

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING
Monday, August 26th, 2024

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, August 26th, 2024, at 12:00 p.m. with President Mike Luken presiding.

Board Members present: Mike Luken, Rich Thomas via zoom, Charlie Larkin and Chris Carter. Board Member Dan Brenden absent. Board Liaison, member of City Council, Mike Danforth absent. Staff members present: Steve Lehner, Adam Karst, Bert Magstadt, Wayne Lovelis, Brian Benson, John Lunde, Aaron Erickson, Mark Meier, Rod Suttan, Dan LeVasseur, Gina Brown, Lisa Pahl, Attorney Vince Foley and Guest via zoom Sal Roseland from South Dakota Second Century Habitat Fund.

ITEM 8063

Motion by Carter with second by Larkin to approve the agenda with one change by moving Item 6, Big Sioux CREP update, after Public Comment. Motion carried.

ITEM 8064

Motion by Larkin with second by Carter to approve minutes of Regular Board Meeting on August 26th, 2024. Motion carried.

ITEM 8065

Public Comment - Bert Magstadt, Director of Operations introduced Aaron Erickson the Watertown Municipal Utilities new Gas Superintendent. Adam Karst, Director of Administration and Finance introduced the Watertown Municipal Utilities new Purchasing, Facilities and Accounting Supervisor Rod Suttan.

ITEM 8066

Sal Roseland from South Dakota Second Century Habitat Fund gave a presentation updating the Board on the Big Sioux River CREP. He spoke on the success of the James River Project and likened it to the project on the Big Sioux River. Watertown Municipal Utilities (WMU) has committed \$250,000 in equal annual payments of \$50,000 over five years for the parts of CREP that impact our sources of water supply. Roseland said the roll out starts slow and should start picking up in years 3, 4, and 5. Roseland suggests that we not issue a check until things start taking off in our area and issue a check as needed.

ITEM 8067

Motion by Larkin with second by Thomas to approve Resolution of Support for the Dakotastem Regional Water System. This would give the possibility to bring Missouri River water to this area in the future. Motion carried.

ITEM 8068

This being the time and place set for consideration of bids, the following was presented. Bids for Commercial Street Light Posts, Residential Street Light Posts, Commercial LED Fixtures and Residential LED Fixtures for the Electric

Department. Road Repair and Spillway, 165th St. and Redrill of Well #39 for the Water Department. These bids were opened on August 22, 2024, at 1:30 PM by the Watertown Municipal Utilities Staff as authorized by the Board.

Commercial Street Light Posts: Five bids were received and upon review and recommendation by Magstadt, motion by Thomas with second by Carter to accept low valid bid with Border States Electric, Sioux Falls, SD, for the amount of \$52,250.00. Motion carried.

Residential Street Light Posts: Six bids were received and upon review and recommendation by Magstadt, motion by Larkin with second by Carter to accept low valid bid with Irby Utilities for the amount of \$10,612.50. Motion carried.

Commercial LED Lights: Five bids were received and upon review and recommendation by Magstadt, motion by Carter with second by Larkin to accept low valid bid with WESCO, Sioux City, IA for the amount of \$19,250.00. Motion carried.

Residential LED Lights: Six bids were received and upon review and recommendation by Magstadt, motion by Thomas with second by Carter to accept low valid bid with WESCO, Sioux City, IA for the amount of \$11,000.00. Motion carried.

Road Repair & Spillway, 165th St.: Three bids were received and upon review and recommendation by Magstadt, motion by Larkin with second by Thomas to accept low valid bid with Basin Contracting and Drain Tile LLC, Hayti, SD, for the amount of \$107,880.00. Motion carried.

Redrill of Well #39: One bid was received and upon review and recommendation by Magstadt, motion by Thomas with second by Carter to accept low valid bid with Thein, Spicer MN, for \$695,835.00 which includes Alternate #1. Motion carried.

ITEM 8069

Open: a)Lehner presented one bill stuffer-Sump Pump Variance. b)Karst updated the Board on the Minnesota Municipal Utilities Association (MMUA) conference he attended in Fargo, ND. Some of the sessions were on Cybersecurity, protecting your Utility from buyout/sellout, Tigerpath, Managing Utility Crisis, and Best Practices. There was talk after Karst's update on looking into the wording of our City Charter regarding buyout/sellout of the utility. There will be further discussion on this at a later date.

