

**MINUTES OF MUNICIPAL UTILITIES BOARD MEETING**

**Monday, March 30<sup>th</sup>, 2020**

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, March 30<sup>th</sup>, 2020 at 12:00 p.m. with President John Holley presiding.

Board members present: John Holley, Christine Carter. Board Members Greg Solum, Mike Luken and Lisa Carrico via teleconference. Board Liaison, member of City Council, Glen Vilhauer via teleconference. Staff members present: Steve Lehner, Adam Karst, Bert Magstadt, Jeff DeVille, John Lunde, Mark Haider, Sheila Mennenga and Lisa Pahl and Attorney Vince Foley. Guests via teleconference were Mayor Sara Caron and Media Dan Crisler, Public Opinion Newspaper.

**ITEM 7327**

Motion by Carter with second by Luken to approve the Agenda. Motion carried unanimously upon roll call vote.

**ITEM 7328**

Motion by Carter with second by Solum to approve minutes of regular Board Meeting on February 26<sup>th</sup>, 2020. Motion carried unanimously upon roll call vote.

**ITEM 7329**

Motion by Carter with second by Carrico to approve General Manager to sign change order in the amount of \$9,614 for the 15<sup>th</sup> Ave Substation with Key Contracting for a Substation/T-Line Phasing Correction and 115KV line conductor swap. Motion carried unanimously upon roll call vote.

**ITEM 7330**

Motion by Carter with second by Luken to approve purchase of Boom Truck Chassis using Sourcewell Bid #QU14368 in the amount of \$242,255. Motion carried unanimously by roll call vote.

**ITEM 7331**

Motion by Carter with second by Luken for approval for General Manager to sign Watertown Municipal Utilities portion of a contract for Engineering Services for Water Main on 10<sup>th</sup> Ave North along with the City of Watertown's approval on accepting an Engineering Service that was

presented to the Board, with exception of KLJ Engineering. Motion carried unanimously upon roll call vote.

**ITEM 7332**

This being the time and place set for consideration of bids, the following were presented. Bids for Gas Regulators, Gas Contractor for Main/Service Installation and Gas Contractor for Interconnect Construction Site for the Gas Department. These bids were opened Thursday, March 19<sup>th</sup>, 2020 at 1:30 PM by the Watertown Municipal Utilities Staff as authorized by the Board. Bids for Pebble Lime, Water Meters and replacing existing Main Distribution Areas for the Water Department and Transformer for the Electric Department. These bids were opened Thursday, March 26<sup>th</sup>, 2020 at 1:30 PM by the Watertown Municipal Utilities Staff as authorized by the Board.

**GAS REGULATORS:** One bid was received and upon review and recommendation by Magstadt, motion by Carter with second by Solum to award bid to valid bidder, Novaspect, Chanhassen, MN for a total of \$87,129.57. Motion carried unanimously upon roll call vote.

**GAS CONTRACTOR FOR MAIN/SERVICE INSTALLATION:** Two bids were received and upon review and recommendation by Magstadt, motion by Carter with second by Luken to award bid to low valid bidder, Sentry, Watertown, SD for a total of \$112,989.82. Motion carried unanimously upon roll call vote.

**GAS CONTRACTOR FOR INTERCONNECT CONSTRUCTION SITE:** Two bids were received and upon review and recommendation by Magstadt, motion by Carter with second by Carrico to award bid to low valid bidder, Sentry, Watertown, SD for a total of \$72,652.22. Motion carried unanimously upon roll call vote.

**PEBBLE LIME:** Four bids were received and upon review and recommendation by Magstadt, motion by Carter with second by Solum to award bid to low valid bidder, Pete Lien, Rapid City, SD for a total of \$151.23 per ton. Motion carried unanimously upon roll call vote.

**WATER METERS:** Three bids were received and upon review and recommendation by Magstadt, motion by Carter with second by Luken to award bid to low valid bidders, The Erts were awarded to Itron, Liberty Lake, WA for a total of \$73,727.17. The Water Meters were awarded to Metering Technology Solutions, Burnsville, MN for a total of \$129,356.86. Motion carried unanimously upon roll call vote.

