

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Monday, September 28th, 2015

The Municipal Utilities Board convened in regular session at the Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, September 28th, 2015 at 12:00 p.m. with Vice-President Dave Strait presiding.

Board members present: Dave Strait, Dustin Padgett and Mike Luken. Board Members Ernie Wight and John Holley 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, Mark Meier, Kevin Kruiter, Stephanie Ries, Sheila Mennenga, Stanton Fox and Lisa Pahl. Press: Wayne Hammond, Public Opinion and Don Eggert, KXLG Radio. Guests Troy Hieb from William Neale & Company PC and Roger Foote from the Upper Big Sioux River Watershed Project.

ITEM 6683

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

ITEM 6684

Motion by Padgett with second by Luken to approve minutes of the regular Board Meeting on August 31st, 2015. Motion carried.

ITEM 6685

Presentation was made by Troy Hieb of William Neale & Co PC for the 2014 audit. There were no audit findings that were considered significant and relevant to be included in Schedule of Audit Findings. Motion by Padgett with second by Luken to accept 2014 audit as presented. Motion carried.

ITEM 6686

Presentation by Roger Foote of Upper Big Sioux River Watershed Project. Discussion on background of project, status, funding sources including grants, budgets, goals, and outline of future projects. Foote is requesting donations from the utilities for \$150,000 for a three year term starting July 15th, 2016. This will be discussed further in Budget Meetings.

ITEM 6687

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

ITEM 6688

Motion by Padgett with second by Luken to approve the Electric Service Territory Boundaries Agreement with Codington County Electric, which will confirm the service territory boundaries. The State is working on changing

paper maps to an electronic format so our boundaries can be better detailed. Motion carried.

ITEM 6689

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 6690

Chambers presented the report on Operations and Projects: Electric Department, Projects Completed This Month: Installed primary at Willow Creek addition, Raised transformers and pedestals on 19th St NE for road project elevation change. Projects in Progress: Working with CEG on transformer change out at the Uptown Sub and transformer addition at the Pelican Sub: Projects Starting Next Month: Installing primary to the new Rec Center building. Gas Department, Projects Completed this Month: Completed 17 gas piping inspections on new installations, Installed 2525 foot of new 2" plastic main. Projects in Progress: Working on completing Operator Qualifications. Water Department, Projects Completed this Month: 4 hydrant maintenance, 1 replacement taps, 6 new taps, 3 main shut downs, Helped the zoo track down water loss in their system. Projects in Progress: Water tank painting. Engineering Tech Department, Projects Completed this Month: 395 One-Call locates Sept.1st - Sept. 24th, 2015, 362 One-Call locates total August, 2015, 9 emergency locates (4 private contractor and 5 WMU). Next Month: Average 375 One-Call locates in October, Misc. Gas Main Projects.

ITEM 6691

Karst presented the report on Administration and Financial Statements: Purchasing, Accounting and Facilities, Projects in Progress: Cleaned up our wood pole pile from our pole replacement project. Projects in Progress: Working with Todd Architects on a plan for an addition to our current warehouse for additional parking for vehicles and equipment. Upcoming Projects: Work on 2016 budget. Customer Service, Projects Completed this Month: 13,679 payments collected for a total of \$4,216,902 total of 52,788 services billed for a total of \$4,187,484. Major Projects in Progress: Compiling Customer Service Surveys, 1,039 have been received, 60 have received a response from us, Preparing the 2016 budget. Human Resources/Risk Management, Continuing preparations for union negotiations, Preparing list of union contract topics that need review/discussion, Compiling results of wage & benefit survey to utility and cities, Will begin reviewing health insurance renewal - should receive renewal and quotes first part of October. IT, Current Projects, N-Sentinel network demo (cyber security), MMU offsite backup proposal and 2016 budget.

Statements of Revenue and Expenses and Capital Additions were presented to the Board for review. Year to date net income is \$285,606 over budget for the eight months ending August 31st, 2015, Total Capital Additions are \$1,219,401 under budget for the eight months ending August 31st, 2015. Info: S. Witte

26.50 effective 9/9/2015, T. Peterson 22.91 effective 9/8/2015, T. Peterson
 26.34 effective 9/9/2015.

ITEM 6692

Motion made by Luken 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 September 28th, 2015 Plus ACH Payroll Payments 386,121.67.

