

**MINUTES OF MUNICIPAL UTILITIES BOARD MEETING**

**Monday, July 28<sup>th</sup>, 2025**

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, July 28<sup>th</sup>, 2025, at 12:00 p.m. with Board Vice President Dan Brenden presiding.

Board members present: Dan Brenden, Rich Thomas, Charlie Larkin, and Chris Carter. Board President Mike Luken, absent. Staff members present: Steve Lehner, Adam Karst, Bert Magstadt, Aaron Erickson, Brian Benson, Mark Meier, Dan LeVasseur, Rod Suttan, Zeke Hilmoe, Cheryl Mack, Gina Brown, Lisa Pahl, and Attorney Vince Foley. Guests: Steve Jurrens, KXLG Radio, Roger Whittle, Watertown Current, Mayor Reid Holien, Alan Stager, City Manager, and Lisa Carrico, City Attorney.

**ITEM 8218**

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

**ITEM 8219**

Motion by Carter with second by Thomas to approve minutes of Regular Board Meeting from June 30<sup>th</sup>, 2025. Motion carried.

**ITEM 8220**

Public Comment - Lehner introduced new City Manager, Alan Stager.

**ITEM 8221**

Motion by Larkin with second by Carter to authorize the General Manager to sign Amendment #1 to task order No. 4 with DGR Engineering for 115 kV Transmission line rebuild for a total price of \$212,900. Motion carried.

**ITEM 8222**

Motion by Carter with a second by Thomas to authorize the General Manager to sign an Addendum to the Water Tank Maintenance Contract with Utility Service Co., Inc. This will add \$512.00 per contract year per tank and \$140,465.00 over a three-year period starting in 2026 for lead containment and exterior blast. Motion carried.

**ITEM 8223**

Watertown Municipal Utilities Attorney Vince Foley gave a review of the South Dakota Open Meeting Laws per SDCL 1-25-13. The new law mandates that the Open Meeting Laws are reviewed annually.

**ITEM 8224**

Open: a) Magstadt explained the bill stuffer Hydrant Flushing Letter b) Magstadt, Erickson, and Larkin updated the Board on the APGA meeting they attended earlier this month in Coeur d'Alene, Idaho. Things highlighted were the AI session, changes that will take place with the "Big Beautiful Bill", and coal fired generation. c) Lehner gave an invitation to the Board to attend the MRES Leadership Academy, Sept. 17-18, Sioux Falls, SD.

**ITEM 8225**

Magstadt presented the Report on Operations and Projects. Electric Department, Projects Completed this Month: 7 outages for the month and 43 total unscheduled outages for 2025, updated the Board on last night's storm, energized new three-phase transformer at Glacial Lakes Energy, wrecked out single-phase overhead lines on 5<sup>th</sup> St. NE between 5<sup>th</sup> & 7<sup>th</sup> Ave. Gas Department, Projects Completed this Month: Replaced 16M meter and the strainer cage at Crenlo, The strainer was partially plugged, abandoned 500' of 2" steel main on 1<sup>st</sup> Ave SE and Maple to eliminate leak. Water Department, Projects Completed this Month: Abandoned hydrant on S Maple, replaced two lead service lines, working on cathodic protection on the Rauville Wells. Engineering Tech, Projects Completed this Month: 303 one-call locates for July 1<sup>st</sup> to July 16<sup>th</sup>, 2025, 511 one-call locates for June 2025, 10-year average is 1,790 for a 10% increase and staking and locating projects.

**ITEM 8226**

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects in Progress: Eide Bailly 2024 audit, reviewing keycard access door security system options, scope of work, and cost, Purple Wave online auction is currently live and closes on August 19<sup>th</sup>. Customer Service: Working on data cleanup in NorthStar and continuing Tyler training, working on our current future state analysis for the ERP Pro 10 utility billing, 15,534 Payments collected for a total of \$5,264,818 and 58,100 services billed for a total of \$5,299,251. Human Resources/Risk Management: Attended MRES-Tyler Round Table event in Sioux Falls, Reviewing the impact of the "Big Beautiful Bill Act" - no tax on overtime for years 2025 through 2028, FSA dependent care contribution limit increase from \$5,000 to \$7,500, reduction in Affordable Care Act Tax

credits, increase on 1099 reporting threshold from \$600 to \$2,000.  
Information Systems: Working on 2025 server upgrade, 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 \$301,955 below budget for the six months ending June 30<sup>th</sup>, 2025. Total Capital Additions are \$1,435,227 under budget for six months ending June 30<sup>th</sup>, 2025.

