

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Monday, December 29th, 2025

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, December 29th, 2025, at 12:00 p.m. with Board President Dan Brenden presiding.

Board Members present: Dan Brenden, Rich Thomas (12:04 pm), Charlie Larkin, Chris Carter, and Mike Luken. Board Liaison, member of City Council, Kyle Peters absent. Staff members present: Steve Lehner, Bert Magstadt, Wayne Lovelis, Aaron Erickson, Dan LeVasseur, Zeke Hilmo, Mark Meier, Rod Suttan, Cheryl Mack, Gina Brown, Lisa Pahl, and Attorney Vince Foley. Guests: Roger Whittle, The Watertown Current, Chris Clifton, Watertown Development Company and Alan Stager City Manager.

ITEM 8283

Motion by Carter with second by Luken to approve the agenda with the change by removing Item 14(b). Motion carried.

ITEM 8284

Motion by Carter with second by Luken to approve the consent agenda, which gives authorization to call for bids for the following items, authorization to declare as surplus the following items and a list of vehicles purchased using the State contract. Motion carried.

1. AUTHORIZE TO CALL FOR BIDS
 - a) Pebble Lime - Water Department
 - b) Water Meters - Water Department
 - c) Hydrants - Water Department
 - d) Water Pipe - Water Department
 - e) Installation of Water Mains - Water Department
 - f) Chemicals - Water Department
 - g) Sodium Hypochlorite - Water Department
 - h) SCADA software and hardware - Water Department
 - i) Water Main Fittings, Valves and Material - Water Department
 - j) Control and Treatment Systems Equipment - Water Department
 - k) Dispatch Room Relocation - Water Department
 - l) Redrill wells - Water Department
 - m) Replace Pitless Adaptor - Water Department
 - n) Trace Wire - Gas and Water Department
 - o) Gas Pipe - Gas Department
 - p) Installation of Gas Mains and Services - Gas Department
 - q) SCADA Software and Hardware - Gas Department
 - r) Gas Leak Detection Equipment - Gas Department
 - s) Gas Regulators - Gas Department
 - t) Gas Meters - Gas Department
 - u) Anodes - Gas Department
 - v) Risers - Gas Department
 - w) Air Compressor - Gas Department
 - x) Breakers - Electric Department
 - y) Insulators - Electric Department
 - z) Poles and Mounts - Electric Department

- aa) Elbow Cabinets - Electric Department
- bb) Basements - Electric Department
- cc) Installation of URD Primary & Secondary - Electric Department
- dd) Installation of Electric Services - Electric Department
- ee) Pad-Mounted Switchgear - Electric Department
- ff) Capacitor Banks - Electric Department
- gg) Transformers - Electric Department
- hh) Wire - Electric Department
- ii) Streetlight Poles, Posts and Mounts - Electric Department
- jj) Security Lights - Electric Department
- kk) Chipper - Electric Department
- ll) Trucks/Vehicles - All Departments
- mm) Janitorial - All Departments
- nn) Bill Processing & Mailing Services - Customer Service

2. DECLARE AS SURPLUS

- a) Asset #1271,2018 Dodge Ram Pickup (Water)
- b) Asset #1107,2012 International 4400 Chassis W/TL50 Aerial Bucket Truck (Electric)
- c) Asset #1079,2011 Chevrolet Silverado 1500 ½ Ton Pickup
- d) Asset #555,1996 Ingersol Rand AC185 Air Compressor (Gas)
- e) Asset #1108,2012 Bandit 200 XP Chipper (Electric)
- f) Asset #337,Rebuild a new peak shaving plant - partial removal (Gas)
- g) Asset #341,Qty 6, 1973 30,000 GL Propane Tanks (Gas)
- h) Asset #340,Qty 2, 1971 30,000 GL Propane Tanks (Gas)
- i) Asset #342,1973 Propane Storage Tank Foundations (Gas)
- j) Asset #1278,2018 Upgrade 8 Propane Tanks at the Peak Shaving Plant (Gas)
- k) Asset #1046,2010 Generator Rauville Wellfield (Water)

3. VEHICLES PURCHASED USING STATE CONTRACT

- a) Lamb Chevrolet, Onida, SD, State Contract #17965 for \$51,498, 1 ton Chevrolet Truck 4 x 4 long box, replacing Unit 13
- b) Beck Motors, Pierre, SD, State Contract #17963 for \$49,366, ¾ ton Chevrolet Truck 4 x 4 short box, replacing Unit 9
- c) Lamb Motors, Onida, SD, State Contract #17966 for \$70,151, Chevrolet 4 x 4 chassis, with diesel engine, replacing Unit 26

ITEM 8285

Motion by Larkin with second by Carter to approve minutes of Regular Board Meeting from November 25, 2025. Motion carried.

