

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Monday, July 28, 2014

The Municipal Utilities Board convened in regular session at the Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday July 28th, 2014 at Noon with President Mike Luken presiding.

Board members present: Mike Luken, Ernie Wight, Wayne Schultz, Dave Strait and Dustin Padgett. Board Liaison, Member of City Council, Don Roby. Staff Members present: Steve Lehner, Todd Chambers, Adam Karst, Jeff DeVille, Doug Enstad, Rich Schmidt, Mark Meier, Mark Haider, Kevin Kruiter, Stephanie Ries, Lisa Pahl and Stanton Fox. Press: Sam Wilmes, Public Opinion.

ITEM 6524

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

ITEM 6525

Motion by Strait with second by Wight to approve minutes of the regular Board meeting on June 30, 2014. Motion carried.

ITEM 6526

Open: Lehner presented the bill stuffers which included South Dakota's 125th Anniversary Celebration at Joy Ranch and Watertown Police Department's Colordash 5K run.

ITEM 6527

Chambers presented the report on Operations and Projects: Electric Department, Projects Completed this Month: Installed primary to Watertown Auction. Projects in Progress: Working with CEG on future load study for electric system, Working with Key Contracting transferring load from old overhead line and connecting to new overhead line on 21st Street and NW and 11th Street SE, Projects Starting Next Month: Installing primary and transformers at Taco Bell, Installing underground primary for round-about on 14th Ave NE. Gas Department, Projects Completed this Month: Installed 300' of 4" main by Cherry St, Installed 550' of 2" plastic main by Cherry St., Relocated the gas main behind Pizza Ranch. Water Department, Projects Completed this Month: 5 hydrant maintenance, 2 replacement taps, 2 new taps, Shut mains down 12 times for work we did and for contractors. Projects to Start Next Month: Installing new 12" main on 19th St from Runnings to 3rd Ave N. Engineering Tech Department: Projects Completed this Month: 350 One-Call locates July 1-23rd, 2014, 537 One-Call locates total June, 2014, 8 Emergency locates (3 private contractors & 5 Watertown Utilities), Next Month: Average 450 One-Call Locates in August.

ITEM 6528

Karst presented the report on Administration and Financial Statements: Building/Grounds and Purchasing, Projects Completed this Month: Completed receiving our transformers from our bids, Unit 1 gas truck is finished and is now in service. Projects in Progress: Working on getting quotes to reside and install new doors on the pump houses located at the North and South Lake water towers. Office, Projects Completed This Month: 13,657 Payments collected with a total of \$3,832,884; Total of 52,306 services billed for a total of \$3,601,359. Projects in Progress: Continue testing on the new billing software, we are expected to go live the 3rd week of August. Human Resources/Risk Management, Personnel changes, New Hire, Robert (Rob) Haliburton - Water Plant Foreman, Effective 8/11/2014, Promotions: Steve Witte, Apprentice Equipment Operator, Transition TBD, Doug Brage - Apprentice Warehouseman, Transition TBD, Current Openings Apprentice/Certified Water Treatment Operator due to Doug Brage promotion. Apprentice/Certified Water Treatment Operator due to pending retirement of Jim Summers on 9/17/2014. Information Systems: Normal monthly IT maintenance and troubleshooting.

Statements of Revenue and Expenses and Capital Additions were presented to the Board for review. Year to date net income is \$1,551,897 under budget for the six months ending June 30th due to expensive gas purchased this winter. Total Capital Additions are \$1,914,960 under budget for the six months ending June 30th, 2014.

ITEM 6529

Motion made by Padgett 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 July, 2014 Plus ACH Payroll Payments 375,883.69. Info: D. Riley 35.07/hr. effective 6/21/2014, B. Warborg 27.92/hr. effective 6/25/2014. Term Gary Olson - Retirement effective 6/21/2014.

August 1, 2014

Name	Payable Description	Payment Amount
ADVAN. ENGINEER. & ENVIRON. SERV	I & C SYSTEM SERVICES	\$34.00
AFLAC	CANCER PT	\$2,166.91
A-OX WELDING SUPPLY INC	SUPPLIES	\$627.47
BENDIX IMAGING INC	DATA DESTRUCTION/RECYCLING	\$609.97
BORDER STATES ELECTRIC SUPPLY	SUPPLIES	\$9,811.84
BORNS GROUP	POSTAGE & MAILING	\$7,653.96
BOYER TRUCKS SIOUX FALLS, INC	SUPPLIES	\$102.60
BURCHATZ CONSTRUCTION COMPANY	CONCRETE WORK	\$11,022.33
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$67.29
BUSINESS TELEPHONE CO INC	TELEPHONE PROGRAMMING	\$133.13
CASHWAY LUMBER INC	SUPPLIES	\$63.39
CENTRAL STATES GROUP	SUPPLIES	\$965.53
CHAMBERS, TODD	REIMBURSEMENT EXPENSES	\$282.24
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$2,712.96
CODINGTON-CLARK ELECTRIC COOP.	LOCATES	\$4,637.00
CONSULTING ENGINEERS GROUP INC	ENGINEERING SERVICES	\$7,290.00
CREDIT BUREAU OF WATERTOWN INC	COLLECTIONS	\$365.96
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$796.62
DAKOTA BODIES INC	UNIT 1 TRUCK BODY	\$19,937.00
DAKOTA DATA SHRED	SHREDDING SERVICE	\$61.18
DAKOTA UNDERGROUND CONSTR. LLC	DIRECTIONAL DRILLING	\$604.08

