

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Monday, February 27, 2023

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, February 27, 2023, at 12:00 p.m. with President Lisa Carrico presiding.

Board members present: Lisa Carrico, Mike Luken, Dan Brenden and Rich Thomas. Board Member Chris Carter absent. Board Liaison, member of City Council, Mike Danforth absent. Staff members present: Steve Lehner, Adam Karst, Bert Magstadt, Wayne Lovelis, John Lunde, Brian Benson, Mark Meier, Kevin Kruiter, Dan LeVasseur, Sheila Mennenga, Gina Brown, Lisa Pahl and Attorney Vince Foley. Media Jen Pendley, KXLG Radio.

ITEM 7828

Motion by Luken with second by Brenden to approve the agenda with the change by moving Items 5, 6 and 7 to executive session. Motion carried.

ITEM 7829

Motion by Brenden with second by Thomas to approve the minutes of Regular Board Meeting from January 30, 2023. Motion carried.

ITEM 7830

Public Comment - None

ITEM 7831

Motion by Thomas with second by Luken to approve the 2023 Neighborhood Street Reconstruction Project in conjunction with the City of Watertown. Motion carried.

ITEM 7832

Motion by Luken with second by Brenden to approve General Manager to sign Professional Design Agreement with TSP for reroofing of the operations building. Motion carried.

ITEM 7833

Karst presented proposed changes to the General Policy, 28.1, several adjustments to the Schedule of Fees, Employee Handbook Policy Changes a verbiage change under 307 - Health Insurance and by adding Cathodic & Leak Survey Technician under 505 - Telephone, Cell Phone, Electronic and Wireless Communication Device Usage and Reimbursement. Magstadt presented the proposed changes to the Electric Department Policy which included

changes to 6.2 and 6.6, to Water Department Policy were 6.4, 13, 13.1, 15.3, 15.10, 15.17, 16.1, and 16.7, To the Gas Department Policy 2.1, 2.4, 2.8 and 2.9. The Board was asked to review these proposed policy changes and they will be presented for approval at the March Board meeting.

ITEM 7834

This being the time and place set for consideration of bids, the following were presented. Bids for Installation of Water Main, Water Pipe and Water Fittings for the Water Department, Gas Regulators for the Gas Department. These bids were opened Thursday, February 23, 2023, at 1:30 PM by the Watertown Municipal Utilities Staff as authorized by the Board.

INSTALLATION OF WATER MAIN: Five bids were received and upon review and recommendation by Magstadt, motion by Thomas with second by Brenden to award bid to low valid bidder Dakota Directional LLC, Redfield, SD for \$691,817.10. Motion carried.

WATER PIPE: Three Bids were received and upon review and recommendation by Magstadt, motion by Luken with second by Thomas to award bid to low valid bidder Core and Main, Sioux Falls, SD for a total of \$234,370.38. Motion carried.

WATER MAIN MATERIAL: Two bids were received and upon review and recommendation by Magstadt, motion by Luken with second by Brenden to reject bids due to conflicting bid specifications. Motion carried.

GAS REGULATORS 99, 299h AND 289h: One bid was received and upon review and recommendation by Magstadt, motion by Brenden with second by Thomas to award bid to low valid bidder, to Novaspect, Chanhassen, MN for a total of \$31,580.98. Motion carried.

GAS REGULATORS S-203S: One bid was received and upon review and recommendation by Magstadt, motion by Thomas with second by Luken to award bid to low valid bidder Nelson Technologies, Eden Prairie, MN for a total of \$39,312.00. Motion carried.

GAS REGULATORS RESIDENTIAL AND SMALL COMMERCIAL ITRON TYPE: Motion by Luken with second by Brenden for Watertown Municipal Utilities to negotiate a contract for the purchase of these regulators per SD CL5-18A-5 (9) because no bids were received. Motion carried.

ITEM 7835

Open: Lehner extended an invitation to the Board to the BISCO Luncheon Tuesday, March 14, 11:30am - 1:00 pm. Bill Stuffers: Dash Around Kampeska and Kindergarten Round Up.