ITEM 8070

Magstadt presented the Report on Operations and Projects. Electric Department, 11 outages for the month for a total of 55. Terminating 750 MCM for new feeder out of Uptown Substation, installing inner duct and 750 MCM cable from 14th Ave NW to the Uptown Sub. Gas Department, Projects in Progress: Installed 4" tap and valve for Challenger Way main off 10" main, lowered 300' of 3" steel main for Ag. Airport Taxiway attended APGA Annual Board Meeting received GOLD SOAR award. Water Department, Projects in Progress: 1 water main break for a total of 9 through 2024, Generator showed up for the 3rd Ave and Mellette. Engineering Tech

Department, Projects completed this month: 511 One-call locates July 2024, Locate and stake natural gas main, 20th Ave S. East side challenger way - Dakota Drive.

ITEM 8071

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects in Progress: (2) new boilers are installed and waiting for start-up date, Midco has ordered equipment for the new phone system, Working on budget items for 2025. Customer Service: 15,493 Payments Collected Totaling \$5,418,416 and 57,455 Services Billed for a Total Billing of \$5,150,752. Human Resources/Risk Management: Completed South Dakota Public Assurance Alliance annual property and liability insurance renewal for 2024-2025. WMU portion increased by \$3,140.89 up 1% from last year for a total of \$301,980.32. Promotion of Rod Suttan effective 8/19/2024, Promotion of Michael Rost effective 8/21/2024, Posted Warehouseman Apprentice position, both internally and externally and will begin interviews for the position first week of September (received over 25 applications so far, Promotion of Aaron Erickson effective 9/1/2024, Posted Gas Distribution Foreman position internally and will begin interviews later this week, Posted HR/Risk Coordinator position, both internally and externally and will begin interviews later this week. Information Systems: 2025 budget planning, preparing new phone system, attended MMUA's Cybersecurity tabletop exercise, attending APPA's Cybersecurity conference next month, normal monthly IT maintenance and troubleshooting along with Website Stats and top 10 webpages visited. Karst has been approved by the City Council to vie for a position on the SD Public Assurance Alliance Board of Directors. Larkin wanted to make note that the Utilities Board approves of this decision.

Statements of Revenue and Expenses and Capital Additions were presented to the Board for review. Year to date net income is \$1,336,904 above budget for the seven months ending July 31st, 2024. Total Capital Additions are \$3,064,868 under budget for the seven months ending July 31st, 2024.

ITEM 8072

Motion made by Larkin 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 August 2024 Plus ACH Payroll Payments \$705,580.24. Change: Rod Suttan, \$7,667/mo., effective 8/19/2024, Alex Thorson, \$31.51/hr., effective 8/12/2024.

Name	Payable Description	Payment Amount
SEPTEMBER 3, 2024		
ABC EMBROIDERY	SERVICE	\$29.70
ACTIVE HEATING INC	ENERGY INCENTIVE REBATE	\$500.00
ACTIVE HEATING INC	SERVICE	\$316.84
ACTIVE HEATING INC	SERVICE	\$561.23
ADVANCED ENGINEERING AND ENVIRON. SERVICES, LLC	STUDY & REPORT: UNIDIRECTIONAL FLUSHING PROGRAM	\$25,560.50
AFLAC	ACCIDENT	\$1,574.10
APPLICANT PRO	SERVICE	\$236.00
APPLIED INDUSTRIAL TECH INC	SUPPLIES	\$227.76
AQUA-PURE INC	SODIUM TRIPOLYPHOSPHATE	\$7,525.00
AUSTIN, STRAIT, BENSON, THOLE AND KOEHN, LLP	JULY LEGAL FEES	\$140.00
AUTO VALUE WATERTOWN	SUPPLIES	\$133.20
BENDIX IMAGING INC	SUPPLIES	\$209.97
BORDER STATES ELECTRIC SUPPLY	METER READING EQUIPMENT	\$25,621.25
BORNS GROUP	POSTAGE & MAILING	\$11,078.25
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$161.56
BUTLER MACHINERY CO	ANNUAL INSPECTION	\$8,920.00