ITEM 8286

Public Comment - None

ITEM 8287

Presentation of the 2025 Annual Report for the Watertown Development Company was given by the Executive Director Chris Clifton. Clifton thanked the Watertown Municipal Utilities for their contribution to WDC. He talked about Business expansion and retention, business attraction, community development, workforce development, investor relations, and regional growth highlights.

ITEM 8288

Motion by Larkin with second by Carter to remove the bankruptcy list as presented in the Board Packet totaling \$75.09 that was discharged in Bankruptcy Court in 2025, from Accounts Receivable. Motion carried.

ITEM 8289

Motion by Luken with second by Thomas to remove the uncollectable accounts totaling \$34,422.40 from Accounts Receivable. There has been no payment on these accounts for the past seven years. Motion carried.

ITEM 8290

Motion by Carter with second by Thomas to approve **Resolution 8290**, a resolution providing for salaries of Watertown Municipal Utilities employees for the period commencing January 1, 2026. Motion carried unanimously by roll call vote.

**A RESOLUTION PROVIDING FOR THE SALARIES OF
WATERTOWN MUNICIPAL UTILITIES EMPLOYEES
FOR THE PERIOD COMMENCING JANUARY 1, 2026**

WHEREAS Watertown Municipal Utilities employs public employees; and

WHEREAS Watertown Municipal Utilities, thru its Board, desires to formally establish 2026 compensation rates for all exempt employees and non-exempt employees; and

WHEREAS the Municipal Utilities Board with previous Board action at the November 25, 2024 Board Meeting thru Item #8113 authorized a three-year Contract with the IBEW Local 426 Union thus making the year 2026 the second year of the contract; and

WHEREAS the Contract provides for general wage increases of 4.5% on January 1, 2025, 4.5% on January 1, 2026, and 4.5% on January 1, 2027 for all non-exempt personnel covered under the union contract.

WHEREAS the Municipal Utilities Board has discussed and reviewed Staff salaries and recommends an increase of 4.5% for Thirteen Staff positions including General Manager, Director of Operations, Director of Administration, Electric Superintendent, Gas Superintendent, Water Superintendent, Engineering Technician Superintendent, Customer Service/Billing/Collections Supervisor, Purchasing/Facilities/Accounting Supervisor, Human Resources/ Risk Coordinator, Information Systems Supervisor, Utility System Engineer, Administrative Assistant/Board Secretary. In addition, the Board also recommends a 2% craft adjustment for the Water Superintendent position, 2% craft adjustment for the Information Systems Supervisor position, and 2% craft adjustment for the Customer Service/Billing/Collections Supervisor position.

NOW THEREFORE BE IT RESOLVED by Watertown Municipal Utilities to establish the following rates:

Hourly Rate (unless specified) as of January 1, 2026

Electric Department: B Benson 11,708/mo; C Brown 32.69; S Catlette 55.64; T Ellingson 38.50; D Frost 30.79; D Gollnick 54.66; M Gollnick 30.79; Z Hilmoe 9,144/mo; A Jonnes 54.66; A Karst 14,609/mo; S Koehn 54.66; B Magstadt 14,769 mo; M Meier 10,643/mo; M Meseberg 51.23; C Mohrmann 30.79; S Myers 33.46; A Niemann 54.66; L Pahl 36.38; B Ripley 44.16; S Ronke 43.38; J Rudebusch 54.66; M Rue 33.46; T Schafer 59.42; A Schultz 41.95; N Sime 54.66; C Stangl 51.23; D Sunne 54.66; R Suttan 8,635/mo; L Tolley 54.66; T Wirtjes 54.66; Steve Witte 54.66.

Water Department: U Araiza 41.70; W Berner 39.58; C Brenden 41.70; G Brown 8,963/mo; S Erickson 45.29; D Kraemer 41.70; J Kudrna 44.16; W Lovelis; 10,593/mo; R Mack 43.78; M McLaughlin 43.78; A Mitchell 40.05; L Redlin 39.58; K Rumpza 31.28; J Settje 41.70; T Starr 43.78; S Struss 45.85; W Pieper 28.43; A Thorson 39.58; M Ward 47.56; M Wilson 39.58.

