

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING
Monday, April 29, 2024

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, April 29, 2024, at 12:00 p.m. with President Chris Carter presiding.

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

ITEM 8014

Motion by Luken with second by Larkin to approve the agenda. Motion carried.

ITEM 8015

Motion by Thomas with second by Brenden to approve minutes of Regular Board Meeting on March 25, 2024, and Special Session Board Meeting on April 18, 2024. Motion carried.

ITEM 8016

Public Comment - None

ITEM 8017

Motion by Larkin with second by Brenden to approve Resolution to appoint the Director of Administration as alternate with CPEP. Motion carried unanimously upon roll call vote.

RESOLUTION NO. 8017

DESIGNATION OF REPRESENTATIVE AND ALTERNATE REPRESENTATIVE FOR CENTRAL PLAINS ENERGY PROJECT MANAGEMENT COMMITTEE

Whereas Watertown Municipal Utilities recognizes the importance of effective representation on a Central Plains Energy Project Management Committee;

Whereas the Central Plains Energy Project Bylaws allow a designated representative from Watertown Municipal Utilities to serve on the Project Management Committee to ensure active participation and representation for any project for which Watertown is a participant;

Now, therefore, be it resolved that Watertown Municipal Utilities hereby designates the following individuals to serve as Representative and Alternate Representative for any Central Plains Energy Project Management Committee: Director of Operations shall serve as the Representative and shall serve as the primary representative of Watertown Municipal Utilities on the Central Plains Energy Project Management Committee and shall have the authority to attend meetings, vote, and participate in decision-making processes on behalf of Watertown Municipal Utilities.

Director of Administration shall serve as the Alternate Representative and shall serve as a backup representative for Watertown Municipal Utilities on the Central Plains Energy Project Management Committee and shall have the authority to attend

meetings, vote, and participate in decision-making processes when the Director of Operations cannot fulfill their duties or in their absence.

Further, be it resolved that the Representative and Alternate Representative are authorized to communicate with Watertown Municipal Utilities regarding matters concerning any Central Plains Energy Project Management Committee, provide updates on the board's activities, and seek input or guidance as necessary. This resolution shall take effect immediately upon its adoption. It shall remain in force until it is amended, repealed, or superseded by subsequent resolution of Watertown Municipal Utilities. Resolved and adopted by Watertown Municipal Utilities on this day April 29th, 2024.

ITEM 8018

Director of Operations Magstadt gave an overview of the 2023 Annual Water System Quality Report. He noted that there were no substances detected in the water that violated regulations set by the EPA or the SD DANR. This report will be posted on the Watertown Municipal Utilities website and pamphlets available to the public at the office.

ITEM 8019

Motion by Luken with second by Thomas to authorize General Manager to sign documents as part of the next steps toward the full application for funding under the GRIP (Grid Resilience and Innovation Partnership) program with MRES (Missouri River Energy Services), substantially similar in form. Agreeing on Option 5 all electric with all remote disconnects and 5,500 nodes for gas and water. The estimated total project cost is \$5,683,105. If the grant application is approved, the grant would cover 45% or \$2,557,397 and WMUs portion would be 55% of \$3,125,708. Motion carried.

ITEM 8020

Motion by Thomas with second by Larkin to give authorization to go out for bids for construction of spillway at Rauville wellfield for the Water Department. Motion carried.

ITEM 8021

Open: Lehner presented two Bill Stuffers Mosquito Control and Codington County Connects.

ITEM 8022

Magstadt presented the Report on Operations and Projects. Electric Department, Projects Completed this Month: 10 outages for a total of 20 unscheduled outages for 2024, Key Contracting installed a new 115 kv GOAB switch at the Uptown Substation, Installed CCVT voltage transformer at East Substation, completed annual substation maintenance at the Pelican Substation #1 and Uptown Substation #2. Gas Department, Projects Completed this Month: Emergency valve maintenance above/below ground, main regs and reliefs testing and maintenance, replaced regulators at Reg. Station #3, completed business leak survey. Water Department, Projects Starting next month: 20" water main from 3rd Ave to Mellette Tower.

Engineering Tech, Projects Completed this Month: 424 one call locates for April 1st to 24th, 2024, staking & locating.

ITEM 8023

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects in Progress: William Neale & Co is working on 2023 audit, WAPA discussing another increase in electric rates in 2025 and 2026. Customer Service Projects Completed this Month: 15,155 Payments collected for a total of \$6,070,252 and 56,677 services billed for a total of \$5,071,988, Energy Assistance customers received a one-time payment of \$145 from a state grant for their water bill, sent out budget letters in April, the average budget bill was \$225, a decrease of 10% or (\$25) from last year. Human Resources/Risk Management: Received final work comp premium for 2023 - approximately 8% increase from 2022, organized training classes on backhoe and payload operations for staff who run this equipment, employees participated in the city's Team Up to Clean UP event. Information Systems working on Cybersecurity, 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 \$660,471 above budget for the three months ending March 31, 2024. Total Capital Additions are \$900,383 under budget for the three months ending March 31, 2024.

