINTENANCE	\$3,000.00
USA BLUEBOOK	SUPPLIES	\$1,819.26

UTILITY SERVICE CO., INC	RESERVOIR TANK MAINTENANCE	\$18,610.00
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN FORD CHRYSLER	SUPPLIES	\$1,037.07
WATERTOWN IRON & METAL	SUPPLIES	\$22.00
WATERTOWN UNITED WAY	United Way	\$240.00
WAYTEK INC	SUPPLIES	\$147.94
WESCO DISTRIBUTION INC	ELBOW TAP SUPPLIES	\$17,730.30
WILTECH INC	SERVICE - WT WASTEWATER PLANT SPLICING	\$3,652.50
	TOTAL	\$1,833,836.44

Total October 2025 \$1,833,836.44; Transfer to City's General Fund \$124,117.00, Muni Utilities Electric Water Gas \$44,483.61; Missouri River Energy Services Power \$1,741,445.94; BP Canada Energy Marketing Natural Gas \$12,864.75; Dept. of Revenue Sales/Excise Tax \$180,911.45; CPEP #3 Natural Gas \$10,047.00, CPEP #4 Natural Gas \$12,069.00, CPEP #3 Hedge \$23,452.28, CPEP #4 Hedge \$13,991.85, City Finance Office Garbage/Sewer \$879,430.44.

ITEM 8263

The Board set date of Wednesday November 12th, 2025, at 7 am for November Finance Committee meeting and Tuesday November 25th, 2025, at noon for November Regular Session Board Meeting. Motion carried.

Motion by Thomas with second by Larkin 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 27th, day of October, 2025.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

Dan Brenden
Board President
Municipal Utilities Department

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Tuesday, November 25th, 2025

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Tuesday, November 25th, 2025, at 12:00 p.m. with Board President Dan Brenden presiding.

Board Members present: Dan Brenden, Rich Thomas, Charlie Larkin, Chris Carter, and Mike Luken. Board Liaison, member of City Council, Kyle Peters. Staff members present: Steve Lehner, Adam Karst, Bert Magstadt, Wayne Lovelis, Aaron Erickson, Brian Benson, Dan LeVasseur, Zeke Hilmoe, Cheryl Mack, Gina Brown, Lisa Pahl, and Attorney Vince Foley. Guests: Mayor Reid Holien and Roger Whittle, The Watertown Current.

ITEM 8268

Motion by Carter with second by Larkin to approve the agenda. Motion carried.

ITEM 8269

Motion by Luken with second by Thomas to approve minutes of Regular Board Meeting from October 27, 2025, and Special Session Meeting on November 12, 2025. Motion carried.

ITEM 8270

Public Comment - None

ITEM 8271

Karst presented information on rates as outlined and presented at the November 12th Special Board Session Meeting. The 2026 utility rate recommendations include several changes across electric, water, and natural gas services. Electric rates will see an overall increase of 2%, with residential customers experiencing a \$1.65 per month increase. Residential security lights will see a 5% increase. Water rates are set to increase by 5%, resulting in a typical residential customer paying \$1.86 more per month. For natural gas, the overall impact is cost neutral, though changes will differ by rate class; a typical in town residential customer will see a \$0.50 per month increase or 1%, with small increases to all customer charges and some rate classes experiencing slight decreases. A new rate was also established for all out-of-town gas customers. This change reflects the higher costs associated with serving

these customers. When combined, a typical in town residential customer using all three services can expect their total monthly bill to increase by approximately \$4.01, or 2%, in 2026. All changes are effective with the January 2026 readings to be billed February 1, 2026. Motion by Thomas and second by Luken. Motion carried unanimously upon roll call vote.

ITEM 8272

Motion by Luken with second by Carter to approve the 2026 budget, including operating budget and capital budget as presented at the November 12th Special Session Board Meeting with one change to Upgrade the 115 kV Breaker #1462 at WAPA for \$300,000 by moving it from 2028 to 2026. Motion carried unanimously upon roll call vote.

ITEM 8273

Motion by Luken with second by Thomas to authorize General Manager to sign Amendment #1 to task order No. 5 with DGR Engineering for East Substation 115 kV Breaker Replacement with an estimated cost of \$142,000. Motion carried.

ITEM 8274

Motion by Luken with second by Carter to authorize General Manager to sign Western Area Power Administration (WAPA) for 115 kV gas circuit breaker design, construction and maintenance agreements. Motion carried.

ITEM 8275

Motion by Carter with second by Thomas to authorize General Manager to sign Western Area Power Administration (WAPA) for Missouri River Energy Services (MRES) to administer renewable energy certificates for the City of Watertown, SD. Motion carried.

ITEM 8276

Motion by Luken with seconded by Carter, to authorize the General Manager to sign Change Order No. 1, the final change order for the 2025 PMP Neighborhood Street Reconstruction project on 2nd Avenue NE. The Change Order is shared with the City of Watertown. Of the total \$199,630.18, Watertown Municipal Utilities' portion is \$87,820.00. Motion carried.

