

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

MONDAY, July 26th, 2021

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, July 26th, 2021 at 12:00 p.m. with President Lisa Carrico presiding.

Board members present: Lisa Carrico, Chris Carter, Mike Luken, Dan Brenden and Rich Thomas. Board Liaison, member of City Council, Glen Vilhauer and Staff members: Steve Lehner, Adam Karst, Bert Magstadt, Wayne Lovelis, Brian Benson, Mark Haider, Mark Meier, Gina Brown, Lisa Pahl and Attorney Vince Foley. Guest Mark Vaux, Watertown Development Company.

ITEM 7557

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

ITEM 7558

Motion by Brenden with second by Thomas to approve minutes of Regular Session meeting on June 28th, 2021. Motion carried.

ITEM 7559

Public Comment: None

ITEM 7560

Motion by Luken second by Carter to authorize General Manager to sign a Water Main Installation Agreement by Developer for the remainder of 2021. Motion carried.

ITEM 7561

Motion by Carter with second by Luken to approve General Manager to sign Consulting Agreement with Hometown Connections, Inc. for Cyber Security Assessment & Services. Motion carried. At July's Board Meeting the Board was told we were not chosen to be part of the Missouri River Energy Services Cyber Security Pilot Program. They had someone back out and asked if we were still interested in participating in the program. MRES will pay 80% percent of this consulting agreement.

ITEM 7562

Motion by Brenden with second by Thomas to approve deleting 15.13 in the Water Policy. This was an oversight from the last policy changes we did in April. Motion carried.

ITEM 7563

Magstadt wanted to have discussion with the Board on a CPEP #5 Prepay. The purpose of this is a tax exempted financing arm municipalities can use for acquiring, financing and managing secure and economically priced supplies of natural gas for sale to our customers. We have two prepays right now that save the Utilities about a quarter of a million dollars a year in discounts. We have about 30% of our gas supply on prepay. In discussion with staff we would go up to about 2/3rds of our base in prepays, because the discounts are there. These prepays are all governed by the IRS. The contracts are prewritten and have been tested. When the time comes for adding this prepay we would have a special Board Meeting to move it along because interest rates change daily.

ITEM 7564

Open:

- a) The American Public Power Association National Conference had Virtual Meetings July 13-14 and an actual in-person event June 21-23 in Orlando, FL. Lehner said the virtual meetings he attended were Planning for Electric Vehicles, Joint Action Agency Round Table, one on nuclear discussion and the last one he watched was a general session on resiliency touching on Covid and weather issues. Karst shared he also attend online viewing one on EVs and a couple smaller round tables on delivery delays and increased costs. He also viewed events on Cyber Security and Polar Vortex. Benson attended a leadership class along with Cyber Security in Orlando, Fl and found them very interesting.

ITEM 7565

Magstadt presented the Report on Operations and Projects: Electric, 2 new outages for the month of July for a total of 32 electrical unscheduled outages for 2021, Fiberoptic Contractor installed innerduct and fiber to new airport terminal & Wastewater Plant, Terminated and energized new primary to Tesla charging stations. Gas, installed about 730' of 4" plastic gas pipe at a couple different subdivisions, annual leak survey 20% complete, Water, completed 27 new taps, all holes are patched from last year's water main breaks, conducting interviews for Water Plant Foreman. Engineering Tech, Pelican Sub Flood Wall Berm is done.

ITEM 7566

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects in Progress: Galvanized fence quotes on 3 different projects, transferring 3 surplus pickups and boom truck to the city. Upcoming Projects: Well for sprinkler system needs to be pulled because we are getting low volume of water. Customer Service, Projects Completed this Month: 13,598 payments collected for a total of \$4,454,436 total of 55,570 services billed for a total of \$5,024,844. Human Resources/Risk Management: Completed 3 interviews for Water Plant Foreman position, continuing to review current policy and collaborating with other cities to prepare for policy modifications to address medical marijuana, facilitated the selection and ordering of new employee shirts. IT: Working on Cybersecurity updates with normal monthly IT maintenance and troubleshooting.

