

# **MINUTES OF MUNICIPAL UTILITIES BOARD MEETING**

**Monday August 27, 2012**

The Municipal Utilities Board convened in regular session at the Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday August 27, 2012 at Noon with President Dustin Padgett presiding.

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

## **ITEM 6259**

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

## **ITEM 6260**

Motion by Schultz with second by Wight to approve minutes of regular meeting on July 30, 2012. Motion carried.

## **ITEM 6261**

Lehner opened a public hearing and presented information on a proposed lease agreement with Cody Berns. The lease is for haying 30 acres of the 60 acres of land described as Lot 1 and Lot 2 of the Water Improvement Addition. Lessee would pay \$45.50 an acre per year for a total of 1,365.00. No input was received from the public hearing. Lease to be signed by General Manger. Motion by Luken with second by Wight to approve this lease. Motion carried.

## **ITEM 6262**

This being the time and place set for consideration of bids, the following were presented. Bids were opened Thursday, August 23, 2012 at 1:30 PM by the Municipal Utilities Department Staff as authorized by the Board.

Brush Chipper: Aspen Equipment Brush Bandit 200XP Model Option #1 with Trade In \$26,246, Option #2 No Trade In \$30,246, Option #1 with Winch with Trade In \$28,960, Option #2 with Winch No Trade In \$32,960. Dueco, Inc. Terex Woodsman Model 730 Option #1 with Trade In \$28,275, Option #2 No Trade In \$30,275, Option #1 with Winch with Trade In \$30,600, Option #2 with Winch with No Trade In \$32,600. Vermeer High Plains BC 1000 Model Option #1 and Option #2 Did not meet specifications. Vermeer High Plains BC 1200 Model Option #1 with Trade In \$30,000, Option #2 with No Trade In \$32,000, Option #1 with Winch with Trade In \$33,500, Option #2 with Winch with No Trade In \$35,500. All bidders submitted either a Cashier's Check for 5% of bid or 10% Bond as bid Security. Upon review and recommendation

by Chambers, Motion by Luken with second by Schultz to award bid to low valid bidder Aspen Equipment Option #1 with Winch with Trade In \$28,960. Motion carried.

**ITEM 6263**

Motion by Schultz with second by Wight to return checks of unsuccessful bidders. Motion carried.

**ITEM 6264**

Lehner presented the bill stuffer Inter-Lakes Community Action Weatherization Assistance Program.

**ITEM 6265**

Motion by Wight with second by Luken to authorize calling for bids for the replacement of the 3 million gallon water tank reservoir. Motion carried.

**ITEM 6266**

Chambers presented report on Operations and Projects: Electric Department, Projects Completed this Month: Moved 3 poles for South Bypass road work, Installed primary, transformer and metering system at Readiness Center and Transportation center, Installed Primary on Washington Drive and at KAK 17<sup>th</sup> Ave and 33<sup>rd</sup> St SW, Relocated primary and transformer for LATI Phase 4 addition. Projects Starting Next Month: Changing switches at the Glacial Lakes Energy during ethanol plant shut down. Gas Department, Projects Completed this Month: Relocated a gas service at LATI for a building addition. Projects In Progress: Installing a new chain link fence around the new TBS behind Wal-Mart, 40% done with this year's residential leak survey, Installing gas main in KAK addition. Water Department, Projects Completed this Month: 6 new taps, 2 hydrants replaced, Completed 33 fire flow tests for the City's ISO rating, 6" C.I. Main Break found crack in main. Projects in Progress: Working with HR Green on the design and replacement of the 3 million gallon water reservoir. Engineering Tech Department, Projects Completed this Month: 363 One-Call locates Aug. 1 - 22<sup>th</sup>, 2012, 474 One-Call locates total July, 2012. 9 emergency locates 2 private and 7 Watertown Utilities. Projects Starting Next Month: Average 420 One-Call locates in September.

**ITEM 6267**

Karst presented report on Administration and Financial Statements: Building/Grounds and Purchasing, Projects Completed This Month: G & R Controls was here to inspect our heating and cooling system for the bi-annual inspection. They found nothing wrong. Nova Fire Protection was here to inspect fire lines for the yearly inspection. They had a to tighten a sprinkler head and everything else was good. Projects in Progress: Continuing to see how M-files will work in our departments. Projects to start next Month: Spraying weeds and fertilizing lawns at areas where needed, Winterizing sprinkler systems at the end of the month. Office,

Projects Completed this Month: 13,259 Payments collected with a total of \$3,732,007, Total of 50,336 services billed for a total of \$3,874,819; Projects in Progress: Implementation of the new document management system, Sending 3 CSR's to MRES customer service training.

