

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Monday, September 29, 2014

The Municipal Utilities Board convened in regular session at the Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday September 29, 2014 at Noon with President Wayne Schultz presiding.

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

ITEM 6541

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

ITEM 6542

Motion by Padgett with second by Luken to approve minutes of the regular Board meeting on August 25th, 2014. Motion carried.

ITEM 6543

Motion by Wight with second by Luken to approve the change order with Key Contracting, Inc. on distribution line work for Electric Department. There will be a deduct for CATV work from original Contract and for value of units not installed, also an adder for material tax adjustment for a total deduct of \$15,572.50. Motion carried.

ITEM 6544

Karst presented a report of unclaimed property to be reported to the State. Motion by Padgett with second by Wight to approve submittal to the state. Motion carried.

ITEM 6545

Open: Lehner presented this month's bill stuffer, Living Safely with Natural Gas. Also, he asked the board to look over the Missouri River Area Meeting dates and to let him know if they are interested in going to one of them.

ITEM 6546

Old Business: Schultz was asked by a citizen why the utilities could not supply outlets at the Vintique's Car Show. Lehner said the outlets are only sized for Christmas lights and don't meet code for use on the ground. In the past when they have been used it has caused power outages, which caused overtime call outs.

ITEM 6547

Chambers presented the report on Operations and Projects: Electric Department, Projects Completed this Month: SBS pole inspection company inspected approximately 836 distribution poles and 387 transmission poles with 124 rejected distribution poles and 2 rejected transmission poles, Connected services to new street lights on Hwy 20 and 212, Connected services to new signal lights on Hwy 20. Projects in Progress: Working with Key Contracting transferring load from old overhead line and connecting to new overhead line on 3rd Ave NW and 11th Street SE. Projects Starting Next Month: Installing underground primary for Round-About on 14th Ave NE, Williston Addition on South Lake Drive, Dakota Butcher and the new Middle School. Gas Department, Projects Completed this Month: Relocated 4" main on 4th Ave and Hwy 20 corner (East side of the road), Removed 4" above ground valve and replaced with a 4" underground valve on the corner of 14th Ave and 11th St NE for new Round-About in the spring. Projects Starting Next Month: Installing main on the west side of Lake Kampeska by Sandy Shores and NE Watertown developments, Installing main at 12th Ave SE to service 2 new commercial buildings. Water Department, Projects Completed this Month: 1 hydrant moved, 1 Replacement tap, 2 new taps, shut mains down 7 times. Projects in Progress: Installing new 12" main on 19th St from Runnings to 3rd Ave N. Projects to Start Next Month: Installing controls on the side #3 aerators. Engineering Tech Department: Projects Completed this Month: 366 One-Call locates Sept. 1 - Sept. 24, 2014, 414 One-Call locates total August, 2014, 6 Emergency locates (5 private contractors & 1 Watertown Utilities), Next Month: Average 465 One-Call Locates in October.

ITEM 6548

Karst presented the report on Administration and Financial Statements: Building/Grounds and Purchasing, Projects in Progress: Reside and install new doors on the pump houses located at the North and South Lake Towers, getting price on removing trees on the west side of building and the price of putting in new trees, Continue arranging and cleanup of our warehouse yard, Fall spraying on all of our WMU properties. Projects to Start Next Month: Blow out all of our sprinkler systems. Office, Projects Completed This Month: 13,779 payments collected for a total of \$4,006,429; Total of 52,229 services billed for a total of \$3,878,181. Projects in Progress: Attended annual APPA's Business & Finance Conference in Portland, OR., Preparing information for the Natural Gas Rate Study and preparing the 2015 Budget. Human Resources/Risk Management: Completed New Hire Orientation/Training Tim Pahl - Apprentice Water Plant Operator, Effective 8/29/2014, Travis Peterson - Apprentice Water Plant Operator, Effective 9/8/2014, Completed Annual Safety Benefits, Inc. Safety & Loss Control Recognition Awards Application - Award to be given at October SDML Annual Conference, Attended annual American Public Power Association Business & Finance Conference in Portland, OR, Advertising for Water Treatment Plant Foreman position (recent hire, Rob Haliburton, has decided not to relocate to Watertown), Working on salaried employee wage survey - results will be

available for 2015 budgeting. 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 \$1,434,181 under budget for the Eight months ending August 31st, 2014. Total Capital Additions are \$2,568,776 under budget for the eight months ending August 31st, 2014.