CASHWAY LUMBER INC	SUPPLIES	\$323.20
CENTURY LINK	PHONE SERVICE	\$294.58
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$4,423.90
CHILD SUPPORT PAYMENT CENTER	EMPLOYEE DEDUCTION: CHILD SUPPORT	\$750.00
CODINGTON COUNTY REGISTER OF DEEDS	SUPPLIES	\$37.00
CODINGTON-CLARK ELECTRIC COOP. INC	WELLFIELD ELECTRIC SERVICE	\$6,480.48
CONNECTING POINT	SUPPLIES	\$2,489.10
CORE & MAIN LP	TAPPING VALVES	\$8,197.19
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$254.72
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$3,311.88
DAKOTA DATA SHRED	SHREDDING SERVICE	\$82.91
DAKOTA DIRECTIONAL LLC	SERVICE - MULTIPLE ELECTRIC PROJECTS	\$321,537.39
DAKOTA MAINSTEM	DUES	\$2,847.40
DAKOTA RIGGERS & TOOL	SUPPLIES	\$31.50
DAKOTA TUBE INC	ENERGY INCENTIVE REBATE	\$548.44
DEPARTMENT OF HEALTH	WATER SAMPLES	\$1,679.00
DITCH WITCH OF SOUTH DAKOTA, INC	SUPPLIES - UNIT 302	\$3,168.00
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$5,786.07
DUININCK INC	SERVICE - WATERMAIN EXTENSION	\$285,409.82
DUTTON-LAINSON COMPANY	GAS METERS	\$7,558.85
ELEMENT MATERIALS TECHNOLOGY	SERVICE	\$630.00
ENERGY ECONOMICS INC	SERVICE	\$668.18
ENERGY LABORATORIES INC	WATER TESTING	\$1,482.00
ENGELSTAD ELECTRIC COMPANY	SERVICE - 324 4TH AVE NW	\$4,070.43
ETHANOL PRODUCTS LLC	BULK CO2	\$3,337.14
FARWEST LINE SPECIALTIES, LLC	SUPPLIES	\$540.72
FASTENAL COMPANY	SUPPLIES	\$885.85
FEDERAL EXPRESS CORP	SERVICE	\$42.14
FIDELITY SECURITY LIFE INS. CO. (EYEMED)	VISION INSURANCE	\$169.30
FOLEY AND FOLEY LAW OFFICE, PC	JULY LEGAL FEES	\$682.50
GANNETT MEDIA CORP	PUBLISHING & ADVERTISEMENTS	\$1,080.18
GRAF SIGN PRO OF WATERTOWN LLC	SUPPLIES	\$1,406.25
GROEBNER	METER LOOPS	\$1,871.73
HACH COMPANY	SUPPLIES	\$1,786.30
HAWKINS, INC.	HYDROFLUOSILICIC ACID, AZONE 15	\$36,642.06
HEATH CONSULTANTS' INC	SERVICE	\$589.75
IBEW LOCAL 426	UNION DUES	\$4,310.78
INDUSTRIAL SALES COMPANY, INC	RISERS	\$1,739.96
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$950.50
J & B SCREENPRINTING	ENERGY INCENTIVE REBATE	\$1,302.00
J H LARSON COMPANY	SUPPLIES	\$4,064.82
JORGENSON & OLSON ASPHALT MAINT., LLC	ASPHALT SERVICE	\$6,120.70
JUSTICE FIRE & SAFETY	SERVICE	\$891.00
JUSTIN'S LAWN & TREE SERVICE	STUMP SERVICE	\$1,000.00
KEROTEST MANUFACTURING CORP	SUPPLIES	\$1,021.57
KXLG RADIO	ADVERTISING	\$595.00
LEAGUE OF NEBRASKA MUNICIPALITIES	SERVICE	\$94.25
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$140.70
LUNDE, JOHN	REIMBURSEMENT EXPENSE	\$1,773.00
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$153.36
MAC'S HARDWARE	SUPPLIES	\$395.31
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$1,998.45
MATHESON TRI-GAS INC	SUPPLIES	\$252.69
MCKEEVER INC	SUPPLIES	\$175.00
MENARDS INC	SUPPLIES	\$895.76
MET LIFE	LIFE INSURANCE	\$1,678.08
MIDCONTINENT COMMUNICATIONS	INTERNET & CABLE SERVICE	\$203.39
MILBANK WINWATER WORKS	METER COUPLINGS, SUPPLIES	\$4,680.60
MISSOURI RIVER ENERGY SERVICES	ENERGY INCENTIVE REBATE	\$100.00
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$417.39
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$4,492.41
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$12,777.34
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$473.50
OFFICE PEEPS	SUPPLIES	\$458.35
P/3 ELECTRIC	ENERGY INCENTIVE REBATE	\$50.00
PALMER WAHL INSTRUMENTS INC.	SUPPLIES	\$1,800.90
PAYMENTUS GROUP INC.	SERVICE	\$39.80
PETE LIEN & SONS	BULK LIME	\$45,484.09
POMP'S TIRE SERVICE, INC.	SERVICE	\$61.97
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,398.54
PRINT 'EM NOW INC	SUPPLIES	\$251.00
PRO LINE INC	SUPPLIES	\$142.38
RC FIRST AID	SUPPLIES	\$123.50
REDLINGER BROS PLUMBING & HEATING	SUPPLIES	\$73.61
RELIABANK DAKOTA	FLEX MED	\$6,563.97
RESCO	ELBOW ARRESTORS	\$9,625.19
RODENBURG LAW FIRM	EMPLOYEE DEDUCTION	\$150.00
RON'S SAW SALES	SERVICE	\$87.69

