

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Thursday, May 28th, 2020

The Municipal Utilities Board convened in regular session at the Watertown Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Thursday, May 28th, 2020 at 12:00 p.m. with President John Holley presiding.

Board members present: John Holley, Chris Carter and Greg Solum. Board Members Lisa Carrico and Mike Luken via teleconference. Board Liaison, member of City Council, Glen Vilhauer via teleconference. Staff members present: Steve Lehner, Adam Karst, Bert Magstadt, Mark Haider, Mark Meier, Lisa Pahl and Attorney Vince Foley. Staff members via teleconference Jeff DeVille, Doug Enstad, Kevin Kruiter, Sheila Mennenga and Gina Brown. Media Dan Crisler, Public Opinion Newspaper via teleconference, Mayor Sara Caron via teleconference, Dan Brenden via teleconference and three other call in guests.

ITEM 7354

Motion by Luken with second by Carter to approve the Agenda with one change by moving Item 10 after Item 17 Executive Session. Motion carried unanimously upon roll call vote.

ITEM 7355

Motion by Carter with second by Solum to approve minutes of regular Board Meeting on April 27th, 2020. Motion carried unanimously upon roll call vote.

ITEM 7356

Motion by Carter with second by Solum to Declare as Surplus 20 Batteries from the west substation. Motion carried unanimously upon roll call vote.

ITEM 7357

Motion by Solum with second by Luken to approve General Manager to sign Permanent Access Easement for the Northern Border Tap. Motion carried unanimously upon roll call vote.

Motion by Solum with second by Luken to approve General Manager to sign Surface Site Easement for the Northern Border Tap. Motion carried unanimously upon roll call vote.

ITEM 7358

Motion by Carter with second by Solum to approve a Water Rate Study with Trilogy Consulting LLC, Oconomowoc, WI for \$16,340. Motion carried unanimously upon roll call vote.

ITEM 7359

Motion by Carter with second by Solum to approve AMI (Advanced Metering Infrastructure) Study with CMG, Austin, TX for \$29,500. Motion carried unanimously upon roll call vote.

ITEM 7360

Motion by Carter with second by Solum to authorize General Manager to sign Change order #1 for Water Main Replacement on 12th Ave N with AP & Sons. Motion carried unanimously by roll call vote.

ITEM 7361

Open: Lehner gave an update on the Missouri River Energy Annual Meeting. He said they conducted a teleconference and there were no speakers. The business portion was the only thing that was covered. Lehner presented the Bill Stuffer, Watertown Municipal Utilities Customer Service Letter.

ITEM 7362

Magstadt presented the Report on Operations and Projects, Electric, Projects Completed this Month: 7 outages for the month and 31 for the year, a delivery van snagged a line at the lake and caused damaged, completed the transformer change out at TEREX. Gas, Projects Completed this Month: 2" damaged gas line that was hit by a contractor was repaired. Water, Projects Completed this Month: No water main break for a total of 7 for the year, Fixed the 3-million-gallon reservoir tank. When the C-wall bolts were put-in they must have hit some rebar that caused a reaction and it started corrosion. This was cleaned and they installed new washers to insulate the bolts from the supports to prevent or slow down the corrosion. Northern Border Tap: The easements have been done, Welders are being tested today, The tap is on schedule to start construction after the 4th of July and energize the tap in November.

ITEM 7363

Karst presented the report on Administration and Financial Statements, Purchasing, Accounting and Facilities, Projects in Progress: William Neale & Company have completed field work for the 2019 financials, Receiving and stocking material. Upcoming Projects: Striping parking spots in the parking lot, Final gravel and lawn seeding was done. Customer Service, Projects Completed this Month: Late fees of \$18,125 and Delinquent Service Fees of \$16,485 were waived by the Board the month of April. Human Resources/Risk Management: Continued to participate in numerous webinars and on-line chats regarding COVID-19, Held meeting with insurance broker,

Marsh & McLennan, to discuss current claims status, compliance review and to begin discussion regarding 2021 renewal, We are fully staffed with the hire of lineman Nathan Sime and provided a list of new and returning summer temps. IT: 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 \$504,876 above budget for the four months ending April 30th, 2020. Total Capital Additions are \$942,651 under budget for the four months ending April 30th,2020.

ITEM 7364

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 May 2020 Plus ACH Payroll Payments \$536,205.10. Summer Temps New: W. Berner 13.50/hr. effective 5/11/2020, J. Beynon 11.00/hr. effective 5/11/2020, S. Laurier 13.50/hr. effective 5/18/2020, Summer Temp Rehire: K. Kettwig 13.50/hr. effective 5/6/2020, A. Lehner 11.50/hr. effective 5/11/2020, Change: C. Brown 24.17/hr. effective 5/13/2020, A. Seim 21.35/hr. effective 4/21/2020, Add: N. Sime 38.12/hr. effective 5/18/2020.