### **ITEM 8227**

Motion made by Carter with second by Larkin to approve the following verified salary claims and bills. Motion carried unanimously upon roll call vote. Total Watertown Municipal Utilities Net Payroll for August 2025 Plus ACH Payroll Payments \$704,294.37. Change: A. Erickson, \$10,138/mo. Effective 7/1/2025, R. Suttan, \$8,263/mo. Effective 7/1/2025, C. Mack \$9,042/mo. Effective 7/1/2025, K. Rumpza \$29.93/hr. effective 7/6/2025, N. Frost \$44.80/hr. effective 6/25/2025.

Name	Payable Description	Payment Amount
AUGUST 1, 2025		
ABC EMBROIDERY	SERVICE	\$19.80
ACTIVE HEATING INC	SERVICE - REPAIR GLYCOL LEAK	\$3,955.17
ADVANCED ENGINEER. AND ENVIRON. SERVICES, LLC	WTP MASTER PLAN	\$17,100.50
AFLAC	ACCIDENT	\$1,702.31
AQUA-PURE INC	SODIUM TRIPOLYPHOSPHATE	\$5,000.00
AUTO VALUE WATERTOWN	SUPPLIES	\$373.59
BORDER STATES ELECTRIC SUPPLY	ELECTRIC METERS	\$16,566.49
BORNS GROUP	POSTAGE & MAILING	\$11,253.66
BURCHATZ CONSTRUCTION COMPANY INC	CONCRETE PATCHES	\$9,736.55
BUTLER MACHINERY CO	ANNUAL CONTRACT	\$9,365.76
CHARLES LARKIN	REIMBURSEMENT EXPENSE	\$1,073.91
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$6,341.72
CITY OF WATERTOWN	DONATION	\$2,000.00
CODINGTON COUNTY REGISTER OF DEEDS	SUPPLIES	\$21.00
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$6,145.04
COMMERCIAL CLEANING SERVICES INC.	JUNE/JULY JANITORIAL SERVICE	\$7,950.00
CORE & MAIN LP	VALVES, ELBOWS, SUPPLIES	\$34,866.18
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$36.56
DAKOTA DATA SHRED	SHREDDING SERVICE	\$94.51
DAKOTA DIRECTIONAL LLC	SERVICE - ELECTRIC PROJECTS	\$274,756.45
DEPARTMENT OF HEALTH	WATER SAMPLES	\$452.00
DIESEL MACHINERY INC	SUPPLIES	\$910.92
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$472.17
DTN, LLC	SUBSCRIPTION	\$579.92
DUININCK INC	GRAVEL & ROCK	\$6,903.56
EIDE BAILLY LLP	2024 F/S AUDIT PROGRESS BILLING	\$11,933.25
ELEMENT MATERIALS TECHNOLOGY	SERVICE	\$765.00
ENERGY LABORATORIES INC	WATER TESTING	\$1,496.00

ETHANOL PRODUCTS LLC	BULK CO2	\$1,535.34
FASTENAL COMPANY	SUPPLIES	\$618.00
FEDERAL EXPRESS CORP	SUPPLIES	\$138.71
FIDELITY SECURITY LIFE INSURANCE CO. (EYEMED)	VISION INSURANCE	\$212.03
FOLEY AND FOLEY LAW OFFICE, PC	JUNE LEGAL FEES	\$945.00
GANNETT MEDIA CORP	PUBLISHINGS	\$230.48
GRAINGER	SUPPLIES	\$83.31
GROEBNER	SERVICE	\$667.58
GROSZ ESCAVATING	LEAD SERVICE LINE REPLACEMENT	\$11,090.48
HALME, INC.	REPLACEMENT OF CAST IRON MAINS	\$255,243.22
HAWKINS, INC.	AZONE 15	\$22,075.43
IBEW LOCAL 426	UNION DUES	\$4,522.00
INDUSTRIAL SALES COMPANY, INC	SUPPLIES	\$548.00
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$196.60
J H LARSON COMPANY	SUPPLIES	\$2,453.69
JORGENSEN & OLSON ASPHALT MAINTENANCE, LLC	ASPHALT SERVICE	\$10,989.38
KARST, ADAM	REIMBURSEMENT EXPENSE	\$147.66
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$325.20
LOCATORS & SUPPLIES INC	SUPPLIES	\$55.04
LOVELIS, WAYNE	REIMBURSEMENT EXPENSE	\$408.20
MAC'S HARDWARE	SUPPLIES	\$399.55
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$680.40
MATHESON TRI-GAS INC	SUPPLIES	\$169.45
MCKEEVER INC	SUPPLIES	\$297.17
MENARDS INC	SUPPLIES	\$871.94
MET LIFE	LIFE INSURANCE	\$1,596.61
MIDCONTINENT COMMUNICATIONS	INTERNET, CABLE & PHONE SERVICE	\$1,891.68
MINNESOTA MUNICIPAL UTILITIES ASSN	SAFETY PROGRAM	\$9,514.00
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$392.76
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$2,690.65
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$15,992.29
NAPA CENTRAL	SUPPLIES	\$727.14
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$527.82
NOVA FIRE PROTECTION INC	INSPECTION	\$390.00
NOVASPECT, INC.	DISC HOLDER, FILTER CARTRIDGES	\$5,101.91
OFFICE PEEPS	OFFICE SUPPLIES	\$2,204.06
O'REILLY AUTOMOTIVE INC	SUPPLIES	\$52.87
PARA UX LLC	SERVICE	\$175.00
PAYMENTUS GROUP INC.	SERVICE	\$109.45
PETE LIEN & SONS	BULK LIME	\$32,958.13
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,662.82
PRO LINE INC	SUPPLIES	\$248.50
PYE-BARKER FIRE & SAFETY LLC	FIRE EXT. INSPECTION	\$3,424.50
RELIABANK DAKOTA	FLEX DC	\$6,133.89
RIDDLE'S GLASS	SERVICE	\$428.64
RODENBURG LAW FIRM	EMPLOYEE DEDUCTION	\$150.00
RON'S SAW SALES	SUPPLIES	\$308.99
RUNNING'S SUPPLY INC	SUPPLIES	\$660.93
SANFORD WATERTOWN OCCUPATIONAL MEDICINE	SERVICE	\$231.00
SD ONE CALL	LOCATES	\$559.65
SD PUBLIC ASSURANCE ALLIANCE	INSURANCE - (2) 2025 FORD F550(S)	\$894.65
SDSU FOUNDATION ACCT #70507	CENTER FOR POWER SYSTEMS STUDY	\$550.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$7,439.02
SIR LINES-A-LOT, LLC	SERVICE	\$2,668.00
STAN HOUSTON EQUIP CO	SUPPLIES	\$3,179.60