RUNNING'S SUPPLY INC	SUPPLIES	\$184.30
RUPE BUILDING COMPANY LLC	REFUND OF CREDIT ON ACCOUNT	\$4,513.14
SCHOOL BOARD OF ED	ENERGY INCENTIVE REBATE	\$1,043.55
SCHUCHARD'S TRAILER SALES, INC.	SERVICE	\$204.53
SD ONE CALL	LOCATES	\$550.20
SD PUBLIC ASSURANCE ALLIANCE	GEN LIAB/PROPERTY INSURANCE	\$302,326.99
SENSIT TECHNOLOGIES LLC	SERVICE	\$272.00
SERVICEMASTER OF WATERTOWN	JANITORIAL SERVICE	\$4,120.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$9,722.70
SIOUX VALLEY GREENHOUSES	SERVICE	\$645.00
SPEE-DEE DELIVERY SERVICE INC	SERVICE	\$86.96
STAR LAUNDRY	SERVICE	\$566.74
STUART C IRBY CO	PME PER BID	\$159,135.66
SUTTON LAWN & SNOW LLC	LAWN CARE	\$3,322.00
TITAN MACHINERY- WTN	SERVICE - UNIT 24	\$1,868.91
TITAN MACHINERY-SF	SUPPLIES - BACKHOE #201	\$2,163.06
TOSHIBA FINANCIAL SERVICES	COPIER LEASE	\$320.00
TRAV'S OUTFITTER	SAFETY CLOTHING	\$1,034.91
UPS	SERVICE	\$769.65
US BANK NATIONAL ASSOCIATION	BANKING FEE	\$600.00
USA BLUEBOOK	SUPPLIES	\$2,087.51
VERMEER HIGH PLAINS	2024 TRENCHER PER SOURCEWELL BID	\$145,775.26
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN FORD CHRYSLER	SUPPLIES	\$398.70
WATERTOWN MOBILE HOME PK LLC	REFUND OF CREDIT ON ACCOUNT	\$7,166.72
WATERTOWN RADIO/ALPHAMEDIA USA, LLC	ADVERTISING	\$630.00
WATERTOWN UNITED WAY	United Way	\$225.00
WATERTOWN WHOLESALE INC	SUPPLIES	\$93.70
WESCO DISTRIBUTION INC	TRANSFORMERS AS PER BID	\$121,907.58
WW TIRE SERVICE INC	SUPPLIES	\$1,911.46
	TOTAL	\$1,695,236.10

Total August 2024 \$1,695,236.10; Transfer to City's General Fund \$120,500.00, Muni Utilities Electric Water Gas \$49,214.58; Missouri River Energy Services Power \$2,434,607.02; BP Canada Energy Marketing Natural Gas \$37,849.14; Dept. of Revenue Sales/Excise Tax \$202,879.25; CPEP #3 Natural Gas \$7,432.25, CPEP #4 Natural Gas \$9,195.38, CPEP #5 Natural Gas \$17,571.89, CPEP #3 Hedge \$12,555.62, CPEP #4 Hedge \$10,060.34, Finance Office Garbage/Sewer \$664,722.33.

ITEM 8073

Motion by Carter 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 26th, day of August, 2024.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

Michael Luken
Board President
Municipal Utilities Department