

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Monday, June 30th, 2025

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, June 30th, 2025, at 12:00 p.m. with Board President Mike Luken presiding.

Board members present: Mike Luken, Dan Brenden, Rich Thomas, Charlie Larkin, and Chris Carter. Board Liaison, member of City Council, Mike Danforth, absent. Staff members present: Steve Lehner, Adam Karst, Bert Magstadt, Wayne Lovelis, Aaron Erickson, Mark Meier, Dan LeVasseur, Zeke Hilmoie, Cheryl Mack, Gina Brown, and Lisa Pahl. Attorney Vince Foley, absent. Guest, Steve Jurrens, KXLG Radio.

ITEM 8208

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

ITEM 8209

Motion by Carter with second by Thomas to approve minutes of Regular Board Meeting from May 29th, 2025. Motion carried.

ITEM 8210

Public Comment - None

ITEM 8211

This being the time and place set for consideration of bids, the following was presented. Bids for Residential Street Light Poles. These bids were opened Thursday, June 26, 2025, at 1:30 PM by the Watertown Municipal Utilities Staff as authorized by the Board.

Residential Street Light Poles: Seven bids were received and upon review and recommendation by Magstadt, motion by Thomas with second by Brenden to award bid to low valid bidder, Border States Electric, Sioux Falls, SD in the amount of \$32,042.25.

ITEM 8212

Motion by Larkin with a second by Brenden to Approve changes to the Personnel Policy Manual sections 701, 702, and 708 to comply with HB 1218 state law. Motion carried.

ITEM 8213

Open: a) Lehner presented the bill stuffer which featured two topics - Two-sided Cookin' on Kampeska and Preventing Storm Water Pollution. b) Magstadt informed the Board about the Water Hydrant Flushing Program. c) Larkin updated the Board on the APPA meeting he attended earlier this month in New Orleans. He highlighted two particularly noteworthy sessions - one focused on artificial intelligence and the other on nuclear energy. d) Lehner also reported on the MECA meeting he attended earlier this month in Helena, MT. Jim Horan, Executive Director of MECA, has submitted his resignation. Chris Studer was appointed interim director, and an executive search firm has been hired to find a permanent replacement. The newly formed WAPA efficiency committee created to improve processes with WAPA, gave an update on the progress thus far.

ITEM 8214

Magstadt presented the Report on Operations and Projects. Magstadt introduced Zeke Hilmo as the new Utility Systems Engineer. Electric Department, Projects Completed this Month: 8 outages for the month and 36 total unscheduled outages for 2025, installed three-phase primary at Northstar System Built Homes replacing trans-closures, installed three-phase primary at Hometown Builders replacing three-phase overhead service and transformers. Gas Department, Projects Completed this Month: Installed 3000' of 2" plastic at KAK addition, installed 1850' of 2" plastic at Valley View, and installed 800' of 2" plastic at Court House to abandon the steel main that had a leak, and Natural Gas Safety Awareness Survey completed by Blue Otter, Neil Frost passed his first welding class. Water Department Projects Completed this Month: 1 main break for a total of 12 through 2025, contractor hit 4" cast water main at N Maple and 1st Ave SE while replacing sewer line downtown, hydrant maintenance - installed new fire hydrant at 4th St SE and 8th Ave SE to replace old hydrant at McDonalds, Well #39A is operational. Engineering Tech, Projects Completed this Month: 448 one-call locates for June 1st to June 24th, 2025, 593 one-call locates for May 2025.

ITEM 8215

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects Completed this Month: Ordering, receiving, and stocking material, Eide Bailly 2024 audit. Upcoming Projects: Review keycard access door security system options,

scope of work and cost, prepare surplus vehicles & equipment for Purple Wave online auction. Customer Service Projects Completed this Month: Working on our current future state analysis for the ERP Pro 10 Utility Billing, 15,474 Payments collected for a total of \$5,572,748 and 57,676 services billed for a total of \$4,6784,647. Human Resources/Risk Management: Onboarding completed for summer temps, onboarding new hire Zeke Hilmoie, Utility System Engineer, HB 1218 - presented draft policy changes to employees at the June Safety Meeting, attended the SMDL HR school in Pierre, and attended the LEAD course at MRES in Sioux Falls. Information Systems: Applying Center for Internet Security (CIS) benchmark, preparing systems for billing software upgrade, normal monthly IT.

Statements of Revenue and Expenses and Capital Additions were presented to the Board for review. Year to date net income is \$86,452 below budget for the five months ending May 31st, 2025. Total Capital Additions are \$904,356 under budget for five months ending May 31st, 2025.