**REPLACING EXISTING MAIN DISTRIBUTION AREAS:** Three bids were received and upon review and recommendation by Magstadt, motion by Carter with second by Solum to award bid to low valid bidder, AP & Sons, Summit, SD for a total of \$272,174.00. Motion carried unanimously upon roll call vote.

TRANSFORMER: Three bids were received and upon review and recommendation by Magstadt, motion by Carter with second by Carrico to award bid to low valid bidder, RESCO, Moorhead, MN for a total of \$32,420.00. Motion carried unanimously upon roll call vote.

**ITEM 7333**

Motion by Carter second by Luken to authorize to return checks to bidders. Motion carried unanimously upon roll call vote.

**ITEM 7334**

Motion by Carter with second by Luken to approve the Electric, Gas, Water and General policy changes along with the Schedule of Fees and Employee Personnel Manual as presented at the February 26<sup>th</sup>, 2020 Board Meeting. Presented were proposed changes to the Electric, Gas and Water Policies. Those are as follows: Electric Changing or adding verbiage in 1.2, 3.4, 3.6, 3.11.1, 6.6, 8.4, 8.6, 10.1, 13.3 and adding 19, 19.1 and 19.2 Damage to Facilities. Gas Changing or adding verbiage to 2, 2.3, 2.4, 2.7, 2.8, 2.9, 3.5, 9.1, 9.3, 9.6, 9.7, and adding 12, 12.1 and 12.2 Damage to Facilities. Water Changing 13.1 by taking out EPA 319 project and leaving wording "and providing funding support", Changing or adding verbiage to 15.1, 16.1, 16.2 and adding 17, 17.1 and 17.2 Damage to Facilities. General changing or adding verbiage to 6.2, 6.3, 10, 10.1, 24.1, 37.1 and 38.1. Changes to Schedule of Fees are Disconnect and Reconnect charge fee when line crew is required to \$300.00 (4.1), Set Security Light Pole change to \$200 (10.1), Cost per foot for installation of security light wire change to \$2.00 (10.2), Fire System charge per hydrant change to \$146, Changing House move Minimum deposit to \$1000 (13.3), Adding Damage to facility -Failure to Notify 811 \$100 fee (19.1, 17.1 and 12.1)Adding 12.1 Damage to facility - Failure to notify 911 of gas leak \$250.00 (12.1). Change verbiage to 9.1, adding 9.7 fuel run - ¾" plastic up to 150 feet cost \$450 and Fuel run - 1" steel up to 21 feet \$200.00. Changes to the Employee Personnel Manual 105 - Employee of Relatives (Nepotism) by taking the word spouse out, changing minor verbiage to 308, 309 and 311. Change 317 - Educational Assistance by adding a maximum reimbursement. 505- telephone, cell phone, Electronic and Wireless Communication Device Usage and Reimbursement change from \$30 to \$40 stipend. Motion carried unanimously upon roll call vote.

**ITEM 7335**

Open: Lehner presented the two bill stuffers 1) COVID-19 letter and 2) Household Hazardous Waste.

**ITEM 7336**

Magstadt presented the Report on Operations and Projects, Electric, Projects Completed this Month: 7 outages for the month and 14 for the year. Gas, Projects Completed this Month: Building Regulator Station #17, Water, Projects Completed this Month: 1 water main break for a total of 7 for the year. Engineering Tech. Projects Completed this Month: working on GIS Format for Flood Prep and working with First District. Miscellaneous: Put Hesco baskets around the Pelican Sub for flood preparation.

**ITEM 7337**

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects in Progress: The Refinancing of the SRF Loan has been postponed due to the bond rates. We will wait for the markets to settle down before moving forward. Customer Service, Projects Completed this Month: We closed the lobby to the general public. Customers will use the drive up and drop boxes. Human Resources/Risk Management: Spent numerous hours on webinars and meetings to address COVID-19 and implementing appropriate responses as it relates to employee's safety and leave benefits. Retirement Ron Renelt, Electric Meter Person, effective 3/20/2020, C. Stangl was promoted to his position and we have Stangl's Lineman position posted. IT has been working putting these meetings together along with working on possible COVID-19 procedures.

