

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

THURSDAY, JANUARY 28th, 2021

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Thursday, January 28, 2021 at 12:00 p.m. with President Greg Solum presiding.

Board members present: Greg Solum and Lisa Carrico. Board Members via teleconference: Mike Luken, Chris Carter and Dan Brenden. Board Liaison, member of City Council, Glen Vilhauer via teleconference, Staff members present: Steve Lehner, Adam Karst, Bert Magstadt, Mark Haider, Lisa Pahl and Attorney Vince Foley. Staff Members via teleconference Jeff DeVille, Gina Brown, Kevin Kruiter, John Lunde, Doug Enstad, Brian Benson, Mark Meier and Sheila Mennenga. Guests: Chris Schilken from the Watertown Development Company and Troy VanDusen from KXLG Radio also via teleconference Mayor Sara Caron, Public Works Director/City Engineer Heath Voneye, Finance Officer Kristen Bobzien and Watertown Public Opinion Newspaper Dan Crisler.

ITEM 7468

Motion by Carrico with second by Luken to approve the Agenda. Motion carried unanimously upon roll call vote.

ITEM 7469

Motion by Carrico with second by Carter to approve Consent Agenda, which gives authorization for the General Manager to sign annual contracts for the following items, Motion carried unanimously upon roll call vote.

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) Telvent, DTN
- i) Geotek Engineering & Testing Services Inc.
- j) Change Orders up to \$5,000 for Construction Projects and Equipment during 2021
- k) State Health Lab Contract

ITEM 7470

Motion by Carter with second by Carrico to approve minutes of regular meeting on December 28, 2020 Board Meeting. Motion carried unanimously upon roll call vote.

ITEM 7471

Public Comment: None

ITEM 7472

Chris Schilken from the Watertown Development Company gave a presentation. This presentation was an Investment Proposal to help facilitate single family house building in Watertown. The City of Watertown is short on single family homes in the range of \$250,000 to \$300,000. The Watertown Development Company is asking for partners to carry the cost of home lots for the contractors who are willing to build 5 to 20 homes. The money would then be paid back when the home is sold. This is a program to help contractors with building efforts during this time of shortfall.

ITEM 7473

Motion by Brenden with second by Carrico to consider the City's request for Watertown Municipal Utilities to bill storm water utility fees for the City of Watertown that was presented at the December 28, 2020 Board Meeting. Motion upon roll call vote with 0 in favor and 5 against, the motion failed.

ITEM 7474

Motion by Luken with second by Carrico to authorize to call for bids for: a) Upgrade to Uptown Substation Bus from 1200 to 2000 amps b) Pelican Substation Flood Wall. Motion carried unanimously upon roll call vote.

ITEM 7475

Motion by Carrico with second by Luken to Declare as Surplus: a) Pelican Substation Batteries - Asset #439 b) Electro-Fusion Machine - Asset #579. Motion carried unanimously upon roll call vote.

ITEM 7476

Karst presented the 2020 Fixed Asset Report & Solid Waste Disposal Report according to Policy Section #49. This report included removal of 109 poles, removal of 19,781 feet of overhead wire, abandoned 10,602 feet of underground wire, retired 12,263 KVA of line transformers, retired 194 electric meters, removed 1 street light, removed 1 Power Analyzer 7 Channel, transferred to the City of Watertown 1 1998 Ford F250XL ¾ T 4WD Unit#5, traded 1GPS Hiper GA Rover Topcon FC 2500 data collector-electric portion,

removed 20 batteries from West Substation, removed 1 control station, removed 1 1972 control station bldg., removed 1 MRES transformer, removed 1 Uptown Sub transformer, removed 1 Nelson Park Substation, and removed 1 demolition & repair power plant. Retired 40 water meters, abandoned 3,689 feet of water main, retired 50 service connections, removed/replaced 15 hydrants, traded 1 GPS Hiper GA Rover Topcon FC 2500 data collector-water portion, abandoned 2,222 feet of gas services, retired 64 gas meters, abandoned 1,692 feet of gas mains, transferred to the City of Watertown 1 2008 Ford 550, traded 1 GPS Hiper GA Rover Topcon FC data collector - gas portion and removed 5,543 ton lime sludge.

ITEM 7477

This being the time and place set for consideration of bids, the following were presented. Bids for the Installation of URD Primary and Secondary, Electric Service Installation and Installation of Fiber Optic for Electric Department, Two AWD Vans and Vacuum Trailer for the Gas Department. These bids were opened Thursday, January 21st, 2021 at 1:30 PM by the Watertown Municipal Utilities Staff as authorized by the Board.