STAR LAUNDRY	SERVICE	\$575.66
STUART C IRBY CO	PME SWITCHGEAR AS PER BID	\$81,622.75
SUTTON LAWN & SNOW LLC	LAWN CARE	\$3,624.00
TEREX USA, LLC	SERVICE - UNIT 45	\$1,204.38
THEIN WELL	WELL #39 REPLACEMENT	\$629,415.00
TITAN MACHINERY- WTN	SUPPLIES	\$493.70
TITAN MACHINERY-SF	SUPPLIES	\$1,489.41
TOSHIBA FINANCIAL SERVICES	COPIER LEASE	\$320.00
TRAV'S OUTFITTER	SAFETY CLOTHING	\$639.94
TWOTREES TECHNOLOGIES	COMPUTER, SUPPLIES	\$7,000.95
ULINE INC	SUPPLIES	\$996.99
USA BLUEBOOK	SUPPLIES	\$653.10
VEGA AMERICAS INC.	SUPPLIES	\$1,399.38
VESSCO INC	WTP - PUMPHEADS	\$3,345.12
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN LAWN & GARDEN	SUPPLIES	\$127.00
WATERTOWN UNITED WAY	United Way	\$240.00
WATERTOWN WHOLESALE INC	SUPPLIES	\$1,702.05
WESCO DISTRIBUTION INC	SUPPLIES	\$3,090.49
WW TIRE SERVICE INC	SERVICE	\$214.95
	<b>TOTAL</b>	<b>\$1,596,485.31</b>

Total July 2025 \$1,596,485.31; US Bank Nat'l Assoc. \$10,250.59, US Bank Nat'l Assoc. \$4,087.05, Transfer to City's General Fund \$124,117.00, Muni Utilities Electric Water Gas \$51,594.32; Missouri River Energy Services Power \$2,283,827.33; BP Canada Energy Marketing Natural Gas \$23,277.33; Dept. of Revenue Sales/Excise Tax \$198,847.21; CPEP #3 Natural Gas \$9,406.88, CPEP #4 Natural Gas \$13,472.63, CPEP #5 Natural Gas \$30,624.00, CPEP #3 Hedge \$6,679.26, CPEP #4 Hedge \$2,134.35, City Finance Office Garbage/Sewer \$854,414.31.

### **ITEM 8228**

The Board set the date of Tuesday, August 26, 2025, at noon for the August Board Meeting.

Pursuant to SDCL 1-25-2(6d) for Cybersecurity Report. With no action coming out of Executive Session. Carter moved with second by Larkin to move to Executive Session. Motion carried.

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

Motion by Carter 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 28<sup>th</sup>, day of July, 2025.

ATTEST: \_\_\_\_\_

Lisa Pahl  
Board Secretary  
Municipal Utilities Board

Dan Brenden  
Board Vice President  
Municipal Utilities Department