Statements of Revenue and Expenses and Capital Additions were presented to the Board for review. Year to date net income is \$370,480 above budget for the two months ending February 29<sup>th</sup>, 2020. Total Capital Additions are \$651,437 under budget for the two months ending February 29<sup>th</sup>, 2020.

**ITEM 7338**

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 March 2020 Plus ACH Payroll Payments \$517,036.18. Change: A. Niemann 36.20/hr. effective 2/21/2020, T. Wirtjes 36.20/hr. effective 2/21/2020, term R. Renelt effective 3/20/2020.

Name	Payable Description	Payment Amount
APRIL 1, 2020		
ABC EMBROIDERY	SERVICE	\$34.20
ABC LOCK & KEY	SERVICE	\$595.82
ACTIVE HEATING INC	SERVICE	\$190.00
ADVANCED CONTROL SYSTEMS INC.	NTX-240 SUBSTATION CONTROLLER FOR E,W,PELICAN SUB	\$35,536.76

ADVANCED ENGINEERING & ENVIRON. SERVICES	I & C SYSTEM SERVICES	\$555.25
ADVANTAGE RVS & TRAILERS INC.	TONNEAU COVER	\$515.00
ADVANTAGE RVS & TRAILERS INC.	PICKUP TOPPER	\$4,192.50
ADVANTAGE RVS & TRAILERS INC.	PICKUP TOPPER	\$3,850.95
AFLAC	CANCER PT	\$1,933.32
ALPS INC	SUPPLIES	\$436.00
AMARIL UNIFORM COMPANY	SAFETY CLOTHING	\$382.66
A-OX WELDING SUPPLY INC	SUPPLIES	\$605.49
AUTO BODY SPECIALTIES	SUPPLIES	\$261.00
BENDIX IMAGING INC	OFFICE SUPPLIES	\$369.96
BORDER STATES ELECTRIC SUPPLY	GAS VALVES AS PER BID 2020	\$89,016.60
BORNS GROUP	POSTAGE & MAILING	\$9,416.20
BTE CORPORATION	2020 SUPPORT CONTRACT	\$2,450.00
BURCHATZ CONSTRUCTION COMPANY INC	CONCRETE REPAIR	\$3,828.12
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$94.74
CARTNEY BEARING & SUPPLY	SUPPLIES	\$99.09
CENTURY LINK	PHONE SERVICE	\$298.26
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$4,750.86
CHEMCO SYSTEMS, LP	SUPPLIES	\$735.70
CHICAGO TUBE & IRON	PIPE AS PER BID	\$43,709.91
CHILD SUPPORT PAYMENT CENTER	EMPLOYEE DEDUCTION: CHILD SUPPORT	\$750.00
CODINGTON COUNTY REGISTER OF DEEDS	EASEMENTS	\$30.00
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$4,592.16
CONNECTING POINT	WIRELESS NETWORK HARDWARE	\$6,070.30
CONSTRUCTION SIGNING CORPORATION	TRAFFIC CONTROL	\$2,417.00
CONSULTING ENGINEERS GROUP INC	15TH AVENUE SUBSTATION	\$28,453.08
CONTROL EQUIPMENT SALES, INC	CORRECTORS	\$9,881.56
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$615.07
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$143.57
DAKOTA DATA SHRED	SHREDDING SERVICE	\$68.45
DEPARTMENT OF HEALTH	WATER SAMPLES	\$470.00
DGR ENGINEERING	REVENUE METERING RELOCATION	\$7,892.50
DK DIESEL INJECTION INC	SERVICE	\$3,639.31
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$514.39
DTN, LLC	SUBSCRIPTION	\$489.00
DUININCK INC	CRUSHED CONCRETE, ROCK	\$5,435.74
EAST RIVER ELEC POWER COOP	2020 SERVICE CONTRACT	\$8,100.00
ELEMENT MATERIALS TECHNOLOGY	WELDER QUALIFICATION	\$450.00
ENERGY LABORATORIES INC	WATER TESTING	\$1,298.00
ENGELSTAD ELECTRIC COMPANY	SERVICE	\$178.57
ETHANOL PRODUCTS LLC	SUPPLIES	\$1,350.48
FARNAMS GENUINE PARTS	SUPPLIES	\$51.99
FASTENAL COMPANY	SUPPLIES	\$403.59
FEDERAL EXPRESS CORP	SERVICE	\$112.48
FOLEY AND FOLEY LAW OFFICE, PC	LEGAL FEES	\$1,000.00
G & R CONTROLS INC.	SERVICE	\$2,849.00
GAS PRODUCTS SALES, INC	SUPPLIES	\$634.17
GENUINE PARTS COMPANY, INC.	2020 SUBSCRIPTION	\$2,640.00
GROEBNER	SUPPLIES	\$4,690.45
HAROLD K SCHOLZ CO	REVENUE METERING RELOCATION	\$34,669.52
HAWKINS, INC.	SUPPLIES	\$1,333.45
HOLDGRAFER & OKERSON	ENERGY INCENTIVE REBATE	\$1,695.60
HUMAN SERVICE AGENCY	EAP SERVICES	\$90.00
IBEW LOCAL 426	UNION DUES	\$2,952.50
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$717.35
J H LARSON COMPANY	SUPPLIES	\$2,883.92
JOHNSON CONTROLS INC	SERVICE	\$1,584.98

