

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Monday, August 31st, 2015

The Municipal Utilities Board convened in regular session at the Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, August 31st, 2015 at 12:00 p.m. with President Ernie Wight presiding.

Board members present: Ernie Wight, Dave Strait, Dustin Padgett and John Holley. Board Member Mike Luken absent. Board Liaison, member of City Council, Glen Vilhauer. Staff members present: Steve Lehner, Todd Chambers, Adam Karst, Jeff DeVille, Rich Schmidt, Doug Enstad, Mark Haider, Kevin Kruiter, Stephanie Ries, Sheila Mennenga and Lisa Pahl. Press: Wayne Hammond, Public Opinion and Don Eggert, KXLG Radio.

ITEM 6674

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

ITEM 6675

Motion by Strait with second by Holley to approve minutes of the regular Board Meeting on July 27th, 2015. Motion carried.

ITEM 6676

There was discussion on a Water and Sewer Warranty Service called Homeserve. The Board talked about the draft letter and had suggestions on how to write a letter that best stated the reasoning and provisions of what this company offered and how involved the Utilities should be. It was pointed out that in the letter it should be made clear to our customers that we are not affiliated or endorsing any private or warranty provider.

ITEM 6677

Open: Lehner presented the bill stuffers, Customer Service Survey, which is biennial. Karst said the results will be tabulated and brought before the Board at the October Board Meeting. Lehner also invited the Board to the Missouri River Energy Service Policymakers Dinner and Discussion, October 1st, 2015 in Sioux Falls.

ITEM 6678

Old Business: Lehner presented a letter that was from the Watertown Area Chamber of Commerce, thanking our Water Department for going above and beyond by repairing an abandoned water service line prior to Cookin' on Kampeska.

ITEM 6679

Chambers presented the report on Operations and Projects: Electric Department, Projects Completed This Month: Pole inspection company completed inspection of 305 poles in southeast Watertown and rejected 40 poles.

Projects in Progress: Working with CEG on transformer change out at the Uptown Sub and Transformer addition at the Pelican Sub: Projects In Progress: Working with Paradigm Contractor on Substation upgrades to Pelican and Uptown. Projects Starting Next Month: Installing primary Willow Creek addition and to the new Rec Center building. Gas Department, Projects Completed this Month: Installed 250' of new 2" plastic gas main on 3rd Ave NW, Installed 1450' of new 4" plastic gas main on 14th Ave NE, Installed 1000' of 2" plastic main on 451st St, Installed 2" plastic main in Dakota Commons, Installed 800' of 4" steel main in Pheasant Ridge Industrial Park. Projects Starting Next Month: Installing 4" main on north Hwy 81 for 2016 road construction project, Installing new gas main in the development east of 19th St SE. Water Department, Projects Completed this Month: 2 Hydrant Maintenance, 28 Replacement Taps, 3 new taps, 4 main shut downs, Replaced the old main on 11th St NE and set 2 new hydrants going south of Arrow Ave, Completed the 30 lead and copper samples that we need to do every three years, Projects to Start Next Month: Helium leak detection on 19th St NE. Engineering Tech Department, Projects Completed this Month: 295 One-Call locates Aug.1st - Aug. 26th, 2015, 422 One-Call locates total July, 2015, 6 emergency locates (4 private contractor and 2 WMU). Next Month: Average 420 One-Call locates in August, Stake and locate misc. Alley projects - Electric Contractor, Stake and Locate Dakota Commons Electric Project.

ITEM 6680

Karst presented the report on Administration and Financial Statements: Purchasing, Accounting and Facilities. Projects in Progress: Working with Todd Architects on a plan for an addition to our current warehouse for additional parking for vehicles and equipment, cleaning up our wood pole pile from our pole replacement project. Customer Service, Projects Completed this Month: 13,814 payments collected for a total of \$4,016,301 total of 52,579 services billed for a total of \$4,003,756. New bill presentation-We added graphs to customer's bills that will show 13 months of history for each service, preparing our biennial Customer Service survey. Human Resources/Risk Management: Completing final preparations for the HR Track for the 2015 APPA Business & Finance Conference in New Orleans, Beginning preparation for union negotiations: Preparing list of union contract topics that need review/discussion, Have prepared and sent wage & benefit survey to utility and cities - will summarize results once all surveys have been returned, Prepared employee census which will be used to get health insurance quotes for 2016 - renewal will not be available until October, but want to get other quotes to have available in case we receive a large premium increase upon renewal. IT. Current Projects, N-Sentinel network demo (cyber security), MMU offsite backup proposal.