DE VILLE, JEFF	REIMBURSEMENT EXPENSES	\$564.83
DEPARTMENT OF REVENUE	WATER SAMPLES	\$468.00
DSG DAKOTA SUPPLY GROUP	TRANSFORMERS AS PER BID	\$151,886.92
ENERGY ECONOMICS INC	METER REPAIR	\$361.26
ENGELSTAD ELECTRIC COMPANY	ELECTRICAL CONTRACTING - AIRPORT PROJECT	\$80,000.00
ETHANOL PRODUCTS LLC	SUPPLIES	\$1,496.99
F J MC LAUGHLIN CO.	GRAVEL, ROCK, DIRT	\$1,421.03
FARNAMS GENUINE PARTS	SUPPLIES	\$277.79
FASTENAL COMPANY	SUPPLIES	\$396.58
GAS PRODUCTS SALES	SUPPLIES	\$3,413.64
GCR TIRE CENTER	SUPPLIES	\$769.10
GREAT WESTERN BANK	TASC MED	\$6,426.29
GROEBNER	SUPPLIES	\$8,910.35
HACH COMPANY	SUPPLIES	\$234.47
HAIDER, MARK	REIMBURSEMENT EXPENSES	\$454.20
HAWKINS, INC.	SUPPLIES	\$2,630.88
IBEW LOCAL 426	UNION DUES	\$3,163.00
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$324.70
J H LARSON COMPANY	SUPPLIES	\$7,570.54
KARST, ADAM	REIMBURSEMENT EXPENSES	\$665.00
LEHNER, STEVE	REIMBURSEMENT EXPENSES	\$323.12
LIGHT & SIREN	SUPPLIES	\$148.58
LOCATORS & SUPPLIES INC	SUPPLIES	\$2,040.50
M & T FIRE & SAFETY INC	SUPPLIES	\$80.00
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$50.16
MAC'S INC	SUPPLIES	\$1,062.41
MARCO INC	MAINTENANCE AGREEMENT	\$6,951.21
MARCO INC	MAINTENANCE AGREEMENT	\$293.86
MC KEEVER INC	SUPPLIES	\$275.67
MEL DAHLE TIRE CO	SUPPLIES	\$1,308.00
MENARDS INC	SUPPLIES	\$479.67
MERTZ FENCING	FENCING	\$3,180.44
MET LIFE	LIFE INSURANCE	\$1,045.23
METERING & TECHNOLOGY SOLUTIONS	WATER METERS PER BID	\$12,400.00
MIDCONTINENT COMMUNICATIONS	INTERNET SERVICE	\$105.00
MIDWEST ENERGY ASSOCIATION	ANNUAL LICENSE FEE FOR OQ	\$30.00
MIDWEST REGION GAS TASK FORCE AS.	DUES	\$1,000.00
MILBANK WINWATER WORKS	SUPPLIES	\$3,912.58
MINNESOTA MUNICIPAL UTILITIES ASSN	3RD QTR SAFETY PROGRAM	\$6,900.00
MUELLER CO	SUPPLIES	\$106.61
MUNICIPAL UTILITIES - PC	PETTY CASH	\$220.48
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND #10653-3	\$350.98
MUNICIPAL UTILITIES-REFUND ACCT	REFUND OVERPAYMENT OF FINAL BILLS	\$6,648.33
NEW YORK LIFE INS.	LIFE INSURANCE	\$181.00
NORTH AMERICAN SALT COMPANY	SUPPLIES	\$3,904.18
NORTHWEST LINEMAN COLLEGE	TRAINING EXPENSES	\$506.00
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$550.32
NORTHWESTERN ENERGY	SERVICE RIGHTS	\$1,140.34
OFFICE PEEPS	SUPPLIES	\$747.85
PETE LIEN & SONS	SUPPLIES	\$19,926.78
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$132.00
PRINT-EM-NOW INC	SUPPLIES	\$236.50
REDLINGER BROS PLUMBING & HEATING	SUPPLIES	\$253.99
RESCO	SUPPLIES	\$8,655.34
RON'S SAW SHOP	SUPPLIES	\$146.99
RUNNING'S SUPPLY INC	SUPPLIES	\$171.25
S E Y LLC	LIME HAULING	\$29,865.00
SANFORD WTN OCCUPATIONAL MEDIC.	SCREENINGS	\$319.00
SCHMIDT, RICHARD	REIMBURSEMENT EXPENSES	\$158.48
SD ONE CALL	LOCATES	\$581.70
SD PUBLIC ASSURANCE ALLIANCE	2014 GENERAL LIABILITY ADDITIONAL PREMIUM	\$1,276.93
SD PUBLIC UTILITIES COMMISSION	PIPELINE SAFETY ASSESSMENT	\$3,508.35
SDSU FOUNDATION ACCT #70507	CNT FOR POWER SYSTEMS STUDIES ANNUAL SUPP.	\$350.00
SENSIT TECHNOLOGIES INC	SUPPLIES	\$133.00