ITEM 8277

Open: Magstadt provided a brief update from the MRES Area Meeting. He noted that the presentation he found most engaging was given by Terry

Wolf, focusing on major transmission lines going from Laramie River all the way up to North Dakota. The discussion highlighted grid constraints rising from increased demand driven by AI, electric vehicles, and renewable energy certificates. The cost of addressing this infrastructure need is estimated in the billions. Brian Benson, Electric Superintendent, added MRES going over the rate increases was very informational.

ITEM 8278

Old Business: At the Finance Committee Meeting, the Board requested that educational Topics of Discussion be added to upcoming sessions. Magstadt outlined plans to present data center requirements at the December Board Meeting, explore raw water options in either January or February, and address Renewable Energy Credits later this winter. He also noted that he will prepare Electric and Water territory maps, like the Gas map distributed today. Lehner encouraged Board members to suggest any additional topics they may find of interest.

ITEM 8279

Magstadt presented the Report on Operations and Projects. Electric Department, Projects Completed this Month: 3 outages for the month and 97 total unscheduled outages for 2025, terminated and energized new three-phase cabinet at South Forty, terminated and energized new three-phase transformer at Miller Electric Manufacturing. Gas Department, Projects Completed this Month: 41 services installed, 750' main extension on the South side of Lake Kampeska, 19 periodic meter changes, DIMP/SHRIMP program complete for 2025. Water, Projects Completed this Month: Hydrant Maintenance - winterized all hydrants in system, partially drained 19th tower to raise CL2 level in system, we have had extremely low usage this year, new nightshift operator Will Pieper started. Engineering Tech, Projects Completed this Month: 340 one-call locates for November 1 to November 20, 2025, 561 one-call locates for October 2025. Projects in Progress: Review plans and development for proposed future projects.

ITEM 8280

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects Completed this Month: Organizing the yard and preparing for winter following the construction season. Upcoming Projects: 2025 physical inventory. Customer Service: Working on data cleanup in NorthStar and continued Tyler training, Tyler has been extracting data from our Northstar system and reviewing our processes, 15,663 Payments collected for a total of \$5,291,849 and 58,028 billed for a total of \$4,670,849. Human Resources/Risk Management: William Pieper started Monday, November 10th, Prepared 2026 open enrollment

materials for both staff and union employees, fourteen employees and their family members helped pack 486 food bags. Information Systems: Migrating virtual servers to new infrastructure, working with water and gas departments on new technologies, working on data extraction software conversion, we continue to have slow growth on Facebook adding only 53 followers and publishing 2 posts. We will be taking out a small Facebook ad to promote our page and hopefully gain additional followers. Any likes and share would be appreciated., 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 \$326,230 below budget for the ten months ending October 31st, 2025. Total Capital Additions are \$1,587,384 under budget for ten months ending October 31st,2025.

ITEM 8281

Motion made by Luken 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 November 2025 Plus ACH Payroll Payments \$743,752.50. Add: W. Pieper, \$27.21/hr., effective 11/10/2025.

Name	Payable Description	Payment Amount
DECEMBER 1, 2025		
ABC EMBROIDERY	SERVICE	\$19.80
ACTIVE HEATING INC	SERVICE	\$891.25
ADV. ENGINEERING AND ENVIRONMENTAL SERVICES, LLC	REMOTE-SITE SCADA UPGRADE	\$14,496.33
AFLAC	ACCIDENT	\$1,702.31
AMARIL UNIFORM COMPANY	SAFETY CLOTHING	\$589.81
AMERICAN WATER WORKS ASSN	2026 DUES	\$2,523.00
A-OX WELDING SUPPLY INC	SUPPLIES	\$396.61
APPLIED INDUSTRIAL TECH INC	SUPPLIES	\$836.84
AQUA-PURE INC	SUPPLIES	\$832.50
AUTO VALUE WATERTOWN	SUPPLIES	\$316.95
B3PE LLC	GASWORKS SOFTWARE	\$4,496.25
BENCO EQUIPMENT	SERVICE	\$391.00
BENDIX IMAGING INC	SUPPLIES	\$440.97
BORDER STATES ELECTRIC SUPPLY	DEAD FRONT PAD MT SWITCHGEAR AS PER BID	\$129,374.78
BORNS GROUP	POSTAGE & MAILING	\$12,141.11
BROWN, GINA L	REIMBURSEMENT EXPENSE	\$817.37
BUTLER MACHINERY CO	GENERATOR RENTAL	\$6,656.15
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$13,697.12
CHEMCO SYSTEMS, LP	AUGERS	\$4,629.45
CHRIS OGLE	ENERGY INCENTIVE REBATE	\$400.00
CODINGTON COUNTY SHERIFF OFFICE	SERVICE	\$60.00
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$6,280.64
COMMERCIAL CLEANING SERVICES INC.	JANITORIAL SERVICE	\$3,975.00
CONVERGINT TECHNOLOGIES LLC	SERVICE	\$360.00
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$612.90