ITEM 6549

Motion made by Padgett 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 September, 2014 Plus ACH Payroll Payments 393,079.02. Info: T. Schaefer 32.30/hr. effective 8/27/2014, T. Pahl 16.46/hr effective 8/29/2014, T. Peterson 16.46/hr effective 9/8/2014.

October 1, 2014 Name	Payable Description	Payment Amount
ABC EMBROIDERY	SUPPLIES	\$92.35
ADVANCED ENGINEER. & ENVIRON. SERV	I & C SYSTEM SERVICES	\$298.75
AFLAC	CANCER PT	\$2,166.91
A-OX WELDING SUPPLY INC	SUPPLIES	\$323.25
AP & SONS CONSTRUCTION INC	2013 LIME REMOVAL	\$3,228.68
APGA	DIMP SUBSCRIPTION	\$995.00
AQUA-PURE INC	SUPPLIES	\$9,000.00
BATTERIES UNLIMITED	SUPPLIES	\$63.00
BENDIX IMAGING INC	SUPPLIES	\$62.99
BORDER STATES ELECTRIC SUPPLY	SUPPLIES	\$34,159.13
BORNS GROUP	POSTAGE & MAILING	\$7,291.87
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$64.97
C & S PEST CONTROL LLC	PEST CONTROL	\$95.00
CHAMBERS, TODD	REIMBURSEMENT EXPENSES	\$390.92
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$3,575.35
CHICAGO TUBE & IRON	LINE HEATER SUPPLIES	\$747.71
CHILD SUPPORT PAYMENT CENTER	Child Support	\$275.00
CODINGTON-CLARK ELECTRIC COOP.INC	ELECTRIC SERVICE - NEW WELLFIELD	\$4,892.66
CONSULTING ENGINEERS GROUP INC	OVERHEAD LINE REBUILD	\$3,890.00
COTEAU SHOPPER	PUBLISHINGS	\$152.95
CREDIT BUREAU OF WATERTOWN INC	COLLECTIONS	\$984.02
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$2,408.61
DAKOTA DATA SHRED	SHREDDING SERVICE	\$61.18
DAKOTA SECURITY SYSTEMS, INC	SERVICE	\$368.37
DE VILLE, JEFF	REIMBURSEMENT EXPENSES	\$415.52
DEPARTMENT OF REVENUE	WATER SAMPLES	\$936.00
DITCH WITCH OF SOUTH DAKOTA, INC	SUPPLIES	\$149.89
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$18,902.56
DUECO INC	SUPPLIES	\$77.31
DUECO INC	SUPPLIES	\$157.50
ENDRESS+HAUSER INC	SERVICE	\$1,159.69
ENERGY ECONOMICS INC	METER REPAIR	\$394.90
ENGELSTAD ELECTRIC COMPANY	CONTRACTING	\$58,309.38
ETHANOL PRODUCTS LLC	BULK CO2	\$3,062.57
EXCELL DIAMOND SUNSHINE INDUST.	SUPPLIES	\$129.00
F J MC LAUGHLIN CO.	GRAVEL,DIRT,ROCK	\$3,208.00
FARNAMS GENUINE PARTS	SUPPLIES	\$153.68
FARWEST LINE SPECIALTIES, LLC	SUPPLIES	\$939.00
FASTENAL COMPANY	SUPPLIES	\$99.58
FRANKLIN PRESS INC	SUPPLIES	\$3,210.60

