

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

**Thursday, May 28<sup>th</sup>, 2015**

The Municipal Utilities Board convened in regular session at the Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Thursday, May 28<sup>th</sup>, 2015 at 12:00 p.m. with President Wayne Schultz presiding.

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

### **ITEM 6641**

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

### **ITEM 6642**

Motion by Wight with second by Strait to approve minutes of the regular Board Meeting on April 27<sup>th</sup>, 2015. Motion carried.

### **ITEM 6643**

DeVile, Water Superintendent, gave an overview of the 2014 Annual Water System Quality Report. He noted that there were no substances detected in our water that violated regulations set by the Federal Government or the State of South Dakota.

### **ITEM 6644**

This being the time and place set for consideration of bids, the following was presented. Bids for Replacement of 3<sup>rd</sup> Ave NE Six Inch Water Main - Water Department. The bids were opened Tuesday, May 27<sup>th</sup>, 2015 at 10:00 am by Municipal Utilities Department Staff and Wenck Associates as authorized by the Board.

Replacement of Six Inch Water Main for the Water Department: One Bid was received and upon review and recommendation by Wenck Associates, motion by Padgett with second by Wight to award bid with Alternate 1, 4, 5 & 6 to low valid bidder AP & Sons of Summit, SD for 544,751.25.

### **ITEM 6645**

Open: Lehner commented that the Bill Stuffer was the 2014 Annual Water System Quality Report which DeVille just went over. Lehner also updated the Board on the MRES Annual Meeting. There were several speakers that talked about different issues such as energy waste, cyber security, and congressional issues, SPP Market, Year in review and future concerns.

**ITEM 6646**

Old Business: Motion by Strait with second by Luken to approve Strategic Plan which was presented at April Board Meeting. Motion carried.

**ITEM 6647**

Chambers presented the report on Operations and Projects: Electric Department, Projects Completed This Month: Highline Construction completed changing rejected poles from 2014 pole inspection, Installed 4 poles for temporary service to new Community Rec Center. Projects in Progress: Efraimson Electric installing conduit and wire in Uptown Alley for conversion from overhead to underground. Projects Completed this Month: Terminating wire and installing transformers in Midway alley so poles and overhead can be removed for the uptown alley resurfacing project. Gas Department, Projects Completed this Month: Installed 1300' of new 2" plastic gas main on 13<sup>th</sup> Ave SE, Moved 600' of 2" plastic service line at the Edgewood apartments for an addition. Water Department, Projects Completed this Month: 1 Hydrant Maintenance and 3 new taps, Dan Kraemer attended the advanced treatment class in Sioux Falls and Tanner Starr going to Pierre to write his class 1 certification test. Engineering Tech Department, Projects Completed this Month: 390 One-Call locates May 1<sup>st</sup> - May 22<sup>nd</sup>, 2015, 686 One-Call locates total May, 2015, 7 emergency locates. Next Month: Average 500 One-Call locates in June.

**ITEM 6648**

Karst presented the report on Administration and Financial Statements: Purchasing, Accounting and Facilities, Projects Completed this Month: Our 2014 Financial Audit was finished. Projects in Progress: ordering, receiving and stocking materials, State sales and excise tax audit in progress, working with Todd Architects on a plan for an addition to our current warehouse for additional parking for vehicles and equipment. Customer Service: Projects Completed this Month: 13,439 payments collected for a total of \$4,600,858; Total of 52,152 services billed for a total of \$3,765,809. Human Resources/Risk Management: Completed Summer Temp Orientation, New Hire: Brad Lueders, Water Plant Foreman, effective 5/13/15, Preparing supplemental paperwork for annual property and liability insurance renewal IT: 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 \$230,759 under budget for the Four months ending April 30<sup>th</sup>, 2015. Total Capital Additions are \$232,117 under budget for the four months ending April 30<sup>th</sup>, 2015.

**ITEM 6649**

Motion made by Strait with second by Padgett to approve the following verified salary claims and bills. Motion carried unanimously upon roll call vote. Total Municipal Utilities Dept Net Payroll for May 28<sup>th</sup>, 2015 Plus ACH

Payroll Payments 393,795.26. Info: Andy Schultz 28.15 effective 5/19/15, Brad Lueders 30.13 effective 5/13/15, Summer Temps Dale Brinkman 13.50 effective 5/4/15, Allison Ireland 12.25 effective 5/11/15, Jessy Kampen 13.00 effective 5/11/15, Mason Mennenga 11.50 effective 5/11/15, Dion Helgelien 11.50 effective 5/19/15.

