

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Monday, November 30, 2020

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, November 30th, 2020 at 12:00 p.m. with President Greg Solum presiding.

Board members present: Greg Solum, Chris Carter and Lisa Carrico. Board members via teleconference Mike Luken and Dan Brenden. Board Liaison, member of City Council, Glen Vilhauer via-teleconference. Staff members present: Steve Lehner, Adam Karst, Bert Magstadt, Mark Haider, Mark Meier, Lisa Pahl and Attorney Vince Foley. Staff members via teleconference Jeff DeVille, John Lunde, Doug Enstad, Kevin Kruiter, Sheila Mennenga, Gina Brown. Also, via teleconference were Mayor Sara Caron, Dan Crisler, Watertown Public Opinion and Chris Schilken, Watertown Development Company.

ITEM 7438

Motion by Luken with second by Carter to approve the Agenda with one change deletion of Item 13a. Motion carried.

ITEM 7439

Motion by Carter with second by Luken to approve minutes of regular Board Meeting on October 26th, 2020 and Special Session Board Meeting held November 13th, 2020. Motion carried.

ITEM 7440

Public Comment - None

ITEM 7441

Motion by Carter with second by Carrico to approve renewal of Group Health Insurance Plan for 2021 as outlined and presented at the November 13 Special Session Board Meeting. Motion carried.

ITEM 7442

Karst presented information on rates as outlined and presented at the November 13th Special Session Board Meeting, overall change on Water Rates will increase by 5%, with no change on Electric or Gas. Over a 5-year period transition to a policy that requires developers to pay directly for the cost of new water main extensions and other associated infrastructure, excluding any upsizing of pipes requested by Watertown Municipal Utilities. In 2021 the developers will pay 20% of the cost of new water main extensions and other associated infrastructure. Residential lot

connection will go from \$990 to \$1,040 and the oversized lots fee per square foot will go from \$0.024 to \$0.0304. All changes are effective with the January 2021 readings to be billed February 1, 2021. Motion by Carrico with second by Carter to approve utility rates for 2021. Motion carried.

ITEM 7443

Motion by Luken with second by Carrico to approve the 2021 budget, including operating budget and capital budget as presented at the November 13th Special Session Board Meeting. Motion carried.

ITEM 7444

Motion by Carter with second by Carrico to approve Board President to sign agreement with Halme, Inc. for main adjustment on Highway 81 storm sewer work in conjunction with the South Dakota Department of Transportation project. Motion carried.

ITEM 7445

Motion by Luken with second by Carrico to approve General Manager to sign agreement with AE2S for Engineering Water Flow Study per staff approval of the written language of the agreement. Motion carried.

ITEM 7446

Motion by Carter with second by Carrico to declare as surplus the demolition and repair of power plant. Motion carried.

ITEM 7447

This being the time and place set for consideration of bids, the following were presented. Bids for Transformers and Wire. These bids were opened Tuesday, November 24th, 2020 at 1:30 PM by the Watertown Municipal Utilities Staff as authorized by the Board.

TRANSFORMERS: Seven bids were received and upon review and recommendation by Magstadt, motion by Carrico with second by Brenden to award bid to valid bidders, Items 1, 6, 7, 8 and 9 awarded to RESCO, Moorhead, MN for a total of \$94,185.00, Item 2, 3 and 4 to Dakota Supply Group, Sioux Falls, SD for a total of \$95,604.60 and Item 5 to Electrotech Inc., Minneapolis, MN for a total of \$15,064.00. Motion carried.

WIRE: Eight bids were received and upon review and recommendation by Magstadt, motion by Carter with second by Carrico to award bid to low valid bidders, Item 1 to WESCO, Sioux City, IA for total of \$118,500.00, Item 2 to RESCO, Moorhead, MN for \$108,850.00, Items 3 and 6 to Dakota Supply Group, Sioux Falls, SD for a total of \$48,172.95 and Item 4, 5, 7 and 8 to Border States Electric, Sioux Falls, SD for a total of \$64,860.00. Motion carried.

ITEM 7448

Open: Lehner presented two bill stuffers a) Mask up Watertown and b) Rescue Christmas in Watertown a Salvation Army flyer.