URD PRIMARY AND SECONDARY INSTALLATION: Two bids were received and upon review and recommendation by Magstadt, motion by Carter with second by Carrico to award bid to low valid bidder, Engelstad Electric, Watertown, SD for \$588,030.00. Motion carried unanimously upon roll call vote.

ELECTRIC SERVICE INSTALLATION: Three bids were received and upon review and recommendation by Magstadt, motion by Carrico with second by Luken to award bid to low valid bidder, Dakota Underground, Lake Norden, SD for \$65,000. Motion carried unanimously upon roll call vote.

FIBER OPTIC INSTALLATION: Six bids were received and upon review and recommendation by Magstadt, Motion by Carrico with second by Carter to award bid to low valid bidder, Geldner Underground, St. Peter, MN for \$106,400. Motion carried unanimously upon roll call vote.

TWO AWD F150 VANS: One bid was received and upon review and recommendation by Magstadt, Motion by Luken with second by Carter to award bid to low and valid bidder, Watertown Ford Chrysler, Watertown, SD for \$69,574 less trade-in of \$21,500 for a net cost of \$48,074. Motion carried unanimously upon roll call vote.

VACUUM EXCAVATION SYSTEM: Three bids were received and upon review and recommendation by Magstadt, Motion by Luken with second by Carrico to award bid to low valid bidder, Midwest Underground Supply of SD, Harrisburg, SD for \$72,500. Motion carried unanimously upon roll call vote.

ITEM 7478

Motion by Carrico with second by Carter to authorize to return checks to bidders. Motion carried unanimously upon roll call vote.

ITEM 7479

Open: Lehner extended an invite to the Board to three different conferences, the AWWA Conference in San Diego, CA June 13-16, the APPA Conference in Chicago, IL June 18-23 and the APGA Conference in Santa Ana Pueblo, New Mexico July 25-28.

ITEM 7480

Magstadt presented the Report on Operations and Projects, Electric, Projects Completed this Month: Retiring Electric Superintendent Doug Enstad's last Board Meeting, Magstadt thanked him for his service. Electric Projects Completed this Month: 1 Electrical Outage for 2021. Projects in Progress: Working on switchgear bus upgrade with CEG at the Uptown Sub. Gas, Projects Completed this Month: State OPS audit, Public Awareness audit and O & M, OQ and DIMP plan updates. Water, Magstadt announced Jeff DeVille's retirement in June, Watertown Municipal Utilities has started looking for his replacement. Projects Completed this Month: 3 water main breaks total of 6 for the season, Projects in Progress: Side #2 maintenance while it is drained for the next year. Projects Starting Next Month: Contractor lowering water mains per contract along Hwy 81 for SD DOT project. Engineering Tech, Projects Completed this Month: Update fire hydrant GPS location for GIS & Fire Department, Projects in Progress: Update Water Distribution system locating maps, Projects Starting Next Month: Locating for South 81 storm sewer DOT project.

ITEM 7481

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects Completed This Month: Completed our annual physical. Projects in Progress: Bidding and ordering of 2021 budget items, Upcoming Projects: Ordering long lead time items for spring construction. Customer Service, Projects Completed this Month: 14,553 payments collected for a total of \$4,666,869 total of 54,547 services billed for a total of \$4,614,048, 86 COVID 19 deals. Human Resources/Risk Management: Retirement of Doug Enstad, Electric Superintendent, effective 1/31/2021, Promotion of B. Benson to Electric Superintendent, effective 1/1/2021, Promotion of Trent Schafer to Line Foreman, effective 1/1/2021, posted for Trent's position - Journeyman Lineman. IT: Normal monthly IT maintenance and troubleshooting along with Website Stats and top 10 webpages visited.

Statements of Revenue and Expenses and Capital Additions were presented to the Board for review. Year to date net income is \$2,753,139 above budget for the Twelve months ending December 31st, 2020. Total Capital Additions are \$1,289,525 under budget for the twelve months ending December 31, 2020.

ITEM 7482

Motion made by Carrico 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 January 2021 Plus ACH Payroll Payments \$582,634.07. Change: B. Benson 8,750/mo., effective 1/1/2021, J. Jellis 39.26/hr., effective 12/21/2020, T. Schafer 46.67/hr., effective 1/1/2021, M. Wilson 27.03/hr., effective 1/7/2021, Term: D. Enstad, effective 1/31/2021.

