

**MINUTES OF MUNICIPAL UTILITIES BOARD MEETING**

**THURSDAY, MAY 27<sup>TH</sup>, 2021**

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Thursday, May 27<sup>th</sup>, 2021 at 12:00 p.m. with President Greg Solum presiding.

Board members present: Greg Solum, Chris Carter, Lisa Carrico and Mike Luken. Board Member Dan Brenden absent. New Board Member Rich Thomas. Also present, Board Liaison, member of City Council, Glen Vilhauer and Staff members: Steve Lehner, Adam Karst, Bert Magstadt, Jeff DeVille, Wayne Lovelis, John Lunde, Brian Benson, Mark Haider, Mark Meier, Kevin Kruter, Sheila Mennenga, Lisa Pahl and Attorney Vince Foley. Staff Members absent Gina Brown. Guest Mark Vaux, Watertown Development Company.

**ITEM 7531**

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

**ITEM 7532**

Motion by Luken with second by Carter to approve minutes of Regular Session meeting on April 26<sup>th</sup>, 2021. Motion carried.

**ITEM 7533**

Public Comment: General Manager Steve Lehner introduced Mark Vaux the new Executive Director of Watertown Development Company. Board Liaison, member of City Council, Glen Vilhauer addressed the board. He said that Amanda Mack has been hired as City Manager starting June 21 and he is hoping she will be at the June Board Meeting if her schedule allows. Board President Greg Solum introduced incoming Board Member Rich Thomas.

**ITEM 7534**

Motion by Luken second by Carter to approve Water Main Installation Agreement with J & J Land Sales, LLC. Motion carried.

**ITEM 7535**

Motion by Carter with second by Carrico to approve Water Main Installation by Developer Agreement template. Motion carried.

**ITEM 7536**

Motion by Luken with second by Carter to approve Water Main Installation by Developer Agreement with Robert L. Endres. Motion carried.

**ITEM 7537**

Motion by Carter with second by Carrico to authorize General Manager to sign change order for the water main replacement for the 10<sup>th</sup> Ave reconstruction project for the amount of \$12,008.80. Motion carried.

**ITEM 7538**

Motion by Luken with second by Carrico for authorization to call for bid for Fire Suppression System for Uptown Substation. Motion carried.

**ITEM 7539**

Motion by Carter with second by Luken to approve Professional Service Agreement with Utility Financial Solutions, LLS for a transfer study. This study will help us compare how other communities make transfers. This will help give us a better methodology about transfers.

**ITEM 7540**

Open:

- a) The Gas Department has been awarded the System Operational Achievement Award (SOAR) - silver level.
- b) John Lunde, Gas Superintendent, has been appointed as Chair on the American Public Gas Association Operations Committee for 2022.
- c) Lehner gave an update on the MRES Annual Meeting that was held via Webex. Tom Heller gave opening remarks and gave an overview of the agenda. Joy Ditto gave an update on the American Public Power Association. Marty Kanner gave federal updates, General Wesley Clark gave a presentation on Cyber Security. Ray Wahle told of the impact the Polar Vortex had on MRES, Tom Heller gave a Presidential Report, Vernell Roberts recognized the 2021 Award Winners. At the business meeting new directors were elected, along with a year in review.
- d) Lehner invited the Board to our annual Safety Picnic Tuesday, June 8, 11:30 am - 1:30 pm.

**ITEM 7541**

Magstadt presented the Report on Operations and Projects: He started out by introducing the new Water Superintendent Wayne Lovelis to the Board. Electric, 3 new electrical outages for a total of 20 electrical unscheduled outages for 2021, Power pole was hit by the Tree Farm, Maintenance at the East Sub. Gas, Completed Public Awareness Survey for the DOT which is mandatory every four years. Blue Otter contacted 14,330 homes and 6.9% responded to the survey, replaced 700' 2" steel main on the 10<sup>th</sup> Ave project. Water, Lowered a 6" main at the intersection of Highway 212 and Highway 81 for Storm Water Project. Engineering Tech, working with Water Department and AE2S on the continuing work of short term and long-term modeling.