DAKOTA DATA SHRED	SHREDDING SERVICE	\$94.51
DAKOTA DIRECTIONAL LLC	SERVICES - ELECTRIC PROJECTS	\$221,620.00
DAKOTA MAINSTEM	2026 DUES	\$8,540.50
DAKOTA RIGGERS & TOOL	SUPPLIES	\$170.78
DEBOER CONSTRUCTION INC.	2ND AVE NE MAIN REPLACEMENTS	\$159,520.48
DEPARTMENT OF HEALTH	WATER SAMPLES	\$820.00
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$21.22
DTN, LLC	SUBSCRIPTION	\$579.86
DUININCK INC	DIRT, GRAVEL	\$10,816.20
ED PAINTER	ENERGY INCENTIVE REBATE	\$400.00
ELECTRIC MOTORS & MOORE INC	SUPPLIES	\$190.00
ELEMENT MATERIALS TECHNOLOGY	SERVICE	\$765.00
ELITE DRAIN AND SEWER CLEANING	SERVICE	\$145.00
ENERGY LABORATORIES INC	WATER TESTING	\$1,682.00
ENGELSTAD ELECTRIC COMPANY	SERVICE	\$4,221.45
ERICKSON, AARON	REIMBURSEMENT EXPENSE	\$544.39
FASTENAL COMPANY	SUPPLIES	\$1,308.13
FEDERAL EXPRESS CORP	SERVICE	\$177.20
FIDELITY SECURITY LIFE INSURANCE CO. (EYEMED)	VISION INSURANCE	\$193.77
FIRST DAKOTA TITLE	SERVICE	\$3,700.00
FOLEY AND FOLEY LAW OFFICE, PC	OCTOBER LEGAL FEES	\$1,560.00
GANNETT MEDIA CORP	PUBLISHINGS	\$165.16
HAWKINS, INC.	AZONE 15	\$11,705.50
HILMOE, ZEKE	REIMBURSEMENT EXPENSE	\$1,844.21
HOMETOWN BUILDING CENTER	SUPPLIES	\$171.56
IBEW LOCAL 426	UNION DUES	\$4,774.00
INNOVATIVE UTILITY PRODUCTS CORPORATION	SERVICE	\$1,151.71
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$145.20
I-STATE TRUCK CENTER	SUPPLIES	\$362.36
J H LARSON COMPANY	SUPPLIES	\$1,750.97
JON IVERSON	ENERGY INCENTIVE REBATE	\$500.00
JORGENSON & OLSON ASPHALT MAINTENANCE, LLC	ASPHALT SERVICES	\$2,642.86
JUSTIN'S LAWN & TREE SERVICE	SERVICE	\$1,125.00
KARST, ADAM	REIMBURSEMENT EXPENSE	\$93.80
KHA CONSULTING LLC	GAS RATE STUDY EXPENSES	\$1,054.50
LAKE AREA DOOR	SUPPLIES	\$32.00
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$154.00
LIGHT & SIREN	LIGHTBARS FOR SERVICE TRUCKS	\$3,527.00
LOCATORS & SUPPLIES INC	SUPPLIES	\$1,096.32
LOVELIS, WAYNE	REIMBURSEMENT EXPENSE	\$137.64
MAC'S HARDWARE	SUPPLIES	\$69.70
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$2,323.24
MATHESON TRI-GAS INC	SUPPLIES	\$174.70
MCKEEVER INC	SUPPLIES	\$227.17
MENARDS INC	SUPPLIES	\$472.95
MERTZ FENCING	SERVICE - FENCE REPAIR	\$2,371.50
MET LIFE	LIFE INSURANCE	\$3,194.52
MIDCONTINENT COMMUNICATIONS	INTERNET, CABLE & PHONE SERVICE	\$1,906.83
MID-WEST ELECTRIC CONSUMERS ASSN	2025 ANNUAL MEETING REGISTRATION	\$425.00
MIDWEST ENERGY ASSOCIATION	TRAINING	\$295.00
MILBANK WINWATER WORKS	SUPPLIES	\$952.92
MUELLER CO	SUPPLIES	\$2,589.33
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$263.89
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$828.84
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$11,315.87