JUSTICE FIRE & SAFETY	CLEAN AGENT SYSTEM INSPECTION	\$200.00
KARST, ADAM	REIMBURSEMENT EXPENSE	\$437.74
KEISER, BRIAN	REIMBURSEMENT EXPENSE	\$2,817.00
KEY CONTRACTING INC	15TH AVE SUBSTATION	\$121,488.37
KNOWBE4	SOFTWARE TRAINING SUBSCRIPTION	\$2,786.40
KOONS GAS MEASUREMENT	METERS	\$11,426.24
LAMB CHEVROLET	TRUCK PER STATE BID (UNIT #12)	\$30,544.00
LEHNER, STEVE	REIMBURSEMENT EXPENSE	\$464.30
LOCATORS & SUPPLIES INC	SUPPLIES	\$203.44
LUNDE, JOHN	REIMBURSEMENT EXPENSE	\$296.34
LYLE SIGNS INC	SUPPLIES	\$330.59
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$635.42
MAC'S HARDWARE	SUPPLIES	\$115.45
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$41.40
MARCO	COPIER LEASE	\$401.18
MATHESON TRI-GAS INC	NITROGEN	\$71.11
MCKEEVER INC	SUPPLIES	\$131.10
MENARDS INC	SUPPLIES	\$896.91
MET LIFE	LIFE INSURANCE	\$1,314.23
MIDCONTINENT COMMUNICATIONS	INTERNET & CABLE SERVICE	\$215.72
MIDWEST UNDERGROUND SUPPLY, LLC	SUPPLIES	\$372.56
MILBANK WINWATER WORKS	SUPPLIES	\$74.00
MITCHELL, ANGIE	REIMBURSEMENT EXPENSE	\$621.53
MJ WALSH TRUCKING INC	SUPPLIES	\$602.90
MUELLER CO	SUPPLIES	\$1,102.54
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$678.46
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$1,217.23
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$3,527.13
NEW PIG CORP	SUPPLIES	\$222.82
NORTH STAR LOGISTICS	SUPPLIES	\$1,785.00
NORTHERN TRUCK EQUIP CORP	SNOW PLOW	\$7,587.00
NOVASPECT, INC.	SUPPLIES	\$1,114.06
OFFICE PEEPS	SUPPLIES	\$4,187.58
O'REILLY AUTOMOTIVE INC	SUPPLIES	\$150.97
PARA UX LLC	SERVICE	\$62.50
PETE LIEN & SONS	BULK LIME	\$12,902.64
PETERSON, DELORES	REIMBURSEMENT EXPENSE	\$2,500.00
POMP'S TIRE SERVICE, INC.	TIRES	\$2,589.16
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$169.98
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,134.11
QUALITY FIRST PLUMBING & HEATING I	SERVICE	\$588.38
R & L SUPPLY LTD	MISC GAS FITTINGS	\$3,550.61
REDLINGER BROS PLUMBING & HEATING	SUPPLIES	\$22.21
RELIABANK DAKOTA	TASC MED	\$6,052.02
RESCO	SUPPLIES	\$4,893.35
ROTH, KEENAN M	REIMBURSEMENT EXPENSE	\$93.50
RUNNING'S SUPPLY INC	SUPPLIES	\$653.17
SAKATA JV HOLDING LLC	REFUND	\$23,000.00
SANFORD HEALTH OCCUPATIONAL MEDICINE	SCREENS	\$192.00
SD ONE CALL	LOCATES	\$15.75
SD RETIREMENT SYSTEM	2019 ADDITIONAL CONTRIBUTIONS	\$3,089.32
SDRS SPECIAL PAY PLAN	401a VAC	\$38,259.76
SENSIT TECHNOLOGIES	GAS DETECTORS	\$4,952.10
SERVICEMASTER	JANITORIAL SERVICE	\$4,120.00
SIGN PRO	SUPPLIES	\$515.50
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$3,914.85
SOUTH DAKOTA SHRM	2020 SHRM CONFERENCE	\$249.00