Gas Department: M Andrews 49.99; D Brage 49.99; A Erickson 10,595/mo; N Frost 51.49; B Gubka 51.49; J Jellis 51.49; C Kranz 55.92; S Lehner 20,883/mo; D LeVasseur 10,141 mo; C Mack 9,449/mo; T Pahl 46.82; T Remacle 44.16; M Rost 41.95; K Roth 51.49; A Seim 30.79; B Warborg 55.63.

ITEM 8291

This being the time and place set for consideration of bids, the following were presented. Bid for Vacuum Evacuation System. These bids were opened Tuesday, December 23, 2025, at 1:30 PM by the Watertown Municipal Utilities Staff as authorized by the Board.

Vacuum Evacuation System: Four bids were received and upon review and recommendation by Magstadt, motion by Luken with second by Carter to award bid to low valid bidder Midwest Underground Supply of SD, Harrisburg, SD for the amount with Trade-in \$84,400. Vermeer did not qualify because they did not meet specs. Motion carried.

ITEM 8292

Motion by Carter with second by Larkin to authorize General Manger to return checks to unsuccessful bidders. Motion carried.

ITEM 8293

Open: Lehner presented the two bill stuffers a) 2026 Refuse and Recycling Manual/Trash Collection Calendar and b) WMU Billing Software Update.

ITEM 8294

New Business: Magstadt provided the board with an overview of the Electric and Water Territory maps, explaining which areas fall

under Watertown Municipal Utilities and identifying those located outside our service territory.

ITEM 8295

Magstadt presented the Report on Operations and Projects. Electric Department, Projects Completed this Month: 3 outages for the month and a total of 100 unscheduled outages for 2025, converted services on 14th Ave. NW and de-energized all overhead lines for 2026 bridge project. Gas Department, Projects Completed this Month: Finished 8" steel line with NNG, installed chart recorder on the 8" steel line, replaced NNG signs with new WMU signs on the 8" steel line, installed 500' of 2" plastic at 639 21st St SW (Dakota Diesel). Water, Projects Completed this Month: 1 Hydrant break for a total of 15 for the season. Projects in Progress: Annual maintenance of WTP side #3. Engineering Tech, Projects Completed this Month: 26 one-call locates for December 1 to December 22, 2025, 389 one-call locates for November 2025, which was the record for November.

ITEM 8296

Lehner presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects Completed this Month: 296 Investigation orders written up, the main generator's temporary circuit breaker has been replaced with the specified breaker, installation and testing are complete, and the system is now operating under normal conditions. Projects in Progress: Ordering, receiving, and stocking materials, 2025 year-end inventory, working on 2026 budget items. Upcoming Projects: Purchasing inventory for upcoming 2026 construction projects. Customer Service: 15,404 Payments collected for a total of \$5,687,030 and 57,940 billed for a total of \$5,183,193. Human Resources/Risk Management: Completed open enrollment, including submitting applications for 2026 for all staff health insurance, dental insurance, vision insurance, flex plan, life insurance and Aflac, coordinated individual employee meetings via teams, with SDRS/Nationwide, salvation army food drive challenge. Information Systems: Migrating virtual servers to new infrastructure, 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 \$104,965 below budget for the eleven months ending November 30th, 2025. Total Capital Additions are \$1,568,954 under budget for eleven months ending November 30,2025.

ITEM 8297

Motion made by Luken 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 December 2025 Plus ACH Payroll Payments \$705,403.36.