NAPA CENTRAL	SUPPLIES	\$567.13
NORTHERN CON-AGG LLP	SUPPLIES	\$298.58
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$995.50
OFFICE PEEPS	SUPPLIES	\$805.72
OVERHEAD DOOR CO OF WTN	SUPPLIES	\$140.00
PAYMENTUS GROUP INC.	SERVICE	\$79.60
PETE LIEN & SONS	BULK LIME	\$21,910.93
POMP'S TIRE SERVICE, INC.	SUPPLIES	\$239.81
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,484.98
PYE-BARKER FIRE & SAFETY LLC	SERVICE	\$400.00
RC FIRST AID	SUPPLIES	\$196.50
RELIABANK DAKOTA	FLEX MED	\$6,733.89
RUNNING'S SUPPLY INC	SUPPLIES	\$1,093.25
SD ONE CALL	LOCATES	\$601.65
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$7,537.74
SPEE-DEE DELIVERY SERVICE INC	SERVICE	\$89.31
STAN HOUSTON EQUIP CO	RENTAL	\$795.00
STAR LAUNDRY	SERVICE	\$553.36
STUART C IRBY CO	SUPPLIES	\$2,728.50
SUTTON LAWN & SNOW LLC	LAWN CARE	\$768.00
T & R ELECTRIC SUPPLY COMPANY INC	TRANSFORMER REPAIR	\$11,795.00
T & R SERVICE	DISPOSAL OF TRANSFORMERS	\$5,638.00
THEIN WELL	SERVICE - WELL #35	\$3,774.24
TITAN MACHINERY - ABERDEEN	SERVICE - WTP PAYLOADER	\$54,292.94
TITAN MACHINERY- WTN	SUPPLIES	\$1,059.08
TOOLING SOLUTIONS WORLDWIDE INC.	ENERGY INCENTIVE REBATE	\$1,120.00
TOSHIBA FINANCIAL SERVICES	COPIER LEASE	\$445.78
TRAV'S OUTFITTER	SAFETY CLOTHING	\$427.99
TWOTREES TECHNOLOGIES	SOFTWARE MAINTENANCE	\$1,418.75
TYLER BUSINESS FORMS	SUPPLIES	\$96.82
TYLER TECHNOLOGIES	NEW BILLING SOFTWARE	\$6,835.00
USA BLUEBOOK	SUPPLIES	\$738.79
VERMEER HIGH PLAINS	SUPPLIES	\$813.23
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN UNITED WAY	United Way	\$240.00
WATERTOWN WHOLESALE INC	SUPPLIES	\$810.30
WESCO DISTRIBUTION INC	4 POSITION MODULES, INSULATING CAPS, SUPP.	\$47,643.28
	TOTAL	\$877,712.53

Total November 2025 \$877,712.53; Transfer to City's General Fund \$124,117.00, Muni Utilities Electric Water Gas \$42,696.52; Missouri River Energy Services Power \$1,709,351.02; BP Canada Energy Marketing Natural Gas \$15,591.36; Dept. of Revenue Sales/Excise Tax \$175,928.47; CPEP #3 Natural Gas \$24,824.80, CPEP #4 Natural Gas \$37,074.45, CPEP #5 Natural Gas \$94,541.09, CPEP #3 Hedge \$43,574.40, CPEP #4 Hedge \$7,017.60, City Finance Office Garbage/Sewer \$867,729.87.

ITEM 8282

Pursuant to SDCL 1-25-2 (1)(3) Luken moved with second by Carter to move to Executive Session. Motion carried.

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

Motion by Larkin with second by Luken 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 25th, day of November, 2025.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

Dan Brenden
Board President
Municipal Utilities Board

**MINUTES OF SPECIAL SESSION BOARD MEETING
FINANCE COMMITTEE MEETING
MUNICIPAL UTILITIES DEPARTMENT
WEDNESDAY, NOVEMBER 12TH, 2025**

The Municipal Utilities Board convened in special session at Municipal Utilities Board Room Watertown, SD on Wednesday, November 12th, 2025, at 7:00 AM with Vice President Rich Thomas presiding.

Board members present: Rich Thomas, Christine Carter, Charlie Larkin and Mike Luken. Dan Brenden absent. Staff Members present: Steve Lehner, Adam Karst, Bert Magstadt and Zeke Hilmo. Guest, City Manager Alan Stager.

ITEM 8264

Motion by Luken with second by Larkin to approve the agenda. Motion carried.

ITEM 8265

Public Comment: None

ITEM 8266

Discussion of proposed budget for 2026 including operating budget and capital budget. Review of proposed projects for Electric, Water and Gas Departments; review of proposed items for working tools and equipment. The proposed budget with recommendations will be brought to the regular November Board Meeting for approval.

ITEM 8267

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

The Watertown Municipal Utilities Department 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 12th, day of November, 2025.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

Rich Thomas
Board Vice President
Municipal Utilities Board

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Monday, December 29th, 2025

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, December 29th, 2025, at 12:00 p.m. with Board President Dan Brenden presiding.

Board Members present: Dan Brenden, Rich Thomas (12:04 pm), Charlie Larkin, Chris Carter, and Mike Luken. Board Liaison, member of City Council, Kyle Peters absent. Staff members present: Steve Lehner, Bert Magstadt, Wayne Lovelis, Aaron Erickson, Dan LeVasseur, Zeke Hilmo, Mark Meier, Rod Suttan, Cheryl Mack, Gina Brown, Lisa Pahl, and Attorney Vince Foley. Guests: Roger Whittle, The Watertown Current, Chris Clifton, Watertown Development Company and Alan Stager City Manager.

ITEM 8283

Motion by Carter with second by Luken to approve the agenda with the change by removing Item 14(b). Motion carried.

ITEM 8284

Motion by Carter with second by Luken to approve the consent agenda, which gives authorization to call for bids for the following items, authorization to declare as surplus the following items and a list of vehicles purchased using the State contract. Motion carried.

