

# **MINUTES OF MUNICIPAL UTILITIES BOARD MEETING**

**Thursday, June 27, 2013**

The Municipal Utilities Board convened in regular session at the Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Thursday June 27, 2013 at Noon with President Dustin Padgett presiding.

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

## **ITEM 6378**

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

## **ITEM 6379**

Motion by Schultz with second by Luken to approve minutes of the regular Board meeting on May 30, 2013. Motion carried.

## **ITEM 6380**

Motion by Wight with second by Strait to acknowledge the termination of Service Agreement dated Sept. 1, 2003 and approval of 2<sup>nd</sup> Amendment to base contract for Sale and Purchase of Natural Gas with BP and authorize General Manager or Board President to sign. Motion carried.

## **ITEM 6381**

Motion by Schultz with second by Strait to give approval to General Manager to sign a participation letter with SDRS for new Roth 457 program. Motion carried.

## **ITEM 6382**

Karst presented information on increasing the City Street Lighting billing rates per light by 3%, to be effective January 1, 2014. This brings these rates up to date with the electric increases for all other customers that were effective at the beginning of 2103. Motion by Wight with second by Strait to approve City Street Light Utility Rate for 2014. Motion carried unanimously upon roll call vote.

## **ITEM 6383**

Lehner introduced the lineman to the Board and thanked them along with all staff and employees for their hard work they put forth after the storm on June 21, 2013. Lehner presented the two-sided bill stuffer. Clean Water and Cookin' on Kampeska. He also invited the board to attend a Missouri

River Energy Service's Legal Seminar that is being held in Sioux Falls at the beginning of August. DeVille, Water Superintendent gave an update on the AWWA Annual Conference he attended earlier in June. He said 12,000 people attended and they offered a number of sessions. One session DeVille attended was on regulations and one of the new regulations is having no lead or low lead in our brass components by the start of 2014.

**ITEM 6384**

Motion by Strait with second by Luken to not fully implement the Consort Demand Management Program at this time because it is not feasible until better or more inexpensive technology is available. As an exit strategy it was determined to offer a Wi-Fi module to replace Zigbee modules in current pilot program customer's thermostats so those customers could continue to manage their thermostats on-line if they choose. Motion carried.

**ITEM 6385**

Chambers presented report on Operations and Projects: Electric Department, Projects Completed this Month: Installing new underground primary and secondary wires in uptown alley and removing existing overhead poles. This project had 3000 feet of primary, 1200 feet of secondary wire and 700 feet of 4" conduit, it took 6 weeks to complete with 4-5 linesmen and 3 metermen. Switching out 115 KV line between East Sub and WAPA for WAPA to install new switches. Projects Starting Next Month: Continue overhead line repair from storm damage, Prairie Hills addition installing primary and transformers, Install temporary service for new Titan building. Gas Department, Projects Completed this Month: Replaced two service lines pulled out of the ground from storm damage, Two day field inspection by the South Dakota Office of Pipeline Safety, the inspection consisted of approximately 250 line markers, 40 emergency valves, and 10 cathodic readings on the system. These areas were checked to verify that the system was up to code. Water Department, Projects Completed this Month: Shut down 4" water main for Dallas Hanson Construction to move the water main for the bell tower they are building for IC Church, Shut down 12" raw water main so it could be moved for the 3 million gallon tank replacement. Projects in Progress: New main being installed in Eastwoods, Preparing foundation for the new 3 million gallon tank. Projects to Start Next Month: Installing pipe on new developments. Engineering Tech Dept, Projects Completed this Month: 385 One-Call locates June 1 - 24th, 2013. 772 One-Call locates total for May, 2013, 8 Emergency locates (3 private contractors & 5 Watertown Utilities). Projects Starting Next Month: Average 450 One-Call locates in July. Chambers handed out a storm report summary to update the Board on the June 21 storm.

**ITEM 6386**

Karst presented report on Administration and Financial Statements: Building/Grounds and Purchasing, Projects in Progress: Received our 6" & 8" PVC pipe for water department as bid, Received 6", 8", 10" and 12" gate valves for water department as bid, Received fire hydrants for water

department as bid. Projects In Progress: Receiving quotes for shingling the Mellette booster station building. Office, Projects Completed This Month: 13,294 Payments collected with a total of 4,544,671.32; Total of 51,440 services billed for a total of 3,452,458.49; Major Projects in Progress: Preparing information requested by MRES for our 2013 Electric Rate Study, Reviewing request for proposals regarding our banking services. Human Resources/Risk Management: Attended health care meeting hosted by Wellmark in Sioux Falls. Will begin planning for changes that will take affect with the plan renewal in January 2014. We have been set up as a beta test site for a new time entry system that is being rolled out by Tyler. Currently working with the developers on recommendations/improvements to the program before implementing to the entire employee group, completed New Hire Orientations of summer temps: Dion Helgelien, Gas Department and Mason Mennenga Water Department both effective May 28, 2013.