Name	Payable Description	Payment Amount
JUNE 1, 2020		
ABC EMBROIDERY	SAFETY CLOTHING	\$14.85
ADVANCED ENGINEERING & ENVIRONMENTAL SERVICES	I&C SYSTEM SERVICES	\$319.75
AFLAC	CANCER PT	\$1,905.32
AGWRX COOPERATIVE - PELICAN	SERVICE	\$3,610.00
A-OX WELDING SUPPLY INC	SUPPLIES	\$229.67
AP & SONS CONSTRUCTION INC	2020 WATER MAIN REPLACEMENT	\$183,656.60
APPLIED INDUSTRIAL TECH INC	SUPPLIES	\$983.77
BENDIX IMAGING INC	OFFICE SUPPLIES	\$267.96
BORDER STATES ELECTRIC SUPPLY	HUSKIE CRIMPER	\$16,101.94
BORNS GROUP	POSTAGE & MAILING	\$9,310.32
BRADLEY AND ANITRA GISSELBECK	EASEMENT PAYMENT	\$12,625.00
BURCHATZ CONSTRUCTION COMPANY INC	CONCRETE REPAIR/REPLACEMENT	\$4,698.99
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$146.15
CE POWER ENGINEERED SERVICES, LLC	SUBSTATION MAINTENANCE	\$9,950.00
CENTURY LINK	PHONE SERVICE	\$297.69
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$3,471.80
CHEMCO SYSTEMS, LP	SUPPLIES	\$358.94
CHILD SUPPORT PAYMENT CENTER	EMPLOYEE DEDUCTION: CHILD SUPPORT	\$750.00
CIVIL DESIGN INC	SERVICE	\$1,562.50
CLARK ENGINEERING CORP	HIGHWAY 212 EAST PHASE WATERMAIN REPLACEMENT	\$2,876.25
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	WELLFIELD ELECTRIC SERVICE	\$5,301.78
CONNECTING POINT	SOFTWARE MAINTENANCE	\$531.50
CONSULTING ENGINEERS GROUP INC	15TH AVENUE SUBSTATION	\$5,006.00
CORE & MAIN LP	SUPPLIES	\$7,571.51
CREATIVE REWARDS	SUPPLIES	\$95.00
CREDIT COLLECTIONS BUREAU	COLLECTIONS	\$373.89
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$474.24
DAKOTA DATA SHRED	SHREDDING SERVICE	\$68.45

DAKOTA DIRECTIONAL LLC	INSTALLATION OF WIRE PER BID	\$113,907.00
DAKOTA UNDERGROUND CONSTRUCTION LLC	INSTALLATION OF UNDERGROUND	\$25,324.00
DENR	2021 ENVIRONMENTAL FEE	\$7,000.00
DEPARTMENT OF HEALTH	WATER SAMPLES	\$957.00
DGR ENGINEERING	REVENUE METERING RELOCATION	\$1,387.50
DIAMOND VOGEL PAINT CENTER	SUPPLIES	\$172.17
DSG DAKOTA SUPPLY GROUP	WATER VALVES & SUPPLIES	\$30,541.09
DTN, LLC	SUBSCRIPTION	\$489.00
DUININCK INC	GRAVEL	\$1,067.99
DYNAMIC ENGINEERING	SUPPLIES	\$476.01
ELECTRIC MOTORS & MOORE INC	SUPPLIES	\$1,040.00
ELEMENT MATERIALS TECHNOLOGY	WELDER QUALIFICATION	\$225.00
ENERGY ECONOMICS INC	SERVICE	\$1,929.60
ENERGY LABORATORIES INC	WATER TESTING	\$1,298.00
ENGELSTAD ELECTRIC COMPANY	INSTALLATION OF UNDERGROUND	\$5,087.64
ENSTAD, DOUG	REIMBURSEMENT EXPENSE	\$175.95
FABROTECH INDUSTRIES INC	BASKET STRAINERS	\$8,419.08
FARNAMS GENUINE PARTS	SUPPLIES	\$107.61
FASTENAL COMPANY	SUPPLIES	\$617.69
FEDERAL EXPRESS CORP	SERVICE	\$53.10
FOLEY AND FOLEY LAW OFFICE, PC	MARCH LEGAL FEES	\$2,320.00
FRANKLIN ELECTRIC CO, INC.	SUPPLIES	\$699.28
FRANZ REPROGRAPHICS, INC.	SUPPLIES	\$109.54
GRAINGER	SUPPLIES	\$446.37
GROEBNER	SUPPLIES	\$2,697.58
HAMLIN COUNTY	PERMIT	\$60.00
HAWKINS, INC.	SUPPLIES	\$2,497.65
IBEW LOCAL 426	UNION DUES	\$2,856.00
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$128.30
ITRON INC	HARDWARE/SOFTWARE MAINTENANCE	\$10,107.39
J H LARSON COMPANY	SUPPLIES	\$7,885.14
KARST, ADAM	REIMBURSEMENT EXPENSE	\$779.00
KEY CONTRACTING INC	15TH AVE SUBSTATION	\$69,663.65
KOONS GAS MEASUREMENT	THERMOWELLS	\$8,510.73
LIGHT & SIREN	SUPPLIES	\$1,260.00
LOCATORS & SUPPLIES INC	SUPPLIES	\$854.82
LUNDE, JOHN	REIMBURSEMENT EXPENSE	\$92.00
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$5,210.76
MAC'S HARDWARE	SUPPLIES	\$409.34
MAGSTADT, BERT	REIMBURSEMENT EXPENSE	\$90.28
MARCO	COPIER LEASE	\$550.34
MATHESON TRI-GAS INC	NITROGEN	\$77.65
MENARDS INC	SUPPLIES	\$2,248.83
MESA PRODUCTS INC	SUPPLIES	\$3,611.66
MET LIFE	LIFE INSURANCE	\$1,327.95
MIDCONTINENT COMMUNICATIONS	INTERNET & CABLE SERVICE	\$215.72
MILBANK WINWATER WORKS	WATER PIPE AS PER BID 2020	\$36,109.78
MISSOURI RIVER ENERGY SERVICES	MOTOR CIRCUIT ANALYSIS	\$1,526.50
MITCHELL, ANGIE	REIMBURSEMENT EXPENSE	\$91.24
MOTION INDUSTRIES	SUPPLIES	\$56.28
MUELLER CO	SUPPLIES	\$1,758.72
MUNICIPAL UTILITIES - PC	REPLENISH PETTY CASH	\$456.11
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND	\$652.20
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$7,014.21
NORDSIDEN, KELSEY	REIMBURSEMENT EXPENSE	\$2,491.61
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$5,308.29
NOVASPECT, INC.	GAS REGULATORS & TRAINING AS PER BID	\$71,833.05
OFFICE PEEPS	SUPPLIES	\$1,541.63