**ITEM 7542**

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects completed this month: Applying granular herbicide to substations and gas regulator stations is complete, Completed patch and crack sealing WMUs parking lot. Projects in Progress: Ordering, receiving and stocking material. Customer Service, Projects Completed this Month: 11,285 payments collected for a total of \$3,445,451 total of 54,799 services billed for a total of \$4,242,586. Human Resources/Risk Management: Interviewed for Customer Service Rep and hired Christianne Mohrmann as Apprentice CSR I, effective 5/17/2021, Hired summer temps Waylin Sime, Mason German, Calyn Weiss and Kade Rumpza. IT: Completed Application to MRES for Cyber Security pilot program. Normal monthly IT maintenance and troubleshooting.

Statements of Revenue and Expenses and Capital Additions were presented to the Board for review. Year to date net income is \$569,824 under budget for the four months ending April 30, 2021. Total Capital Additions are \$466,479 under budget for the four months ending April 30, 2021.

**ITEM 7543**

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 May 2021 Plus ACH Payroll Payments \$575,387.29. Add: W. Lovelis \$7917/month effective 5/3/2021, C. Brenden 22.34/hr effective 5/3/2021, C. Mohrmann 19.98/hr effective 5/17/2021. New: M. German 14.00/hr effective 5/17/2021, W. Sime 12.00/hr effective 5/17/2021 Change: J. Beynon \$12.50/hr effective 5/17/2021, W. Berner 14.75/hr effective 5/17/2021.

Name	Payable Description	Payment Amount
JUNE 1, 2021		
ABC EMBROIDERY	SERVICE	\$39.60
ABC LOCK & KEY	SERVICE	\$281.50
ACTION BATTERY WHOLESALERS	PELICAN SUB BATTERY SYSTEM	\$14,321.73
ADVANCED ENGINEERING AND ENVIRONMENTAL SERVICES, LLC	WTP I&C SERVICES	\$622.72
AFLAC	CANCER PT	\$1,715.78
A-OX WELDING SUPPLY INC	SUPPLIES	\$241.66
AQUA-PURE INC	SODIUM TRIPOLYPHOSPHATE	\$7,837.50
AUTO BODY SPECIALTIES	SUPPLIES	\$149.76
AUTO VALUE WATERTOWN	SUPPLIES	\$655.31
BATTERIES UNLIMITED INC	SUPPLIES	\$28.00
BENDIX IMAGING INC	SUPPLIES	\$537.98
BENSON, BRIAN	REIMBURSEMENT EXPENSE	\$130.32
BLUE OTTER SOLUTIONS, LLC	SURVEY SERVICES	\$4,947.20
BORDER STATES ELECTRIC SUPPLY	GAS PIPE AS PER BID	\$47,027.55
BORNS GROUP	POSTAGE & MAILING	\$10,657.22
BRAGE, DOUGLAS J	REIMBURSEMENT EXPENSE	\$152.84
BRIAN'S GLASS & DOOR INC	SUPPLIES	\$230.00
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$72.98
CENTURY LINK	PHONE SERVICE	\$315.49
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$3,939.69
CHILD SUPPORT PAYMENT CENTER	EMPLOYEE DEDUCTION: CHILD SUPPORT	\$750.00
CITY OF WATERTOWN	OPEB VALUATION	\$1,100.00
CLAUSEN & SONS CONSTRUCTION LLC	PELICAN SUBSTATION	\$50,000.00
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$5,763.76
CONNECTING POINT	IT EXEPNSE	\$2,428.87
CONSULTING ENGINEERS GROUP INC	UPTOWN SWITCHGEAR	\$4,797.78
CORE & MAIN LP	HYDRANTS PER BID	\$188,995.10
CREATIVE REWARDS	SUPPLIES	\$120.00

CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$203.55
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$671.03
DAKOTA DATA SHRED	SHREDDING SERVICE	\$69.62
DAKOTA RIGGERS & TOOL	SUPPLIES	\$585.46
DAKOTA UNDERGROUND CONSTRUCTION LLC	INSTALLATION OF UNDERGROUND	\$22,900.00
DEPARTMENT OF HEALTH	WATER SAMPLES	\$515.00
DEVILLE, JEFF	REIMBURSEMENT EXPENSE	\$43.12
DGR ENGINEERING	REVENUE METERING RELOCAITON	\$286.50
DIAMOND VOGEL PAINT CENTER	SUPPLIES	\$95.64
DISCOUNT SEEDS, INC.	LAWN SEED	\$1,040.00
DSG DAKOTA SUPPLY GROUP	TAPPING SLEEVES	\$6,429.33
DTN, LLC	SUBSCRIPTION	\$536.00
DUININCK INC	GRAVEL, ROCK and DIRT	\$5,193.96
ELEMENT MATERIALS TECHNOLOGY	WELDER QUALIFICATION	\$225.00
ENERGY ECONOMICS INC	SERVICE	\$1,306.64
ENERGY LABORATORIES INC	WATER TESTING	\$1,510.00
ENGELSTAD ELECTRIC COMPANY	INSTALLATION OF UNDERGROUND	\$29,781.33
ETHANOL PRODUCTS LLC	SUPPLIES	\$556.56
FARNAMS GENUINE PARTS	SUPPLIES	\$670.64
FASTENAL COMPANY	SUPPLIES	\$325.90
FEDERAL EXPRESS CORP	SERVICE	\$43.57
FIDELITY SECURITY LIFE INSURANCE CO. (EYEMED)	VISION INSURANCE	\$360.04
GAS PRODUCTS SALES, INC	REGULATORS	\$6,028.80
GRAF SIGN PRO OF WATERTOWN LLC	SUPPLIES	\$364.00
GRAINGER	SUPPLIES	\$942.29
GROEBNER	SUPPLIES	\$985.81
HALME, INC.	LOWERING WATERMAIN	\$10,264.69
HAUGAN NELSON REALTY	REFUND OF CREDIT ON ACCOUNT	\$203.12
HAWKINS, INC.	SUPPLIES	\$285.20
HUMAN SERVICE AGENCY	EAP SERVICES	\$67.50
IBEW LOCAL 426	UNION DUES	\$2,809.00
INDELCO PLASTICS CORPORATION	SUPPLIES	\$88.88
INGERSOLL RAND COMPANY	SUPPLIES	\$771.53
ITRON INC	HARDWARE/SOFTWARE MAINTENANCE	\$10,662.43
J H LARSON COMPANY	SUPPLIES	\$2,869.79
JIM STEIGER	ENERGY INCENTIVE REBATE	\$759.95
JOHNSON CONTROLS INC	SERVICE	\$408.41
JOHNSON FEED, INC	BULK SOLAR CRYSTALS	\$5,014.95
JOSEPH MEDANICH	ASPHALT REPAIR	\$24,701.31
JUSTICE FIRE & SAFETY	ANNUAL MAINTENANCE	\$3,331.25
KARST, ADAM	REIMBURSEMENT EXPENSE	\$639.96
LATC FOUNDATION	GOVERNOR'S LUNCHEON	\$245.00
LL & SONS EXCAVATING INC	ADD MAIN WATERLINE	\$5,239.81
LOCATORS & SUPPLIES INC	TRAFFIC CONES	\$2,855.09
LOVELIS, WAYNE	REIMBURSEMENT EXPENSE	\$41.44
LUNDE, JOHN	REIMBURSEMENT EXPENSE	\$95.20
M E BARBER CO INC	SUPPLIES	\$446.98
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$488.19
MAC'S HARDWARE	SUPPLIES	\$352.64
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$390.26
MARCO	COPIER LEASE	\$564.95
MARK M STROHFUS	SERVICE	\$95.00
MATHESON TRI-GAS INC	SUPPLIES	\$189.20
MCKEEVER INC	SUPPLIES	\$162.11
MENARDS INC	SUPPLIES	\$1,012.05
MESA PRODUCTS INC	SUPPLIES	\$2,155.00
MET LIFE	LIFE INSURANCE	\$1,322.75
MIDCONTINENT COMMUNICATIONS	INTERNET & CABLE SERVICE	\$224.54
MIDWEST UNDERGROUND SUPPLY, LLC	SUPPLIES	\$136.00
MILBANK WINWATER WORKS	SUPPLIES	\$727.31
MISSOURI RIVER ENERGY SERVICES	SCANNING & ANALYSIS	\$1,676.60
MUELLER CO	SUPPLIES	\$1,281.07
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$254.00
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$404.00
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$7,962.12
NELSON TECHNOLOGIES INC	SERVICE: WATERBATH HEATER	\$7,289.00
NESD SHRM	TRAINING	\$110.00
NORTHWEST PIPE FITTINGS INC	WATER ROAD BOXES	\$12,543.18
OFFICE OF ENERGY ASSISTANCE	REIMBURSE ENERGY ASSISTANCE	\$481.84
OFFICE PEEPS	SUPPLIES	\$1,183.53
O'REILLY AUTOMOTIVE INC	SUPPLIES	\$33.24
PETE LIEN & SONS	BULK LIME	\$5,506.60
PHEASANTLAND INDUSTRIES	SAFETY CLOTHING	\$490.89
POMP'S TIRE SERVICE, INC.	SERVICE	\$169.72
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$195.68
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$986.41
PRINT 'EM NOW INC	SUPPLIES	\$49.00
PRO LINE INC	SUPPLIES	\$24.75
RC FIRST AID	SUPPLIES	\$64.00
REDLINGER BROS PLUMBING & HEATING	SUPPLIES	\$88.62
RELIABANK DAKOTA	FLEX MED	\$6,622.90
RESCO	TRANSFORMERS AS PER BID	\$88,889.50