1. AUTHORIZE TO CALL FOR BIDS
 - a) Pebble Lime - Water Department
 - b) Water Meters - Water Department
 - c) Hydrants - Water Department
 - d) Water Pipe - Water Department
 - e) Installation of Water Mains - Water Department
 - f) Chemicals - Water Department
 - g) Sodium Hypochlorite - Water Department
 - h) SCADA software and hardware - Water Department
 - i) Water Main Fittings, Valves and Material - Water Department
 - j) Control and Treatment Systems Equipment - Water Department
 - k) Dispatch Room Relocation - Water Department
 - l) Redrill wells - Water Department
 - m) Replace Pitless Adaptor - Water Department
 - n) Trace Wire - Gas and Water Department
 - o) Gas Pipe - Gas Department
 - p) Installation of Gas Mains and Services - Gas Department
 - q) SCADA Software and Hardware - Gas Department
 - r) Gas Leak Detection Equipment - Gas Department
 - s) Gas Regulators - Gas Department
 - t) Gas Meters - Gas Department
 - u) Anodes - Gas Department
 - v) Risers - Gas Department
 - w) Air Compressor - Gas Department
 - x) Breakers - Electric Department
 - y) Insulators - Electric Department
 - z) Poles and Mounts - Electric Department

- aa) Elbow Cabinets - Electric Department
- bb) Basements - Electric Department
- cc) Installation of URD Primary & Secondary - Electric Department
- dd) Installation of Electric Services - Electric Department
- ee) Pad-Mounted Switchgear - Electric Department
- ff) Capacitor Banks - Electric Department
- gg) Transformers - Electric Department
- hh) Wire - Electric Department
- ii) Streetlight Poles, Posts and Mounts - Electric Department
- jj) Security Lights - Electric Department
- kk) Chipper - Electric Department
- ll) Trucks/Vehicles - All Departments
- mm) Janitorial - All Departments
- nn) Bill Processing & Mailing Services - Customer Service

2. DECLARE AS SURPLUS

- a) Asset #1271,2018 Dodge Ram Pickup (Water)
- b) Asset #1107,2012 International 4400 Chassis W/TL50 Aerial Bucket Truck (Electric)
- c) Asset #1079,2011 Chevrolet Silverado 1500 ½ Ton Pickup
- d) Asset #555,1996 Ingersol Rand AC185 Air Compressor (Gas)
- e) Asset #1108,2012 Bandit 200 XP Chipper (Electric)
- f) Asset #337,Rebuild a new peak shaving plant - partial removal (Gas)
- g) Asset #341,Qty 6, 1973 30,000 GL Propane Tanks (Gas)
- h) Asset #340,Qty 2, 1971 30,000 GL Propane Tanks (Gas)
- i) Asset #342,1973 Propane Storage Tank Foundations (Gas)
- j) Asset #1278,2018 Upgrade 8 Propane Tanks at the Peak Shaving Plant (Gas)
- k) Asset #1046,2010 Generator Rauville Wellfield (Water)

3. VEHICLES PURCHASED USING STATE CONTRACT

- a) Lamb Chevrolet, Onida, SD, State Contract #17965 for \$51,498, 1 ton Chevrolet Truck 4 x 4 long box, replacing Unit 13
- b) Beck Motors, Pierre, SD, State Contract #17963 for \$49,366, ¾ ton Chevrolet Truck 4 x 4 short box, replacing Unit 9
- c) Lamb Motors, Onida, SD, State Contract #17966 for \$70,151, Chevrolet 4 x 4 chassis, with diesel engine, replacing Unit 26

ITEM 8285

Motion by Larkin with second by Carter to approve minutes of Regular Board Meeting from November 25, 2025. Motion carried.

ITEM 8286

Public Comment - None

ITEM 8287

Presentation of the 2025 Annual Report for the Watertown Development Company was given by the Executive Director Chris Clifton. Clifton thanked the Watertown Municipal Utilities for their contribution to WDC. He talked about Business expansion and retention, business attraction, community development, workforce development, investor relations, and regional growth highlights.

ITEM 8288

Motion by Larkin with second by Carter to remove the bankruptcy list as presented in the Board Packet totaling \$75.09 that was discharged in Bankruptcy Court in 2025, from Accounts Receivable. Motion carried.

ITEM 8289

Motion by Luken with second by Thomas to remove the uncollectable accounts totaling \$34,422.40 from Accounts Receivable. There has been no payment on these accounts for the past seven years. Motion carried.

ITEM 8290

Motion by Carter with second by Thomas to approve **Resolution 8290**, a resolution providing for salaries of Watertown Municipal Utilities employees for the period commencing January 1, 2026. Motion carried unanimously by roll call vote.