Statements of revenue and expenses and Capital Additions were presented to the Board for review. Year to date net income is \$760,427 over Budget thru May 2013. Total Capital Additions is \$880,958 under budget thru May 2013 mostly due to the 3 million gallon water tank rehabilitation project behind schedule.

#### **ITEM 6387**

Motion made by Strait with second by Schultz to approve the following verified Salary claims and bills. Motion carried unanimously upon roll call vote. Total Municipal Utilities Dept Net Payroll for June, 2013 Plus ACH Payroll Payments 381,210.61.

**July 1, 2013**

<b>Name</b>	<b>Payable Description</b>	<b>Payment Amount</b>
ABC LOCK & KEY	LOCK MAINTENANCE	\$70.00
ADVANCED ENGIN. & ENVIRON. SRVS	WATER TREAT. PLANT I & C SERV.	\$561.00
AFLAC	CANCER PT	\$2,032.29
AVANTI FEDERAL CREDIT UNION	CREDIT UNION	\$15,747.53
BENDIX IMAGING INC	OFFICE SUPPLIES	\$297.47
BORDER STATES ELECTRIC SUPPLY	Tracer Wire	\$8,586.30
BORNS GROUP	POSTAGE & MAILING	\$8,046.86
BREITBACH CONST	UTILITY BILL REFUND	\$14,000.00
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USE	\$101.69
CARQUEST #2197	SUPPLIES	\$218.48
CASHWAY LUMBER INC	SUPPLIES	\$244.04
CHAMBERS, TODD	REIMBURSEMENT EXPENSES	\$2,294.93
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$3,158.90
CHURCHILL, MANOLIS, FREEMAN, KLUDT,	UNION NEGOTIATIONS	\$121.67
CODINGTON COUNTY REGISTER OF DEEDS	EASEMENT	\$33.00
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	ELECTRIC SERVICE NEW WELLFIELD	\$4,977.26
CREDIT BUREAU OF WATERTOWN INC	COLLECTIONS	\$556.65
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$140.92
DAKOTA DATA SHRED	SHREDDING SERVICE	\$64.24

DAKOTA RIGGERS & TOOL	SUPPLIES	\$126.84
DAKOTA SECURITY SYSTEMS, INC	SECURITY SYSTEMS SERVICE	\$21.68
DE VILLE, JEFF	REIMBURSEMENT EXPENSES	\$1,026.07
DEPARTMENT OF REVENUE	WATER SAMPLES	\$442.00
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$9,465.89
DUECO INC	SUPPLIES	\$1,784.00
E & M LAWN CARE	LAWN CARE	\$505.00
ELECTRIC MOTORS & MOORE INC	SUPPLIES	\$38.00
ELEMENT MATERIALS TECHNOLOGY	PIPE WELD QUALIFICATION	\$225.00
ENGELSTAD ELECTRIC COMPANY	BORING	\$675.41
ETHANOL PRODUCTS LLC	CO2	\$1,660.75
F J MC LAUGHLIN CO.	GRAVEL	\$1,841.95
FARNAMS GENUINE PARTS	SUPPLIES	\$166.85
FASTENAL COMPANY	SUPPLIES	\$748.74
GCR TIRE CENTER	SUPPLIES	\$21.00
GREAT WESTERN BANK	TASC MED	\$5,879.65
GROEBNER & ASSOCIATES INC	SUPPLIES	\$1,420.69
H R GREEN	3 MG WATER RES. REPLACEMENT	\$2,962.00
HAIDER, MARK	REIMBURSEMENT EXPENSES	\$357.10
HAWKINS, INC.	WATER CHEMICALS	\$3,244.03
HD SUPPLY WATERWORKS	HYDRANTS PER BID	\$73,507.09
HOMETOWN BUILDERS	ENERGY INCENTIVE REBATE	\$2,350.00
HY-VEE FOODS	SAFETY PROGRAM PICNIC	\$518.98
IBEW LOCAL 426	UNION DUES	\$3,059.00
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$131.90
J H LARSON COMPANY	SUPPLIES	\$3,477.40
JURGENS PRINTING & COPY CENTER INC	SUPPLIES	\$110.00
KARST, ADAM	REIMBURSEMENT EXPENSES	\$1,195.65
LEHNER, STEVE	REIMBURSEMENT EXPENSES	\$271.34
LOCATORS & SUPPLIES INC	SUPPLIES	\$2,569.99
LUKONEN'S TOOL SERVICE INC	SUPPLIES	\$69.95
M & T FIRE & SAFETY INC	SUPPLIES	\$129.50
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$159.18
MAC'S INC	SUPPLIES	\$218.00
MAHOWALD'S HARDWARE & RENTAL	SUPPLIES	\$62.18
MARCO INC	SOFTWARE MAINTENANCE	\$6,939.87
MARCO INC	COPIER LEASE	\$221.86
MATHESON TRI-GAS INC	SUPPLIES	\$168.71
MC KEEVER INC	SUPPLIES	\$307.13
MEL DAHLE TIRE CO	SUPPLIES	\$18.00
MENARDS INC	SUPPLIES	\$356.84
MENNENGA, SHEILA	REIMBURSEMENT EXPENSES	\$1,002.10
MET LIFE	LIFE INSURANCE	\$1,024.62
MIDCONTINENT COMMUNICATIONS	INTERNET SERVICE	\$105.00
MILBANK COMMUNICATIONS INC	FCC LICENSE RENEWAL	\$60.00
MILBANK WINWATER WORKS	SUPPLIES	\$5,303.80
MISSOURI RIVER ENERGY SERVICES	INFRARED INSPECTION	\$2,683.00
MISSOURI RIVER ENERGY SERVICES	MEETING EXPENSES	\$200.00