SERVICEMASTER	JANITORIAL SERVICE	\$3,120.00
SHERMAN CANVAS	SUPPLIES	\$60.00
SIOUX VALLEY GREENHOUSES	SPRINKLER SYSTEM REPAIRS	\$330.00
STAR LAUNDRY INC	SUPPLIES	\$120.34
STEVE'S WORLD	SUPPLIES	\$263.00
STUART C IRBY CO	TRANSFORMERS AS PER BID	\$82,269.09
STURDEVANTS AUTO PARTS	SUPPLIES	\$810.79
T & M AUTOBODY INC	SUPPLIES	\$720.00
TAC SERVICES LLC	LAWN SERVICE	\$1,830.00
TSCHAKERT, MERLE	CARQUEST BUILDING LEASE	\$100.00
TYNDALE COMPANY INC	SUPPLIES	\$142.95
UPS	SHIPPING	\$32.49
USA BLUEBOOK	SUPPLIES	\$91.44
WATERTOWN CO-OP ELEVATOR ASSN	SUPPLIES	\$2,641.40
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN FIRE RESCUE	ENERGY INCENTIVE REBATE	\$1,650.00
WATERTOWN FLOWERS INC	FUNERAL ARRANGEMENT	\$47.00
WATERTOWN PUBLIC OPINION	PUBLISHINGS	\$439.65
WATERTOWN UNITED WAY	United Way	\$359.50
WATERTOWN WHOLESale	SUPPLIES	\$160.00
WELLMARK BLUE CROSS/BLUE SHIELD	HEALTH INSURANCE	\$64,416.49
WESCO DISTRIBUTION INC	SUPPLIES	\$1,163.75
WILSON BOHANNAN COMPANY	SUPPLIES	\$1,026.06
TOTAL		\$633,522.81

Total June, 2014 633,522.81; Transfer to City's General Fund 95,700; Muni Utilities Electric Water Gas 41,629.37; Northern Natural Gas 2,273.20; Missouri River Energy Services Power 1,792,194.63; BP Canada Energy Marketing Natural Gas 148,565.00; Dept of Revenue Sales/Excise Tax 145,076.86; CPEP Natural Gas 14,544.75, First Nat'l Bank-SF SF Loan 1,913,660.20; City Finance Office Garbage Sewer 384,172.93.

ITEM 6530

Board President Mike Luken turned the meeting over to General Manager Steve Lehner. Lehner announced that Mike Luken 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 Luken with second by Wight to nominate Wayne Schultz as President. Motion carried. Motion by Padgett with second by Strait to nominate Ernie Wight as Vice-President. Motion carried.

President Schultz made the following committee appointments:

RATES & TRANSFERS: MIKE LUKEN & DAVE STRAIT

WAGES & PERSONNEL: DUSTIN PADGETT & DAVE STRAIT

PRODUCTION & DISTRIBUTION: DAVE STRAIT & ERNIE WIGHT

BUILDINGS & EQUIPMENT: ERNIE WIGHT & DUSTIN PADGETT

INVENTORY CONTROL: DUSTIN PADGETT & MIKE LUKEN

FINANCE: ALL WITH WAYNE SCHULTZ AS CHAIRMAN. FIRST NAMED MEMBER TO BE CHAIR OF COMMITTEE

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

Motion by Luken with second by Wight to adjourn. Motion carried.

The Watertown Municipal Utilities Department does not discriminate in employment opportunities or provision of services basis of race, color, religion, sex, national origin, age, disability, or any other characteristic protected by law.

Dated at Watertown, South Dakota this 28th day of July, 2014

ATTEST: _____

Lisa Pahl
Executive Secretary
Municipal Utilities Board

Wayne E. Schultz
President
Municipal Utilities Board