RÖDENBURG LAW FIRM	EMPLOYEE DEDUCTION - File Code 280498-68	\$150.00
ROST, MICHAEL	REIMBURSEMENT EXPENSE	\$353.24
RUNNING'S SUPPLY INC	SUPPLIES	\$409.24
SANFORD WATERTOWN OCCUPATIONAL MEDICINE	SCREENS	\$251.00
SCHAEFFER MFG CO	SUPPLIES	\$2,184.05
SD ONE CALL	LOCATES	\$520.80
SERVICEMASTER OF WATERTOWN	JANITORIAL SERVICE	\$4,120.00
SETTJE, JOEY	REIMBURSEMENT EXPENSE	\$1,157.40
SHERMCO INDUSTRIES, INC.	UPTOWN SWITCHGEAR	\$10,463.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$8,346.86
SPEE-DEE DELIVERY SERVICE INC	SERVICE	\$105.19
STADHEIM LAWN CARE	LAWN CARE	\$1,330.00
STAN HOUSTON EQUIP CO	SUPPLIES	\$828.00
STAR LAUNDRY INC	SERVICE	\$435.60
STRUSS, SCOTT	REIMBURSEMENT EXPENSE	\$2,975.00
STUART C IRBY CO	SUPPLIES	\$3,427.37
TEREX USA, LLC	SUPPLIES	\$49.95
TIMMONS CONSTRUCTION, INC.	10TH AVE WATER MAIN REPLACEMENT	\$16,173.80
TITAN MACHINERY- WTN	SUPPLIES	\$46.78
TOOL TIME RENTAL	RENTAL	\$200.00
TRAV'S OUTFITTER	SAFETY CLOTHING	\$883.00
TWO WAY SOLUTIONS, INC.	SUPPLIES	\$511.76
TYNDALE COMPANY INC	SAFETY CLOTHING	\$791.80
ULINE INC	SUPPLIES	\$125.10
UPS	SERVICE	\$24.12
UPTOWNE CLEANERS	SERVICE	\$67.14
USA BLUEBOOK	SUPPLIES	\$1,460.19
VAN DIEST SUPPLY COMPANY	HERBICIDE	\$4,555.60
VERIFIED CREDENTIALS	SERVICE	\$150.96
VERMEER HIGH PLAINS	SUPPLIES	\$257.63
WALMART COMMUNITY	SUPPLIES	\$22.92
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN PUBLIC OPINION	PUBLISHINGS & ADVERTISEMENTS	\$2,530.41
WATERTOWN UNITED WAY	United Way	\$412.00
WATERTOWN WHOLESALE INC	SUPPLIES	\$543.60
WESCO DISTRIBUTION INC	SUPPLIES	\$1,863.16
ZEP SALES AND SERVICE	SUPPLIES	\$175.75
	<b>TOTAL</b>	<b>\$722,050.69</b>