Statements of Revenue and Expenses and Capital Additions were presented to the Board for review. Year to date net income is \$114,117 over budget for the seven months ending July 31st, 2015, Total Capital Additions are \$646,361 under budget for the seven months ending July 31st, 2015.

ITEM 6681

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 August 31st, 2015 Plus ACH Payroll Payments 422,085.23.

Name	Payable Description	Payment Amount
September 1, 2015		
#1 WELDING PORTABLE WELDING & FAB.	SUPPLIES	\$63.00
ACTIVE HEATING INC	SERVICE	\$1,676.85
AFLAC	CANCER PT	\$2,105.80
A-OX WELDING SUPPLY INC	SUPPLIES	\$51.35
AP & SONS CONSTRUCTION INC	WATER MAIN REPLACEMENT	\$166,458.05
AQUA-PURE INC	SUPPLIES	\$15,432.00
BENDIX IMAGING INC	SUPPLIES	\$66.99
BMG INC	DEPOSIT REFUND	\$1,300.00
BORDER STATES ELECTRIC SUPPLY	SUPPLIES	\$22,997.75
BORNS GROUP	POSTAGE & MAILING	\$7,948.57
BURCHATZ CONSTRUCTION COMPANY INC	CONCRETE WORK	\$840.82
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$58.05
CARTNEY BEARING & SUPPLY	SUPPLIES	\$185.40
CASHWAY LUMBER INC	SUPPLIES	\$328.02
CHAMBERS, TODD	REIMBURSEMENT EXPENSES	\$341.30
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$801.51
CHEMCO SYSTEMS, LP	SUPPLIES	\$165.68
CHILD SUPPORT PAYMENT CENTER	Child Support - Case #247392027A	\$275.00
CITY OF SIOUX FALLS	WATER TESTS	\$14.50
CODINGTON CTY REGISTER OF DEEDS	EASEMENT, COPIES	\$47.00
CODINGTON-CLARK ELECTRIC COOP. INC	WELLFIELD ELECTRIC SERVICE	\$7,168.39
CONSULTING ENGINEERS GROUP INC	TRANSFORMER CHANGE	\$6,300.00
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$177.37
CRESTONE BUILDERS INC	CONCRETE REPAIR	\$17,745.85
DAKOTA DATA SHRED	SHREDDING SERVICE	\$92.60
DAKOTA DRILLERS	SERVICE	\$12,764.75
DAKOTA RIGGERS & TOOL	SUPPLIES	\$43.80
DENNIS SUPPLY COMPANY	SUPPLIES	\$228.25
DEPARTMENT OF REVENUE	WATER SAMPLES	\$592.00
DGR ENGINEERING	REV. METERING & TRANS. LOSS ANALYSIS	\$1,230.00
DITCH WITCH OF SOUTH DAKOTA, INC	SUPPLIES	\$30.91
DSG DAKOTA SUPPLY GROUP	TRANSFORMERS AS PER BID	\$20,789.84
ENERGY LABORATORIES INC	WATER TESTING	\$140.00
ENGELSTAD ELECTRIC COMPANY	TRANSFORMER INSTALLATION	\$4,605.68
FAMILY WORSHIP CENTER/	ENERGY INCENTIVE REBATE	\$2,030.00
FARNAMS GENUINE PARTS	SUPPLIES	\$379.98
FARWEST LINE SPECIALTIES, LLC	SUPPLIES	\$340.00
FASTENAL COMPANY	SUPPLIES	\$1,213.17
FRANKLIN PRESS INC	SUPPLIES	\$2,897.51
GCR TIRE CENTER	REPAIR	\$371.00
GREAT WESTERN BANK	TASC MED	\$6,554.36
HAIDER, MARK	REIMBURSEMENT EXPENSES	\$1,188.20
HAWKINS, INC.	SUPPLIES	\$2,672.90
HD SUPPLY WATERWORKS, LTD	SUPPLIES	\$1,955.69
HEATH CONSULTANTS INC	LEAK DETECTOR	\$10,773.36
HUMAN SERVICE AGENCY	EAP SERVICES	\$90.00
IBEW LOCAL 426	UNION DUES	\$3,354.00
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$213.90
J H LARSON COMPANY	SUPPLIES	\$4,289.32
JURGENS PRINTING & COPY CENTER INC	SUPPLIES	\$310.00
KARST, ADAM	REIMBURSEMENT EXPENSES	\$1,113.70
LAKE CITY FIRE EQUIPMENT LLC	MAINTENANCE	\$425.10
LEE'S STUMP REMOVAL	SERVICE	\$2,680.00
LEHNER, STEVE	REIMBURSEMENT EXPENSES	\$227.78
LOCATORS & SUPPLIES INC	SUPPLIES	\$2,651.40
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$101.04
MAC'S INC	SUPPLIES	\$1,316.12
MAHOWALD'S HARDWARE & RENTAL	SUPPLIES	\$44.24
MARCO INC	MAINTENANCE AGREEMENT	\$297.61
MC KEEVER INC	SUPPLIES	\$353.23
MEGGER	SUPPLIES	\$433.16
MENARDS INC	SUPPLIES	\$541.49
MENNENGA, SHEILA	REIMBURSEMENT EXPENSES	\$1,113.70
MET LIFE	LIFE INSURANCE	\$1,161.94
MIDCONTINENT COMMUNICATIONS	INTERNET SERVICE	\$105.00
MILBANK COMMUNICATIONS INC	SUPPLIES	\$1,254.00
MILBANK WINWATER WORKS	SUPPLIES	\$324.00
MUNICIPAL UTILITIES - PC	PETTY CASH	\$335.23
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$6,863.54