GAS PRODUCTS SALES	SUPPLIES	\$104.00
GCR TIRE CENTER	SUPPLIES	\$2,073.74
GRAINGER	SUPPLIES	\$353.62
GRAY CONSTRUCTION CO INC	SUPPLIES	\$588.57
GREAT WESTERN BANK	TASC MED	\$7,026.29
HAIDER, MARK	REIMBURSEMENT EXPENSES	\$936.93
HANSEN, BRENT	REIMBURSEMENT EXPENSES	\$73.00
HARRIS COMPUTER SYSTEMS	SOFTWARE UPGRADE	\$15,330.00
HAWKINS, INC.	BULK FLOURIDE	\$3,357.00
HENRY'S WATERWORKS INC	SUPPLIES	\$1,510.28
HUMAN SERVICE AGENCY	SCREEN	\$90.00
IBEW LOCAL 426	UNION DUES	\$3,135.05
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$39.96
J H LARSON COMPANY	SUPPLIES	\$10,615.70
JONNES, ALEX	REIMBURSEMENT EXPENSES	\$73.00
K & L MECHANICAL	WATER MAIN	\$194,750.00
KARST, ADAM	REIMBURSEMENT EXPENSES	\$919.57
KEY CONTRACTING INC	OVERHEAD LINE REBUILD	\$65,955.00
LAKE CITY FIRE EQUIPMENT LLC	FIRE EXTINGUISHER INSPECTION	\$140.43
LEHNER, STEVE	REIMBURSEMENT EXPENSES	\$615.12
LOCATORS & SUPPLIES INC	SUPPLIES	\$609.99
M & T FIRE & SAFETY INC	SUPPLIES	\$71.00
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$63.30
MAC'S INC	SUPPLIES	\$260.14
MAHOWALD'S HARDWARE & RENTAL	SUPPLIES	\$24.27
MARCO INC	MAINTENANCE AGREEMENT	\$44.45
MARCO INC	MAINTENANCE AGREEMENT	\$257.28
MATHESON TRI-GAS INC	SUPPLIES	\$52.70
MC KEEVER INC	SUPPLIES	\$156.58
MEL DAHLE TIRE CO	SUPPLIES	\$102.00
MENARDS INC	SUPPLIES	\$535.96
MENNENGA, SHEILA	REIMBURSEMENT EXPENSES	\$871.53
MET LIFE	LIFE INSURANCE	\$1,055.33
MIDCONTINENT COMMUNICATIONS	INTERNET SERVICE	\$105.00
MILBANK WINWATER WORKS	SUPPLIES	\$1,504.66
MILLERBERND MFG CO	SUPPLIES	\$4,975.00
MINNESOTA MUNICIPAL UTILITIES ASSN	REGISTRATION	\$995.00
MISSOURI RIVER ENERGY SERVICES	INFRARED INSPECTION	\$714.00
MUELLER CO	SUPPLIES	\$832.72
MUNICIPAL UTILITIES - PC	PETTY CASH	\$702.31
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND #14737-2	\$511.41
MUNICIPAL UTILITIES-REFUND ACCT	REFUND OF CREDITS ON ACCOUNTS	\$6,625.62
NEW YORK LIFE INS.	LIFE INSURANCE	\$106.00
NORTH AMERICAN SALT COMPANY	SUPPLIES	\$3,956.32
NORTHERN TRUCK EQUIP CORP	FREIGHT FOR RETURN	\$14.06
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$4,204.22
OFFICE PEEPS	OFFICE SUPPLIES	\$746.33
O'REILLY AUTOMOTIVE INC	SUPPLIES	\$55.96
PETE LIEN & SONS	BULK LIME	\$24,471.67
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$132.00
PRINT-EM-NOW INC	SUPPLIES	\$398.00
PRO LINE INC	SUPPLIES	\$152.71
REDLINGER BROS PLUMBING & HEATING	SUPPLIES	\$25.98
RESCO	SUPPLIES	\$17,686.34
RON'S SAW SHOP	SUPPLIES	\$103.90
RUNNING'S SUPPLY INC	SUPPLIES	\$746.94
SANFORD WTN OCCUPATIONAL MEDICINE	SCREENS	\$812.00
SBS INSPECTIONS	LINE INSPECTIONS	\$27,335.50
SCHAEFFER MANUFACTURING COMPANY	SUPPLIES	\$1,186.35
SCHAFER, TRENT	REIMBURSEMENT EXPENSES	\$73.00
SCHMIDT, RICHARD	REIMBURSEMENT EXPENSES	\$188.72
SD ONE CALL	LOCATES	\$446.25
SDRS SPECIAL PAY PLAN	401a VAC	\$8,135.94
SENSIT TECHNOLOGIES INC	SUPPLIES	\$120.47