Name	Payable Description	Payment Amount
January 1, 2025		
ABC EMBROIDERY	SERVICE	\$59.40
ACTIVE HEATING INC	SERVICE - BOILERS - WTP	\$6,912.20
ADVANCED ENGINEERING AND ENVIRONMENTAL SERVICES, LLC	WMU REMOTE SITE SCADA UPGRADE	\$9,977.00
AFLAC	ACCIDENT	\$1,702.31
AMARIL UNIFORM COMPANY	SAFETY CLOTHING	\$2,309.77
AMERICAN WATER WORKS ASSN	SUPPLIES	\$105.32
APPLIED INDUSTRIAL TECH INC	SUPPLIES	\$262.55
AUTO VALUE WATERTOWN	SUPPLIES	\$209.36
BNSF RAILWAY COMPANY	APPLICATION FEE	\$2,000.00
BORDER STATES ELECTRIC SUPPLY	GREENLEE BATTERY OPERATED TOOLS - ELECTRIC DEPT.	\$26,937.76
BORNS GROUP	POSTAGE & MAILING	\$11,841.53
BRISTOL, INC.	SUPPLIES, SERVICE	\$1,547.00
BROWN, GINA L	REIMBURSEMENT EXPENSE	\$150.00
BUTLER MACHINERY CO	GENERATOR RENTAL	\$4,923.15
CARTNEY BEARING & SUPPLY	SUPPLIES	\$46.62
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$5,200.59
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$6,281.36
COMMERCIAL CLEANING SERVICES INC.	JANITORIAL SERVICE	\$3,975.00
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$87.60
DAKOTA DATA SHRED	SHREDDING SERVICE	\$163.89
DAKOTA DIRECTIONAL LLC	SERVICE - ELECTRIC PROJECTS	\$74,168.26
DANR	2026 ENVIRONMENTAL FEE	\$50.00
DELTA DENTAL OF SD	DENTAL INSURANCE	\$1,568.80
DEPARTMENT OF HEALTH	WATER SAMPLES	\$1,020.00
DGR ENGINEERING	115KV TRANSMISSION LINE REBUILD	\$13,936.50
DLT SOLUTIONS, LLC	2026 SUBSCRIPTION	\$27,789.26
DSG DAKOTA SUPPLY GROUP	CIRCUIT BREAKER FOR GENERATOR	\$5,592.62
DUNINCK INC	ROCK & CRUSHED CONCRETE	\$18,103.18
ENERGY LABORATORIES INC	WATER TESTING	\$308.00
EQUITABLE	VISION INSURANCE	\$236.34
ETHANOL PRODUCTS LLC	BULK CO2	\$1,811.16
EVOLUTION POWERSPORTS	GENERATOR	\$2,495.00
FASTENAL COMPANY	SUPPLIES	\$251.58
FEDERAL EXPRESS CORP	SERVICE	\$11.70
FOLEY AND FOLEY LAW OFFICE, PC	NOVEMBER LEGAL FEES	\$2,437.50
GANNETT MEDIA CORP	PUBLISHINGS	\$229.44
GLACIAL LAKES ENERGY LLC	ENERGY INCENTIVE REBATE	\$1,314.00
GLOBAL SAFETY NETWORK	SERVICE	\$127.44
GRAINGER	SUPPLIES	\$1,477.89
HARRIS COMPUTER SYSTEMS	2026 SOFTWARE MAINTENANCE	\$25,645.18
HAWKINS, INC.	AZONE 15	\$10,015.18
HEATH CONSULTANTS INC	REPAIRS - GAS SUPPLIES	\$1,680.25
HILMOE, ZEKE	REIMBURSEMENT EXPENSE	\$37.10
HUBBELL GAS UTILITY SOLUTIONS	METER LOOPS	\$1,970.88
IBEW LOCAL 426	UNION DUES	\$4,774.00
J H LARSON COMPANY	SUPPLIES	\$1,224.44
KARST, ADAM	REIMBURSEMENT EXPENSE	\$30.00
KOONS GAS MEASUREMENT	SUPPLIES	\$1,470.28
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$402.40
LOCKSMITH & MORE LLC	SERVICE	\$211.50
LOVELIS, WAYNE	REIMBURSEMENT EXPENSE	\$132.52
MAC'S HARDWARE	SUPPLIES	\$219.65
MATHESON TRI-GAS INC	SUPPLIES	\$320.45
MCKEEVER INC	SUPPLIES	\$322.17
MENARDS INC	SUPPLIES	\$1,051.67
MET LIFE	LIFE INSURANCE	\$1,701.59
MIDCONTINENT COMMUNICATIONS	INTERNET, CABLE & PHONE SERVICE	\$1,906.83
MILSOFT UTILITY SOLUTIONS INC.	ELECTRIC LOAD TRAINING	\$23,250.00
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$392.68
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$3,320.56
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$9,491.15
NAPA CENTRAL	SUPPLIES	\$512.99
NELSON TECHNOLOGIES INC	ODORANT	\$19,194.94
OFFICE PEEPS	SUPPLIES	\$1,104.70
O'REILLY AUTOMOTIVE INC	SUPPLIES	\$156.49
OVERHEAD DOOR CO OF WTN	SERVICE	\$735.72
PAYMENTUS GROUP INC.	SERVICE	\$19.90
PETE LIEN & SONS	BULK LIME	\$26,797.24
PHEASANTLAND INDUSTRIES	SUPPLIES	\$137.56
POMP'S TIRE SERVICE, INC.	SUPPLIES	\$869.73
PRINT 'EM NOW INC	SUPPLIES	\$440.00
REDLINGER BROS PLUMBING & HEATING	SUPPLIES	\$187.99
RELIABANK DAKOTA	FLEX MED	\$6,733.89
RON'S SAW SALES	SUPPLIES	\$41.49
RUNNING'S SUPPLY INC	SUPPLIES	\$610.74
S & P GLOBAL INC	2026 SUBSCRIPTION	\$8,040.00
SANFORD WATERTOWN OCCUPATIONAL MEDICINE	SERVICE	\$475.00
SD MUNICIPAL LEAGUE	TRAINING EXPENSE	\$70.00
SD ONE CALL	LOCATES	\$421.05
SIOUX RURAL WATER INC	LUKONEN TERRITORY PAYMENT	\$8,900.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$5,420.47
SIR LINES-A-LOT, LLC	SERVICE	\$2,879.00
STAN HOUSTON EQUIP CO	RENTAL	\$795.00
STAR LAUNDRY	SERVICE	\$559.47
STRYKER SALES CORPORATION	SUPPLIES	\$2,148.78
STUART C IRBY CO	CT METER CANS	\$5,465.56