Name	Payable Description	Payment Amount
June 1, 2015		
#1 WELDING PORTABLE WELDING & FABRICATION	SUPPLIES	\$45.00
ABC EMBROIDERY	SERVICE	\$71.70
ADVANCED ENGINEERING & ENVIRONMENTAL SERVICES	SERVICES	\$105.00
AFLAC	CANCER PT	\$2,036.68
A-OX WELDING SUPPLY INC	SUPPLIES	\$193.22
APPLIED INDUSTRIAL TECH INC	SUPPLIES	\$682.37
BENDIX IMAGING INC	SUPPLIES	\$139.99
BENSON, BRIAN	REIMBURSEMENT EXPENSES	\$1,420.36
BORDER STATES ELECTRIC SUPPLY	SUPPLIES	\$17,357.93
BORNS GROUP	POSTAGE & MAILING	\$9,757.56
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$66.90
BUSINESS TELEPHONE CO INC	SYSTEM UPGRADE	\$8,371.56
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$2,383.81
CHEMCO SYSTEMS, LP	SUPPLIES	\$891.03
CHILD SUPPORT PAYMENT CENTER	Child Support - Case #247392027A	\$275.00
CODINGTON COUNTY REGISTER OF DEEDS	COPIES/EASEMENTS	\$53.00
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	ELECTRIC SERVICE WELLFIELD	\$5,351.32
CONNECTING POINT	SERVICE	\$101.25
CONSULTING ENGINEERS GROUP INC	TRANSFORMER CHANGE	\$6,300.00
COTEAU SHOPPER	PUBLISHINGS	\$247.20
CREDIT BUREAU OF WATERTOWN INC	COLLECTIONS	\$1,185.84
CROCKER'S COLLISION CENTER	SERVICE	\$225.00
DAKOTA DATA SHRED	SHREDDING SERVICE	\$63.25
DAN KRAEMER	REIMBURSEMENT EXPENSES	\$253.94
DE VILLE, JEFF	REIMBURSEMENT EXPENSES	\$674.61
DEPARTMENT OF REVENUE	WATER SAMPLES	\$517.00
DGR ENGINEERING	TANK RECOATING	\$19,500.00
DIAMOND VOGEL PAINT CENTER	SUPPLIES	\$74.79
DISCOUNT SEEDS, INC.	SUPPLIES	\$900.00
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$4,198.00
EAST RIVER ELEC POWER COOP	ANNUAL SERVICE AGREEMENT & SWITCHING SCHOOL	\$8,100.00
EFRAIMSON ELECTRIC INC	SERVICES	\$8,287.50
ELECTRIC MOTORS & MOORE INC	SUPPLIES	\$102.00
ELEMENT MATERIALS TECHNOLOGY	PIPE WELD QUALIFICATION	\$450.00
ENERGY ECONOMICS INC	METER REPAIR	\$363.43
ENGELSTAD ELECTRIC COMPANY	SERVICE	\$1,581.63
ETHANOL PRODUCTS LLC	SUPPLIES	\$2,139.08
EVOLUTION POWERSPORTS	SUPPLIES	\$2,249.00
EXHAUST PROS	SUPPLIES	\$107.00
F J MC LAUGHLIN CO.	GRAVEL	\$2,305.57
FARNAMS GENUINE PARTS	SUPPLIES	\$637.48
FASTENAL COMPANY	SUPPLIES	\$1,190.01
GAS PRODUCTS SALES	METERS	\$46,070.85
GCR TIRE CENTER	SUPPLIES	\$875.38
GRAINGER	SUPPLIES	\$24.74

