

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Wednesday June 27, 2012

The Municipal Utilities Board convened in regular session at the Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Wednesday June 27, 2012 at Noon with President Dave Strait presiding.

Board members present: Dave Strait, Mike Luken, Ernie Wight, Wayne Schultz and Dustin Padgett. Liaison Member of City Council Steve Thorson was absent. Staff Members present: Steve Lehner, Adam Karst, Todd Chambers, Jeff DeVille, Doug Enstad, Mark Haider, Mark Meier, Tim Johnson, Sheila Mennenga, Stephanie Ries, Lisa Pahl, Stanton Fox. Press: Don Egert, KXLG Radio.

ITEM 6236

Motion by Padgett with second by Luken to approve the Agenda. Motion carried.

ITEM 6237

Motion by Schultz with second by Wight to approve minutes of regular meeting on May 29, 2012. Motion carried.

ITEM 6238

Motion by Wight with second by Luken to approve increasing the Utility Deposit Refund Account amount from 8,000 to 15,000. Motion carried

ITEM 6239

Motion by Luken with second by Schultz to approve General Manager to sign an agreement with WAPA in substantially the form presented to replace some concrete, footings, and a switch. Motion carried.

ITEM 6240

Lehner discussed the two-sided bill stuffer that includes information about clean water and Cookin' on Kampeska. Lehner gave an update on the May MRES Annual Meeting that was held in Sioux Falls. There were several guest speakers and presentations. Topics ranged from Federal Mandates, anti-coal topics, Cyber Security, Rail Reform, Nanotechnology, Increasing costs, Hydropower, Nuclear Power, Flooding and Erosion.

DeVillie presented an update of the June AWWA Conference that was held in Dallas. There were 384 different sessions on a given day that they could attend. DeVillie attended one on future regulations such as by Jan. 2014 all our brass fittings have to be lead free with a 20-25% higher cost to us. Also, one on Un-regulating Monitoring Rule which is a series of water testing requirements done for the EPA which are at the Utilities cost.

ITEM 6241

Chambers presented report on Operations and Projects: Electric Department, Projects Completed this Month: East River Electric completed moving 115 KV transmission line between the Pelican Sub and Broadway for new by-pass road, Installed 700 feet of primary on Cherry Drive for new lot additions, Replaced 4 blocks of underground street light wire on Kemp Avenue. Projects in Progress: Moving poles for South by-pass road work. East River Electric is moving 115 KV transmission line between the Pelican Sub and Broadway for new by-pass road. Projects Starting This Month: Installing underground services and primary wire. Projects Starting Next Month: Installing transformer and underground primary at City Park for Cookin' on Kampeska. Gas Department, Projects Completed this Month: Installed or removed 113 meter sets, Completed a two week inspection by the SD Office of Pipeline Safety. Projects in Progress: The contractor will be pressure testing the new TBS line the last week of June. Projects Starting Next Month: Loading the new line to the TBS with natural gas. Water Department, Projects Completed this Month: Drained 19th St. water tower for maintenance & inspection, Drained the North Lake water tower for maintenance & inspection, New rail is installed on the Larson tower. This will allow us to add additional carriers to this site. Projects in Progress: Installing water main on the HWY 20 by pass, Work with HR Green on design of the 3 million gallon reservoir. Engineering Tech Department, Projects Completed this Month: 419 One-Call locates June 1 - 25th, 2012, 584 One-Call locates total May, 2012, 8 Emergency locates (4 private contractor & 4 Watertown Utilities). Projects Starting Next Month: Average 440 One-Call locates in July.