MOFFATT PRODUCTS	ENERGY INCENTIVE REBATE	\$275.00
MUNICIPAL UTILITIES - PC	PETTY CASH	\$613.04
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND #14839-9	\$257.80
MUNICIPAL UTILITIES-REFUND ACCT	REFUND OVERPYMT OF FINAL BILLS	\$8,918.87
MUTH ELECTRIC INC	ELECTRICAL CONTRACTING	\$136.22
NESD SHRM	2013 COMPENSATION SURVEY	\$50.00
NEW YORK LIFE INS.	LIFE INSURANCE	\$196.00
NORTHWEST PIPE FITTINGS INC	GATE VALVE PER BID	\$35,272.32
OFFICE PEEPS	SUPPLIES	\$630.99
PETE LIEN & SONS	LIME	\$11,733.35
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$124.75
PRELOAD INC	3 MG RESERVOIR REPLACEMENT	\$138,661.89
PRINT-EM-NOW INC	OFFICE SUPPLIES	\$142.00
PRO LINE INC	SUPPLIES	\$195.81
REDLINGER BROS PLUMBING & HEATING	SUPPLIES	\$6.24
RESCO	SUPPLIES	\$2,715.22
RON'S SAW SHOP	SUPPLIES	\$397.88
RUNNING'S SUPPLY INC	SUPPLIES	\$239.87
SANFORD WATERTOWN OCCUP. MED	MAY 2013 SCREENINGS	\$864.00
SCHMIDT, RICHARD	REIMBURSEMENT EXPENSES	\$106.01
SD DENR	2014 ANNUAL WATER TESTING FEES	\$7,000.00
SD ONE CALL	LOCATES	\$810.60
SD PUBLIC UTILITIES COMMISSION	CY 2012 PIPELINE SAFETY ASSESS.	\$4,893.57
SENSIT TECHNOLOGIES INC	SUPPLIES	\$327.31
SERVICEMASTER	JANITORIAL SERVICE	\$3,120.00
SHERMAN CANVAS	TARP REPAIR	\$80.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$8,600.19
STAR LAUNDRY INC	SUPPLIES	\$369.40
STUART C IRBY CO	TRANSFORMERS PER BID	\$81,443.00
STURDEVANTS AUTO PARTS	SUPPLIES	\$158.07
TOOL TIME	TRACTOR WITH MOWER RENTAL	\$165.00
UPS	SHIPPING	\$468.34
USA BLUEBOOK	SUPPLIES	\$808.49
VEEDER'S BODY & GLASS, INC.	COLLISION REPAIR	\$461.37
VERIFICATIONS INC	APPLICANT VERIFICATIONS	\$13.40
VERMEER HIGH PLAINS	SUPPLIES	\$414.57
WATERTOWN BOX CORP	SUPPLIES	\$7.00
WATERTOWN CO-OP ELEVATOR ASSN	SUPPLIES	\$1,352.40
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOP.EXPENSE	\$8,690.00
WATERTOWN FLOWERS INC	FUNERAL PLANTS	\$97.00
WATERTOWN FORD CHRYSLER	MAINTENANCE	\$97.73
WATERTOWN PUBLIC OPINION	PUBLISHINGS	\$365.80
WATERTOWN UNITED WAY	United Way	\$351.00
WATERTOWN WHOLESALE	SUPPLIES	\$186.60
WATERTOWN WINNELSON CO	METERING EQUIPMENT	\$327.01
WELLMARK BLUE CROSS/BLUE SHIELD	HEALTH INSURANCE	\$66,417.89
WESCO DISTRIBUTION INC	SUPPLIES	\$1,840.80

TOTAL

\$590,490.77

Total June, 2013 590,490.77; Transfer to City's General Fund 95,700, Muni Utilities Electric Water Gas 40,623.93; Northern Natural Gas 2,273.20; Missouri River Energy Services Power 1,199,842.05; BP Canada Energy Marketing Natural gas 204,198.24; Dept of Revenue Sales/Excise Tax 140,373.08; CPEP Natural Gas 22,030.31, City Finance Office Garbage Sewer 382,008.19.

**ITEM 6388**

Motion by Strait with second by Luken 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, 2013

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

\_\_\_\_\_

Lisa Pahl

Dustin J. Padgett

Executive Secretary

President

Municipal Utilities Board

Municipal Utilities Board