SERVICEMASTER	JANITORIAL SERVICE	\$3,120.00
SEVERN TRENT SERVICES	SUPPLIES	\$282.60
STAN HOUSTON EQUIP CO	SUPPLIES	\$256.00
STAR LAUNDRY INC	SERVICE	\$450.27
STATE TREASURER	2014 UNCLAIMED PROPERTY	\$1,460.00
STEVE'S WORLD	REPAIR	\$280.65
STUART C IRBY CO	SUPPLIES	\$535.01
STURDEVANTS AUTO PARTS	SUPPLIES	\$111.24
TAC SERVICES LLC	LAWN SERVICE	\$1,575.00
TITAN MACHINERY- WTN	SUPPLIES	\$79.28
TITAN MACHINERY-SF	SUPPLIES	\$1,086.85
TOOL TIME RENTAL	RENTAL/MINI EXCAVATOR	\$340.00
TSCHAKERT, MERLE	CARQUEST BUILDING LEASE	\$100.00
TYLER TECHNOLOGIES	SUPPLIES	\$138.00
UPPER BIG SIOUX RIVER WATERSHED	SOURCE WATER PROTECTION PROGRAM	\$90,000.00
UPS	SHIPPING	\$92.92
US DEPT OF ENERGY WAPA	ANNUAL MAINTENANCE	\$3,000.00
USA BLUEBOOK	SUPPLIES	\$1,010.93
UTILITIES PLUS ENERGY SERVICES INC	UPGRADE FIRMWARE	\$14,012.00
VERMEER HIGH PLAINS	SUPPLIES	\$200.75
WALMART COMMUNITY	SUPPLIES	\$62.73
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN FLOWERS INC	FUNERAL PLANT	\$37.00
WATERTOWN FORD CHRYSLER	SUPPLIES	\$20.30
WATERTOWN PUBLIC OPINION	PUBLISHINGS	\$882.17
WATERTOWN UNITED WAY	United Way	\$359.50
WELLMARK BLUE CROSS/BLUE SHIELD	HEALTH INSURANCE	\$65,537.65
WESCO DISTRIBUTION INC	SUPPLIES	\$6,570.50
WILLIAM NEALE & CO., PC	2014 AUDIT	\$7,689.00
TOTAL		\$ 794,730.37

Total September, 2014 794,730.37; Transfer to City's General Fund 95,700; Muni Utilities Electric Water Gas 62,167.68; Northern Natural Gas 2,273.20; Missouri River Energy Services Power 2,000,653.98; BP Canada Energy Marketing Natural Gas 105,141.00; Dept of Revenue Sales/Excise Tax 153,667.81; CPEP Natural Gas 11,936.40, City Finance Office Garbage Sewer 403,106.97.

ITEM 6550

Pursuant to SDCL 1-25-2(3) Padgett moved with second by Luken to move to Executive Session for discussion of contractual matters. The Board does not expect to take action when they reconvene to regular session. Motion carried unanimously upon roll call vote.

Board President declared Executive Session done and they reconvened to regular session.

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 29th day of September, 2014

ATTEST: _____

Lisa Pahl
Executive Secretary
Municipal Utilities Board

Wayne E. Schultz
President
Municipal Utilities Board