SPEE-DEE DELIVERY SERVICE INC	SERVICE	\$149.69
STAN HOUSTON EQUIP CO	RENTAL	\$370.00
STAR LAUNDRY INC	SERVICE	\$410.11
STUART C IRBY CO	SERVICE	\$3,069.91
STURDEVANTS AUTO PARTS	SUPPLIES	\$307.63
T & R ELECTRIC SUPPLY COMPANY INC	SERVICE	\$150.00
TEREX USA, LLC	SERVICE	\$4,737.55
TITAN MACHINERY- WTN	SUPPLIES	\$642.17
TITAN MACHINERY-SF	SERVICE	\$1,967.00
TODD REMACLE	REIMBURSEMENT EXPENSE	\$1,250.00
TRAV'S OUTFITTER	SAFETY CLOTHING	\$118.99
TYNDALE COMPANY INC	SAFETY CLOTHING	\$838.90
USA BLUEBOOK	SUPPLIES	\$798.37
WALMART COMMUNITY	SUPPLIES	\$799.96
WATERTOWN AREA CHAMBER OF COMMERCE	2020 ANNUAL MEMBER DUES	\$531.38
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN FORD CHRYSLER	TRUCK PER STATE BID (UNIT#11)	\$49,116.00
WATERTOWN PUBLIC OPINION	PUBLISHINGS	\$488.56
WATERTOWN UNITED WAY	United Way	\$424.00
WATERTOWN WHOLESALE	SUPPLIES	\$802.72
WAYTEK INC	SUPPLIES	\$177.85
WESCO DISTRIBUTION INC	CUTOUTS	\$6,474.60
	TOTAL	\$738,902.59

Total March 2020 738,902.59; Transfer to City's General Fund 116,433.33, Muni Utilities Electric Water Gas 40,732.49; Missouri River Energy Services Power 1,981,260.72; BP Canada Energy Marketing Natural Gas 349,972.00; Dept. of Revenue Sales/Excise Tax 230,714.39; CPEP #3 Natural Gas 65,027.43, CPEP #4 Natural Gas 58,192.85, Sequent Energy Mgmt. Natural Gas 169,632.33, Northern Border Pipeline Natural Gas Tap 99,243.22, City Finance Office Garbage/Sewer 405,850.61.

### **ITEM 7339**

Pursuant to SDCL 1-25-2(3) Carter moved with second by Carrico to move to Executive Session for discussion of contractual matters. The Board does expect to take action when they reconvene to regular session. Motion carried unanimously upon roll call vote.

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

Motion by Carter with second by Carrico to approve donating \$150,000 to the Watertown Development Company for a small business loan fund, to help small businesses through this pandemic. Motion carried unanimously upon roll call vote.

Motion by Carter 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 30<sup>th</sup>, day of March, 2020.

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

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Lisa Pahl  
Board Secretary  
Municipal Utilities Board

John Holley  
Board President  
Municipal Utilities Department