ITEM 8024

Motion made by Luken with second by Brenden to approve the following verified salary claims and bills. Motion carried unanimously upon roll call vote. Total Watertown Municipal Utilities Net Payroll for April 2024 Plus ACH Payroll Payments \$673,772.00. Change: C. Brenden \$31.51/hr., effective 3/25/2024, Rehire: M. Waite \$21.50/hr., effective 3/26/2024

Name	Payable Description	Payment Amount
MAY 1, 2024		
ABC EMBROIDERY	SERVICE	\$88.20
ADV. ENGINEERING AND ENVIRONMENTAL SERVICES, LLC	MELLETTE WATERMAIN EXTENSION	\$13,559.75
AFLAC	ACCIDENT	\$1,574.10
AMARIL UNIFORM COMPANY	SAFETY CLOTHING	\$266.34
A-OX WELDING SUPPLY INC	SUPPLIES	\$516.72
APPLIED INDUSTRIAL TECH INC	SUPPLIES	\$569.40
AUSTIN, STRAIT, BENSON, THOLE AND KOEHN, LLP	MARCH LEGAL FEES	\$580.00
AUTO VALUE WATERTOWN	SUPPLIES	\$943.32
BATTERIES UNLIMITED INC	SUPPLIES	\$130.00
BENCHMARK FOAM INC	ENERGY INCENTIVE REBATE	\$4,521.96
BENDIX IMAGING INC	SUPPLIES	\$635.98
BLACKBURN MFG COMPANY	LOCATE FLAGS	\$4,667.76
BORDER STATES ELECTRIC SUPPLY	SUPPLIES	\$5,466.89
BORNS GROUP	POSTAGE & MAILING	\$12,144.13
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$168.33
CASHWAY LUMBER INC	SUPPLIES	\$75.00
CENTURY LINK	PHONE SERVICE	\$316.06
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$5,016.37

CHILD SUPPORT PAYMENT CENTER	EMPLOYEE DEDUCTION: CHILD SUPPORT	\$750.00
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$6,507.68
CONNECTING POINT	SCADA UPGRADE - WTP	\$3,085.17
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$452.76
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$372.88
DAKOTA DATA SHRED	SHREDDING SERVICE	\$82.91
DAKOTA DIRECTIONAL LLC	SERVICES - SECONDARY, LIGHTS, PRIMARY, EXCAVATIONS	\$51,470.56
DEPARTMENT OF HEALTH	WATER SAMPLES	\$558.00
DISCOUNT SEEDS, INC.	LAWN SEED	\$1,440.00
DITCH WITCH OF SOUTH DAKOTA, INC	SUPPLIES	\$822.96
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$635.85
ETHANOL PRODUCTS LLC	BULK CO2	\$2,062.68
FARWEST LINE SPECIALTIES, LLC	SUPPLIES	\$53.45
FASTENAL COMPANY	SUPPLIES	\$55.48
FEDERAL EXPRESS CORP	SUPPLIES	\$200.21
FIDELITY SECURITY LIFE INSURANCE CO. (EYEMED)	VISION INSURANCE	\$157.50
FOLEY AND FOLEY LAW OFFICE, PC	MARCH LEGAL FEES	\$862.50
GANNETT MEDIA CORP	PUBLISHINGS	\$233.28
GRAINGER	SUPPLIES	\$1,049.91
GROEBNER	RISERS	\$6,696.60
HAWKINS, INC.	AZONE 15	\$7,950.00
HEATH CONSULTANTS INC	SERVICE	\$1,063.97
IBEW LOCAL 426	UNION DUES	\$4,302.00
INDUSTRIAL SALES COMPANY, INC	SUPPLIES	\$2,758.78
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$464.25
J H LARSON COMPANY	SUPPLIES	\$496.25
JUSTICE FIRE & SAFETY	SERVICE	\$656.00
KARST, ADAM	REIMBURSEMENT EXPENSE	\$200.00
LAKE AREA TECHNICAL COLLEGE	TRAINING EXPENSE	\$720.00
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$500.17
LIFT PRO EQUIP CO	SUPPLIES	\$201.49
LOVELIS, WAYNE	REIMBURSEMENT EXPENSE	\$127.00
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$736.75
MAC'S HARDWARE	SUPPLIES	\$577.08
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$777.02
MATHESON TRI-GAS INC	SUPPLIES	\$294.86
MENARDS INC	SUPPLIES	\$2,167.62
MENNENGA, SHEILA	REIMBURSEMENT EXPENSE	\$300.00
MESA PRODUCTS INC	SUPPLIES	\$1,190.18
MET LIFE	LIFE INSURANCE	\$1,679.70
MIDCONTINENT COMMUNICATIONS	INTERNET & CABLE SERVICE	\$203.39
MIDWEST AUTOMOTIVE INC	SUPPLIES	\$389.98
MILBANK WINWATER WORKS	6" WATER METER	\$10,331.96
MINNESOTA MUNICIPAL UTILITIES ASSN	SAFETY PROGRAM	\$9,192.50
MISSOURI RIVER ENERGY SERVICES	MISC SCANNING, ELECTRIC AND WATER	\$7,852.20
MUELLER CO	SERVICE	\$1,639.93
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$128.77
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$3,712.73
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$4,390.42
NAPA CENTRAL	SUPPLIES	\$281.24
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$1,130.14
OFFICE OF ENERGY ASSISTANCE	REFUND OF CREDIT ON ACCOUNT	\$164.26
OFFICE PEEPS	SUPPLIES	\$859.90
O'REILLY AUTOMOTIVE INC	SUPPLIES	\$200.91

