

**MINUTES OF MUNICIPAL UTILITIES BOARD MEETING**

**Wednesday, February 26, 2020**

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Wednesday, February 26, 2020 at 12:00 p.m. with President John Holley presiding.

Board members present: John Holley, Greg Solum, Lisa Carrico and Mike Luken. Board Member Chris Carter Absent. Board Liaison, member of City Council, Glen Vilhauer, Staff members present: Steve Lehner, Adam Karst, Bert Magstadt, Jeff DeVille, John Lunde, Doug Enstad, Mark Meier, Mark Haider, Kevin Kruiter, Gina Brown, Lisa Pahl and Attorney Vince Foley. Guests Mayor Sara Caron, Media Dan Crisler, Public Opinion Newspaper.

**ITEM 7313**

Motion by Luken with second by Carrico to approve the Agenda. Motion carried.

**ITEM 7314**

Motion by Carrico with second by Solum to approve minutes of regular meeting on January 27, 2020 Board Meeting. Motion carried.

**ITEM 7315**

Motion by Luken with second by Solum to approve General Manager to sign Engineering Agreement with CEG for Electric System Long Range Plan Study. Motion carried.

**ITEM 7316**

Motion by Carrico with second by Solum for approval for General Manger to sign Appendix E - Certification of Compliance with Rate Covenant. Motion carried unanimously by roll call vote.

**ITEM 7317**

Magstadt presented proposed changes to the Electric, Gas and Water Policies. Karst presented proposed changes to the General Policy along with the proposed changes to the Employee Personnel Handbook. The Board was asked to review these proposed policy changes and they will be presented for approval at the March Board meeting.

**ITEM 7318**

Magstadt presented the vehicle bought off the state bid Contract No. 17342, for the Gas Department.

**Vehicles Purchased off State Bid**

	State Contract Number	Total Price With Options and Delivery	Description
Lam Chevrolet  Onida, SD	#17342	\$ 30,544.00	Unit 12 - Chevy 3/4 ton  4 x 4 Short box

**ITEM 7319**

This being the time and place set for consideration of bids, the following were presented. Bids for Steel Pipe, Plastic Pipe, Gas Values and Gas Fittings for the Gas Department. These bids were opened Thursday, February 20, 2020 at 1:30 PM by the Watertown Municipal Utilities Staff as authorized by the Board.

STEEL PIPE: Two bids were received and upon review and recommendation by Magstadt, motion by Carrico with second by Luken to award bid to valid bidder, to Chicago Tube and Iron, St. Paul, MN for a total of \$51,066.60. Motion carried.

PLASTIC PIPE: One bid was received and upon review and recommendation by Magstadt, motion by Solum with second by Carrico to award bid to low valid bidder, Border States Supply, Sioux Falls, SD for total of \$33,432.80. Motion carried.

GAS VALVES: One bid was received and upon review and recommendation by Magstadt, motion by Luken with second by Solum to award bid to low valid bidder, Border States Supply, Sioux Falls, SD for \$46,249.30. Motion carried.

GAS FITTINGS: No bids were received, therefore bid law allows us to go to the providers and negotiate a price as long as it meets specs. Gas Superintendent Lunde will work on this.

**ITEM 7320**

Motion by Luken second by Carrico to authorize to return checks to bidders. Motion carried.

**ITEM 7321**

Open: Lehner gave an invite to the Board to attend the 2020 BISCO luncheon March 17, He also presented two bills stuffers, a) Dash around Kampeska and b) Benefits of the Watertown Municipal Utilities. Magstadt gave an update on the 2020 flood preparation. He said there has been numerous meetings externally and internally going over things. The utilities have purchased waders for all the guys and have made sure our Hesco baskets are ready to go. A flood will depend on temperature and precipitation and all this is being watched closely.

**ITEM 7322**

Lehner gave an update on the Electric Territory Bill - HB1262. This Bill is going to the house floor today. We are not in favor of this bill. There is a lot we do not like about this Bill, but the main thing is this bill would allow the rural electricians to go to court and sue for compensation. The proposed process will, we believe, kill economic development by creating uncertainty about who will serve a project, what the electricity cost will be and when they would be able to break ground given a drawn-out court case. Delaying development could push potential business away to other states or communities.