Human Resources/Risk Management: Completed interviews for Water Distribution & Maintenance Operator, hired Mark McLaughlin, Effective 8/31/2012. Attended meeting with South Dakota Public Assurance Alliance (SDPAA) reps to review coverages for new property/liability insurance. Information Systems, Current Projects: Implementing document management, Continuing to work on the Consort Demand Side Management. Website Statistics 1,376 visits, 854 unique visitors, 4,293 page views, 43.68% new visitors - 601 visits, 56.32% returning visitors - 775 visits.

Statements of revenue and expenses were presented to the Board for review. Year to date net income is \$1,070,458 below budget.

### ITEM 6268

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 August, 2012 Plus ACH Payroll Payments \$330,292.98. Kevin Kruiter change from \$25.40/hour Water Distribution Operator to \$5,417/month Purchasing/Facilities & Accounting Supervisor, effective 8/1/12. Tim Johnson add as temporary employee (to train) from 8/1/12 to 8/20/12 \$32.31/hour. Keenan Roth Step 6 to Step 7 Engineering Tech, effective 8/1/12 \$20.24 to \$21.39/hour. Bryan Warborg Step 8 to Equipment Operator, effective 8/8/12 \$22.57 to \$24.96/hour.

Name	Payable Description	Payment Amount
ABC EMBROIDERY	LOGO EMBROIDERY	\$ 24.75
ACTIVE HEATING INC	SUPPLIES	\$ 60.00
ADVANCED ENGINEERING & ENVIRONMENT	WATER SYSTEM IMPROVEMENTS	\$ 4,071.55
AFLAC	CANCER PT	\$ 1,995.82
AMERICAN ENGINEERING TESTING INC	LIME SLUDGE ANALYSIS	\$ 875.90
ARGUS LEADER	PUBLISHINGS	\$ 542.75
AVANTI FEDERAL CREDIT UNION	CREDIT UNION	\$ 17,382.61
BACHMANN ENTERPRISE INC.	NEW REGULATOR STATION	\$ 15,733.50
BASCOM-TURNER INSTRUMENTS INC.	REPLACED MS SENSOR	\$ 258.32
BENDIX IMAGING INC	OFFICE SUPPLIES	\$ 284.96
BEST BUSINESS PRODUCTS INC TX	COPIER LEASE	\$ 139.01
BORDER STATES ELECTRIC SUPPLY	SUPPLIES	\$ 10,170.12
BORNS GROUP	POSTAGE & MAILING	\$ 6,979.33
BURCHATZ CONSTRUCTION COMPANY INC	CONCRETE WORK	\$ 1,214.44
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$ 102.74
CHAMBERS, TODD	REIMBURSEMENT EXPENSES	\$ 40.52