NEW YORK LIFE INS.	LIFE INSURANCE	\$106.00
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$1,800.51
OFFICE PEEPS	SUPPLIES	\$1,103.99
PENNSYLVANIA TRANSF. TECH. INC.	SUPPLIES	\$218.00
PETE LIEN & SONS	SUPPLIES	\$18,653.82
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$132.15
PRO LINE INC	SUPPLIES	\$163.69
RESCO	SUPPLIES	\$2,547.61
RON'S SAW SHOP	SUPPLIES	\$175.98
RUNNING'S SUPPLY INC	SUPPLIES	\$860.86
SD MUNICIPAL LEAGUE	REGISTRATION	\$130.00
SD ONE CALL	LOCATES	\$450.45
SD PUBLIC UTILITIES COMMISSION	PIPELINE SAFETY ASSESSMENT	\$7,708.17
SDWWA	REGISTRATION	\$230.00
SENSIT TECHNOLOGIES INC	SUPPLIES	\$187.48
SERVICEMASTER	JANITORIAL SERVICE	\$3,120.00
SEVERN TRENT WATER PURIFIC. INC	SUPPLIES	\$3,594.64
SHERMAN CANVAS	SUPPLIES	\$95.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$918.09
SIOUX VALLEY GREENHOUSES	SERVICE	\$2,680.00
SOLUS LED	ENERGY INCENTIVE REBATE	\$555.00
STAR LAUNDRY INC	SUPPLIES	\$420.90
STUART C IRBY CO	SUPPLIES	\$11,752.50
T & R ELECTRIC SUPPLY COMPANY INC	ANNUAL DGA'S	\$910.00
TAC SERVICES LLC	LAWN SERVICE	\$1,855.00
TEREX	SUPPLIES	\$1,813.45
TITAN MACHINERY- WTN	SUPPLIES	\$6,830.63
TITAN MACHINERY-SF	SUPPLIES	\$2,999.67
TOOL TIME RENTAL	SUPPLIES	\$150.00
UPS	SHIPPING	\$600.04
VESSCO INC	SUPPLIES	\$965.28
VISION SERVICE PLAN (VSP) (CA)	VISION INSURANCE	\$508.07
WALMART COMMUNITY	SUPPLIES	\$127.20
WATERTOWN CO-OP ELEVATOR ASSN	SUPPLIES	\$164.75
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN FORD CHRYSLER	SUPPLIES	\$106.18
WATERTOWN PUBLIC OPINION	PUBLISHINGS	\$445.47
WATERTOWN UNITED WAY	United Way	\$414.00
WATERTOWN WHOLESALE	SUPPLIES	\$643.26
WATERTOWN WINNELSON CO	SUPPLIES	\$307.54
WELLMARK BLUE CROSS/BLUE SHIELD	HEALTH INSURANCE	\$69,199.18
WENCK ASSOCIATES	3RD AVENUE PROJECT	\$8,979.13
WESCO DISTRIBUTION INC	SUPPLIES	\$4,316.60
	Total	\$520,673.04

Total August 2015 520,673.04; Transfer to City's General Fund 99,865, Muni Utilities Electric Water Gas 55,215.27; Northern Natural Gas 2,276.09; Missouri River Energy Services Power 2,261,536.94; BP Canada Energy Marketing Natural Gas 106,768.19; Dept. of Revenue Sales/Excise Tax 163,673.05; CPEP Natural Gas 8,223.22, City Finance Office Garbage Sewer 400,993.21.

ITEM 6682

Pursuant to SDCL 1-25-2(3) Strait moved with second by Padgett 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 Strait with second by Padgett 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 31st day of August, 2015

ATTEST: _____

Lisa Pahl
Executive Secretary
Municipal Utilities Board

Ernie Wight
Board President
Municipal Utilities Department