Name	Payable Description	Payment Amount
October 1st, 2015		
A 1 SEWER AND DRAIN	CREDIT BALANCE REFUND #185768-0	\$850.94
ACTIVE HEATING INC	ENERGY INCENTIVE REBATE	\$491.33
ADVANCED ENGINEER. & ENVIRON. SERV	2014 I & C SERVICES	\$315.00
AFLAC	CANCER PT	\$2,105.80
A-OX WELDING SUPPLY INC	SUPPLIES	\$342.98
AP & SONS CONSTRUCTION INC	REPLACEMENT OF WATER MAIN	\$86,012.60
B & G WELDING INC	ENERGY INCENTIVE REBATE	\$5,440.00
BORDER STATES ELECTRIC SUPPLY	SUPPLIES	\$25,808.68
BORNS GROUP	POSTAGE & MAILING	\$8,446.99
BURCHATZ CONSTRUCTION COMPANY INC	CONCRETE WORK	\$1,489.80
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$71.63
CARTNEY BEARING & SUPPLY	SUPPLIES	\$208.80
CHAMBERS, TODD	REIMBURSEMENT EXPENSES	\$39.10
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$1,692.09
CHILD SUPPORT PAYMENT CENTER	CHILD SUPPORT - Case #247392027A	\$275.00
CODINGTON COUNTY REGISTER OF DEEDS	EASEMENTS/COPIES	\$70.00
CODINGTON-CLARK ELECTRIC COOP. INC	WELLFIELD ELECTRIC SERVICE	\$7,047.84
COMPASS MINERALS	SUPPLIES	\$4,644.64
CONNECTING POINT	SUPPLIES	\$753.00
CONSULTING ENGINEERS GROUP INC	TRANSFORMER CHANGE	\$3,150.00
CONTINENTAL SAFETY EQUIP	SUPPLIES	\$423.38
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$431.09
CROCKER'S COLLISION CENTER	ENERGY INCENTIVE REBATE	\$2,370.00
DAKOTA DATA SHRED	SHREDDING SERVICE	\$86.78
DAKOTA RIGGERS & TOOL	SUPPLIES	\$299.06
DE VILLE, JEFF	REIMBURSEMENT EXPENSES	\$869.49
DEPARTMENT OF REVENUE	WATER SAMPLES	\$3,002.00
DGR ENGINEERING	RECOATING OF WATER TANKS	\$1,152.10
DIAMOND VOGEL PAINT CENTER	SUPPLIES	\$40.55
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$8,255.41
EFRAIMSON ELECTRIC INC	INSTALLATION OF UNDERGROUND SERV.	\$16,947.40
ENERGY ECONOMICS INC	METER REPAIRS	\$1,194.19
ENERGY LABORATORIES INC	WATER TESTING	\$1,240.00
ENGELSTAD ELECTRIC COMPANY	SERVICE	\$20,355.98
ENSTAD, DOUG	REIMBURSEMENT EXPENSES	\$23.00
EVOLUTION POWERSPORTS	SUPPLIES	\$177.50
F J MC LAUGHLIN CO.	GRAVEL,DIRT,ROCK	\$3,300.33
FARNAMS GENUINE PARTS	SUPPLIES	\$273.11
FASTENAL COMPANY	SUPPLIES	\$691.23
GAS PRODUCTS SALES	SUPPLIES	\$564.45
GCR TIRE CENTER	SERVICE	\$52.00
GRAINGER	SUPPLIES	\$117.00
GREAT WESTERN BANK	TASC MED	\$6,554.36
GROEBNER	SUPPLIES	\$6,129.33
HAIDER, MARK	REIMBURSEMENT EXPENSES	\$1,052.24
HAWKINS, INC.	BULK FLOURIDE	\$3,702.72
HD SUPPLY WATERWORKS, LTD	SUPPLIES	\$16,132.31
HENRY'S WATERWORKS INC	SUPPLIES	\$4,546.45
IBEW LOCAL 426	UNION DUES	\$3,354.00