Name	Payable Description	Payment Amount
FEBRUARY 1, 2021		
ABC EMBROIDERY	SERVICE	\$23.85
ABC LOCK & KEY	SUPPLIES	\$390.00
ACTIVE HEATING INC	ENERGY INCENTIVE REBATE	\$100.00
ADVANCED ENGINEERING & ENVIRONMENTAL SERV.	I&C SYSTEM SERVICES	\$776.00
AFLAC	CANCER PT	\$1,770.88
A-OX WELDING SUPPLY INC	CYLINDER RENTAL	\$20.35
APPLIED INDUSTRIAL TECH INC	SUPPLIES	\$355.20
ARGUS LEADER MEDIA	ADVERTISEMENTS	\$1,019.70
AUTO BODY SPECIALTIES	SUPPLIES	\$278.00
BATTERIES UNLIMITED INC	SUPPLIES	\$20.00
BENDIX IMAGING INC	SUPPLIES	\$269.98
BORDER STATES ELECTRIC SUPPLY	WIRE AS PER BID	\$59,727.11
BORNS GROUP	POSTAGE & MAILING	\$8,507.89
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$75.99
CE POWER ENGINEERED SERVICES, LLC	EQUIPMENT MAINTENANCE	\$5,540.00
CENTURY LINK	PHONE SERVICE	\$306.97
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$1,889.30
CHILD SUPPORT PAYMENT CENTER	EMPLOYEE DEDUCTION: CHILD SUPPORT	\$750.00
CITY OF WATERTOWN	OPEB VALUATION REPORT - WMU SHARE	\$3,950.00
CIVIL DESIGN INC	SERVICES	\$2,040.00
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$5,281.60
CONNECTING POINT	SOFTWARE MAINTENANCE	\$717.00
CONSULTING ENGINEERS GROUP INC	15TH AVENUE SUBSTATION	\$8,695.15
CONTROL EQUIPMENT SALES, INC	SUPPLIES	\$525.30
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$160.15
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$1,089.10
DAKOTA DATA SHRED	SHREDDING SERVICE	\$68.45
DEVILLE, JEFF	REIMBURSEMENT EXPENSE	\$102.36
DOUG'S UPHOLSTERY	SERVICE	\$54.50
DSG DAKOTA SUPPLY GROUP	WIRE AS PER BID	\$11,467.50
DTN, LLC	SUBSCRIPTION	\$531.00
ELEMENT MATERIALS TECHNOLOGY	WELDER QUALIFICATION	\$225.00
ENERGY WORLDNET, INC	OQ QUALIFICATION RENEWAL	\$3,941.00
ETHANOL PRODUCTS LLC	BULK CO2	\$1,794.48
FARNAMS GENUINE PARTS	SUPPLIES	\$350.81
FASTENAL COMPANY	SUPPLIES	\$2,607.43
FEDERAL EXPRESS CORP	SERVICE	\$18.36
FIDELITY SECURITY LIFE INSURANCE CO. (EYEMED)	VISION INSURANCE	\$352.99
FIRST DISTRICT ASSN OF LOCAL GOVTS	2021 GIS WEBSITE	\$1,500.00
FOLEY AND FOLEY LAW OFFICE, PC	DECEMBER LEGAL FEES	\$520.00