ITEM 8216

Motion made by Carter 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 July 2025 Plus ACH Payroll Payments \$752,631.35. Add: Z. Hilmoie, \$8,750/Mo. effective 6/16/2025, Changes: A. Thorson 37.88/hr. effective 6/2/2025, C. Brenden \$39.90/hr. effective 5/23/2025.

Name	Payable Description	Payment Amount
July 1, 2025		
3D SERVICES LLC	SERVICE	\$305.00
ABC EMBROIDERY	SERVICE	\$44.55
ADVANCED ENGINEERING AND ENVIRONMENTAL SERVICES, LLC	UNIDIRECTIONAL FLUSHING PROGRAM	\$34,932.05
AFLAC	ACCIDENT	\$1,702.31
A-OX WELDING SUPPLY INC	SUPPLIES	\$686.25
APPLIED INDUSTRIAL TECH INC	WTP: BEARING BLOCK SIDE 3	\$3,405.14
AUTO VALUE WATERTOWN	SUPPLIES	\$493.21
BENDIX IMAGING INC	SUPPLIES	\$913.94
BORDER STATES ELECTRIC SUPPLY	TRANSFORMERS AS PER BID	\$29,405.69
BORNS GROUP	POSTAGE & MAILING	\$11,388.14
BUTLER MACHINERY CO	SUPPLIES	\$3,404.34
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$12,234.34
CITY OF WATERTOWN	MISCELLANEOUS FEES	\$52.05
CLIMATE SYSTEMS INC	SUPPLIES	\$2,153.91
CODINGTON COUNTY REGISTER OF DEEDS	SUPPLIES	\$51.00
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$5,722.56
COMMERCIAL CLEANING SERVICES INC.	JANITORIAL SERVICES	\$3,975.00
CONSULTING ENGINEERS GROUP INC	SERVICE - UPTOWN FEEDER RELAY SETTINGS	\$4,920.00
CORE & MAIN LP	TAPPING VALVES	\$23,603.64
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$454.70
DAKOTA BODIES LLC	SERVICE BODY - UNIT 1	\$31,675.00
DAKOTA DATA SHRED	SHREDDING SERVICE	\$94.51
DAKOTA DIRECTIONAL LLC	SERVICES - MULTIPLE ELECTRIC PROJECTS	\$266,264.84
DANR	ANNUAL ENVIRONMENTAL FEE	\$7,000.00
DAVENPORT, EVANS, HURWITZ & SMITH, L.L.P.	LEGAL FEES FOR DW-04 LOAN	\$24,877.61
DEPARTMENT OF HEALTH	WATER SAMPLES	\$679.00
DISCOUNT SEEDS, INC.	LUXURY LAWN SEED	\$1,125.00
DITCH WITCH OF SOUTH DAKOTA, INC	SUPPLIES	\$872.74

