

## **MINUTES OF MUNICIPAL UTILITIES BOARD MEETING**

**Monday, August 26, 2013**

The Municipal Utilities Board convened in regular session at the Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday August 26, 2013 at Noon with President Dustin Padgett presiding.

Board members present: Dustin Padgett, Mike Luken, Ernie Wight, Wayne Schultz, Dave Strait and Board Liaison Member of City Council Don Roby. Staff Members present: Steve Lehner, Adam Karst, Jeff DeVille, Doug Enstad, Rich Schmidt, Mark Meier, Mark Haider, Kevin Kruiter, Sheila Mennenga, Stephanie Ries, Stanton Fox and Lisa Pahl. Press: Don Egert, KXLG Radio. Guests from Watertown 2020 Committee Jo Vitek, Adam Lalim, Nancy Turbak-Berry, Rick Masloski, Joy Nelson, Carla Roby and Colleen Hestad.

### **ITEM 6398**

Motion by Luken with second by Schultz to approve the Agenda with the addition To Open Item 5 b)Presentation from Watertown 2020 Committee. Motion carried.

### **ITEM 6399**

Motion by Strait with second by Luken to approve minutes of the regular Board meeting on July 29, 2013. Motion carried.

### **ITEM 6400**

Motion by Wight with second by Schultz to approve General Manager to sign a contract with GlobalView Software, Inc. for Energy Data Market Information. Motion carried.

### **ITEM 6401**

Open: Karst presented the customer service survey. This survey is sent out to over 13,000 customers and is done every other year. The results will be presented at the October board meeting.

Lehner introduced the Watertown 2020 Committee. Speakers were Adam Lalim and Jo Vitek. The core of the presentation was on revitalizing the uptown alleys.

### **ITEM 6402**

Lehner presented report on Operations and Projects: Electric Department, Projects Completed this Month: Prairie Hills addition installing primary and transformers, Install temporary service for new Titan building, Installing Primary at North Grove addition. Projects In Progress: Terminating underground wire installed by Dave's Construction, Arrow Ave., Multi District Area, City Auditorium, Terminating underground wire

installed by Engelstad Electric Burger King, Installing primary at East Woods addition. Projects Starting Next Month: Repairing street lights per State DOT inspection report. Gas Department, Projects Completed this Month: Install 10 new gas services. Projects in Progress: Working on completing Operator Qualifications, Rebuilding and testing of residential gas meters, Summer construction, Periodic meter change outs. Water Department, Projects Completed this Month: 73 new service taps, 4 replacement taps, 6 main shut downs, 2 main breaks, inspected and flowed 748 of the hydrants in the system. Projects to Start Next Month: Repairing hydrants that we found operating hard. Engineering Tech Dept, Projects Completed this Month: 275 One-Call locates August 1 - 21st, 2013. 516 One-Call locates total for July, 2013, 7 Emergency locates (2 private contractors & 5 Watertown Utilities). Projects Starting Next Month: Average 425 One-Call locates in September.

#### **ITEM 6403**

Karst presented report on Administration and Financial Statements: Building/Grounds and Purchasing, Projects Completed: Completed the shingling of the Mellette booster station, Received poles from Bell Lumber to replenish stock from storm, Received transformers from T & R Electric to replenish stock from storm. Projects in Progress: Working on FEMA information from the June 21<sup>st</sup> storm, Projects to Start Next Month: Work on 2014 budget items. Office, Projects Completed This Month: 13,581 Payments collected with a total of \$3,643,266.26; Total of 51,749 services billed for a total of \$3,832,139.79; Major Projects in Progress: Preparing information requested by MRES for our 2013 Electric Rate Study, Compiling information for FEMA regarding the June 21<sup>st</sup> storm, Prepared Customer Service Survey to be mailed with the September 1<sup>st</sup> bills. Human Resources/Risk Management: Preparing payroll and equipment expense reports for June 21 storm (FEMA event), Assisted with preparation of the 2013 Customer Service Survey. Information Systems, Current Projects: Setup a new customer service survey on Survey Monkey.