Statements of Revenue and Expenses and Capital Additions were presented to the Board for review. Year to date net income is \$608,867 under budget for the six months ending June 30th, 2021. Total Capital Additions are \$1,846,863 under budget for the six months ending June 30th, 2021.

ITEM 7567

Motion made by Carter with second by Luken to approve the following verified salary claims and bills. Motion carried unanimously upon roll call vote. Total Watertown Municipal Utilities Net Payroll for July 2021 Plus ACH Payroll Payments \$576,315.87.

Name	Payable Description	Payment Amount
AUGUST 2, 2021		
ABC EMBROIDERY	SERVICE	\$39.60
ABC LOCK & KEY	SERVICE	\$487.80
ACTIVE HEATING INC	ENERGY INCENTIVE REBATE	\$100.00
ADVANCED ENGINEERING AND ENVIRONMENTAL SERVICES, LLC	I&C SYSTEM SERVICES	\$506.25
AFLAC	CANCER PT	\$1,752.09
AGWRX COOPERATIVE - WATERTOWN MAIN	SERVICE	\$2,700.00
A-OX WELDING SUPPLY INC	SUPPLIES	\$728.20
AQUA-PURE INC	SODIUM TRIPOLYPHOSPHATE	\$3,300.00
ARGUS LEADER MEDIA	SUBSCRIPTION	\$497.04
AUSTIN LAW OFFICE	JUNE LEGAL FEES	\$60.00
AUTO BODY SPECIALTIES	SUPPLIES	\$374.96
AUTO VALUE WATERTOWN	SUPPLIES	\$1,117.78
AUTOMATIC BUILDING CONTROLS	SUPPLIES	\$173.46
BENDIX IMAGING INC	SUPPLIES	\$260.97
BENSON, BRIAN	REIMBURSEMENT EXPENSE	\$1,441.41
BORDER STATES ELECTRIC SUPPLY	SUPPLIES	\$14,602.28
BORNS GROUP	POSTAGE & MAILING	\$9,467.63

BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$127.78
CENTURY LINK	PHONE SERVICE	\$315.49
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$4,331.51
CHILD SUPPORT PAYMENT CENTER	EMPLOYEE DEDUCTION: CHILD SUPPORT	\$750.00
CLAUSEN & SONS CONSTRUCTION LLC	PELICAN SUBSTATION	\$53,054.00
CODINGTON COUNTY REGISTER OF DEEDS	EASEMENT	\$45.00
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$7,022.87
CONNECTING POINT	COMPUTERS	\$10,057.68
CONSULTING ENGINEERS GROUP INC	UPTOWN SUB SWITCHGEAR	\$1,520.00
CORE & MAIN LP	PIPE AS PER BID	\$77,134.99
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$146.08
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$72.12
DAKOTA DATA SHRED	SHREDDING SERVICE	\$69.62
DAKOTA RIGGERS & TOOL	SUPPLIES	\$614.57
DAKOTA UNDERGROUND CONSTRUCTION LLC	INSTALLATION OF UNDERGROUND	\$15,323.00
DANR	2021 ENVIRONMENTAL FEE	\$7,000.00
DEPARTMENT OF HEALTH	WATER SAMPLES	\$2,042.00
DIAMOND VOGEL PAINT CENTER	SUPPLIES	\$116.70
DITCH WITCH OF SOUTH DAKOTA, INC	SUPPLIES	\$97.08
DSG DAKOTA SUPPLY GROUP	TRANSFORMERS AS PER BID	\$64,693.13
DTN, LLC	SUBSCRIPTION	\$536.00
DUININCK INC	CRUSHED CONCRETE, GRAVEL & DIRT	\$7,530.81
ELECTRIC MOTORS & MOORE INC	SERVICE	\$480.00
ELEMENT MATERIALS TECHNOLOGY	WELDER QUALIFICATION	\$225.00
ENERGY LABORATORIES INC	WATER TESTING	\$384.00
ENGELSTAD ELECTRIC COMPANY	INSTALLATION OF UNDERGROUND	\$132,732.02
ETHANOL PRODUCTS LLC	BULK CO2	\$3,040.02
EVOLUTION POWERSPORTS	SERVICE	\$316.10
FARNAMS GENUINE PARTS	SUPPLIES	\$157.57
FARWEST LINE SPECIALTIES, LLC	SUPPLIES	\$63.48
FASTENAL COMPANY	SUPPLIES	\$558.04
FEDERAL EXPRESS CORP	SERVICE	\$4.94
FIDELITY SECURITY LIFE INSURANCE CO. (EYEMED)	VISION INSURANCE	\$345.16
FOLEY AND FOLEY LAW OFFICE, PC	JUNE LEGAL FEES	\$380.00
GELDNER UNDERGROUND	FIBER PROJECTS	\$106,250.00
GROEBNER	SUPPLIES	\$674.39
H & W CONTRACTING LLC	VALLEY VIEW 2ND ADDITION	\$47,498.35
HARTWIG HEATING	AIR CONDITIONER	\$5,900.00
HAWKINS, INC.	HYDROFLUOSILICIC ACID	\$3,233.08
IBEW LOCAL 426	UNION DUES	\$2,809.00
INDELCO PLASTICS CORPORATION	SUPPLIES	\$172.91
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$137.60
J H LARSON COMPANY	SUPPLIES	\$3,617.66
JOHNSON FEED, INC	BULK SOLAR CRYSTALS	\$5,033.04
JOSEPH MEDANICH	ASPHALT REPAIR	\$8,326.55
JURGENS PRINTING INC	SUPPLIES	\$392.50
KARST, ADAM	REIMBURSEMENT EXPENSE	\$519.00
KEISER, BRIAN	REIMBURSEMENT EXPENSE	\$363.14
KOONS GAS MEASUREMENT	GAS METERS	\$8,634.73

KRUITER, KEVIN	REIMBURSEMENT EXPENSE	\$276.15
LATC FOUNDATION	2021 SCHOLARSHIP FUND	\$10,000.00
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$272.24
LOVELIS, WAYNE	REIMBURSEMENT EXPENSE	\$95.20
LUNDE, JOHN	REIMBURSEMENT EXPENSE	\$38.08
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$1,383.78
MAC'S HARDWARE	SUPPLIES	\$598.72
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$540.93
MARCO	COPIER LEASE	\$413.93
MATHESON TRI-GAS INC	SUPPLIES	\$754.17
MCKEEVER INC	SUPPLIES	\$192.12
MENARDS INC	SUPPLIES	\$1,276.10
MESEBERG, DAVID	REIMBURSEMENT EXPENSE	\$105.29
MET LIFE	LIFE INSURANCE	\$1,243.05
MIDCONTINENT COMMUNICATIONS	INTERNET & CABLE SERVICE	\$224.54
MILBANK WINWATER WORKS	SUPPLIES	\$3,512.25
MINNESOTA MUNICIPAL UTILITIES ASSN	SAFETY PROGRAM	\$7,425.00
MUELLER CO	SUPPLIES	\$958.54
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$248.19
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$19,841.17
NORTHERN CON-AGG LLP	SUPPLY	\$220.36
NORTHERN TRUCK EQUIP CORP	SUPPLIES	\$1,197.90
NORTHWEST PIPE FITTINGS INC	VALVE BOXES	\$16,038.15
NOVASPECT, INC.	SUPPLIES	\$1,048.72
OFFICE OF ENERGY ASSISTANCE	REFUND OF CREDIT ON ACCOUNT	\$80.43
OFFICE PEEPS	SUPPLIES	\$1,632.67
OLSON, CINDY	REIMBURSEMENT EXPENSE	\$1,381.07
PETE LIEN & SONS	BULK LIME	\$42,074.51
POMP'S TIRE SERVICE, INC.	SERVICE	\$26.50
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$195.68
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$986.41
PRO LINE INC	SUPPLIES	\$270.21
RELIABANK DAKOTA	FLEX MED	\$7,383.82
RESCO	TRANSFORMERS AS PER BID	\$11,552.45
RIPLEY, BRETT	REIMBURSEMENT EXPENSE	\$1,020.72
RODENBURG LAW FIRM	EMPLOYEE DEDUCTION	\$150.00
RON'S SAW SALES	SUPPLIES	\$357.09
ROTH, KEENAN M	REIMBURSEMENT EXPENSE	\$563.90
RUNNING'S SUPPLY INC	SUPPLIES	\$281.73
SANFORD WATERTOWN OCCUPATIONAL MEDICINE	SCREENS	\$84.00
SD ONE CALL	LOCATES	\$636.30
SD PUBLIC ASSURANCE ALLIANCE	INSURANCE	\$984.80
SD PUBLIC UTILITIES COMMISSION	PIPELINE SAFETY ASSESSMENT	\$7,193.30
SDSU FOUNDATION ACCT #70507	DONATION	\$400.00
SDWWA	TRAINING EXPENSE	\$260.00
SERVICEMASTER OF WATERTOWN	JANITORIAL SERVICE	\$4,120.00
SHIRTS IN THE WORKS	SUPPLIES	\$1,748.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$9,682.11
SIOUX VALLEY GREENHOUSES	SERVICE	\$550.00