CHASE CARDMEMBER SERVICE	CREDIT CARD CHARGES	\$	1,022.47
CITY OF WATERTOWN	2012 CITY ATTORNEY SERVICES, PARKING LOT SEALING	\$	41,443.33
CODINGTON COUNTY REGISTER OF DEEDS	COPIES	\$	6.00
CODINGTON-CLARK ELECTRIC COOPERATIVE	ELECTRIC SERVICE-NEW WELLFIELD	\$	7,192.74
COTEAU SHOPPER	PUBLISHINGS	\$	150.00
CREDIT BUREAU OF WATERTOWN INC	COLLECTIONS	\$	1,360.10
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$	773.47
CRETEx CONCRETE PRODUCTS WEST INC	CONCRETE PRODUCTS	\$	4,214.20
CROCKER'S COLLISION CENTER	COLLISION REPAIR	\$	1,940.56
DAKOTA DATA SHRED	SHREDDING SERVICE	\$	57.05
DAKOTA TERRITORIES CO INC.	TRAFFIC CONTROL SIGNAGE	\$	500.00
DAVES CONSTRUCTION INC	BORING	\$	58,313.00
DEPARTMENT OF REVENUE	WATER SAMPLES	\$	1,570.00
DIAMOND VOGEL PAINT CENTER	SUPPLIES	\$	44.05
DISTRIBUTION CONSTRUCTION COMPANY	INSTALLATION OF GAS DISTRIBUTION MAINS	\$	381,931.62
DSG DAKOTA SUPPLY GROUP	TRANSFORMERS AS BID	\$	43,717.73
DUECO INC	SUPPLIES	\$	829.95
E & M LAWN CARE AND SNOW REMOVAL	LAWN SERVICE	\$	1,460.00
EFACEC USA INC	SCADA SOFTWARE	\$	4,700.00
ELEMENT MATERIALS TECHNOLOGY	PIPE WELD QUALIFICATION	\$	210.00
ENERGY LABORATORIES INC	WATER TREATMENT CHEMICALS	\$	1,120.00
ENSTAD, DOUG	REIMBURSEMENT EXPENSES	\$	38.00
ETHANOL PRODUCTS LLC	CO2	\$	1,106.82
F J MC LAUGHLIN CO.	SUPPLIES	\$	4,805.08
FARNAMS GENUINE PARTS	ELECTRICAL SUPPLIES	\$	192.07
FASTENAL COMPANY	SUPPLIES	\$	1,067.81
FIRESIDE CAMPER INC	PARTS	\$	86.99
FOX, STANTON	REIMBURSEMENT EXPENSES	\$	124.88
GAS PRODUCTS SALES	GAS REGULATORS	\$	275.01
GCR TIRE CENTER	TIRES, SUPPLIES	\$	2,136.92
GREAT WESTERN BANK	TASC MED	\$	6,379.60
GROEBNER & ASSOCIATES INC	GAS PARTS, SUPPLIES	\$	1,825.87
H R GREEN	ENGINEERING SVCS FOR 3 MG WATER RESERVOIR	\$	7,772.16
HAIDER, MARK	REIMBURSEMENT EXPENSES	\$	1,087.20
HAWKINS, INC.	CHEMICALS, SUPPLIES	\$	4,866.05
HD SUPPLY WATERWORKS	SUPPLIES	\$	5,253.48
HEDAHLS AUTO PARTS	SUPPLIES	\$	3.84
HUMAN SERVICE AGENCY	EAP SERVICES	\$	350.00
IBEW LOCAL 426	UNION DUES	\$	2,715.00
INTERSTATE BATTERIES	BATTERIES	\$	167.92
J H LARSON COMPANY	ELECTRICAL SUPPLIES	\$	2,862.44
JURGENS PRINTING & COPY CENTER INC	OFFICE SUPPLIES	\$	49.00
K & W COATINGS, LLC	HANDRAIL INSTALLATION ON WATER STORAGE TANK	\$	14,660.00
KARST, ADAM	REIMBURSEMENT EXPENSES	\$	1,103.20
LAKE CITY FIRE EQUIPMENT LLC	FIRE EXTINGUISHER MAINTENANCE	\$	67.00
LEHNER, STEVE	REIMBURSEMENT EXPENSES	\$	404.44
LOCATORS & SUPPLIES INC	supplies	\$	1,338.61
LUKONEN'S TOOL SERVICE INC	TOOLS, SUPPLIES	\$	360.90