Total May 2021 722,050.69; Transfer to City's General Fund 131,095.33, Muni Utilities Electric Water Gas 44,091.45; Missouri River Energy Services Power 1,484,483.89; BP Canada Energy Marketing Natural Gas 75,637.80; Dept. of Revenue Sales/Excise Tax 185,976.80; CPEP #3 Natural Gas 24,139.43, CPEP #4 Natural Gas 46,508.85, Sequent Energy Management Natural Gas 124,710.50, Northern Border Pipeline Capacity Charges 87,160.80, City Finance Office Garbage/Sewer 506,056.56.

#### **ITEM 7544**

Solum turned the meeting over to General Manager Steve Lehner and Lehner noted that Rich Thomas was appointed by Mayor Sara Caron for a five-year term on the Board. Lehner presented resolution of appreciation to outgoing Board Member Greg Solum. Motion by Carter with second by Luken to approve the resolution for Greg Solum. Motion carried.

RESOLUTION OF APPRECIATION FOR  
**Greg Solum**  
WATERTOWN MUNICIPAL UTILITY BOARD  
JULY 2016 TO MAY 2021

WHEREAS, Greg Solum was first appointed in July, 2016 to the Municipal Utilities Board by the Mayor and City Council of the City of Watertown, South Dakota, and

WHEREAS, Greg Solum has held 5 years of distinguished service working for and in the best interest of the Watertown Municipal Utilities and the Municipal Utilities Board, and

WHEREAS, Greg Solum has served as president of the Board working willingly and untiringly for the betterment of the Watertown Municipal Utilities and the City of Watertown, South Dakota, therefore

BE IT RESOLVED, that the Members of the Municipal Utilities Board and the entire Watertown Municipal Utilities, take this means to express their deep appreciation and gratitude to Greg Solum for giving of his time and talents in service to the community, and especially his service to the direction and management of the Watertown Municipal Utilities of the City of Watertown, by his willingness to serve as a Member of the Municipal Utilities Board, and

BE IT FURTHER RESOLVED, that Greg Solum's friendliness and pleasant personality, as well as his business insight and dedication to the business of the Watertown Municipal Utilities, is recognized and appreciated. Dated this 27<sup>th</sup> day of May 2021.

**ITEM 7545**

Lehner requested reorganization of the Board. Motion by Luken with second by Thomas to appoint Lisa Carrico as President and Chris Carter as Vice President. Motion carried.

Board President Carrico's appointment of committees is as follows:

Rates & Transfers	Dan Brenden and Mike Luken
Wages & Personnel	Chris Carter and Mike Luken
Production & Distribution	Mike Luken and Rich Thomas
Buildings & Equipment	Dan Brenden and Rich Thomas
Inventory Control	Chris Carter and Dan Brenden

Finance: All with Lisa Carrico as Chairman, First named member to be Chairman of Committee.

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 27<sup>th</sup>, day of May, 2021.

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

Lisa Pahl  
Board Secretary  
Municipal Utilities Board

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Lisa Carrico  
Board President  
Municipal Utilities Department