SUTTON LAWN & SNOW LLC	LAWNCARE	\$517.00
T & R ELECTRIC SUPPLY COMPANY INC	SERVICE - TRANSFORMER REPAIR	\$2,675.98
TEREX USA, LLC	CUSTOM BODY UNIT 1 - GAS	\$20,533.02
TEREX USA, LLC	LINE TRUCK - UNIT 28	\$375,862.00
TOSHIBA FINANCIAL SERVICES	COPIER LEASE	\$523.88
TRAV'S OUTFITTER	SAFETY CLOTHING	\$17,535.79
TRUGREEN	SUPPLIES	\$588.00
TWO WAY SOLUTIONS, INC.	SERVICE	\$299.00
TWOTREES TECHNOLOGIES	WINDOWS SOFTWARE CONVERSION	\$23,889.69
TYLER BUSINESS FORMS	SUPPLIES	\$50.24
TYLER TECHNOLOGIES	2026 SOFTWARE MAINTENANCE	\$71,848.34
USA BLUEBOOK	SUPPLIES	\$839.84
VERMEER HIGH PLAINS	SUPPLIES	\$824.60
VESSCO INC	SUPPLIES	\$1,217.96
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN FORD CHRYSLER	SUPPLIES	\$769.00
WATERTOWN UNITED WAY	United Way	\$240.00
Void		\$0.00
WATERTOWN WHOLESALE INC	SUPPLIES	\$1,422.75
WELD-IT-ALL	SERVICE	\$852.72
WESCO DISTRIBUTION INC	30' ST LIGHT POLES AS PER BID	\$76,742.75
WINSUPPLY OF WATERTOWN	SUPPLIES	\$160.66
	TOTAL	\$1,025,992.49

Total December 2025 \$1,025,992.49; Transfer to City's General Fund \$124,117.00, Muni Utilities Electric Water Gas \$46,201.44; Missouri River Energy Services Power \$1,692,726.70; BP Canada Energy Marketing Natural Gas \$205,518.15; Dept. of Revenue Sales/Excise Tax \$210,332.04; CPEP #3 Natural Gas \$79,254.00, CPEP #4 Natural Gas \$58,242.00, CPEP #5 Natural Gas \$206,062.50. City Finance Office Garbage/Sewer \$861,234.04.

ITEM 8298

Pursuant to SDCL 1-25-2 (3) Larkin moved with second by Thomas to move to Executive Session. No action is expected coming out of Executive session. Motion carried.

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

Motion by Larkin with second by Luken 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 December, 2025.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

Dan Brenden
Board President
Municipal Utilities Board