**ITEM 7323**

Magstadt presented the Report on Operations and Projects, Electric, Projects Completed this Month: 3 Electrical Outages for a total of 6 for the year, Energized transformer at Comprehensive Logistics. Gas, Projects Completed this Month: Monitoring pressures on Reg Stations and other locations. Projects in Progress: Winter Business leak survey is 85% complete. Water, Projects Completed this Month: 1 water main break for a total of 6 for the year, Replaced the 16" mag meter in the 6<sup>th</sup> Ave Booster Station. Engineering Tech, Projects Completed this Month: Creating flood/emergency maps, Creating concentric electric and overhead replacement map. 15<sup>th</sup> Ave Substation Project: Substation was energized on February 20<sup>th</sup>.

**ITEM 7324**

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects in Progress: Ordering long lead time items for spring, Purchasing Waders, gloves, plastic etc. for

possible spring flooding. Customer Service, Projects Completed this Month: 14,288 payments collected for a total of \$5,072,873 total of 54,046 services billed for a total of \$5,123,769. Human Resources/Risk Management: Prepared recommended personnel manual policy changes for review and approval by the board, Retirement Ron Renelt, Electric Meter Person, effective 3/20/2020, posted for Ron's position. 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 \$201,667 above budget compared to budget for January. Total Capital Additions are \$512,849 for the first month ending January 31, 2020.

**ITEM 7325**

Motion made by Luken with second by Carrico to approve the following verified salary claims and bills. Motion carried unanimously upon roll call vote. Total Watertown Municipal Utilities Net Payroll for February 2020 Plus ACH Payroll Payments \$551,850.44. Change: M. Rue 21.35/hr. effective 2/5/2020. Add: M. Wilson 21.68/hr. effective 1/27/2020.

<u>Name</u>	<u>Payable Description</u>	<u>Payment Amount</u>
March 2, 2020		
ACTIVE HEATING INC	SERVICE	\$1,875.00
ADVANCED ENGINEERING & ENVIRON. SERVICES	I&C SYSTEM SERVICES	\$2,374.67
AFLAC	CANCER PT	\$1,933.32
ANDOR INC	ENERGY INCENTIVE REBATE	\$150.00
ANDREWS, MIKE	REIMBURSEMENT EXPENSE	\$74.00
A-OX WELDING SUPPLY INC	SUPPLIES	\$597.09
APPLIED INDUSTRIAL TECH INC	SUPPLIES	\$346.20
AQUA-PURE INC	SUPPLIES	\$4,537.50
AUTOMATIC BUILDING CONTROLS	ANNUAL FIRE ALARM TESTING	\$891.00
BENDIX IMAGING INC	OFFICE SUPPLIES	\$172.97
BIG SIOUX WATER FESTIVAL	CONTRIBUTION	\$1,250.00
BISCO	2020 MEMBERSHIP	\$300.00
BORDER STATES ELECTRIC SUPPLY	SUPPLIES	\$20,385.62
BORNS GROUP	POSTAGE & MAILING	\$9,303.50
BROWN, GINA L	REIMBURSEMENT EXPENSE	\$75.00
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$105.62
BURNS, JERRY	REIMBURSEMENT EXPENSE	\$132.03
CARTNEY BEARING & SUPPLY	SUPPLIES	\$61.08
CENTURY LINK	PHONE SERVICE	\$298.26
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$6,485.32
CHILD SUPPORT PAYMENT CENTER	EMPLOYEE DEDUCTION: CHILD SUPPORT	\$750.00
CLARK ENGINEERING CORP	HWY 212 WATER MAIN REPLACEMENT	\$287.50
CODINGTON-CLARK ELECTRIC COOP. INC	WELLFIELD ELECTRIC SERVICE	\$5,135.92
CONNECTING POINT	SOFTWARE MAINTENANCE	\$1,866.00
CONSULTING ENGINEERS GROUP INC	15TH AVENUE SUBSTATION	\$5,747.50
CONTROL EQUIPMENT SALES, INC	SUPPLIES	\$3,075.30
CORE & MAIN LP	SUPPLIES	\$1,189.57
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$364.30
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$498.77
CROCKER'S COLLISION CENTER	SERVICE	\$265.00
DAKOTA DATA SHRED	SHREDDING SERVICE	\$96.60
DEPARTMENT OF HEALTH	WATER SAMPLES	\$502.00
DEVILLE, JEFF	REIMBURSEMENT EXPENSE	\$806.64
DGR ENGINEERING	REVENUE METERING RELOCATION	\$7,157.00
DTN, LLC	SUBSCRIPTION	\$329.23
ENDERSON, MARSHA	REIMBURSEMENT EXPENSE	\$26.99
ENERGY BUSINESS NETWORK, LLC	ENERGY RISK REPORT SUBSCRIPTION	\$1,140.00
ENERGY WORLDNET, INC	OQ COMPLIANCE RENEW	\$4,099.00
ENSTAD, DOUG	REIMBURSEMENT EXPENSE	\$94.00
ENVIRON. SYSTEMS RESEARCH INSTITUTE, INC	GIS SOFTWARE	\$1,400.00
ETHANOL PRODUCTS LLC	SUPPLIES	\$1,009.02