O'REILLY AUTOMOTIVE INC	SUPPLIES	\$85.17
OVERHEAD DOOR CO OF WTN	SERVICE	\$1,397.00
PETE LIEN & SONS	BULK LIME	\$22,749.54
PHEASANTLAND INDUSTRIES	SAFETY CLOTHING	\$266.89
POMP'S TIRE SERVICE, INC.	SERVICE	\$25.35
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$169.98
PRINCIPAL FINANCIAL GROUP	DENTAL INSURANCE	\$1,048.78
PRINT 'EM NOW INC	OFFICE SUPPLIES	\$53.00
R & L SUPPLY LTD	SUPPLIES	\$1,940.83
RC FIRST AID	SUPPLIES	\$122.50
RELIABANK DAKOTA	TASC MED	\$5,635.35
RESCO	TRANSFORMERS AS PER BID	\$336,034.55
RONKE, SHANE	REIMBURSEMENT EXPENSE	\$1,250.00
RUNNING'S SUPPLY INC	SUPPLIES	\$868.40
SCHAEFFER MFG CO	SUPPLIES	\$1,234.45
SD ONE CALL	LOCATES	\$712.95
SD PUBLIC UTILITIES COMMISSION	PIPELINE SAFETY ASSESSMENT	\$4,294.52
SERVICEMASTER	JANITORIAL SERVICE	\$4,120.00
SIGN PRO	SUPPLIES	\$975.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$5,215.90
SPARTON	ENERGY INCENTIVE REBATE	\$1,875.00
SPEE-DEE DELIVERY SERVICE INC	SERVICE	\$87.37
SFX COMPONENTS GROUP	SUPPLIES	\$645.35
STADHEIM LAWN CARE	SERVICE	\$1,355.00
STAN HOUSTON EQUIP CO	SUPPLIES	\$4,035.62
STAR LAUNDRY INC	SERVICE	\$103.34
STRUSS, SCOTT	REIMBURSEMENT EXPENSE	\$94.00
STRYKER SALES CORPORATION	SUPPLIES	\$136.50
STUART C IRBY CO	SUPPLIES	\$2,672.45
STURDEVANTS AUTO PARTS	SUPPLIES	\$416.46
T & R ELECTRIC SUPPLY COMPANY INC	SERVICE	\$3,300.00
TITAN MACHINERY- WTN	SUPPLIES	\$386.68
TITAN MACHINERY-SF	SUPPLIES	\$373.47
TRAV'S OUTFITTER	SAFETY CLOTHING	\$226.00
TYLER BUSINESS FORMS	OFFICE SUPPLIES	\$311.00
TYNDALE COMPANY INC	SAFETY CLOTHING	\$108.95
UNITED STATES TREASURY	MISCELLANEOUS FEES	\$501.71
UPS	SHIPPING	\$386.87
USA BLUEBOOK	SUPPLIES	\$1,573.55
VERIFIED CREDENTIALS	BACKGROUND SCREEN	\$135.00
VERMEER HIGH PLAINS	SUPPLIES	\$2,317.52
VESCO INC	SUPPLIES	\$905.21
WALMART COMMUNITY	SUPPLIES	\$110.37
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN LAWN & GARDEN	MOWER	\$11,582.80
WATERTOWN PUBLIC OPINION	PUBLISHINGS & ADVERTISEMENTS	\$874.21
WATERTOWN UNITED WAY	United Way	\$424.00
WATERTOWN WHOLESALE	SUPPLIES	\$550.10
WESCO DISTRIBUTION INC	WIRE AS PER BID	\$99,304.71
WINSUPPLY OF WATERTOWN	SUPPLIES	\$596.23
	TOTAL	\$1,258,664.53