Statements of revenue and expenses and Capital Additions were presented to the Board for review. Year to date net income is \$1,039,397.00 over Budget for the seven months ending July 31, 2013. Total Capital Additions is \$651,574.00 under budget thru July 31, 2013.

#### **ITEM 6404**

Motion made by Luken with second by Strait to approve the following verified Salary claims and bills. Motion carried unanimously upon roll call vote. Total Municipal Utilities Dept Net Payroll for August, 2013 Plus ACH Payroll Payments 368,287.34.

<b>Name</b>	<b>Payable Description</b>	<b>Payment Amount</b>
<b>Sept. 3, 2013</b>		
ABC EMBROIDERY	LOGO EMBROIDERY	\$235.90
AFLAC	CANCER PT	\$2,032.29
AP & SONS CONSTRUCTION INC	WATER MAIN INSTALLATION	\$19,862.00

APPLIED INDUSTRIAL TECH INC	SUPPLIES	\$381.22
AQUA-PURE INC	WATER TREATMENT CHEMICALS	\$13,500.00
AVANTI FEDERAL CREDIT UNION	CREDIT UNION	\$15,902.53
BELL LUMBER & POLE CO	POLES	\$18,210.00
BENDIX IMAGING INC	OFFICE SUPPLIES	\$279.97
BLACKBURN MFG COMPANY	SUPPLIES	\$2,436.37
BLOSSOM SHOPPE	FUNERAL PLANT	\$45.00
BORDER STATES ELECTRIC SUPPLY	SUPPLIES	\$15,447.26
BORNS GROUP	POSTAGE & MAILING	\$7,250.24
BRIAN'S GLASS & DOOR INC	WINDOW MAINTENANCE	\$85.00
BURCHATZ CONSTRUCTION COMPANY INC	CONCRETE WORK	\$8,028.79
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$64.16
BUSINESS TELEPHONE CO INC	PHONE MAINTENANCE	\$93.13
CERTIFIED LABORATORIES	SUPPLIES	\$149.10
CHAMBERS, TODD	REIMBURSEMENT EXPENSES	\$398.30
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$885.54
CITY OF WATERTOWN	2013 LEGAL SERVICES	\$23,550.00
CODINGTON COUNTY REGISTER OF DEEDS	COPIES, EASEMENTS	\$70.00
CODINGTON-CLARK ELECTRIC COOP. INC	ELECTRIC SERVICE NEW WELLFIELD	\$6,625.94
CONTINENTAL SAFETY EQUIP	SUPPLIES	\$810.22
COUNTY FAIR FOOD STORE	SUPPLIES	\$5.76
CREDIT BUREAU OF WATERTOWN INC	COLLECTIONS	\$455.54
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$20.07
CUMMINS CENTRAL POWER LLC	GENERATOR MAINTENANCE	\$1,791.87
DAKOTA TERRITORIES CO INC.	SIGNAGE	\$1,750.00
DE VILLE, JEFF	REIMBURSEMENT EXPENSES	\$157.07
DEPARTMENT OF REVENUE	WATER TESTING	\$377.00
DIAMOND VOGEL PAINT CENTER	SUPPLIES	\$6.82
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$2,967.84
DUECO INC	SUPPLIES	\$255.00
E & M LAWN CARE	LAWN CARE	\$1,115.00
ELEMENT MATERIALS TECHNOLOGY	PIPE WELD QUALIFICATION	\$225.00
ENERGY ECONOMICS INC	METER REPAIR	\$773.23
ENERGY LABORATORIES INC	QUARTERLY THM HAA5 SAMPLES	\$1,120.00
ENGELSTAD ELECTRIC COMPANY	ELECTRICAL CONTRACTING	\$9,686.76
ETHANOL PRODUCTS LLC	CO2	\$1,539.10
F J MC LAUGHLIN CO.	SUPPLIES	\$3,693.40
FARNAMS GENUINE PARTS	SUPPLIES	\$850.31
FASTENAL COMPANY	SUPPLIES	\$698.66
GCR TIRE CENTER	TIRE REPAIR	\$40.50
GRAINGER	SUPPLIES	\$462.65
GREAT WESTERN BANK	TASC MED	\$5,879.65
H R GREEN	3 MG WATER RESERVOIR REPLACEMENT	\$1,740.55
HAIDER, MARK	REIMBURSEMENT EXPENSES	\$645.00
HAWKINS, INC.	WATER TREATMENT CHEMICALS	\$3,244.03
HD SUPPLY WATERWORKS	SUPPLIES	\$1,679.16
IBEW LOCAL 426	UNION DUES	\$3,059.00
J H LARSON COMPANY	SUPPLIES	\$9,648.14
KARST, ADAM	REIMBURSEMENT EXPENSES	\$89.00
KISSELL CONSTRUCTION	SHINGLES AT MELLETTE BOOSTER STATION	\$5,419.63
LAKE CITY FIRE EQUIPMENT LLC	SUPPLIES	\$153.75
LEHNER, STEVE	REIMBURSEMENT EXPENSES	\$314.19
LUKONEN'S TOOL SERVICE INC	SUPPLIES	\$132.55
M & T FIRE & SAFETY INC	SUPPLIES	\$74.00
MAC'S INC	SUPPLIES	\$134.68
MAHOWALD'S HARDWARE & RENTAL	SUPPLIES	\$83.72
MARCO INC	MAINTENANCE AGREEMENT	\$257.78
MARCO INC	MAINTENANCE AGREEMENT	\$37.37
MATHISON COMPANY	SUPPLIES	\$108.41
MEL DAHLE TIRE CO	TIRE REPAIR	\$202.00
MENARDS INC	SUPPLIES	\$435.52
MERCURY INSTRUMENTS LLC	GAS METERING INSTRUMENT	\$2,865.85
MET LIFE	LIFE INSURANCE	\$1,016.32
MIDCONTINENT COMMUNICATIONS	INTERNET SERVICE	\$105.00