ITEM 7836

Magstadt presented the Report on Operations and Projects. Electric: 1 outage for a total of 4 for 2023, installed new guy wires and outlets for uptown intersection lights. Gas Department: Repaired gas leak at 705 20th Ave SW. Water Department: 4 water main breaks for a total of 10 for the 2022/2023 season. Engineering Tech: Working on updating utility maps.

ITEM 7837

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects in Progress: Working on the bid for a new roof on the operation building, Purchasing of inventory items for 2023 construction season (long lead times). Customer Service, Projects Completed this Month: 14,265 Payments collected for a total of \$5,993,682 and 55,752 services billed for a total of \$6,367,774. Human Resources/Risk Management: Completed payroll tax filing process with IRS for 2022, Completed payroll-related documentation for annual SPP Form 412. IT: Normal monthly IT maintenance and troubleshooting along with Website Stats and top 10 webpages visited.

Statements of Revenue and Expenses and Capital Additions were presented to the Board for review. Year to date net income is \$243,766 above budget for the first month ending January 31, 2023. Total Capital Additions are \$213,899 below budget for the first month ending January 31, 2023.

ITEM 7838

Motion made by Luken with second by Thomas to approve the following verified salary claims and bills. Motion carried unanimously upon roll call vote. Total Watertown Municipal Utilities Net Payroll for February 2023 Plus ACH Payroll Payments \$623,283.74. Add: W. Berner 27.41/hr. effective 1/30/2023.

Name	Payable Description	Payment Amount
MARCH 1, 2023		
ABC EMBROIDERY	SAFETY CLOTHING	\$67.95
ADVANCED ENGINEERING AND ENVIRONMENTAL SERVICES, LLC	3RD AVE NW WATERMAIN REPLACE.	\$17,101.50
AERO TEC, INC	TANK INSPECTIONS	\$3,870.00
AFLAC	CANCER PT	\$1,449.67
A-OX WELDING SUPPLY INC	SUPPLIES	\$511.17
AP & SONS CONSTRUCTION INC	3RD AVE NW PROJECT	\$92,243.40
ARAIZA, URIEL	REIMBURSEMENT EXPENSE	\$291.32
AUTO VALUE WATERTOWN	SUPPLIES	\$711.04
BENDIX IMAGING INC	SUPPLIES	\$2,239.98
BIG SIOUX WATER FESTIVAL	CONTRIBUTION	\$1,250.00
BISCO	2023 MEMBERSHIP	\$300.00
BORDER STATES ELECTRIC SUPPLY	LED POLE TOP MNT. LIGHT AS PER BID	\$91,597.00
BORNS GROUP	POSTAGE & MAILING	\$10,625.38
BRIAN'S GLASS & DOOR INC	SERVICE, SUPPLIES	\$5,110.00
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$123.31
CENTURY LINK	PHONE SERVICE	\$315.11
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$7,142.41
CHILD SUPPORT PAYMENT CENTER	EMPLOYEE DED: CHILD SUPPORT	\$750.00
CLIMATE SYSTEMS INC	SUPPLIES	\$432.86
CODINGTON COUNTY REGISTER OF DEEDS	SUPPLIES	\$23.00
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$4,799.28
CONNECTING POINT	COMPUTERS	\$16,521.90
CONSULTING ENGINEERS GROUP INC	SERVICE	\$9,530.00
CORE & MAIN LP	HYDRANTS AS PER BID	\$355,004.01

CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$497.51
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$282.02
DAKOTA DATA SHRED	SHREDDING SERVICE	\$79.28
DEVILLE, JEFF	REIMBURSEMENT EXPENSE	\$90.00
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$2,191.24
DTN, LLC	SUBSCRIPTION	\$546.00
EAST RIVER ELEC POWER COOP	2023 SERVICE CONTRACT	\$8,100.00
ENERGY ECONOMICS INC	SERVICE	\$587.98
ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE, INC	SUBSCRIPTION	\$109.40
ETHANOL PRODUCTS LLC	BULK CO2	\$1,647.12
FARWEST LINE SPECIALTIES, LLC	SUPPLIES	\$486.89
FASTENAL COMPANY	SUPPLIES	\$290.12
FEDERAL EXPRESS CORP	SERVICE	\$46.78
FIDELITY SECURITY LIFE INSURANCE CO. (EYEMED)	VISION INSURANCE	\$146.07
FOLEY AND FOLEY LAW OFFICE, PC	JANUARY LEGAL FEES	\$727.50
FRONTIER PRECISION INC	GPS EQUIPMENT	\$20,031.75
GRAINGER	SUPPLIES	\$557.31
GROEBNER	SUPPLIES	\$595.28
HACH COMPANY	SUPPLIES	\$712.91
HAWKINS, INC.	HYDROFLUOSILICIC ACID	\$3,884.28
IBEW LOCAL 426	UNION DUES	\$3,943.00
INDUSTRIAL SALES COMPANY, INC	GAS PIPE AS PER BID	\$73,960.00
J H LARSON COMPANY	SUPPLIES	\$100.71
JUSTICE FIRE & SAFETY	SERVICE	\$261.00
KNOWBE4	TRAINING EXPENSE	\$4,276.80
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$564.35
LINDE GAS & EQUIPMENT INC.	CYLINDER RENTAL	\$217.47
LL & SONS EXCAVATING INC	SERVICE - MORRIS FIRST ADDITION	\$14,953.10
LOCATORS & SUPPLIES INC	BARRICADES	\$2,151.65
LUNDE, JOHN	REIMBURSEMENT EXPENSE	\$2,263.37
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$541.62
MAC'S HARDWARE	SUPPLIES	\$194.71
MARCO	COPIER LEASE	\$506.80
MATHESON TRI-GAS INC	SUPPLIES	\$231.82
MENARDS INC	SUPPLIES	\$922.17
MENNENGA, SHEILA	REIMBURSEMENT EXPENSE	\$1,877.05
MESA PRODUCTS INC	SUPPLIES	\$249.81
MESEBERG, DAVID	REIMBURSEMENT EXPENSE	\$80.00
MET LIFE	LIFE INSURANCE	\$1,488.90
METERING & TECHNOLOGY SOLUTIONS	METERS	\$3,923.26
MIDCONTINENT COMMUNICATIONS	INTERNET & CABLE SERVICE	\$183.39
MILBANK WINWATER WORKS	METER, SUPPLIES	\$7,111.95
MINNESOTA MUNICIPAL UTILITIES ASSN	TRAINING EXPENSE	\$1,030.00
MUELLER CO	SUPPLIES	\$2,383.20
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$1,193.17
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$398.70
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$2,555.80
NAPA CENTRAL	SUPPLIES	\$285.88
NESD SHRM	TRAINING EXPENSE	\$80.00
NORTHWEST PIPE FITTINGS INC	VALVE BOXES	\$13,398.62
NOVASPECT, INC.	REGULATORS	\$3,280.18
NYBERG'S ACE	SUPPLIES	\$27.99
OFFICE PEEPS	SUPPLIES	\$3,429.03
PALMER WAHL INSTRUMENTS INC.	SERVICE	\$542.60
PETE LIEN & SONS	BULK LIME	\$7,579.19
PHEASANTLAND INDUSTRIES	SAFETY CLOTHING	\$154.99
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,189.77
PRINT 'EM NOW INC	SUPPLIES	\$115.00
REDLINGER BROS PLUMBING & HEATING	SUPPLIES	\$76.29
RELIABANK DAKOTA	FLEX DC	\$6,773.89
RESCO	SUPPLIES	\$752.37
RODENBURG LAW FIRM	EMPLOYEE DEDUCTION	\$150.00
RON'S SAW SALES	SERVICE	\$184.86
RUNNING'S SUPPLY INC	SUPPLIES	\$244.30
SANFORD WATERTOWN OCCUPATIONAL MEDICINE	SERVICE	\$600.00
SCOTT ENGINEERING CO	MELLETTTE WATERMAIN PROJECT	\$4,200.00
SD MUNICIPAL ELECTRIC ASSN	TRAINING EXPENSE	\$900.00
SD ONE CALL	LOCATES	\$34.65
SD RETIREMENT SYSTEM	2022 ADDITIONAL CONTRIBUTIONS	\$3,968.84
SERVICEMASTER OF WATERTOWN	JANITORIAL SERVICE	\$4,120.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$7,491.50
SPEE-DEE DELIVERY SERVICE INC	SERVICE	\$284.29
STAN HOUSTON EQUIP CO	SUPPLIES	\$486.84
STAR LAUNDRY	SERVICE	\$511.84
T & R ELECTRIC SUPPLY COMPANY INC	SUPPLIES	\$491.50
TARGET CORPORATION	ENERGY INCENTIVE REBATE	\$473.44
TECH PRODUCTS INC	SUPPLIES	\$252.60
TEREX USA, LLC	SERVICE - UNIT 27	\$15,287.98
TERRY-DURIN CO.	SUPPLIES	\$1,017.54
TITAN MACHINERY- WTN	SUPPLIES	\$168.75
TITAN MACHINERY-SF	SUPPLIES	\$170.16
TRAVS OUTFITTER	SAFETY CLOTHING	\$1,980.00