GREAT WESTERN BANK	TASC MED	\$6,434.46
HAWKINS, INC.	SUPPLIES	\$3,693.36
HD SUPPLY WATERWORKS, LTD	SUPPLIES	\$27,120.51
HIGHLINE CONSTRUCTION INC.	POLE CHANGEOUT	\$73,775.00
IBEW LOCAL 426	UNION DUES	\$3,285.00
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$114.98
ITRON INC	MAINTENANCE AGREEMENT	\$7,073.40
J H LARSON COMPANY	SUPPLIES	\$7,288.59
JASPER ENGINEERING & EQUIPMENT	SUPPLIES	\$563.09
KARST, ADAM	REIMBURSEMENT EXPENSES	\$89.00
LAKE CITY FIRE EQUIPMENT LLC	SERVICE	\$1,588.92
LEHNER, STEVE	REIMBURSEMENT EXPENSES	\$237.15
LOCATORS & SUPPLIES INC	SUPPLIES	\$2,649.50
M & T FIRE & SAFETY INC	SUPPLIES	\$124.00
MAC'S INC	SUPPLIES	\$82.97
MAHOWALD'S HARDWARE & RENTAL	SUPPLIES	\$27.46
MARCO INC	MAINTENANCE AGREEMENT	\$42.22
MARCO INC	MAINTENANCE AGREEMENT	\$256.29
MC KEEVER INC	SUPPLIES	\$193.12
MEL DAHLE TIRE CO	SUPPLIES	\$1,768.80
MENARDS INC	SUPPLIES	\$1,036.16
MENNENGA, SHEILA	REIMBURSEMENT EXPENSES	\$231.44
MERCURY INSTRUMENTS LLC	SUPPLIES	\$131.23
MESA PRODUCTS INC	SUPPLIES	\$2,572.81
MET LIFE	LIFE INSURANCE	\$1,161.94
MIDCONTINENT COMMUNICATIONS	INTERNET SERVICE	\$105.00
MIDWEST REGION GAS TASK FORCE ASSN	DUES	\$1,000.00
MILBANK WINWATER WORKS	SUPPLIES	\$6,276.90
MINNESOTA MUNICIPAL UTILITIES ASSN	TRAINING	\$1,320.00
MISSOURI RIVER ENERGY SERVICES	REGISTRATION	\$50.00
MUNICIPAL UTILITIES - PC	PETTY CASH	\$464.27
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$6,255.11
NESD SHRM	SUPPLIES	\$50.00
NEW YORK LIFE INS.	LIFE INSURANCE	\$106.00
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$2,503.24
NOVASPECT, INC.	SUPPLIES	\$24,740.39
OFFICE PEEPS	SUPPLIES	\$449.01
O'REILLY AUTOMOTIVE INC	SUPPLIES	\$270.97
PETE LIEN & SONS	SUPPLIES	\$18,178.11
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$135.79
REDLINGER BROS PLUMBING & HEATING	SUPPLIES	\$56.01
RESCO	TRANSFORMERS AS PER BID	\$71,246.87
RUNNING'S SUPPLY INC	SUPPLIES	\$719.28
SANFORD WATERTOWN OCCUPATIONAL MEDICINE	SCREENINGS	\$222.00
SCHAEFFER MANUFACTURING COMPANY	SUPPLIES	\$510.02
SCHMIDT, RICHARD	REIMBURSEMENT EXPENSES	\$125.93
SD ONE CALL	LOCATES	\$742.35
SERVICEMASTER	JANITORIAL SERVICE	\$3,120.00
SEVERN TRENT WATER PURIFICATION, INC	SUPPLIES	\$491.77
SHERMAN CANVAS	SUPPLIES	\$45.00
SIGN PRO	SUPPLIES	\$225.00
SIOUX FALLS CRANE & HOIST INC	INSPECTION	\$205.00
SOUTH DAKOTA FITNESS LLC	DEPOSIT REFUND	\$1,900.00

STAR LAUNDRY INC	SERVICE	\$366.84
STUART C IRBY CO	TRANSFORMERS AS PER BID	\$96,038.83
STURDEVANTS AUTO PARTS	SUPPLIES	\$214.37
TEREX	SUPPLIES	\$280.00
TEREX	SUPPLIES	\$1,769.34
TITAN MACHINERY-SF	SUPPLIES	\$93.09
TOOL TIME RENTAL	EQUIPMENT RENTAL	\$135.00
TRAV'S OUTFITTER	SUPPLIES	\$500.00
TSCHAKERT, MERLE	BUILDING LEASE	\$100.00
UPS	SHIPPING	\$287.41
USA BLUE BOOK	SUPPLIES	\$590.65
VEOLIA ES TECHNICAL SOLUTIONS	SERVICE	\$504.00
VERIFIED CREDENTIALS	BACKGROUND SCREENING	\$196.50
VISION SERVICE PLAN (VSP) (CA)	VISION INSURANCE	\$508.07
WALMART COMMUNITY	SUPPLIES	\$141.34
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN FORD CHRYSLER	SUPPLIES	\$482.15
WATERTOWN PUBLIC OPINION	PUBLISHINGS	\$1,401.97
WATERTOWN UNITED WAY	United Way	\$414.00
WEISMANTEL RENT ALL	SUPPLIES	\$295.00
WELLMARK BLUE CROSS/BLUE SHIELD	HEALTH INSURANCE	\$69,199.18
WENCK ASSOCIATES	WATERMAIN REPLACEMENT	\$21,590.53
WESCO DISTRIBUTION INC	WIRE AS PER BID	\$84,635.65
	Total	\$729,416.32

Total April 2015 729,416.32; Transfer to City's General Fund 99,865, Muni Utilities Electric Water Gas 38,600.24; Northern Natural Gas 2,273.20; Missouri River Energy Services Power 1,377,926.68; BP Canada Energy Marketing Natural Gas 262,542.85; Dept of Revenue Sales/Excise Tax 158,227.41; CPEP Natural Gas 26,121.23, City Finance Office Garbage Sewer 390,146.02.

### **ITEM 6650**

Pursuant to SDCL 1-25-2(3) Strait moved with second by Wight to move to Executive Session for discussion of contractual matters and pending litigation. The Board does not expect to take action when they reconvene to regular session. Motion carried.

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

Motion by Padgett with second by Luken 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 28<sup>th</sup> day of May, 2015

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

Lisa Pahl  
Executive Secretary  
Municipal Utilities Board

Wayne Schultz  
Board President  
Municipal Utilities Department