MILBANK WINWATER WORKS	SUPPLIES	\$7,720.40
MINNESOTA RUBBER	ENERGY INCENTIVE REBATE	\$45,677.73
MUNICIPAL UTILITIES - PC	PETTY CASH	\$317.42
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND #6221-1	\$437.27
MUNICIPAL UTILITIES-REFUND ACCT	REFUND OVERPAYMENT OF FINAL BILLS	\$5,454.19
NEW YORK LIFE INS.	LIFE INSURANCE	\$196.00
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$3,025.85
OFFICE PEEPS	OFFICE SUPPLIES	\$504.93
PETE LIEN & SONS	LIME	\$23,741.51
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$124.75
PRELOAD INC	3 MG TANK RESERVOIR	\$385,911.82
PRO LINE INC	SUPPLIES	\$21.70
REDLINGER BROS PLUMBING & HEATING	SUPPLIES	\$85.27
RESCO	SUPPLIES	\$4,615.10
RON'S SAW SHOP	SUPPLIES	\$173.30
RUNNING'S SUPPLY INC	SUPPLIES	\$73.02
SANFORD WATERTOWN OCCUP. MED	DRUG SCREENINGS	\$374.00
SCHMIDT, RICHARD	REIMBURSEMENT EXPENSES	\$93.25
SCHUNEMAN EQUIPMENT CO.	SUPPLIES	\$196.00
SD MUNICIPAL LEAGUE	ANNUAL CONFERENCE REGISTRATION	\$130.00
SD ONE CALL	LOCATES	\$541.80
SD WATER & WASTEWATER ASSN	ANNUAL CONFERENCE REGISTRATION	\$280.00
SDSU FOUNDATION ACCT #70507	CTR FOR POWER SYS.STUDIES ANNUAL SUPP.	\$350.00
SENSIT TECHNOLOGIES INC	SUPPLIES	\$266.31
SERVICEMASTER	JANITORIAL SERVICE	\$3,120.00
SHERWIN WILLIAMS CO	SUPPLIES	\$321.08
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$9,307.95
SOUTHERN CROSS CORP	SUPPLIES	\$402.96
STAR LAUNDRY INC	SUPPLIES	\$330.95
STUART C IRBY CO	SUPPLIES	\$986.30
STURDEVANTS AUTO PARTS	SUPPLIES	\$12.93
T & R ELECTRIC CO	TRANSFORMERS	\$9,676.00
TRAV'S OUTFITTER	SUPPLIES	\$1,748.00
TYNDALE COMPANY INC	SUPPLIES	\$815.90
UPS	SUPPLIES	\$299.10
USA BLUEBOOK	SUPPLIES	\$181.09
WTN AREA CHAMBER OF COMMERCE	SEMINAR REGISTRATION	\$130.00
WATERTOWN CONCRETE PRODUCTS	SUPPLIES	\$150.73
WATERTOWN CO-OP ELEVATOR ASSN	SUPPLIES	\$92.80
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOP.EXPENSE	\$8,690.00
WATERTOWN FLOWERS INC	MISCELLANEOUS	\$36.00
WATERTOWN FORD CHRYSLER	ENERGY INCENTIVE REBATE	\$2,975.00
WATERTOWN PUBLIC OPINION	PUBLISHINGS	\$378.42
WATERTOWN UNITED WAY	United Way	\$351.00
WELLMARK BLUE CROSS/BLUE SHIELD	HEALTH INSURANCE	\$65,369.47
WESCO DISTRIBUTION INC	SUPPLIES	\$3,979.20
<b>TOTAL</b>		<b>791,326.34</b>