ITEM 6242

Karst presented report on Administration and Financial Statements: Building/Grounds and Purchasing, Projects Completed This Month: Ordered 42 wood poles for stock, Ordered (2) PMH9 switchgear for stock, Prairie Consultants Group picked up chemicals for disposal, Street Department chip sealed both the Water Treatment Plant and utilities parking lots. Budgeted item. Projects in Progress: Sioux Valley Nurseries is installing sprinkler systems at Water Treatment Plant and then will move up to Mellette Booster Station to install a sprinkler system there, Working with Glacial Lakes Erosion Control for area around Pelican Substation. Office, Projects Completed this Month: 13,363 Payments collected with a total of \$3,588,590.34; Total of 50,317 services billed for a total of \$3,193,672.22; Projects in Progress: Working on the 2011 financial statement audit, Selected Marco as our provider for our new document management system. Human Resources/Risk Management: Completed Office of Pipeline Safety Drug and Alcohol program audit. No serious violations were noted, Retirement of Tim Johnson - Purchasing, Grounds, Warehouse Supervisor, effective 6/29/12. We have revised title/job description to Purchasing, Facilities & Accounting Supervisor and advertising for replacement - interviews will be scheduled for the week of July 16. Information Systems: Projects in Progress: Document Management, Consort Demand Side Management, ERT Maintenance Check, Working on updating our website for posting public documents.

Statements of revenue and expenses were presented to the Board. Year to date net income is approximately \$895,613 below budget thru June 2012 due to the warmer winter weather.

ITEM 6243

Motion made by Luken with second by Wight to approve the following verified Salary claims and bills. Motion carried unanimously upon roll call vote. Total Municipal Utilities Dept Net Payroll for June, 2012 Plus ACH Payroll Payments \$361,623.57. New Hire: Lance Tolley - Apprentice Lineman, effective 5/29/2012 \$22.18 hr.

7/1/2012		
Name	Payable Description	Payment Amount
ABC LOCK & KEY	SUPPLIES	\$51.00
ADVANCED ENGINEERING & ENVIRONMENT	WATER SYSTEM IMPROVEMENTS	\$8,575.92
AFLAC	CANCER PT	\$2,060.53
AMERICAN ENGINEERING TESTING INC	GAS MAIN WELD TEST	\$31,346.58
A-OX WELDING SUPPLY INC	SUPPLIES	\$545.09
ARGUS LEADER	SUBSCRIPTION	\$181.52
AVANTI FEDERAL CREDIT UNION	CREDIT UNION	\$18,798.45
B E PARADIGM	WEB PROGRAMMING	\$225.00
BENDIX IMAGING INC	SUPPLIES	\$105.99
BEST BUSINESS PRODUCTS INC TX	COPIER LEASE	\$139.01
BORDER STATES ELECTRIC SUPPLY	SUPPLIES	\$41,931.20
BORNS GROUP	POSTAGE & MAILING	\$6,992.96
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$115.60
BUSINESS TELEPHONE CO INC	SUPPLIES	\$776.10
BUTLER MACHINERY CO	SUPPLIES	\$462.03
CASHWAY LUMBER INC	SUPPLIES	\$591.27
CHAMBERS, TODD	REIMBURSEMENT EXPENSE	\$42.74
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$1,422.29
CHICAGO TUBE & IRON	SUPPLIES	\$513.00
CODINGTON COUNTY REGISTER OF DEEDS	COPIES	\$74.00
CODINGTON-CLARK ELECTRIC COOPERATIVE	ELECTRIC SERVICE - NEW WELLFIELD	\$3,782.04
CREDIT BUREAU OF WATERTOWN INC	COLLECTIONS	\$1,192.36
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$671.80
CUMMINS CENTRAL POWER LLC	CUMMINS GENERATOR MAINTENANCE	\$1,726.94
DAKOTA DATA SHRED	SHREDDING SERVICE	\$57.05
DAKOTA RIGGERS & TOOL	SUPPLIES	\$43.10
DAVES CONSTRUCTION INC	INSTALL OF UNDERGROUND AS PER BID	\$65,952.00
DE VILLE, JEFF	REIMBURSEMENT EXPENSE	\$1,220.78
DEL-MAR UPHOLSTERY	SEAT REPAIR	\$100.00
DENNIS SUPPLY COMPANY	SUPPLIES	\$404.95
DEPARTMENT OF REVENUE	WATER TESTING FEES	\$636.00
DIAMOND VOGEL PAINT CENTER	SUPPLIES	\$204.00
DISCOUNT SEEDS, INC.	GRASS SEED	\$725.00
DISTRIBUTION CONST RUCTION COMPANY	INSTALLATION OF GAS MAINS PER BID	\$33,583.50
DSG DAKOTA SUPPLY GROUP	1" WATER METERS AND SUPPLIES	\$28,199.59
DUECO INC	SUPPLIES	\$370.00
E & M LAWN CARE AND SNOW REMOVAL	LAWN SERVICE	\$1,330.00
EFACEC USA INC	SOFTWARE	\$4,700.00
ENERGY LABORATORIES INC	WATER SAMPLES	\$1,120.00
ETHANOL PRODUCTS LLC	CARBON DIOXIDE	\$1,963.81
F J MC LAUGHLIN CO.	SAND, SUPPLIES	\$3,101.41
FARNAMS GENUINE PARTS	SUPPLIES	\$210.59
FASTENAL COMPANY	SUPPLIES	\$1,690.50
FIBERGLASS SPECIALTIES INC	ENERGY INCENTIVE REBATE	\$3,230.00
GLACIAL LAKES EROSION CONTROL	SEEDING	\$26,052.84
GRAINGER	SUPPLIES	\$296.92
GREAT WESTERN BANK	TASC MED	\$6,451.33
GROEBNER & ASSOCIATES INC	SUPPLIES	\$2,633.14

