

**MINUTES OF MUNICIPAL UTILITIES BOARD MEETING**  
**Wednesday, June 26<sup>th</sup>, 2024**

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Wednesday, June 26<sup>th</sup>, 2024, at 12:00 p.m. with President Chris Carter presiding.

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

**ITEM 8039**

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

**ITEM 8040**

Motion by Larkin with second by Thomas to approve minutes of Regular Board Meeting on May 29<sup>th</sup>, 2024. Motion carried.

**ITEM 8041**

Public Comment - None

**ITEM 8042**

This being the time and place set for consideration of bids, the following was presented. Bids for a Trailer Mounted Valve Exerciser/Vac Combination unit for the Water Department. These bids were opened on June 20<sup>th</sup>, 2024, at 1:30 PM by the Watertown Municipal Utilities Staff as authorized by the Board.

Trailer Mounted Valve Exerciser/Vac Combination Unit: Two bids were received and upon review and recommendation by Magstadt, motion by Thomas with second by Larkin to award bid to low valid bidder Core & Main, Sioux Falls, SD for \$83,470.00. Motion carried.

**ITEM 8043**

Motion by Brenden with second with Luken to declare as surplus Unit #8 Truck Asset 1389. Motion carried.

**ITEM 8044**

Open: a) Two-sided bill stuffer Cookin' on Kampeska and Preventing Storm Water Pollution. b) Lehner and Carter gave an update on the MRES Annual Meeting that was held May 8-9 in Sioux Falls, SD. Some topics addressed were Pursuing Resilience in the Face of Adversity, Cybersecurity, Year in Review, President & CEO Report, Preference Power Update, Collective Resilience in Federal Engagement, Achieving Transformation: Acknowledging, Assessing and Surviving Change. c) Lehner gave an update on the MECA meeting he attended in Breckenridge, CO, on June 18-20. Review of Quarterly Financials, Audit Report, Spring meeting dates set, Update from Western

Area Power, WAPA upper great plains region, USBR title transfer and USACE discussion.

**ITEM 8045**

Magstadt presented the Report on Operations and Projects. Electric Department, May 30<sup>th</sup> had an outage on Hwy 20 and 4<sup>th</sup> Ave it occurred from a small smoldering cinder fire from an arc that weakened the cross arm, PME Switchgear failed on June 23 by Dakota Bank and it took out the whole east substation, New Digger Derrick arrived. Gas Department, Projects in Progress: Changed out 93 periodic residential gas meters, relocated 3" main to extend bike trail on S. Lake Dr. Water Department, Projects in Progress: Vault top for 20" project by Mellette Water Tower. Engineering Tech, Projects Completed this Month: 581 one call locates for May 2024, laying out the gas and water for the new bike trail on South Lake Dr., working on plans for 5<sup>th</sup> St project, staking and locating other projects.

**ITEM 8046**

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects in Progress: Two new boilers are being installed through Johnson Controls, RFP for a new phone system has been sent out. Customer Service Projects Completed this Month: 15,098 Payments collected for a total of \$5,598,300 and 57,175 services billed for a total of \$4,418,265. Human Resources/Risk Management: Completed and submitted property and liability insurance renewal packet (for August 2024 renewal), beginning to work on 2025 payroll and insurance budgets, including wage survey for salaried and hourly position, completed onboarding summer temps and retirement of Sheila Mennenga HR and Risk Coordinator. Information Systems: Working with Kevin on the new phone system RFP, 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 \$1,323,569 above budget for the five months ending May 31<sup>st</sup>, 2024. Total Capital Additions are \$2,913,983 under budget for the five months ending May 31<sup>st</sup>, 2024.

**ITEM 8047**

Motion made by Luken 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 June 2024 Plus ACH Payroll Payments \$724,436.83. Change: N. Frost \$38.18/hr., effective 5/29/2024, New: S. Karst \$16.00/hr., effective 5/28/2024, G. Jurgens \$18.50/hr., effective 5/28/2024, L. Williams \$18.50/hr., effective 6/4/2024.

Name	Payable Description	Payment Amount
JULY 1, 2024		
#1 WELDING PORTABLE WELDING & FABRICATION	SERVICE	\$75.00
ABC EMBROIDERY	SERVICE	\$19.80
ACTIVE HEATING INC	ENERGY INCENTIVE REBATE	\$200.00
ADV. ENGINEERING AND ENVIRON./ SERVICES, LLC	MELLETTTE WATERMAIN EXTENSION	\$11,176.50

