

**MINUTES OF MUNICIPAL UTILITIES BOARD MEETING**

**Friday, April 28, 2023**

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Friday, April 28, 2023, at 12:00 p.m. with President Chris Carter presiding.

Board members present: Chris Carter, Mike Luken, Rich Thomas and Charlie Larkin. Board Member Dan Brenden Absent. Board Liaison, member of City Council, Mike Danforth absent. Staff members present: Steve Lehner, Adam Karst, Bert Magstadt, John Lunde, Brian Benson, Mark Meier, Kevin Kruter, Dan LeVasseur, Sheila Mennenga, Gina Brown, Lisa Pahl and Attorney Vince Foley. Media Jen Pendley, KXLG.

**ITEM 7854**

Motion by Thomas with second by Luken to approve the agenda with modifying the year from 2022 to 2023. Motion carried.

**ITEM 7855**

Motion by Luken with second by Thomas to approve the minutes of Regular Board Meeting from March 27, 2023. Motion carried.

**ITEM 7856**

Public Comment - None

**ITEM 7857**

Motion by Luken with second by Thomas to approve contract with Missouri River Basin Municipal Agency D.B.A. Missouri River Energy Services to Administer renewable energy certificates for the City of Watertown, SD Contract No. 23-ugpr-69. Motion carried.

**ITEM 7858**

Director of Operations Magstadt gave an overview of the 2022 Annual Water System Quality Report. He noted that there were no substances detected in the water that violated regulations set by the Federal Government or the State of South Dakota. This report will be posted on the Watertown Municipal Utilities website and pamphlets available to the public at our front counter.

**ITEM 7859**

Motion by Thomas second by Luken to Declare as Surplus a) Refurbished EEI Sonic 6 prover - Asset 1082. Motion carried.

**ITEM 7860**

Motion by Larkin with second by Luken to approve Wire bid adjustment with Wesco from \$190,800.00 to \$286,200.00 due to miscalculation of quantity times unit pricing per bid process. Motion carried.

**ITEM 7861**

This being the time and place set for consideration of bids, the following was presented. Bid for 3<sup>rd</sup> Ave Watermain Replacement - Engine Generator Procurement. This bid was opened Thursday, April 13, 2023, at 1:30 PM by the Watertown Municipal Utilities Staff as authorized by the Board.

Engine Generator Procurement: One quote was received and upon review and recommendation by Magstadt, motion by Luken with second by Thomas to award bid to low valid bidder Butler Machinery, Sioux Falls, SD \$82,979.00, contingent on approval by SD DANR. Motion carried.

**ITEM 7862**

Board President Carter appointed the committees, they are as follows:

**MUNICIPAL UTILITIES BOARD COMMITTEES**

**2023-2024**

<b>RATES &amp; TRANSFERS</b>	<b>Mike Luken</b>	<b>Rich Thomas</b>
<b>WAGES &amp; PERSONNEL</b>	<b>Dan Brenden</b>	<b>Rich Thomas</b>
<b>PRODUCTION &amp; DISTRIBUTION</b>	<b>Dan Brenden</b>	<b>Charlie Larkin</b>
<b>BUILDINGS &amp; EQUIPMENT</b>	<b>Rich Thomas</b>	<b>Charlie Larkin</b>
<b>INVENTORY CONTROL</b>	<b>Mike Luken</b>	<b>Charlie Larkin</b>
<b>FINANCE: All with Chris Carter as Chairman</b>		
<b>First named member to be Chairman of</b>		
<b>Committee</b>		

**ITEM 7863**

Magstadt began discussion on the Long Range Electric Distribution Study. He discussed the key findings and suggestions from CEG's report. Overall, the system is in good shape today, but a few items should be addressed in 2024. The Uptown Substation needs an additional feeder to distribute load more evenly. The feeder along 14<sup>th</sup> Ave N and extending through Eastwoods needs to be rebuilt with larger cable and the 115 kV transmission line needs to be looked at once electric load increases out of the 15<sup>th</sup> Ave Substation.