**A RESOLUTION PROVIDING FOR THE SALARIES OF
WATERTOWN MUNICIPAL UTILITIES EMPLOYEES
FOR THE PERIOD COMMENCING JANUARY 1, 2026**

WHEREAS Watertown Municipal Utilities employs public employees; and

WHEREAS Watertown Municipal Utilities, thru its Board, desires to formally establish 2026 compensation rates for all exempt employees and non-exempt employees; and

WHEREAS the Municipal Utilities Board with previous Board action at the November 25, 2024 Board Meeting thru Item #8113 authorized a three-year Contract with the IBEW Local 426 Union thus making the year 2026 the second year of the contract; and

WHEREAS the Contract provides for general wage increases of 4.5% on January 1, 2025, 4.5% on January 1, 2026, and 4.5% on January 1, 2027 for all non-exempt personnel covered under the union contract.

WHEREAS the Municipal Utilities Board has discussed and reviewed Staff salaries and recommends an increase of 4.5% for Thirteen 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, Utility System Engineer, Administrative Assistant/Board Secretary. In addition, the Board also recommends a 2% craft adjustment for the Water Superintendent position, 2% craft adjustment for the Information Systems Supervisor position, and 2% craft adjustment for the Customer Service/Billing/Collections Supervisor position.

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

Hourly Rate (unless specified) as of January 1, 2026

Electric Department: B Benson 11,708/mo; C Brown 32.69; S Catlette 55.64; T Ellingson 38.50; D Frost 30.79; D Gollnick 54.66; M Gollnick 30.79; Z Hilmoe 9,144/mo; A Jonnes 54.66; A Karst 14,609/mo; S Koehn 54.66; B Magstadt 14,769 mo; M Meier 10,643/mo; M Meseberg 51.23; C Mohrmann 30.79; S Myers 33.46; A Niemann 54.66; L Pahl 36.38; B Ripley 44.16; S Ronke 43.38; J Rudebusch 54.66; M Rue 33.46; T Schafer 59.42; A Schultz 41.95; N Sime 54.66; C Stangl 51.23; D Sunne 54.66; R Suttan 8,635/mo; L Tolley 54.66; T Wirtjes 54.66; Steve Witte 54.66.

Water Department: U Araiza 41.70; W Berner 39.58; C Brenden 41.70; G Brown 8,963/mo; S Erickson 45.29; D Kraemer 41.70; J Kudrna 44.16; W Lovelis; 10,593/mo; R Mack 43.78; M McLaughlin 43.78; A Mitchell 40.05; L Redlin 39.58; K Rumpza 31.28; J Settje 41.70; T Starr 43.78; S Struss 45.85; W Pieper 28.43; A Thorson 39.58; M Ward 47.56; M Wilson 39.58.

Gas Department: M Andrews 49.99; D Brage 49.99; A Erickson 10,595/mo; N Frost 51.49; B Gubka 51.49; J Jellis 51.49; C Kranz 55.92; S Lehner 20,883/mo; D LeVasseur 10,141 mo; C Mack 9,449/mo; T Pahl 46.82; T Remacle 44.16; M Rost 41.95; K Roth 51.49; A Seim 30.79; B Warborg 55.63.

ITEM 8291

This being the time and place set for consideration of bids, the following were presented. Bid for Vacuum Evacuation System. These bids were opened Tuesday, December 23, 2025, at 1:30 PM by the Watertown Municipal Utilities Staff as authorized by the Board.

Vacuum Evacuation System: Four bids were received and upon review and recommendation by Magstadt, motion by Luken with second by Carter to award bid to low valid bidder Midwest Underground Supply of SD, Harrisburg, SD for the amount with Trade-in \$84,400. Vermeer did not qualify because they did not meet specs. Motion carried.

ITEM 8292

Motion by Carter with second by Larkin to authorize General Manger to return checks to unsuccessful bidders. Motion carried.

ITEM 8293

Open: Lehner presented the two bill stuffers a) 2026 Refuse and Recycling Manual/Trash Collection Calendar and b) WMU Billing Software Update.

ITEM 8294

New Business: Magstadt provided the board with an overview of the Electric and Water Territory maps, explaining which areas fall

under Watertown Municipal Utilities and identifying those located outside our service territory.

ITEM 8295

Magstadt presented the Report on Operations and Projects. Electric Department, Projects Completed this Month: 3 outages for the month and a total of 100 unscheduled outages for 2025, converted services on 14th Ave. NW and de-energized all overhead lines for 2026 bridge project. Gas Department, Projects Completed this Month: Finished 8" steel line with NNG, installed chart recorder on the 8" steel line, replaced NNG signs with new WMU signs on the 8" steel line, installed 500' of 2" plastic at 639 21st St SW (Dakota Diesel). Water, Projects Completed this Month: 1 Hydrant break for a total of 15 for the season. Projects in Progress: Annual maintenance of WTP side #3. Engineering Tech, Projects Completed this Month: 26 one-call locates for December 1 to December 22, 2025, 389 one-call locates for November 2025, which was the record for November.