FRANZ REPROGRAPHICS, INC.	SUPPLIES	\$661.58
FRONTIER PRECISION INC	GPS SYSTEM	\$16,888.00
GRAINGER	SUPPLIES	\$2,031.04
GROEBNER	SUPPLIES	\$2,038.08
HEATH CONSULTANTS INC	LEAK DETECTOR	\$11,377.40
IBEW LOCAL 426	UNION DUES	\$2,891.00
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$98.40
J H LARSON COMPANY	SUPPLIES	\$2,711.28
KARST, ADAM	REIMBURSEMENT EXPENSE	\$509.00
LUNDE, JOHN	REIMBURSEMENT EXPENSE	\$28.75
MACK CONCRETE & HAULING LLC	SERVICE	\$1,657.71
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$117.38
MAC'S HARDWARE	SUPPLIES	\$335.89
MARCO	COPIER LEASE	\$796.00
MARK M STROHFUS	SUPPLIES	\$210.00
MATHESON TRI-GAS INC	SUPPLIES	\$147.73
MCKEEVER INC	SUPPLIES	\$127.57
MENARDS INC	SUPPLIES	\$792.44
MENNENGA, SHEILA	REIMBURSEMENT EXPENSE	\$234.00
MET LIFE	LIFE INSURANCE	\$1,309.17
MIDCONTINENT COMMUNICATIONS	INTERNET & CABLE SERVICE	\$221.03
MINNESOTA MUNICIPAL UTILITIES ASSN	REGISTRATION EXPENSE	\$7,200.00
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$85.82
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$5,810.49
NESD SHRM	2021 SHRM NESD MEMBERSHIP	\$75.00
NORTHERN TRUCK EQUIP CORP	SUPPLIES	\$237.83
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$2,250.25
NOVASPECT, INC.	REGULATOR PARTS	\$1,382.20
OFFICE OF ENERGY ASSISTANCE	REFUND OF CREDIT ON ACCOUNT	\$16.83
OFFICE PEEPS	SUPPLIES	\$335.13
OLSON, CINDY	REIMBURSEMENT EXPENSE	\$1,886.79
PAHL, TIMOTHY A	REIMBURSEMENT EXPENSE	\$210.95
PETE LIEN & SONS	BULK LIME	\$7,194.01
POWER MONITORS, INC.	GUARDIAN PQ RECORDER	\$4,993.88
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$190.82
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$930.58
REDLINGER BROS PLUMBING & HEATING	SUPPLIES	\$36.84
RELIABANK DAKOTA	FLEX MED	\$6,330.03
RESCO	ELASTIMOLDS	\$8,806.80
RONKE, SHANE	REIMBURSEMENT EXPENSE	\$323.00
RON'S SAW SALES	SUPPLIES	\$1,263.91
ROST, MICHAEL	REIMBURSEMENT EXPENSE	\$86.00
RUNNING'S SUPPLY INC	SUPPLIES	\$405.73
SDRS SPECIAL PAY PLAN	401a VAC	\$53,396.20
SERVICEMASTER OF WATERTOWN	JANITORIAL SERVICE	\$4,120.00
SETTJE, JOEY	REIMBURSEMENT EXPENSE	\$162.92
SHERWIN WILLIAMS CO	SUPPLIES	\$290.53
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$7,439.14
SIOUX VALLEY GREENHOUSES	SERVICE	\$1,770.00
STAN HOUSTON EQUIP CO	SUPPLIES	\$2,865.93
STAR LAUNDRY INC	SERVICE	\$312.95
STARR, TANNER E	REIMBURSEMENT EXPENSE	\$97.39
STRUSS, SCOTT	REIMBURSEMENT EXPENSE	\$27.96

STUART C IRBY CO	SUPPLIES	\$2,035.47
STURDEVANTS AUTO PARTS	SUPPLIES	\$205.82
TEREX GLOBAL GMBH	SUPPLIES	\$358.56
TEREX USA, LLC	SERVICE	\$2,734.44
TITAN MACHINERY-SF	SUPPLIES	\$197.65
TRAV'S OUTFITTER	SAFETY CLOTHING	\$797.00
TYLER BUSINESS FORMS	SUPPLIES	\$37.84
TYNDALE COMPANY INC	SAFETY CLOTHING	\$358.90
US PLASTIC CORP	SUPPLIES	\$276.48
USA BLUEBOOK	SUPPLIES	\$155.86
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN PUBLIC OPINION	PUBLISHINGS & ADVERTISING	\$982.84
WATERTOWN UNITED WAY	United Way	\$512.00
WESCO DISTRIBUTION INC	2021 WIRE AS PER BID	\$125,556.88
WHEELCO	SUPPLIES	\$74.49
WILTECH INC	SERVICE	\$950.00
	TOTAL	\$437,456.99

Total January 2021 437,456.99; Transfer to City's General Fund 131,095.37, Muni Utilities Electric Water Gas 41,288.25; Missouri River Energy Services Power 1,930,623.41; BP Canada Energy Marketing Natural Gas 277,774.15; Dept. of Revenue Sales/Excise Tax 212,064.45; CPEP #3 Natural Gas 84,509.88, CPEP #4 Natural Gas 89,829.79, Sequent Energy Mgmt. Natural Gas 128,107.17, Northern Border Pipeline Natural Gas Tap 90,066.16, City Finance Office Garbage/Sewer 469,754.95.

ITEM 7483

The Board set date of Friday, February 26, 2021 at noon for February Board Meeting.

Pursuant to SDCL 1-25-2(3) Luken moved with second by Carrico to move to Executive Session for discussion of legal and contractual matters. The Board does expect to take action when they reconvene to regular session. Motion carried unanimously upon roll call vote.

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

Motion by Carter with second by Luken to approve the Natural Gas Supply and Delivery Agreement for 2021 with Glacial Lakes Energy. Motion carried unanimously upon roll call vote.

ITEM 7484

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

The Watertown Municipal Utilities does not discriminate in employment opportunities or provision of services on the basis of race, color, religion, sex, national origin, age, disability, or any other characteristic protected by law.

Dated at Watertown, South Dakota this 28th, day of January, 2021.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

Greg Solum
Board President
Municipal Utilities Department