SOUTH DAKOTA SHRM	2021 SHRM CONFERENCE	\$249.00
STADHEIM LAWN CARE	MAY JUNE JULY LAWN CARE	\$5,860.00
STAN HOUSTON EQUIP CO	RENTAL	\$820.90
STAR LAUNDRY INC	SERVICE	\$378.04
STARR, TANNER E	REIMBURSEMENT EXPENSE	\$35.00
STUART C IRBY CO	SUPPLIES	\$5,122.18
TIMMONS CONSTRUCTION, INC.	WATER MAIN REPLACEMENT	\$70,604.67
TITAN MACHINERY- WTN	SERVICE	\$1,649.82
TITAN MACHINERY-SF	SUPPLIES	\$38.84
TRAV'S OUTFITTER	SAFETY CLOTHING	\$551.00
TYNDALE COMPANY INC	SAFETY CLOTHING	\$454.95
UPS	SERVICE	\$58.73
US PLASTIC CORP	SUPPLIES	\$153.68
USA BLUEBOOK	SUPPLIES	\$1,043.75
VERMEER HIGH PLAINS	SUPPLIES	\$321.23
VESSCO INC	PUMPHEAD	\$3,681.46
WATERTOWN AREA CHAMBER OF COMMERCE	DONATION	\$1,000.00
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN PUBLIC OPINION	PUBLISHINGS & ADVERTISEMENTS	\$1,074.00
WATERTOWN UNITED WAY	United Way	\$370.00
WESCO DISTRIBUTION INC	LED LIGHTS	\$12,040.08
WILSON BOHANNAN COMPANY	SUPPLIES	\$1,495.25
WW TIRE SERVICE INC	SUPPLIES	\$1,953.60
	TOTAL	\$901,624.64

Total June 2021 901,624.64; Transfer to City's General Fund 131,095.33, Muni Utilities Electric Water Gas 68,569.70; Missouri River Energy Services Power 2,377,016.97; BP Canada Energy Marketing Natural Gas 37,875.60; Dept. of Revenue Sales/Excise Tax 207,385.29; CPEP #3 Natural Gas 8,456.25, CPEP #4 Natural Gas 16,401.00, Sequent Energy Management Natural Gas 26,715.00, Northern Border Pipeline Capacity Charges 87,160.80, City Finance Office Garbage/Sewer \$523,317.25.

ITEM 7568

Motion by Luken with second by Thomas 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 26th, day of July, 2021.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

Lisa Carrico
Board President
Municipal Utilities Department