FARNAMS GENUINE PARTS	SUPPLIES	\$1,055.29
FASTENAL COMPANY	SUPPLIES	\$1,048.80
FEDERAL EXPRESS CORP	SERVICE	\$340.66
FLUKE ELECTRONICS CORPORATION	SERVICE	\$123.00
FOLEY AND FOLEY LAW OFFICE, PC	LEGAL FEES	\$1,560.00
G & R CONTROLS INC.	SERVICE	\$1,845.00
GRAINGER	SUPPLIES	\$1,323.61
GROEBNER	RISERS	\$8,839.78
HAMLIN COUNTY	APPLICATION FEE	\$300.00
HAWKINS, INC.	HYDROFLUOSILICIC ACID	\$2,228.99
HOY, HARLAN J	ENERGY INCENTIVE REBATE	\$150.00
HUMAN SERVICE AGENCY	EAP SERVICES	\$135.00
IBEW LOCAL 426	UNION DUES	\$2,914.00
INDELCO PLASTICS CORPORATION	SUPPLIES	\$117.13
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$143.03
J H LARSON COMPANY	SUPPLIES	\$1,934.22
JOHNSON CONTROLS INC	SERVICE	\$145.04
JURGENS PRINTING INC	OFFICE SUPPLIES	\$304.00
KARST, ADAM	REIMBURSEMENT EXPENSE	\$195.32
KEISER, BRIAN	REIMBURSEMENT EXPENSE	\$630.40
KIMBERLY LIGHTING, LLC	ENERGY INCENTIVE REBATE	\$8,559.00
KOONS GAS MEASUREMENT	METERS AND PARTS	\$19,977.66
KRUITER, KEVIN	REIMBURSEMENT EXPENSE	\$1,599.56
LATI FOUNDATION	2020 SCHOLARSHIP FUND	\$10,000.00
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$404.55
LUKEN, MIKE	REIMBURSEMENT EXPENSE	\$247.40
LUNDE, JOHN	REIMBURSEMENT EXPENSE	\$475.42
MACK, ROBIN	REIMBURSEMENT EXPENSE	\$28.20
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$359.17
MAC'S HARDWARE	SUPPLIES	\$405.75
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$3,577.12
MARCO	COPIER LEASE	\$339.56
MATHESON TRI-GAS INC	SUPPLIES	\$321.09
MCKEEVER INC	SUPPLIES	\$162.11
MEGGER	3 PHASE RECORDER	\$13,838.37
MENARDS INC	SUPPLIES	\$2,103.35
MENNENGA, SHEILA	REIMBURSEMENT EXPENSE	\$75.00
MESEBERG, DAVID	REIMBURSEMENT EXPENSE	\$68.00
MET LIFE	LIFE INSURANCE	\$1,322.95
MIDCONTINENT COMMUNICATIONS	INTERNET & CABLE SERVICE	\$215.72
MIDWEST ENERGY ASSOCIATION	2020 DUES	\$1,954.80
MILBANK COMMUNICATIONS INC	SUPPLIES	\$962.00
MITCHELL, ANGIE	REIMBURSEMENT EXPENSE	\$1,250.00
MONITOR TECHNOLOGIES LLC	SUPPLIES	\$456.27
MUELLER CO	AIR POWERED OPERATOR	\$9,147.18
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$447.71
MUNICIPAL UTILITIES CREDIT CARD FU	REIMBURSE CREDIT CARD FUND	\$71.40
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$2,265.75
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$3,655.08
NELSON TECHNOLOGIES INC	SUPPLIES	\$494.68
NIEMANN, ANDY	REIMBURSEMENT EXPENSE	\$68.00
NORTHERN TRUCK EQUIP CORP	SUPPLIES	\$2,118.08
NORTHWEST LINEMAN COLLEGE	TRAINING EXPENSE	\$616.00
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$894.39
NOVASPECT, INC.	SUPPLIES	\$2,059.37
OFFICE PEEPS	SUPPLIES	\$1,534.34
O'REILLY AUTOMOTIVE INC	SUPPLIES	\$496.44
PARA UX LLC	SERVICE	\$100.00
PETE LIEN & SONS	BULK LIME	\$8,591.40
POMP'S TIRE SERVICE, INC.	SUPPLIES	\$390.86
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$169.98
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,134.11
RANDAHL MAIER	REFUNDS OF CREDITS ON ACCOUNTS	\$1,250.00
RC FIRST AID	SUPPLIES	\$126.00
REDLINGER BROS PLUMBING & HEATING	SUPPLIES	\$73.00
RELIABANK DAKOTA	TASC MED	\$6,052.02
RESCO	SUPPLIES	\$15,661.84
RON'S SAW SALES	SUPPLIES	\$54.55
RUNNING'S SUPPLY INC	SUPPLIES	\$1,225.84
SANFORD HEALTH OCCUPATIONAL MEDICINE	SCREENS	\$1,151.00
SCHAEFFER MFG CO	SUPPLIES	\$1,510.88
SD ONE CALL	LOCATES	\$22.05
SD PUBLIC ASSURANCE ALLIANCE	INSURANCE	\$1,146.32
SD PUBLIC UTILITIES COMMISSION	SD PUC PIPELINE CONFERENCE	\$150.00
SERVICEMASTER	JANITORIAL SERVICE	\$4,120.00
SHERWIN WILLIAMS CO	SUPPLIES	\$540.49
SHIRTS IN THE WORKS	SUPPLIES	\$130.00
SIoux VALLEY CO-OP	FUEL, SUPPLIES	\$6,900.46