**ITEM 7864**

Open: Lehner presented the Two bill stuffers a) Mosquito Control b) National Public Works Week - May 21-27.

**ITEM 7865**

Magstadt presented the Report on Operations and Projects. Magstadt went to the SDMEA Conference here in Watertown earlier this week and he shared about one session called Current Supply Chain Status Report. There was discussion on the long lead times and increase cost of transformers. Magstadt also gave an update on the flood. No power or water was shut off, removed 17 gas meters and all but 4 were back on, one pole was destroyed by 31<sup>st</sup> Street, the Operations constructed and filled the HESCO baskets helped haul sand and sandbags. Electric: The digger derrick #29 needs the motor replaced. Gas Department: Gas meters arrived to be replaced at the Ethanol Plant, and we received in the Vermeer RTX 750 Plow/trencher prepping plow blades. Water Department: No water main breaks this past month. Engineering Tech: Did a lot of elevation checks for the flood.

**ITEM 7866**

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects in Progress: Working on the bid for a new roof on the operation building, working on water rate study, spring cleanup of all WMU properties. Customer Service Projects Completed this Month: 14,827 Payments collected for a total of \$6,018,583 and 55,800 services billed for a total of \$5,695,050. Human Resources/Risk Management: Received final work comp premium for 2023, Prepared payroll data for potential FEMA event due to flooding and facilitated team-building activity "lost at Sea". IT: Working on items from the assessment, 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 \$1,835,370 above budget for the third month ending March 31, 2023. Total Capital Additions are \$460,813 below budget for the third month ending March 31, 2023.

**ITEM 7867**

Motion made by Luken 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 2023 Plus ACH Payroll Payments \$653,801.82. Rehire: M. Waite 20.50/hr. effective 4/6/2023; J. Deville 20.50/hr. effective 4/6/2023.

Name	Payable Description	Payment Amount
MAY1, 2023		
AASON ENGINEERING CO INC	SERVICE	\$575.00
ABC EMBROIDERY	SERVICE	\$146.25
ADV. ENGINEERING AND ENVIRONMENTAL SERV., LLC	3RD AVE NW WATERMAIN REPLAC.	\$58,654.66
AFLAC	CANCER PT	\$1,449.67
A-OX WELDING SUPPLY INC	SUPPLIES	\$626.12
AQUA-PURE INC	SODIUM TRIPOLYPHOSPHATE	\$3,870.00
AUTO VALUE WATERTOWN	SUPPLIES	\$2,012.72
BENDIX IMAGING INC	SUPPLIES	\$395.98