AFLAC	ACCIDENT	\$1,574.10
A-OX WELDING SUPPLY INC	SUPPLIES	\$572.61
APPLICANT PRO	SERVICE	\$472.00
APPLIED INDUSTRIAL TECH INC	SUPPLIES	\$726.84
ARROW EDUCATION FOUNDATION OFFICE	HARVEST 2024	\$1,000.00
AUTO VALUE WATERTOWN	SUPPLIES	\$536.97
BORDER STATES ELECTRIC SUPPLY	TRANSFORMERS	\$55,819.98
BORNS GROUP	POSTAGE & MAILING	\$10,604.59
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$245.91
CARTNEY BEARING & SUPPLY	SUPPLIES	\$356.95
CENTURY LINK	PHONE SERVICE	\$315.68
CHAMBERS, TODD	REIMBURSEMENT EXPENSE	\$500.00
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$3,746.93
CHILD SUPPORT PAYMENT CENTER	EMPLOYEE DEDUCTION: CHILD SUPPORT	\$750.00
CITY OF WATERTOWN	MISCELLANEOUS FEES	\$48.30
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$6,600.16
CONNECTING POINT	SOFTWARE MAINTENANCE	\$4,154.75
CORE & MAIN LP	TAPPING VALVES & SLEEVES	\$13,690.59
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$675.50
DAKOTA DATA SHRED	SHREDDING SERVICE	\$82.91
DAKOTA DIRECTIONAL LLC	SERVICE - MULTIPLE ELECTRIC PROJECTS	\$293,711.27
DANR	2025 ENVIRONMENTAL FEE	\$7,000.00
DE NORA WATER TECHNOLOGIES	SUPPLIES	\$1,545.65
DIAMOND VOGEL PAINT CENTER	SUPPLIES	\$125.38
DISCOUNT SEEDS, INC.	SUPPLIES	\$720.00
DSG DAKOTA SUPPLY GROUP	TRANSFORMERS AS PER BID	\$131,865.07
DTN, LLC	SUBSCRIPTION	\$2,761.50
DUININCK INC	SERVICE - WATERMAIN EXTENSION	\$522,023.69
EASTSIDE EQUIPMENT	KABOTA TRACTOR PER SOURCEWELL BID	\$29,122.34
ELEMENT MATERIALS TECHNOLOGY	SERVICE	\$530.00
ELMIRA TOWNSHIP	PERMIT	\$500.00
ENERGY ECONOMICS INC	METER	\$25,181.33
ENVIRON. SYSTEMS RESEARCH INSTITUTE, INC	SUBSCRIPTION	\$110.00
ETHANOL PRODUCTS LLC	BULK CO2	\$3,198.60
FARWEST LINE SPECIALTIES, LLC	SUPPLIES	\$155.02
FASTENAL COMPANY	SUPPLIES	\$114.38
FEDERAL EXPRESS CORP	SERVICE	\$199.98
FERGUSON ENTERPRISES, LLC	SUPPLIES FOR MELLETTE PROJ. - AS PER BID	\$55,622.00
FIDELITY SECURITY LIFE INSURANCE CO. (EYEMED)	VISION INSURANCE	\$157.50
FOLEY AND FOLEY LAW OFFICE, PC	MAY LEGAL FEES	\$975.00
GANNETT MEDIA CORP	PUBLISHINGS	\$692.29
GRAF SIGN PRO OF WATERTOWN LLC	SUPPLIES	\$188.75
GRAINGER	SUPPLIES	\$208.93
HARTWIG HEATING	SERVICE - UPTOWN LOCATION	\$5,680.00
HAWKINS, INC.	AZONE 15	\$31,654.74
IBEW LOCAL 426	UNION DUES	\$4,306.00
J H LARSON COMPANY	WIRE	\$6,283.11
JOE MEDANICH ASPHALT SERVICES	ASPHALT SERVICE	\$15,560.74
JOHNSON CONTROLS INC	BOILER(2) PROJECT	\$62,163.10
JORGENSON & OLSON ASPHALT MAINT., LLC	ASPHALT SERVICE	\$9,247.59
JUSTICE FIRE & SAFETY	FIRE EXT. INSPECTION	\$7,005.00
JUSTIN'S LAWN & TREE SERVICE	SERVICE	\$125.00
KARST, ADAM	REIMBURSEMENT EXPENSE	\$88.43
KRUITER, KEVIN	REIMBURSEMENT EXPENSE	\$1,500.00
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$332.14
LOCATORS & SUPPLIES INC	SUPPLIES	\$887.27
LOVELIS, WAYNE	REIMBURSEMENT EXPENSE	\$28.14