INCON	SUPPLIES	\$1,650.66
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$235.50
J H LARSON COMPANY	SUPPLIES	\$3,361.64
JONNES, ALEX	REIMBURSEMENT EXPENSES	\$97.00
KARST, ADAM	REIMBURSEMENT EXPENSES	\$1,244.47
LEHNER, STEVE	REIMBURSEMENT EXPENSES	\$211.73
LOCATORS & SUPPLIES INC	SUPPLIES	\$551.17
LUEDERS, BRAD	REIMBURSEMENT EXPENSES	\$454.36
LUNKERS INC	ENERGY INCENTIVE REBATE	\$2,303.00
M & T FIRE & SAFETY INC	SUPPLIES	\$105.00
MAC'S INC	SUPPLIES	\$342.37
MAHOWALD'S HARDWARE & RENTAL	SUPPLIES	\$21.25
MARCO INC	MAINTENANCE AGREEMENT	\$301.04
MC KEEVER INC	SUPPLIES	\$355.23
MEL DAHLE TIRE CO	SUPPLIES	\$250.80
MENARDS INC	SUPPLIES	\$941.78
MENNENGA, SHEILA	REIMBURSEMENT EXPENSES	\$1,093.64
MET LIFE	LIFE INSURANCE	\$1,161.94
MIDCONTINENT COMMUNICATIONS	INTERNET SERVICE	\$105.00
MILBANK WINWATER WORKS	SUPPLIES	\$6,533.65
MINNESOTA MUNICIPAL UTILITIES ASSN	REGISTRATION	\$1,320.00
MISSOURI RIVER ENERGY SERVICES	SPP FILING FEES	\$11,132.07
MISSOURI RIVER ENERGY SERVICES	REGISTRATION	\$65.00
MUELLER CO	SUPPLIES	\$71.71
MUNICIPAL UTILITIES - PC	PETTY CASH	\$220.45
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND #7339-0	\$570.00
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$14,931.75
NELSON TECHNOLOGIES INC	SUPPLIES	\$1,884.68
NEW YORK LIFE INS.	LIFE INSURANCE	\$106.00
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$888.25
OFFICE PEEPS	SUPPLIES	\$388.48
PETE LIEN & SONS	BULK LIME	\$18,424.42
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$135.79
REDI HAUL TRAILERS INC	TRAILER	\$12,396.00
REDLINGER BROS PLUMBING & HEATING	SUPPLIES	\$175.35
RESCO	SUPPLIES	\$28,992.02
RON'S SAW SHOP	SUPPLIES	\$1,001.17
RUNNING'S SUPPLY INC	SUPPLIES	\$116.94
SBS INSPECTIONS	INSPECTIONS	\$4,898.50
SCHAEFFER OIL	SUPPLIES	\$171.76
SCHMIDT, RICHARD	REIMBURSEMENT EXPENSES	\$157.55
SCHNEIDER ELECTRIC USA, INC	STATION CIRCUIT BREAKER	\$23,456.00
SCHULTZ, ANDY	REIMBURSEMENT EXPENSES	\$97.00
SD ASSOC. OF RURAL WATER SYSTEMS	LEAK DETECTION	\$150.00
SD ONE CALL	LOCATES	\$392.70
SERVICEMASTER	JANITORIAL SERVICE	\$3,120.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$5,685.24
SOUTHERN CROSS CORP	SUPPLIES	\$380.81
STAR LAUNDRY INC	SERVICE	\$365.13
STATE TREASURER	UNCLAIMED PROPERTY FOR 2015	\$1,779.17
STIMSON CONSTRUCTION	SERVICE	\$4,942.96
STUART C IRBY CO	SUPPLIES	\$630.10
STURDEVANTS AUTO PARTS	SUPPLIES	\$41.41
TAC SERVICES LLC	LAWN SERVICE	\$1,055.00
TEAM ELECTRONICS	ENERGY INCENTIVE REBATE	\$525.00
TODD ARCHITECTS LTD	BUILDING ADDITION	\$14,300.00
TRAV'S OUTFITTER	UNIFORMS	\$210.00
TWIN CITY DIE CASTINGS COMPANY	ENERGY INCENTIVE REBATE	\$859.28
TYLER TECHNOLOGIES	SECURE SIGNATURES	\$138.00
UPS	SHIPPING	\$612.08
UTILITIES PLUS ENERGY SERVICES INC	RELAY CHANGEOUT	\$2,695.00
VESSCO INC	SUPPLIES	\$1,197.47
VISION SERVICE PLAN (VSP) (CA)	VISION INSURANCE	\$508.07

WALMART COMMUNITY	SUPPLIES	\$88.20
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN PUBLIC OPINION	PUBLISHINGS	\$382.65
WATERTOWN UNITED WAY	UNITED WAY	\$414.00
WEISMANTEL RENT ALL	RENTAL	\$450.00
WELLMARK BLUE CROSS/BLUE SHIELD	HEALTH INSURANCE	\$69,199.18
WENCK ASSOCIATES	WATERMAIN REPLACEMENT	\$922.56
WESCO DISTRIBUTION INC	SUPPLIES	\$2,124.60
WILLIAM NEALE & CO., PC	2014 AUDIT	\$9,326.00
WILLY'S SPORTS BAR	ENERGY INCENTIVE REBATE	\$1,116.00
WITTE, STEVE	REIMBURSEMENT EXPENSES	\$97.00
WOODY'S BAR	ENERGY INCENTIVE REBATE	\$543.25
YRC FREIGHT	FREIGHT/ METER REPAIR	\$150.00
	TOTAL	\$528,606.66

Total September 2015 528,606.66; Transfer to City's General Fund 99,865, Muni Utilities Electric Water Gas 53,549.37; Northern Natural Gas 2,273.20; Missouri River Energy Services Power 2,169,195.57; BP Canada Energy Marketing Natural Gas 103,932.17; Dept. of Revenue Sales/Excise Tax 173,551.08; CPEP Natural Gas 8,584.68, City Finance Office Garbage Sewer 403,339.20.

ITEM 6693

Pursuant to SDCL 1-25-2(3) Luken 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 Luken 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 28th day of September, 2015

ATTEST: _____

Lisa Pahl
Executive Secretary
Municipal Utilities Board

Dave Strait
Board Vice-President
Municipal Utilities Department