Total May 2020 \$1,258,664.53; Transfer to City's General Fund \$116,433.33, Muni Utilities Electric Water Gas \$41,102.48; Missouri River Energy Services Power \$1,449,541.48; BP Canada Energy Marketing Natural Gas \$75,637.80; Dept. of Revenue Sales/Excise Tax \$189,667.43; CPEP #3 Natural Gas \$13,046.85,

CPEP #4 Natural Gas \$24,518.85, Sequent Energy Mgmt. Natural Gas \$113,647.50, Northern Border Pipeline Natural Gas Tap \$102,665.40, City Finance Office Garbage/Sewer \$414,948.53.

ITEM 7365

Pursuant to SDCL 1-25-2(3) Luken moved with second by Solum to move to Executive Session for discussion of contractual matters. The Board may 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 Luken with second by Carter to approve waiving the disconnection of customers for non-payment for the month of June. However, the 5% late fee penalties will still apply to customers who do not pay their bill by the June 10th payment deadline and customers will be subject to the \$35 delinquent service fee if payment is not received by 8:00 am on June 30. Disconnections of customers with outstanding balances will commence on July 30th unless they have setup a prior payment arrangement with Watertown Municipal Utilities. Motion carried unanimously upon roll call vote.

ITEM 7366

Holley turned the meeting over to General Manager Steve Lehner and Lehner noted that Dan Brenden was appointed by Mayor Sara Caron for a five-year term on the Board. Lehner also noted that Glen Vilhauer has been appointed by the Mayor to be liaison to the Utilities Board from the City Council. Lehner presented resolution of appreciation to outgoing Board Member John Holley.

Motion by Carter with second by Luken to approve the resolution for John Holley. Motion carried.

RESOLUTION OF APPRECIATION FOR
JOHN HOLLEY
WATERTOWN MUNICIPAL UTILITY BOARD
JULY 2015 TO MAY 2020

WHEREAS, John Holley was first appointed in July, 2015 to the Watertown Municipal Utilities Board by the Mayor and City Council of the City of Watertown, South Dakota, and

WHEREAS, John Holley has held one five-year term of distinguished service working for and in the best interest of the Watertown Municipal Utilities and the Municipal Utilities Board, and

WHEREAS, John Holley has served as president of the Board working willingly and untiringly for the betterment of the Watertown Municipal Utilities and the City of Watertown, South Dakota, and

BE IT RESOLVED, that the Members of the Municipal Utilities Board and the entire Watertown Municipal Utilities, take this means to express their deep appreciation and gratitude to John Holley for giving of his time and talents in service to the community, and especially his service to the direction and management of the Watertown Municipal Utilities of the City of Watertown, by his willingness to serve as a Member of the Municipal Utilities Board, and

BE IT FURTHER RESOLVED, that John Holley's friendliness and pleasant personality, as well as his business insight and dedication to the business of the Watertown Municipal Utilities, is recognized and appreciated. Dated this 28th day of May 2020.

ITEM 7367

Lehner requested reorganization of the Board. Motion by Carter with second by Luken to appoint Greg Solum as President and Lisa Carrico as Vice President. Motion carried unanimously upon roll call vote.

Board President Solum's appointment of committees is as follows:

Rates & Transfers	Chris Carter and Dan Brenden
Wages & Personnel	Mike Luken and Chris Carter
Production & Distribution	Chris Carter and Mike Luken
Buildings & Equipment	Dan Brenden and Lisa Carrico
Inventory Control	Lisa Carrico and Mike Luken
Finance: All with Greg Solum as Chairman, First named member to be Chairman of Committee.	

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 28th, day of May, 2020.

ATTEST: _____

Lisa Pahl
Board Secretary
Municipal Utilities Board

Greg Solum
Board President
Municipal Utilities Department