H R GREEN	3 MILLION GALLON TANK REHAB	\$3,617.19
HACH COMPANY	SUPPLIES	\$206.53
HAWKINS, INC.	WATER TREATMENT SUPPLIES	\$8,782.83
HD SUPPLY WATERWORKS	TAPPING AND GATE VALVES	\$7,247.27
HUMAN SERVICE AGENCY	SUPPLIES	\$80.00
IBEW LOCAL 426	UNION DUES	\$2,772.00
INCON	POSITION MONITOR	\$1,495.12
INTERSTATE BATTERIES	SUPPLIES	\$189.85
J H LARSON COMPANY	SUPPLIES	\$2,416.35
JOHNSTONE SUPPLY	SUPPLIES	\$217.26
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$203.81
LOCATORS & SUPPLIES INC	SUPPLIES	\$1,852.18
LUKONEN'S TOOL SERVICE INC	SUPPLIES	\$200.00
LYLE SIGNS INC	SUPPLIES	\$225.00
M & T FIRE & SAFETY INC	MISC. MEDICAL SUPPLIES	\$183.50
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$47.65
MAC'S INC	UPRIGHT AND BEAM RACKING	\$2,065.81
MAHOWALD'S HARDWARE & RENTAL	SUPPLIES	\$44.64
MARCO INC	MAINTENANCE AGREEMENT	\$116.12
MC KEEVER'S VENDING	SUPPLIES	\$172.56
MEL DAHLE TIRE CO	TIRES	\$848.00
MENARDS INC	SUPPLIES	\$562.26
MENNENGA, SHEILA	REIMBURSEMENT EXPENSE	\$66.22
MET LIFE	LIFE INSURANCE	\$936.82
MIDCONTINENT COMMUNICATIONS	INTERNET SERVICE	\$150.00
MILBANK COMMUNICATION INC	RADIO REPAIR	\$475.00
MILBANK WINWATER WORKS	1" METER PIT, SUPPLIES	\$2,357.76
MUELLER WATER PRODUCTS INC	SUPPLIES	\$626.09
MUNICIPAL UTILITIES	PETTY CASH	\$264.02
MUNICIPAL UTILITIES-NSF CHECK ACCO	NSF REIMBURSEMENT	\$161.72
MUNICIPAL UTILITIES-REFUND ACCT	REFUND OVERPAYMENT OF FINAL BILLS	\$7,989.95
NEW YORK LIFE INS.	LIFE INSURANCE	\$196.00
NORTH AMERICAN SALT COMPANY	WATER TREATMENT SUPPLIES	\$4,147.94
NORTHERN TOOL & EQUIP CO	SUPPLIES	\$215.73
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$2,020.85
OFFICE PEEPS	OFFICE SUPPLIES	\$351.53
O'REILLY AUTOMOTIVE INC	SUPPLIES	\$37.91
OVERHEAD DOOR CO OF WTN	2 OVERHEAD DOORS FOR MORTON BLDG	\$5,995.00
PETE LIEN & SONS	WATER TREATMENT SUPPLIES	\$17,861.88
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$115.65
PROLINE INC	SUPPLIES	\$8.60
PRUNTY CONSTRUCTION INC	WATER MAIN INSTALLATION BUS BARN	\$85,133.24
QUALITY FIRST PLUMBING & HEATING I	SUPPLIES	\$134.70
REDLINGER BROS PLUMBING & HEATING	SUPPLIES	\$16.26
RESCO	SUPPLIES	\$6,028.12
RUNNING'S SUPPLY INC	SUPPLIES	\$555.94
SANFORD WATERTOWN OCCUPATIONAL MED	SCREENINGS	\$813.00
SCHMIDT, RICHARD	REIMBURSEMENT EXPENSE	\$224.78
SD DENR	ANNUAL DRINKING WATER FEE	\$7,000.00
SD ONE CALL	LOCATES	\$613.20
SD STATE ARCHIVES	LOCATES	\$13.00
SDRS SPECIAL PAY PLAN	401a VAC	\$31,582.79
SERVICEMASTER	JANITORIAL SERVICE	\$3,320.00
SIGN PRO	LABELS, SUPPLIES	\$554.00
SIOUX VALLEY COOP	FUEL, SUPPLIES	\$9,113.26
SIOUX VALLEY GREENHOUSES	SPRINKLER SYSTEM 6TH AVE PLANT	\$10,098.00
SPIEGEL CONSTRUCTION	ENERGY INCENTIVE REBATE	\$1,900.00
STANDARD PUMP INC	SUPPLIES	\$241.71
STAR LAUNDRY INC	RUG SERVICE	\$439.28
STUART C IRBY CO	SUPPLIES	\$946.38
STURDEVANTS AUTO PARTS	BATTERIES	\$433.98
T & R ELECTRIC CO	TRANSFORMERS REPAIRED	\$14,845.12
TITAN MACHINERY- WTN	PARTS	\$551.72
TITAN MACHINERY-SF	PARTS FOR TRENCHER	\$458.95