Total August, 2013 791,326.34; Transfer to City's General Fund 95,700, Muni Utilities Electric Water Gas 53,656.31; Northern Natural Gas 2,273.20; Missouri River Energy Services Power 2,054,970.02; BP Canada Energy Marketing Natural gas 88,276.00; Dept of Revenue Sales/Excise Tax 149,083.37; CPEP Natural Gas 11,361.35, City Finance Office Garbage Sewer 382,239.87.

ITEM 6405

Board President Dustin Padgett turned the meeting over to General Manager Steve Lehner. Lehner announced that Dustin Padgett was re-appointed by Mayor Steve Thorson for a five-year term and also noted that Don Roby has been appointed by the Mayor to be liaison to the Utilities Board from the City Council.

Lehner requested reorganization of the Board. Motion by Padgett with second by Strait to nominate Mike Luken as President with nominations to cease and unanimous ballot be cast for nominee. Motion carried. Motion by Wight with second by Strait to nominate Wayne Schultz as Vice-President with nominations to cease and a unanimous ballot be cast for nominee. Motion carried.

President Luken made the following committee appointments:

RATES & TRANSFERS: DUSTIN PADGETT & ERNIE WIGHT

WAGES & PERSONNEL: ERNIE WIGHT & DUSTIN PADGETT

PRODUCTION & DISTRIBUTION: WAYNE SCHULTZ & DAVE STRAIT

BUILDINGS & EQUIPMENT: DAVE STRAIT & WAYNE SHCULTZ

INVENTORY CONTROL: WAYNE SCHULTZ & ERNIE WIGHT

FINANCE: ALL WITH MIKE LUKEN AS CHAIRMAN

FIRST NAMED MEMBER TO BE CHAIRMAN OF COMMITTEE

Motion by Strait with second by Padgett to approve Committee appointments. Motion carried.

Motion by Wight 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 26th day of August, 2013

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

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Lisa Pahl

Michael V. Luken

Executive Secretary

President

Municipal Utilities Board

Municipal Utilities Board