BORDER STATES ELECTRIC SUPPLY	16' ALUM ST LIGHT POLES AS PER BID	\$54,805.63
BORNS GROUP	POSTAGE AND MAILING	\$10,768.77
BRIAN'S GLASS & DOOR INC	SERVICE	\$325.00
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$141.26
BUSINESS SOLUTIONS	SERVICE	\$675.00
CENTER FOR INTERNET SECURITY, INC.	SERVICE	\$3,261.28
CENTURY LINK	PHONE SERVICE	\$315.11
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$6,307.40
CHILD SUPPORT PAYMENT CENTER	EMPLOYEE DED.: CHILD SUPPORT	\$750.00
CITY OF WATERTOWN	WORK COMP INS ADJ 2022	\$4,260.00
CODINGTON COUNTY REGISTER OF DEEDS	EASEMENT, SUPPLIES	\$35.00
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$4,896.48
CONNECTING POINT	SUPPLIES	\$1,489.15
CONSULTING ENGINEERS GROUP INC	SERVICE	\$2,300.00
CORE & MAIN LP	WATER PIPE AS PER BID	\$243,096.81
CREATIVE REWARDS	SUPPLIES	\$100.00
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$200.70
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$366.47
DAKOTA RIGGERS & TOOL	SUPPLIES	\$663.48
DEPARTMENT OF HEALTH	WATER SAMPLES	\$637.00
DSG DAKOTA SUPPLY GROUP	WATER METERS	\$13,829.78
DTN, LLC	SUBSCRIPTION	\$546.00
DYNAMIC ENGINEERING	SUPPLIES	\$522.75
ELEMENT MATERIALS TECHNOLOGY	SERVICE	\$1,150.00
ENERGY ECONOMICS INC	GAS METERS	\$41,638.93
ETHANOL PRODUCTS LLC	BULK CO2	\$796.14
EXHAUST PROS	SUPPLIES	\$65.00
FARWEST LINE SPECIALTIES, LLC	SUPPLIES	\$76.97
FASTENAL COMPANY	SUPPLIES	\$75.18
FEDERAL EXPRESS CORP	SERVICE	\$36.06
FIDELITY SECURITY LIFE INSURANCE CO. (EYEMED)	VISION INSURANCE	\$146.07
FOLEY AND FOLEY LAW OFFICE, PC	MARCH LEGAL FEES	\$750.00
GRAINGER	SUPPLIES	\$499.94
HAWKINS, INC.	HYDROFLUOSILICIC ACID	\$2,022.21
IBEW LOCAL 426	UNION DUES	\$3,937.00
INGERSOLL RAND COMPANY	SUPPLIES	\$9,114.57
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$140.20
J H LARSON COMPANY	SUPPLIES	\$10,215.14
JOHNSON CONTROLS INC	SERVICE	\$329.87
LEAK LOCATORS OF MONTANA, LLC	WATER LEAK DETECTION SUPPLIES	\$13,199.00
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$188.92
LINDE GAS & EQUIPMENT INC.	CYLINDER RENTAL	\$201.09
LL & SONS EXCAVATING INC	SERVICE	\$13,852.19
LOCATORS & SUPPLIES INC	SPRAY PAINT	\$3,556.90
LUNDE, JOHN	REIMBURSEMENT EXPENSE	\$52.40
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$485.41
MAC'S HARDWARE	SUPPLIES	\$640.22
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$597.55
MARCO	COPIER LEASE	\$549.53
MATHESON TRI-GAS INC	SUPPLIES	\$231.82
MEIER, MARK	REIMBURSEMENT EXPENSE	\$60.00
MENARDS INC	SUPPLIES	\$1,750.81
MET LIFE	LIFE INSURANCE	\$1,487.60