MACKSTEEL WAREHOUSE INC	SUPPLIES	\$	167.18
MAC'S INC	SUPPLIES	\$	155.39
MAHOWALD'S HARDWARE & RENTAL	SUPPLIES	\$	30.81
MARCO INC	COPIES	\$	119.22
MC KEEVER'S VENDING	SUPPLIES	\$	227.66
MEL DAHLE TIRE CO	TIRE REPAIR	\$	24.00
MENARDS INC	SUPPLIES	\$	524.41
MET LIFE	LIFE INSURANCE	\$	932.02
MIDWEST BUSINESS CONDOS LLC	ENERGY INCENTIVE REBATE	\$	3,990.00
MILBANK WINWATER WORKS	SUPPLIES	\$	524.80
MINNESOTA MUNICIPAL UTILITIES ASSN	2012 OVERHEAD LINEWORKER SCHOOL REGISTRATION	\$	995.00
MISSOURI RIVER ENERGY SERVICES	2012 LEGAL SEMINAR REGISTRATION FEES	\$	150.00
MUNICIPAL UTILITIES	PETTY CASH, SUPPLIES	\$	309.90
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$	240.10
MUNICIPAL UTILITIES-REFUND ACCT	REFUND OVERPAYMENT OF FINAL BILLS	\$	7,938.54
NEW YORK LIFE INS.	LIFE INSURANCE	\$	196.00
NORTH AMERICAN SALT COMPANY	WATER TREATMENT SUPPLIES	\$	4,080.43
NORTHWEST PIPE FITTINGS INC	GAS PARTS, SUPPLIES	\$	6,204.99
NOVASPECT, INC.	DIAPHRAGM ASSY, PARTS	\$	575.38
OFFICE PEEPS	OFFICE SUPPLIES	\$	1,403.61
O'REILLY AUTOMOTIVE INC	AUTO PARTS & SUPPLIES	\$	29.98
OVERHEAD DOOR CO OF WTN	SUPPLIES	\$	7.95
PARADIGM UX	WEBSITE SECURITY PROGRAMMING	\$	187.50
PETE LIEN & SONS	LIME, SUPPLIES	\$	35,737.86
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$	115.65
PRINT-EM-NOW INC	OFFICE SUPPLIES	\$	762.00
QUALITY FIRST PLUMBING & HEATING I	SOUTH BYPASS WATERLINE	\$	383.35
RESCO	SUPPLIES	\$	3,613.40
RON'S SAW SHOP	SHARPENING	\$	164.14
RUNNING'S SUPPLY INC	SUPPLIES	\$	374.37
SCHAEFFER MANUFACTURING COMPANY	SHOP SUPPLIES	\$	1,190.05
SCHMIDT, RICHARD	REIMBURSEMENT EXPENSES	\$	209.24
SD ONE CALL	LOCATES	\$	496.65
SD WATER & WASTEWATER ASSN	CONFERENCE REGISTRATION	\$	220.00
SERVICEMASTER	JANITORIAL SERVICE	\$	3,320.00
SIOUX VALLEY COOP	FUEL, SUPPLIES	\$	9,303.74
STAN HOUSTON EQUIP CO	SUPPLIES, PARTS	\$	265.72
STAR LAUNDRY INC	RUG SERVICE	\$	334.19
STUART C IRBY CO	SWITCH GEAR	\$	23,352.51
STURDEVANTS AUTO PARTS	SUPPLIES	\$	572.03
T & R ELECTRIC CO	SUPPLIES	\$	270.00
TERMINAL SUPPLY CO.	SUPPLIES	\$	157.64
TITAN MACHINERY- WTN	REPAIRS, ELECTRONIC UPDATES FOR DIGGER DERRICK	\$	680.56
TRAV'S OUTFITTER	UNIFORMS	\$	300.00
TYLER TECHNOLOGIES	SUPPLIES	\$	138.00
UPS	SHIPPING	\$	400.29
USA BLUEBOOK	SUPPLIES	\$	112.16
VERMEER HIGH PLAINS	SUPPLIES	\$	199.07

WALMART COMMUNITY	SUPPLIES	\$	214.46
WATERTOWN BOX CORP	SUPPLIES	\$	69.00
WATERTOWN CO-OP ELEVATOR ASSN	SUPPLIES	\$	71.10
WATERTOWN FLOWERS INC	FUNERAL PLANT	\$	46.00
WATERTOWN IND DEV FOCUS WTN	INDUSTRIAL DEVELOPMENT EXPENSE	\$	8,690.00
WATERTOWN PUBLIC OPINION	PUBLISHINGS	\$	648.10
WATERTOWN UNITED WAY	United Way	\$	359.00
WATERTOWN WINNELSON CO	SUPPLIES	\$	86.26
WELLMARK BLUE CROSS/BLUE SHIELD	HEALTH INSURANCE	\$	62,325.71
WESCO DISTRIBUTION INC	SUPPLIES	\$	445.58
WILSON BOHANNAN COMPANY	PADLOCKS, SUPPLIES	\$	664.27
		\$	858,839.85

Total August, 2012 858,839.85; Transfer to City General Fund 101,533.00; Muni Utilities Electric Water Gas 61,069.62; Northern Natural Gas 2,273.20; Missouri River Energy Services Power 2,190,948.53; BP Canada Energy Marketing Natural gas 76,119.33; Dept of Revenue Sales/Excise Tax 148,209.78; CPEP Natural Gas 8,157.70, City Finance Office Garbage Sewer 377,337.60

#### ITEM 6269

Board set date of Friday, September 28, 2012 at noon for September Board Meeting due to scheduling conflicts.

#### ITEM 6270

Pursuant to SDCL 1-25-2(3) Schultz 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.

Motion by Schultz with second by Wight 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 August, 2012

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

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Lisa Pahl

Dustin J. Padgett

Executive Secretary

President

Municipal Utilities Board

Municipal Utilities Board