ITEM 7449

Magstadt presented the Report on Operations and Projects. Electric, Projects Completed this Month: Doug Enstad has announced his retirement as of January 29, 2021. Doug has been here 42 years. We had 8 outages since the last report for a total of 74 unscheduled power outages in 2020, the 4200 block outage on 4th Ave SW affecting 150 customers for 5 hours and 15 minutes took so long because the fault indicators failed and that made the process finding the problem longer, terminated wire installed by contractor in the Magic Mile car wash alley converting OH to UG. Gas, Projects Completed this Month: Training on new regulators, heater and odorizer installed at NBPL interconnect. Projects in Progress: Completed Willow Creek 4" main tie ins. Engineering Tech Department, Projects Completed this Month: Finished up some last-minute staking and locating; Projects in Progress: Uploading GIS models to the cloud. Northern Border Tap, Projects Completed this Month: Test flowed both regulator runs to assure proper operation of regulators, line heater, odorizer and NBPL metering and instrumentation, The new tap on Northern Border started flowing 100% of city's requirement on Nov. 30, 2020 at 11:00 am. Water, Projects Completed this Month: 1 water main break for the 2020-2021 season 6" ductile iron crack at 6th Ave & 13th St. NE, we started pigging a 10" main over by Twin City Die.

ITEM 7450

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects in Progress: Working on physical inventory. Customer Service, Projects Completed this Month: 14,036 Payments collected for a total of \$4,227,815 and 54,775 services billed for a total of \$3,622,079. Human Resources/Risk Management: Prepared open enrollment materials for 2021, Continuing to document payroll data information for COVID reimbursement through the South Dakota Cares Act, Preparing tracking log and instructions if we should implement "critical infrastructure" worker return, Representing South Dakota as the SoDak SHRM State Director, attended the Virtual Volunteer Leader Business Meeting. 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 \$878,258 above budget for the ten months ending October 31st, 2020. Total Capital Additions are \$1,470,695 under budget for the ten months ending October 31st, 2020.

ITEM 7451

Motion made by Luken with second by Carter to approve the following verified salary claims and bills. Motion carried unanimously upon roll call vote. Total Watertown Municipal Utilities Net Payroll for November 2020 Plus ACH Payroll Payments \$558,053.63. Change: C. Brown 24.92/hr. effective 11/13/2020, N. Frost 30.18/hr. effective 11/6/2020, A. Seim 23.48/hr. effective 10/21/2020 and N. Sime 41.68/hr. effective 11/18/2020.

Name	Payable Description	Payment Amount
DECEMBER 1, 2020		
ABC EMBROIDERY	SERVICE	\$282.15
ACTIVE HEATING INC	ENERGY INCENTIVE REBATE	\$615.00
ADVANCED ENGINEERING & ENVIRONMENTAL SERVICES	HYDRAULIC MODELING SUPPORT	\$497.50
AFLAC	SHORT TERM DISABILITY	\$1,813.64
AMARIL UNIFORM COMPANY	SAFETY CLOTHING	\$2,211.59
AMERICAN ENGINEERING TESTING INC	NBPL SERVICE	\$1,460.00
AMERICAN WATER WORKS ASSN	2021 MEMBERSHIP	\$2,106.00
A-OX WELDING SUPPLY INC	CYLINDER RENTAL	\$20.35
AQUA-PURE INC	SODIUM TRIPOLYPHOSPHATE	\$4,537.50
AUSTIN, HOPPER, STRAIT, BENSON & THOLE LLP	SEPT/OCT LEGAL FEES	\$2,319.00
BECKWITH ELEC CO INC	SERVICE	\$20.83
BENDIX IMAGING INC	SUPPLIES	\$209.97
BORDER STATES ELECTRIC SUPPLY	SUPPLIES	\$13,907.87
BORNS GROUP	POSTAGE & MAILING	\$8,547.50
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$95.67
CARTNEY BEARING & SUPPLY	SUPPLIES	\$66.72
CE POWER ENGINEERED SERVICES, LLC	SUBSTATION MAINTENANCE	\$14,995.00
CENTURY LINK	PHONE SERVICE	\$307.16
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$3,066.68
CHILD SUPPORT PAYMENT CENTER	EMPLOYEE DEDUCTION: CHILD SUPPORT	\$750.00
CIVIL DESIGN INC	SERVICE	\$540.00
CLIMATE SYSTEMS INC	SUPPLIES	\$481.51
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$6,576.12
CONNECTING POINT	SOFTWARE MAINTENANCE	\$915.50
CONSOLIDATED READY MIX	SUPPLIES	\$120.00
CONTROL EQUIPMENT SALES, INC	NBPL SUPPLIES	\$4,150.82
CORE & MAIN LP	SUPPLIES	\$2,319.66
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$168.29
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$1,525.04
CUMMINS SALES AND SERVICE	SERVICE	\$1,416.44
DAKOTA DATA SHRED	SHREDDING SERVICE	\$68.45
DAKOTA DIRECTIONAL LLC	INSTALLATION OF WIRE	\$70,137.00
DAKOTA UNDERGROUND CONSTRUCTION LLC	INSTALLATION OF UNDERGROUND	\$33,470.00
DEPARTMENT OF HEALTH	WATER SAMPLES	\$927.00
DETERMAN, JEFF	REIMBURSEMENT EXPENSE	\$112.79
DSG DAKOTA SUPPLY GROUP	METERS	\$4,330.00
DTN, LLC	SUBSCRIPTION	\$509.32
DUININCK INC	GRAVEL, DIRT & CRUSHED CONCRETE	\$4,044.39
ELECTRIC MOTORS & MOORE INC	SERVICE	\$67.50
ENERGY ECONOMICS INC	SERVICE	\$596.18
ENERGY LABORATORIES INC	WATER TESTING	\$1,298.00
ENGELSTAD ELECTRIC COMPANY	INSTALLATION OF UNDERGROUND	\$72,565.22
ENSTAD, DOUG	REIMBURSEMENT EXPENSE	\$206.43

ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE, INC	GIS SOFTWARE	\$1,223.02
ETHANOL PRODUCTS LLC	BULK CO2	\$1,261.38
FARNAMS GENUINE PARTS	SUPPLIES	\$1,033.28
FASTENAL COMPANY	SUPPLIES	\$318.79
FEDERAL EXPRESS CORP	SERVICE	\$150.68
FOLEY AND FOLEY LAW OFFICE, PC	SEPTEMBER LEGAL FEES	\$380.00
GACKE ENTERPRISES	LIME REMOVAL	\$64,252.50
GRAINGER	SUPPLIES	\$146.22
HAWKINS, INC.	HYDROFLUOSILICIC ACID	\$1,930.47
HEATH CONSULTANTS INC	SUPPLIES	\$534.81
HUMAN SERVICE AGENCY	EAP SERVICES	\$270.00
IBEW LOCAL 426	UNION DUES	\$2,810.00
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$226.70
I-STATE TRUCK CENTER	SERVICE	\$119.25
J H LARSON COMPANY	SUPPLIES	\$5,103.89
KARST, ADAM	REIMBURSEMENT EXPENSE	\$109.42
LAKE AREA DOOR	SERVICE	\$2,882.29
LAKE CITY FIRE EQUIPMENT LLC	ANNUAL MAINTENANCE	\$386.85
LUNDE, JOHN	REIMBURSEMENT EXPENSE	\$330.62
LYLE SIGNS INC	SUPPLIES	\$555.68
MACK, ROBIN	REIMBURSEMENT EXPENSE	\$51.00
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$74.76
MAC'S HARDWARE	SUPPLIES	\$146.75
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$96.60
MARCO	COPIER LEASE	\$414.59
MATHESON TRI-GAS INC	SUPPLIES	\$147.73
MCKEEVER INC	SUPPLIES	\$131.10
MENARDS INC	SUPPLIES	\$1,561.34
MENNENGA, SHEILA	REIMBURSEMENT EXPENSE	\$70.00
MET LIFE	LIFE INSURANCE	\$1,316.27
MIDCONTINENT COMMUNICATIONS	INTERNET & CABLE SERVICE	\$221.03
MIDWEST ENERGY ASSOCIATION	2021 DUES	\$1,954.80
MIDWEST UNDERGROUND SUPPLY, LLC	SUPPLIES	\$1,305.29
MILBANK WINWATER WORKS	SUPPLIES	\$1,290.75
MILLERBERND MFG CO	SUPPLIES	\$3,054.00
MISSOURI RIVER ENERGY SERVICES	INSPECTION SERVICE	\$1,063.25
MUELLER CO	AUTOPERFS	\$14,199.42
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$243.31
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$418.89
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$4,860.56
NORTH STAR LOGISTICS	NBPL SERVICES	\$19,710.09
NORTHERN CON-AGG LLP	SUPPLIES	\$461.14
NORTHWEST LINEMAN COLLEGE	TRAINING	\$616.00
NOVASPECT, INC.	SUPPLIES	\$1,139.06
OFFICE PEEPS	SUPPLIES	\$1,604.15
OLSON, CINDY	REIMBURSEMENT EXPENSE	\$213.86
O'REILLY AUTOMOTIVE INC	SUPPLIES	\$115.83
OVERHEAD DOOR CO OF WTN	SUPPLIES	\$120.00
PAHL, TIMOTHY A	REIMBURSEMENT EXPENSE	\$100.00
PETE LIEN & SONS	BULK LIME	\$28,587.01
POMP'S TIRE SERVICE, INC.	SUPPLIES	\$1,356.41
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$190.32
PRECO INC	SERVICE	\$1,100.00

PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,134.11
RC FIRST AID	SUPPLIES	\$59.50
RELIABANK DAKOTA	TASC MED	\$6,099.64
RESCO	SUPPLIES	\$5,300.40
RISING STAR HYDRAULICS INC	SUPPLIES	\$663.60
RONKE, SHANE	REIMBURSEMENT EXPENSE	\$162.16
RUNNING'S SUPPLY INC	SUPPLIES	\$204.31
SCHAEFFER MFG CO	SUPPLIES	\$2,196.70
SCHOOL BOARD OF ED	ENERGY INCENTIVE REBATE	\$1,418.58
SCOTWOOD INDUSTRIES, INC.	BULK SOLAR	\$4,136.33
SD GOVERNMENTAL HUMAN RESOURCE ASSOCIATION	2021 MEMBERSHIP DUES	\$25.00
SD ONE CALL	LOCATES	\$457.80
SERVICEMASTER OF WATERTOWN	JANITORIAL SERVICE	\$4,120.00
SETTJE, JOEY	REIMBURSEMENT EXPENSE	\$88.14
SHARP AUTOMOTIVE	SUPPLIES	\$69.92
SIOUX RURAL WATER INC	MANCELL TERRITORY PAYMENT	\$8,900.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$5,756.61
SPEE-DEE DELIVERY SERVICE INC	SERVICE	\$257.72
STAN HOUSTON EQUIP CO	RENTAL	\$2,297.45
STAR LAUNDRY INC	SERVICE	\$681.44
STIMSON CONSTRUCTION	SERVICE	\$1,224.00
STRUSS, SCOTT	REIMBURSEMENT EXPENSE	\$94.62
STUART C IRBY CO	SUPPLIES	\$987.52
STURDEVANTS AUTO PARTS	SUPPLIES	\$865.21
TITAN MACHINERY- WTN	SUPPLIES	\$522.59
TRACTOR SUPPLY CO	SUPPLIES	\$107.94
TRAV'S OUTFITTER	SAFETY CLOTHING	\$8,922.00
TRILOGY CONSULTING, LLC	2020 WATER RATE STUDY	\$3,052.50
TYLER TECHNOLOGIES	2021 SOFTWARE MAINTENANCE	\$17,243.08
TYNDALE COMPANY INC	SAFETY CLOTHING	\$1,294.90
UPS	SERVICE	\$116.94
UPTOWNE CLEANERS	SERVICE	\$21.13
USA BLUEBOOK	SUPPLIES	\$411.89
VEEDER'S COLLISION CENTER INC.	SERVICE	\$1,097.40
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN FORD CHRYSLER	SUPPLIES	\$171.00
WATERTOWN PUBLIC OPINION	PUBLISHINGS	\$569.55
WATERTOWN UNITED WAY	United Way	\$424.00
WATERTOWN WHOLESALE	SUPPLIES	\$785.55
WESCO DISTRIBUTION INC	INSULATED CAPS	\$15,769.35
WILSON BOHANNAN COMPANY	SUPPLIES	\$1,491.45
WW TIRE SERVICE INC	SUPPLIES	\$1,081.36
	TOTAL	<u>\$545,310.34</u>

Total November 2020 \$545,310.34; Transfer to City's General Fund \$116,433.33, Muni Utilities Electric Water Gas \$43,855.61; Missouri River Energy Services Power \$1,520,200.66; BP Canada Energy Marketing Natural Gas \$76,091.12; Dept. of Revenue Sales/Excise Tax \$153,685.41; CPEP #3 Natural Gas \$15,035.78, CPEP #4 Natural Gas \$29,914.23, Sequent Energy Mgmt. Natural Gas \$120,081.86,

Northern Border Pipeline Natural Gas Tap \$95,695.45 City Finance Office
Garbage/Sewer \$444,366.86.

ITEM 7452

Motion by Luken with second by Carter to adjourn. Motion carried unanimously upon roll call vote.

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 30th, day of November, 2020.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

Greg Solum
Board President
Municipal Utilities Department