MIDCONTINENT COMMUNICATIONS	INTERNET & CABLE SERVICE	\$183.39
MIDWEST AUTOMOTIVE INC	TOPPER - UNIT 19	\$5,712.99
MIDWEST UNDERGROUND SUPPLY, LLC	SERVICE	\$576.93
MILBANK WINWATER WORKS	FITTINGS PER BID	\$45,347.91
MINNESOTA MUNICIPAL UTILITIES ASSN	TRAINING EXPENSE	\$10,449.75
MINSAIT ACS, INC.	SCADA SUPPLIES	\$13,808.00
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$727.03
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$490.01
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$3,148.92
NAPA AUTO PARTS	ENERGY INCENTIVE REBATE	\$2,390.65
NAPA CENTRAL	SUPPLIES	\$1,123.32
NELSON TECHNOLOGIES INC	REGULATORS	\$4,524.97
NOVASPECT, INC.	REGULATORS PER BID	\$16,472.88
NYBERG'S ACE	SUPPLIES	\$404.92
OFFICE PEEPS	SUPPLIES	\$4,126.04
PALMER WAHL INSTRUMENTS INC.	SUPPLIES	\$1,610.94
PARA UX LLC	SERVICE	\$100.00
PAYMENTUS GROUP INC.	SERVICE	\$29.85
PETE LIEN & SONS	BULK LIME	\$21,495.32
PIPELINE ASSN FOR PUBLIC AWARENESS	2023 ANNUAL DUES	\$715.00
POLLARD WATER	SUPPLIES	\$3,292.20
POMP'S TIRE SERVICE, INC.	SUPPLIES	\$1,800.46
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,189.77
PRINT 'EM NOW INC	SUPPLIES	\$284.00
PRO LINE INC	SUPPLIES	\$118.66
REDLINGER BROS PLUMBING & HEATING	SUPPLIES	\$67.79
RELIABANK DAKOTA	FLEX DC	\$6,773.89
RODENBURG LAW FIRM	EMPLOYEE DEDUCTION	\$150.00
RON'S SAW SALES	SERVICE	\$335.63
RUNNING'S SUPPLY INC	SUPPLIES	\$326.30
SAFECO FILTER PRODUCTS INC	SUPPLIES	\$1,464.83
SCHWEITZER ENGINEERING	SUPPLIES	\$533.61
SD GOVERNMENTAL HUMAN RESOURCE ASSOCIATION	REGISTRATION	\$75.00
SD MUNICIPAL ELECTRIC ASSN	TRAINING EXPENSE	\$190.00
SD ONE CALL	LOCATES	\$23.10
SENSAPHONE	SERVICE	\$299.40
SENSIT TECHNOLOGIES LLC	SUPPLIES	\$1,763.09
SERVICEMASTER OF WATERTOWN	JANITORIAL SERVICE	\$4,120.00
SHIRTS IN THE WORKS	SUPPLIES	\$46.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$7,202.13
STAN HOUSTON EQUIP CO	SUPPLIES	\$1,077.22
STAR LAUNDRY	SERVICE	\$606.56
STEVE'S WORLD	SERVICE	\$165.00
STUART C IRBY CO	SUPPLIES	\$1,425.37
TEREX USA, LLC	SERVICE - UNIT 28	\$3,225.00
TITAN MACHINERY-SF	SUPPLIES	\$319.75
TRAV'S OUTFITTER	SAFETY CLOTHING	\$1,958.00
TSP, INC.	SERVICE	\$4,035.96
ULINE INC	SUPPLIES	\$1,338.82
USA BLUEBOOK	SUPPLIES	\$343.37
VAN DIEST SUPPLY COMPANY	HERBICIDE	\$8,000.00
VERMEER HIGH PLAINS	SUPPLIES	\$1,303.48
WALMART	SUPPLIES	\$75.95

WATERTOWN BOX CORP	SUPPLIES	\$155.66
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN PUBLIC OPINION	PUBLISHINGS	\$244.12
WATERTOWN UNITED WAY	United Way	\$263.00
WELD-IT-ALL	SERVICE	\$122.50
WESCO DISTRIBUTION INC	WIRE	\$78,230.55
WILSON BOHANNAN COMPANY	SUPPLIES	\$2,483.20
WW TIRE SERVICE INC	SUPPLIES	\$3,300.00
	<b>TOTAL</b>	<b><u><u>\$806,728.38</u></u></b>

Total April 2023 \$806,728.38; Transfer to City's General Fund \$118,125.00, Muni Utilities Electric Water Gas \$50,276.52; Missouri River Energy Services Power \$1,656,784.16; BP Canada Energy Marketing Natural Gas \$280,047.18; Dept. of Revenue Sales/Excise Tax \$261,427.51; CPEP #3 Natural Gas \$74,459.29, CPEP #4 Natural Gas \$40,404.78, CPEP #5 Natural Gas \$57,303.81, CPEP #3 Hedge Natural Gas \$41,292.30. Natural Gas Sequent Energy Mgmt \$146,234.86, City Finance Office Garbage/Sewer \$582,153.66.

#### **ITEM 7868**

The Board set date of Wednesday, May 31, 2023, at noon for May Board Meeting.

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

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

Motion by Luken 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 28<sup>th</sup>, day of April 2023.

ATTEST: \_\_\_\_\_

Lisa Pahl  
Board Secretary  
Municipal Utilities Board

\_\_\_\_\_

Christine Carter  
Board President  
Municipal Utilities Department