ITEM 8296

Lehner presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects Completed this Month: 296 Investigation orders written up, the main generator's temporary circuit breaker has been replaced with the specified breaker, installation and testing are complete, and the system is now operating under normal conditions. Projects in Progress: Ordering, receiving, and stocking materials, 2025 year-end inventory, working on 2026 budget items. Upcoming Projects: Purchasing inventory for upcoming 2026 construction projects. Customer Service: 15,404 Payments collected for a total of \$5,687,030 and 57,940 billed for a total of \$5,183,193. Human Resources/Risk Management: Completed open enrollment, including submitting applications for 2026 for all staff health insurance, dental insurance, vision insurance, flex plan, life insurance and Aflac, coordinated individual employee meetings via teams, with SDRS/Nationwide, salvation army food drive challenge. Information Systems: Migrating virtual servers to new infrastructure, 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 \$104,965 below budget for the eleven months ending November 30th, 2025. Total Capital Additions are \$1,568,954 under budget for eleven months ending November 30,2025.

ITEM 8297

Motion made by Luken 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 December 2025 Plus ACH Payroll Payments \$705,403.36.

Name	Payable Description	Payment Amount
January 1, 2025		
ABC EMBROIDERY	SERVICE	\$59.40
ACTIVE HEATING INC	SERVICE - BOILERS - WTP	\$6,912.20
ADVANCED ENGINEERING AND ENVIRONMENTAL SERVICES, LLC	WMU REMOTE SITE SCADA UPGRADE	\$9,977.00
AFLAC	ACCIDENT	\$1,702.31
AMARIL UNIFORM COMPANY	SAFETY CLOTHING	\$2,309.77
AMERICAN WATER WORKS ASSN	SUPPLIES	\$105.32
APPLIED INDUSTRIAL TECH INC	SUPPLIES	\$262.55
AUTO VALUE WATERTOWN	SUPPLIES	\$209.36
BNSF RAILWAY COMPANY	APPLICATION FEE	\$2,000.00
BORDER STATES ELECTRIC SUPPLY	GREENLEE BATTERY OPERATED TOOLS - ELECTRIC DEPT.	\$26,937.76
BORNS GROUP	POSTAGE & MAILING	\$11,841.53
BRISTOL, INC.	SUPPLIES, SERVICE	\$1,547.00
BROWN, GINA L	REIMBURSEMENT EXPENSE	\$150.00
BUTLER MACHINERY CO	GENERATOR RENTAL	\$4,923.15
CARTNEY BEARING & SUPPLY	SUPPLIES	\$46.62
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$5,200.59
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$6,281.36
COMMERCIAL CLEANING SERVICES INC.	JANITORIAL SERVICE	\$3,975.00
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$87.60
DAKOTA DATA SHRED	SHREDDING SERVICE	\$163.89
DAKOTA DIRECTIONAL LLC	SERVICE - ELECTRIC PROJECTS	\$74,168.26
DANR	2026 ENVIRONMENTAL FEE	\$50.00
DELTA DENTAL OF SD	DENTAL INSURANCE	\$1,568.80
DEPARTMENT OF HEALTH	WATER SAMPLES	\$1,020.00
DGR ENGINEERING	115KV TRANSMISSION LINE REBUILD	\$13,936.50
DLT SOLUTIONS, LLC	2026 SUBSCRIPTION	\$27,789.26
DSG DAKOTA SUPPLY GROUP	CIRCUIT BREAKER FOR GENERATOR	\$5,592.62
DUNINCK INC	ROCK & CRUSHED CONCRETE	\$18,103.18
ENERGY LABORATORIES INC	WATER TESTING	\$308.00
EQUITABLE	VISION INSURANCE	\$236.34
ETHANOL PRODUCTS LLC	BULK CO2	\$1,811.16
EVOLUTION POWERSPORTS	GENERATOR	\$2,495.00
FASTENAL COMPANY	SUPPLIES	\$251.58
FEDERAL EXPRESS CORP	SERVICE	\$11.70
FOLEY AND FOLEY LAW OFFICE, PC	NOVEMBER LEGAL FEES	\$2,437.50
GANNETT MEDIA CORP	PUBLISHINGS	\$229.44
GLACIAL LAKES ENERGY LLC	ENERGY INCENTIVE REBATE	\$1,314.00
GLOBAL SAFETY NETWORK	SERVICE	\$127.44
GRAINGER	SUPPLIES	\$1,477.89
HARRIS COMPUTER SYSTEMS	2026 SOFTWARE MAINTENANCE	\$25,645.18
HAWKINS, INC.	AZONE 15	\$10,015.18
HEATH CONSULTANTS INC	REPAIRS - GAS SUPPLIES	\$1,680.25
HILMOE, ZEKE	REIMBURSEMENT EXPENSE	\$37.10
HUBBELL GAS UTILITY SOLUTIONS	METER LOOPS	\$1,970.88
IBEW LOCAL 426	UNION DUES	\$4,774.00
J H LARSON COMPANY	SUPPLIES	\$1,224.44
KARST, ADAM	REIMBURSEMENT EXPENSE	\$30.00
KOONS GAS MEASUREMENT	SUPPLIES	\$1,470.28
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$402.40
LOCKSMITH & MORE LLC	SERVICE	\$211.50
LOVELIS, WAYNE	REIMBURSEMENT EXPENSE	\$132.52
MAC'S HARDWARE	SUPPLIES	\$219.65
MATHESON TRI-GAS INC	SUPPLIES	\$320.45
MCKEEVER INC	SUPPLIES	\$322.17
MENARDS INC	SUPPLIES	\$1,051.67
MET LIFE	LIFE INSURANCE	\$1,701.59
MIDCONTINENT COMMUNICATIONS	INTERNET, CABLE & PHONE SERVICE	\$1,906.83
MILSOFT UTILITY SOLUTIONS INC.	ELECTRIC LOAD TRAINING	\$23,250.00
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$392.68
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$3,320.56
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$9,491.15
NAPA CENTRAL	SUPPLIES	\$512.99
NELSON TECHNOLOGIES INC	ODORANT	\$19,194.94
OFFICE PEEPS	SUPPLIES	\$1,104.70
O'REILLY AUTOMOTIVE INC	SUPPLIES	\$156.49
OVERHEAD DOOR CO OF WTN	SERVICE	\$735.72
PAYMENTUS GROUP INC.	SERVICE	\$19.90
PETE LIEN & SONS	BULK LIME	\$26,797.24
PHEASANTLAND INDUSTRIES	SUPPLIES	\$137.56
POMP'S TIRE SERVICE, INC.	SUPPLIES	\$869.73
PRINT 'EM NOW INC	SUPPLIES	\$440.00
REDLINGER BROS PLUMBING & HEATING	SUPPLIES	\$187.99
RELIABANK DAKOTA	FLEX MED	\$6,733.89
RON'S SAW SALES	SUPPLIES	\$41.49
RUNNING'S SUPPLY INC	SUPPLIES	\$610.74
S & P GLOBAL INC	2026 SUBSCRIPTION	\$8,040.00
SANFORD WATERTOWN OCCUPATIONAL MEDICINE	SERVICE	\$475.00
SD MUNICIPAL LEAGUE	TRAINING EXPENSE	\$70.00
SD ONE CALL	LOCATES	\$421.05
SIOUX RURAL WATER INC	LUKONEN TERRITORY PAYMENT	\$8,900.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$5,420.47
SIR LINES-A-LOT, LLC	SERVICE	\$2,879.00
STAN HOUSTON EQUIP CO	RENTAL	\$795.00
STAR LAUNDRY	SERVICE	\$559.47
STRYKER SALES CORPORATION	SUPPLIES	\$2,148.78
STUART C IRBY CO	CT METER CANS	\$5,465.56