UPS	SHIPPING	\$84.61
VERIFICATIONS INC	APPLICANT VERIFICATIONS	\$100.20
WALMART COMMUNITY	COMPUTER SUPPLIES	\$564.06
WATERTOWN CO-OP ELEVATOR ASSN	LAWN SUPPLIES	\$3,473.95
WATERTOWN FORD CHRYSLER	SUPPLIES	\$27.23
WATERTOWN IND DEV FOCUS WTN	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN PUBLIC OPINION	PUBLISHINGS	\$485.84
WATERTOWN UNITED WAY	United Way	\$359.00
WATERTOWN WHOLESALE	SUPPLIES	\$586.40
WEISMANTEL RENT-ALL	EQUIPMENT RENTAL	\$180.00
WELLMARK BLUE CROSS/BLUE SHIELD	HEALTH INSURANCE	\$62,268.98
WESCO DISTRIBUTION INC	SUPPLIES	\$820.50
YRC FREIGHT	SHIPPING	\$1,224.55

TOTAL	\$638,007.28
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Total June 2012 638,007.28; Transfer to City General Fund 101,533.00; Muni Utilities Electric Water Gas 45,380.39; Northern Natural Gas 2,273.20; Missouri River Energy Services Power 1,201,170.88; BP Canada Energy Marketing Natural gas 171,436.50; Dept of Revenue Sales/Excise Tax 124,813.26; City Finance Office Garbage Sewer 374,685.76.

ITEM 6244

Pursuant to SDCL 1-25-2(3) Luken moved with second by Wight to move to Executive Session for discussion of contractual matters and pending litigation. Motion carried.

Board President declared Executive Session done and they reconvened to regular session. No action was taken.

Motion by Padgett with second by Schultz to adjourn. Motion carried.

The Watertown Municipal Utilities Department does not discriminate against the handicapped in employment or admission or access to its programs and activities or the provision of services.

Dated at Watertown, South Dakota this 27th day of June, 2012

ATTEST: _____

Lisa Pahl

David R Strait

Executive Secretary

President

Municipal Utilities Board

Municipal Utilities Board