LUNDE, JOHN	REIMBURSEMENT EXPENSE	\$1,367.85
M E BARBER CO INC	SUPPLIES	\$279.96
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$212.33
MAC'S HARDWARE	SUPPLIES	\$936.90
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$184.92
MATHESON TRI-GAS INC	SUPPLIES	\$224.48
MCKEEVER INC	SUPPLIES	\$315.00
MENARDS INC	SUPPLIES	\$1,241.37
MENNENGA, SHEILA	REIMBURSEMENT EXPENSE	\$591.20
MESA PRODUCTS INC	SUPPLIES	\$1,314.86
MET LIFE	LIFE INSURANCE	\$1,678.08
MIDCONTINENT COMMUNICATIONS	INTERNET & CABLE SERVICE	\$203.39
MILBANK WINWATER WORKS	SUPPLIES	\$767.65
MISSOURI RIVER ENERGY SERVICES	TRAINING EXPENSE	\$75.00
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$527.45
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$1,075.88
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$13,964.63
NAPA CENTRAL	SUPPLIES	\$253.41
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$310.89
NOVASPECT, INC.	SUPPLIES	\$2,254.42
OFFICE PEEPS	SUPPLIES	\$295.42
PAYMENTUS GROUP INC.	SERVICE	\$59.70
PETE LIEN & SONS	BULK LIME	\$31,233.80
POMP'S TIRE SERVICE, INC.	SUPPLIES	\$270.27
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,309.90
REEDE CONSTRUCTION INC.	REFUND OF CREDIT ON ACCOUNT	\$1,889.80
RELIABANK DAKOTA	FLEX MED	\$6,563.97
RESCO	CT METERS	\$2,159.08
RIPLEY ACRES	SUPPLIES	\$596.00
RISING STAR HYDRAULICS	SUPPLIES	\$217.00
RODENBURG LAW FIRM	EMPLOYEE DEDUCTION	\$150.00
RUNNING'S SUPPLY INC	SUPPLIES	\$2,060.77
SANFORD WATERTOWN OCCUPATIONAL MEDICINE	SERVICE	\$286.00
SANITATION PRODUCTS INC	DUMP TRUCK PER SOURCEWELL BID	\$151,087.00
SCHOOL BOARD OF ED	ENERGY INCENTIVE REBATE	\$8,679.19
SCOTT ENGINEERING CO	SERVICE	\$1,600.00
SD ONE CALL	LOCATES	\$1,197.00
SD PUBLIC ASSURANCE ALLIANCE	INSURANCE - NEW DIGGER DERRICK	\$641.00
SENTRY, LLC	ENERGY INCENTIVE REBATE	\$5,159.00
SERVICEMASTER OF WATERTOWN	JANITORIAL SERVICE	\$4,120.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$8,522.15
SPEE-DEE DELIVERY SERVICE INC	SERVICE	\$87.15
STAN HOUSTON EQUIP CO	RENTAL	\$1,897.38
STAR LAUNDRY	SERVICE	\$553.36
STUART C IRBY CO	TRANSFORMERS AS PER BID	\$97,224.53
SUTTON LAWN & SNOW LLC	LAWN CARE	\$3,039.00
TAECKER PLUMBING & HEATING	SERVICE	\$477.48
TECHNICOLOR SCREEN PRINTING INC.	SUPPLIES	\$1,233.08
TEREX USA, LLC	DIGGER DERRICK PER SOURCEWELL BID	\$324,800.36
TERRY-DURIN CO.	SUPPLIES	\$5,148.03
TITAN MACHINERY - ABERDEEN	SUPPLIES	\$243.52
TITAN MACHINERY- WTN	SERVICE - UNIT 25	\$12,119.72
TOSHIBA FINANCIAL SERVICES	COPIER LEASE	\$699.77
TRAV'S OUTFITTER	SAFETY CLOTHING	\$1,013.96
ULINE INC	SUPPLIES	\$111.49
USA BLUEBOOK	SUPPLIES	\$740.07
VESSCO INC	SLAKER PACKAGE AS PER BID	\$155,008.50

WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN FORD CHRYSLER	SUPPLIES	\$179.84
WATERTOWN RADIO/ALPHAMEDIA USA, LLC	ADVERTISING	\$630.00
WATERTOWN UNITED WAY	United Way	\$225.00
WESCO DISTRIBUTION INC	WIRE AS PER BID	\$154,603.99
WW GOETSCH	SUPPLIES	\$1,835.84
	TOTAL	\$2,361,954.80

Total June 2024 \$2,361,954.80; Transfer to City's General Fund \$120,500.00, Muni Utilities Electric Water Gas \$41,821.47; Missouri River Energy Services Power \$1,451,656.02; BP Canada Energy Marketing Natural Gas \$75,581.10; Dept. of Revenue Sales/Excise Tax \$172,045.65; CPEP #3 Natural Gas \$5,354.48, CPEP #4 Natural Gas \$8,463.00, CPEP #5 Natural Gas \$11,479.30, CPEP #3 Hedge \$10,035.45, CPEP #4 Hedge \$6,809.85, Finance Office Garbage/Sewer \$664,539.22.

**ITEM 8048**

Lehner requested reorganization of the Board. Motion by Carter with second from Thomas to appoint Michael Luken as Board President. Motion carried. Motion by Carter with second by Larkin to appoint Dan Brenden as Board Vice President. Motion carried. Board President will appointment committees at next month's meeting.

**ITEM 8049**

Pursuant to SDCL 1-25-2(3)Carter 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 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 26<sup>th</sup>, day of June,2024.

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

Lisa Pahl  
Board Secretary  
Municipal Utilities Board

\_\_\_\_\_  
Michael Luken  
Board President  
Municipal Utilities Department