SPEE-DEE DELIVERY SERVICE INC	SERVICE	\$106.33
STANGL, CHRIS	REIMBURSEMENT EXPENSE	\$194.50
STAR LAUNDRY INC	SERVICE	\$419.62
STUART C IRBY CO	SUPPLIES	\$1,575.58
STURDEVANTS AUTO PARTS	SUPPLIES	\$1,000.68
T & R ELECTRIC SUPPLY COMPANY INC	SERVICE	\$2,138.00
TECH SALES CO	FLOWMETER SYSTEM	\$6,767.90
TECHNOLOGY FOR ENERGY CORPORATION	SUPPLIES	\$1,378.68
TEREX SERVICES	SERVICE	\$3,786.46
THE GYM INC.	ENERGY INCENTIVE REBATE	\$2,137.32
TITAN MACHINERY-SF	SUPPLIES	\$115.00
TRAVS OUTFITTER	SAFETY CLOTHING	\$421.99
TRUGREEN	SUPPLIES	\$318.50
TYNDALE COMPANY INC	SAFETY CLOTHING	\$548.90
UPTOWNE CLEANERS	SERVICE	\$73.30
USA BLUEBOOK	SUPPLIES	\$693.25
UTILITY SERVICE CO., INC	WATER TOWER MAINTENANCE	\$236,050.64
VERIFIED CREDENTIALS	BACKGROUND SCREENINGS	\$190.50
WALMART COMMUNITY	SUPPLIES	\$82.31
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN FORD CHRYSLER	TRUCK PER STATE BID (UNIT#22)	\$56,614.00
WATERTOWN PUBLIC OPINION	PUBLISHINGS	\$557.40
WATERTOWN UNITED WAY	United Way	\$424.00
WATERTOWN WHOLESALE	SUPPLIES	\$113.80
WEISMANTEL RENT-ALL	RENTAL	\$225.00
WHEELCO	SUPPLIES	\$29.62
WILSON BOHANNAN COMPANY	SUPPLIES	\$1,503.41
WINSUPPLY OF WATERTOWN	SUPPLIES	\$570.00
WIRTJES, TRISTON	REIMBURSEMENT EXPENSE	\$68.00
ZEP SALES AND SERVICE	SUPPLIES	\$241.08
	TOTAL	<u>\$582,629.83</u>

Total February 2020 582,629.83; Transfer to City's General Fund 116,433.33, Muni Utilities Electric Water Gas 44,725.25; Missouri River Energy Services Power 2,021,265.80; BP Canada Energy Marketing Natural Gas 387,770.32; Dept. of Revenue Sales/Excise Tax 245,230.47; CPEP #3 Natural Gas 87,689.70, CPEP #4 Natural Gas 91,226.03, Sequent Energy Mgmt. Natural Gas 259,138, Northern Border Pipeline Natural Gas Tap 106,087.58, City Finance Office Garbage/Sewer 397,147.88.

### ITEM 7326

Motion by Luken with second by Carrico 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 26<sup>th</sup>, day of February, 2020.

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

Lisa Pahl  
Board Secretary  
Municipal Utilities Board

John Holley  
Board President  
Municipal Utilities Department