TWO WAY SOLUTIONS, INC.	SUPPLIES	\$153.93
TYNDALE COMPANY INC	SAFETY CLOTHING	\$1,250.75
UPS	SERVICE	\$68.10
USA BLUEBOOK	SUPPLIES	\$1,458.93
UTILITY SERVICE CO., INC	WATER TOWER MAINTENANCE	\$240,619.83
VERIFIED CREDENTIALS	SERVICE	\$89.00
WARD, MARK	REIMBURSEMENT EXPENSE	\$40.00
WATERTOWN AREA CHAMBER OF COMMERCE	2023 MEMBERSHIP DUES	\$580.67
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN PUBLIC OPINION	PUBLISHINGS	\$572.38
WATERTOWN PUBLIC OPINION	2023 SUBSCRIPTIONS	\$384.80
WATERTOWN UNITED WAY	United Way	\$263.00
WATERTOWN WHOLESALE INC	SUPPLIES	\$1,051.15
WAYTEK INC	SUPPLIES	\$293.24
WESCO DISTRIBUTION INC	LIGHTS	\$11,052.08
	TOTAL	\$1,138,456.28

Total February 2023 \$1,138,456.28; Transfer to City's General Fund \$118,125.00, Muni Utilities Electric Water Gas \$60,024.19; Missouri River Energy Services Power \$2,043,281.23; BP Canada Energy Marketing Natural Gas \$387,770.32; Dept. of Revenue Sales/Excise Tax \$296,583.71; CPEP #3 Natural Gas \$389,567.31, CPEP #4 Natural Gas \$224,772.94, CPEP #5 Natural Gas \$522,927.47, Sequent Energy Mgmt. Natural Gas \$282,228.00. City Finance Office Garbage/Sewer \$583,793.74.

ITEM 7839

Pursuant to SDCL 1-25-2(3) Luken moved with second by Brenden to move to Executive Session. The Board does expect to take-action when they reconvene to the regular session. Motion carried.

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

Motion by Brenden with second by Luken to accept Change order #1 with AP & Sons for the Harmony Hill project for the amount of \$243,750.00. Motion carried.

Motion by Thomas with second by Brenden to accept Change Order #1 with AP & Sons for 3rd Ave N Project for the amount of \$10,000.00. Motion Carried

Motion by Luken with second by Thomas approving the Board to declare emergency per section 5-18A-9 Emergency Procurement to accept increase in bid price for transformers with Border States Electric. Motion carried.

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

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

Dated at Watertown, South Dakota this 27th, day of February 2023.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

Lisa Carrico
Board President
Municipal Utilities Department