OVERHEAD DOOR CO OF WTN	SERVICE	\$204.08
PAYMENTUS GROUP INC.	SERVICE	\$109.45
PERFORMANCE TOWING	SERVICE	\$420.00
PETE LIEN & SONS	BULK LIME	\$24,766.92
POLLARD WATER	SUPPLIES	\$2,305.83
POMP'S TIRE SERVICE, INC.	SERVICE	\$31.80
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,309.90
PRINT 'EM NOW INC	SUPPLIES	\$615.00
PRO LINE INC	SUPPLIES	\$266.88
RELIABANK DAKOTA	FLEX MED	\$6,563.97
RICE LAKE WEST	WTP EQUIPMENT REPLACEMENT	\$198,863.91
RODENBURG LAW FIRM	EMPLOYEE DEDUCTION	\$150.00
RON'S SAW SALES	SUPPLIES	\$194.98
RUNNING'S SUPPLY INC	SUPPLIES	\$802.83
SANFORD WATERTOWN OCCUPATIONAL MEDICINE	SERVICE	\$531.00
SCHAEFFER MFG CO	SUPPLIES	\$2,544.45
SCHOOL BOARD OF ED	ENERGY INCENTIVE REBATE	\$2,356.56
SD MUNICIPAL LEAGUE	TRAINING EXPENSE	\$50.00
SD ONE CALL	LOCATES	\$181.65
SENSIT TECHNOLOGIES LLC	GAS DETECTORS	\$5,309.31
SERVICEMASTER OF WATERTOWN	JANITORIAL SERVICE	\$4,120.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$6,227.95
STAR LAUNDRY	SERVICE	\$634.85
STRUSS, SCOTT	ENERGY INCENTIVE REBATE	\$500.00
STUART C IRBY CO	TRANSFORMERS AS PER BID	\$89,002.00
SUBSURFACE SOLUTIONS	SUPPLIES	\$319.84
TEREX USA, LLC	SERVICE - UNIT 29	\$1,206.13
TITAN MACHINERY - ABERDEEN	SUPPLIES	\$523.83
TITAN MACHINERY- WTN	SERVICE	\$1,341.25
TOSHIBA FINANCIAL SERVICES	COPIER LEASE	\$613.53
TRAV'S OUTFITTER	SAFETY CLOTHING	\$2,915.99
USA BLUEBOOK	SUPPLIES	\$1,326.91
VAN DIEST SUPPLY COMPANY	HERBICIDE	\$10,189.55
WALMART	SUPPLIES	\$419.81
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN DEVELOPMENT COMPANY	2024 GROW WATERTOWN	\$60,000.00
WATERTOWN FORD CHRYSLER	SUPPLIES	\$379.80
WATERTOWN UNITED WAY	United Way	\$225.00
WESCO DISTRIBUTION INC	TRANSFORMERS AS PER BID	\$83,413.70
WW TIRE SERVICE INC	SUPPLIES	\$2,057.60
	TOTAL	<u>\$718,118.40</u>

Total April 2024 \$718,118.40; Transfer to City's General Fund \$120,500.00, Muni Utilities Electric Water Gas \$49,322.62; Missouri River Energy Services Power \$1,654,605.89; BP Canada Energy Marketing Natural Gas \$280,047.18; Dept. of Revenue Sales/Excise Tax \$211,174.34; CPEP #3 Natural Gas \$34,718.30, CPEP #4 Natural Gas \$21,583.75, CPEP #5 Natural Gas \$27,668.43, CPEP #3 Hedge \$47,407.50, CPEP #4 Hedge \$39,253.50, Sequent Energy Mgmt 12,389.32, City Finance Office Garbage/Sewer \$644,645.69.

ITEM 8025

The Board set date of Wednesday, May 29, 2024, at noon for May Board Meeting AND Wednesday, June 26, 2024, at noon for June Board Meeting.

Pursuant to SDCL 1-25-2(3)(4) Larkin moved with second by Brenden to move to Executive Session. The Board does not expect to take-action when they reconvene to the regular session. Motion carried.

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

Motion by Thomas with second by Larkin 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 29th, day of April, 2024.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

Christine Carter
Board President
Municipal Utilities Department