SUTTON LAWN & SNOW LLC	LAWNCARE	\$517.00
T & R ELECTRIC SUPPLY COMPANY INC	SERVICE - TRANSFORMER REPAIR	\$2,675.98
TEREX USA, LLC	CUSTOM BODY UNIT 1 - GAS	\$20,533.02
TEREX USA, LLC	LINE TRUCK - UNIT 28	\$375,862.00
TOSHIBA FINANCIAL SERVICES	COPIER LEASE	\$523.88
TRAV'S OUTFITTER	SAFETY CLOTHING	\$17,535.79
TRUGREEN	SUPPLIES	\$588.00
TWO WAY SOLUTIONS, INC.	SERVICE	\$299.00
TWOTREES TECHNOLOGIES	WINDOWS SOFTWARE CONVERSION	\$23,889.69
TYLER BUSINESS FORMS	SUPPLIES	\$50.24
TYLER TECHNOLOGIES	2026 SOFTWARE MAINTENANCE	\$71,848.34
USA BLUEBOOK	SUPPLIES	\$839.84
VERMEER HIGH PLAINS	SUPPLIES	\$824.60
VESSCO INC	SUPPLIES	\$1,217.96
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN FORD CHRYSLER	SUPPLIES	\$769.00
WATERTOWN UNITED WAY	United Way	\$240.00
Void		\$0.00
WATERTOWN WHOLESALE INC	SUPPLIES	\$1,422.75
WELD-IT-ALL	SERVICE	\$852.72
WESCO DISTRIBUTION INC	30' ST LIGHT POLES AS PER BID	\$76,742.75
WINSUPPLY OF WATERTOWN	SUPPLIES	\$160.66
	TOTAL	\$1,025,992.49

Total December 2025 \$1,025,992.49; Transfer to City's General Fund \$124,117.00, Muni Utilities Electric Water Gas \$46,201.44; Missouri River Energy Services Power \$1,692,726.70; BP Canada Energy Marketing Natural Gas \$205,518.15; Dept. of Revenue Sales/Excise Tax \$210,332.04; CPEP #3 Natural Gas \$79,254.00, CPEP #4 Natural Gas \$58,242.00, CPEP #5 Natural Gas \$206,062.50. City Finance Office Garbage/Sewer \$861,234.04.

ITEM 8298

Pursuant to SDCL 1-25-2 (3) Larkin moved with second by Thomas to move to Executive Session. No action is expected coming out of Executive session. Motion carried.

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

Motion by Larkin with second by Luken 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 29th, day of December, 2025.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

Dan Brenden
Board President
Municipal Utilities Board