DLT SOLUTIONS, LLC	2025 SUBSCRIPTION	\$8,880.00
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$2,217.10
DTN, LLC	SUBSCRIPTION	\$579.92
DUININCK INC	GRAVEL, CRUSHED CONCRETE, ROCK	\$9,389.19
DUTTON-LAINSON COMPANY	WATER ERTS	\$102,069.00
EASTSIDE EQUIPMENT	SUPPLIES	\$133.67
ELITE DRAIN AND SEWER CLEANING	SERVICE	\$145.00
ENERGY LABORATORIES INC	WATER TESTING FEES	\$466.00
ETHANOL PRODUCTS LLC	BULK CO2	\$3,008.34
FEDERAL EXPRESS CORP	SERVICE	\$6.31
FIDELITY SECURITY LIFE INSURANCE CO. (EYEMED)	VISION INSURANCE	\$175.51
FOLEY AND FOLEY LAW OFFICE, PC	MAY LEGAL FEES	\$1,965.00
G & R CONTROLS INC.	REPLACE CO2 SENSORS	\$3,582.00
GANNETT MEDIA CORP	PUBLISHINGS	\$304.06
GLOBAL SAFETY NETWORK	SERVICE	\$127.44
GRAINGER	SUPPLIES	\$1,132.66
GROEBNER	SUPPLIES	\$362.97
GROSZ ESCAVATING	LEAD SERVICE LINE REPLACEMENT	\$11,294.56
HAWKINS, INC.	AZONE 15	\$29,821.58
IBEW LOCAL 426	UNION DUES	\$4,479.00
J H LARSON COMPANY	SUPPLIES	\$6,063.96
JOHNSON CONTROLS INC	SERVICE	\$265.71
JORGENSON & OLSON ASPHALT MAINTENANCE, LLC	ASPHALT SERVICES	\$4,102.27
JURGENS PRINTING INC	SUPPLIES	\$103.00
JUSTIN'S LAWN & TREE SERVICE	SERVICE	\$800.00
KOONS GAS MEASUREMENT	GAS METERS AS PER BID	\$99,445.69
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$436.80
LOCATORS & SUPPLIES INC	SUPPLIES	\$41.98
MACK, CHERYL	REIMBURSEMENT EXPENSE	\$464.00
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$473.89
MAC'S HARDWARE	SUPPLIES	\$130.20
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$80.00
MATHESON TRI-GAS INC	SUPPLIES	\$174.70
MCKEEVER INC	SUPPLIES	\$412.17
MENARDS INC	SUPPLIES	\$1,050.27
MET LIFE	LIFE INSURANCE	\$1,596.61
MIDCONTINENT COMMUNICATIONS	INTERNET, CABLE & PHONE SERVICE	\$1,896.01
MILBANK WINWATER WORKS	SUPPLIES	\$1,155.81
MISSOURI RIVER ENERGY SERVICES	TRAINING EXPENSE	\$5,100.00
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$452.67
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$2,494.42
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$6,243.92
NAPA CENTRAL	SUPPLIES	\$57.32
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$915.94
OFFICE PEEPS	OFFICE FURNITURE	\$4,194.98
PARA UX LLC	SERVICE	\$87.50
PAYMENTUS GROUP INC.	SERVICE	\$19.90
PETE LIEN & SONS	BULK LIME	\$43,271.53
PHEASANTLAND INDUSTRIES	SAFETY CLOTHING	\$2,250.14
POMP'S TIRE SERVICE, INC.	SERVICE	\$191.93
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,307.14
RELIABANK DAKOTA	FLEX DC	\$6,133.89
RESCO	ELBOW ARRESTORS, SUPPLIES	\$10,567.38
RODENBURG LAW FIRM	EMPLOYEE DEDUCTION	\$150.00
RON'S SAW SALES	SUPPLIES	\$464.80
RUNNING'S SUPPLY INC	SUPPLIES	\$264.57
SANFORD WATERTOWN OCCUPATIONAL MEDICINE	SERVICE	\$646.00
SD ONE CALL	LOCATES	\$639.45
SD PUBLIC ASSURANCE ALLIANCE	INSURANCE - 2025 FORD EXPEDITION	\$134.63
SENTRY, LLC	WTP - GATE	\$39,792.48
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$7,753.61
STAN HOUSTON EQUIP CO	RENTAL	\$795.00
STAR LAUNDRY	SERVICE	\$557.02
STUART C IRBY CO	SUPPLIES	\$1,767.03
SUTTEN, RODNEY N	REIMBURSEMENT EXPENSE	\$296.80
SUTTON LAWN & SNOW LLC	LAWN CARE	\$2,827.00
TERRY-DURIN CO.	SUPPLIES	\$113.97
TITAN MACHINERY- WTN	SUPPLIES	\$963.60
TOSHIBA FINANCIAL SERVICES	COPIER LEASE	\$627.75
TRAV'S OUTFITTER	SAFETY CLOTHING	\$2,449.77
TWOTREES TECHNOLOGIES	SOFTWARE MAINTENANCE	\$4,378.95
TYLER TECHNOLOGIES	NEW BILLING SOFTWARE	\$5,770.00
TYNDALE COMPANY INC	SAFETY CLOTHING	\$395.95
UPS	SERVICE	\$20.81
USA BLUEBOOK	SUPPLIES	\$834.01
WATERTOWN BOX CORP	SUPPLIES	\$57.50

WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN FORD CHRYSLER	SUPPLIES	\$33.00
WATERTOWN UNITED WAY	United Way	\$240.00
WATTS REGULATOR COMPANY	SUPPLIES	\$2,416.77
WESCO DISTRIBUTION INC	WIRE AS PER BID	\$69,737.84
WILTECH INC	SERVICE	\$2,031.50
ZEP SALES AND SERVICE	SUPPLIES	\$145.21
	TOTAL	\$1,009,552.58

Total July 2025 \$1,009,552.58; Transfer to City's General Fund \$124,117.00, City of Watertown for Eide Bailly \$10,290.00, Muni Utilities Electric Water Gas \$48,530.23; Missouri River Energy Services Power \$1,632,215.89; BP Canada Energy Marketing Natural Gas \$25,869.58; Dept. of Revenue Sales/Excise Tax \$172,264.64; CPEP #3 Natural Gas \$15,098.16, CPEP #4 Natural Gas \$19,782.26, CPEP #5 Natural Gas \$50,672.29, CPEP #3 Hedge \$6,942.60, CPEP #4 Hedge \$2,863.80, City Finance Office Garbage/Sewer \$853,526.42.

ITEM 8217

Pursuant to SDCL 1-25-2(3) 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 Luken declared Executive Session done and they reconvened to regular session.

Motion by Larkin with second by Carter 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 30th, day of June, 2025.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

Mike Luken
Board President
Municipal Utilities Department