

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Monday, September 30, 2013

The Municipal Utilities Board convened in regular session at the Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday September 30, 2013 at Noon with President Mike Luken presiding.

Board members present: Mike Luken, Wayne Schultz, Ernie Wight, Dave Strait, Dustin Padgett, and Board Liaison Member of City Council Don Roby. Staff Members present: Steve Lehner, Todd Chambers, Adam Karst, Jeff DeVille, Doug Enstad, Rich Schmidt, Mark Meier, Mark Haider, Kevin Kruiter, Sheila Mennenga, Stephanie Ries, Lisa Pahl and Stanton Fox. Guest Troy Hieb of William Neale & Co., P.C..

ITEM 6406

Motion by Schultz with second by Wight to approve the Agenda. Motion carried.

ITEM 6407

Motion by Padgett with second by Schultz to approve minutes of the regular Board meeting on August 26, 2013. Motion carried.

ITEM 6408

Presentation was made by Troy Hieb of William Neale & Co PC for the 2012 audit. There were no audit findings that were considered significant and relevant to be included in Schedule of Audit Findings. Motion by Padgett with second by Strait to accept 2012 audit as presented. Motion carried.

ITEM 6409

Karst presented a report of unclaimed property to be reported to the State. Motion by Strait with second by Schultz to approve submittal to the state. Motion carried.

ITEM 6410

Open: Lehner presented the bill stuffer Living Safely with Natural Gas. Lehner discussed the upcoming Annual MRES area meetings being held in North Dakota, Minnesota, South Dakota and Iowa. He invited the Board Members to attend one of the meetings.

ITEM 6411

Old Business: Schmidt informed the Board that the overall savings in the past 14 months from Central Plains Energy Project was \$72,726.51.

ITEM 6412

Chambers presented report on Operations and Projects: Electric Department, Projects Completed this Month: Substation maintenance at Pelican Sub during Ethanol Plant shut down, Repaired elbows at Ethanol Plant found bad during thermo scan taken by MRES, Submitted necessary documents to FEMA for storm damage. Projects In Progress: Terminating underground wire installed by Dave's Construction, Arrow Ave., Multi District Area, City Auditorium, Terminating underground wire installed by Engelstad Electric Burger King. Projects Starting Next Month: Installing primary and 3 transformers at Titan. Gas Department, Projects Completed this Month: Installed 240' of 4" steel to serve regulator station #7, Abandon 240' of 8" steel with a casing that served regulator station #7, Installing gas main in the Prairie View Addition. Projects in Progress: Working on completing Operator Qualifications, Rebuilding and testing of residential gas meters, summer construction, Periodic meter change outs. Water Department, Projects Completed this Month: 1 new service tap, 2 replacement taps, Filled and tested new main 27th St & 14th Ave NE, Projects in Progress: New main being installed in Prairie View, Updating some of our older meters at the lake. Projects to Start Next Month: Repairing hydrants that we found operating hard, fill the new 3 million gallon water tank. Engineering Tech Department: Projects Completed this Month: 349 One-Call locates September 1 - 25th, 2013. 435 One-Call locates total for August, 2013, 6 Emergency locates (3 private contractors & 3 Watertown Utilities). Projects Starting Next Month: Average 400 One-Call locates in October, Prepare plans for 2014 Budget & Projects.

ITEM 6413

Karst presented report on Administration and Financial Statements: Building/Grounds and Purchasing, Projects Completed: Cummins Central Power worked on our generator and changed a couple of settings to correct problem we were having with transferring power. Projects in Progress: Working on FEMA information from the June 21st storm, Working on 2014 Budget. Projects to Start Next Month: Blow out our sprinkler systems on all WMU properties. Office, Projects Completed This Month: 13,460 Payments collected with a total of \$3,858,823.66; Total of 51,876 services billed for a total of \$3,593,593.12; Major Projects in Progress: Compiling customer service surveys, Preparing information requested by MRES for our 2013 Electric rate study, Compiling information for FEMA regarding the June 21 storm. Human Resources/Risk Management: Assisted with preparation of documentation for FEMA event. Attended the 2013 APPA Business & Finance Conference in Orlando, Florida - Also served as a presenter at one of the breakout sessions, Received retirement notice for Doug Heaton, Warehouseman, effective 10/18/2013. We have begun the process to fill the vacant position. Information Systems, Current Projects: Preparing 2014 budget, Attended APPA Business and Finance Conference in Orlando, FL.

Statements of revenue and expenses and Capital Additions were presented to the Board for review. Year to date net income is \$877,563 over Budget for the Eight months ending August 31, 2013. Total Capital Additions is \$655,342 under budget thru August 31, 2013.

ITEM 6414

Motion made by Strait with second by Schultz to approve the following verified Salary claims and bills. Motion carried unanimously upon roll call vote. Total Municipal Utilities Dept Net Payroll for September, 2013 Plus ACH Payroll Payments 369,371.76.

October 1, 2013 Name	Payable Description	Payment Amount
ABC EMBROIDERY	EMBROIDERY	\$9.90
ADVANCED ENGINEERING & ENVIRONMENTAL SERVICES	WATER SYSTEM IMPROVEMENTS	\$4,136.00
AFLAC	CANCER PT	\$2,032.29
A-OX WELDING SUPPLY INC	SUPPLIES	\$168.73
AP & SONS CONSTRUCTION INC	PRAIRIE VIEW ADDITION	\$30,785.00
APGA	TOOL SUBSCRIPTION	\$995.00
AVANTI FEDERAL CREDIT UNION	CREDIT UNION	\$15,902.53
BENDIX IMAGING INC	OFFICE SUPPLIES	\$348.98
BENSON, BRIAN	REIMBURSEMENT EXPENSES	\$61.00
BORDER STATES ELECTRIC SUPPLY	SUPPLIES	\$7,432.09
BORNS GROUP	POSTAGE & MAILING	\$7,567.70
BURCHATZ CONSTRUCTION COMPANY INC	CONCRETE REPAIR	\$1,806.64
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$74.04
C & S PEST CONTROL LLC	PEST CONTROL	\$75.00
CARQUEST #2197	SUPPLIES	\$232.70
CARTNEY BEARING & SUPPLY	SUPPLIES	\$61.80
CHAMBERS, TODD	REIMBURSEMENT EXPENSES	\$237.10
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$2,490.70
CODINGTON COUNTY REGISTER OF DEEDS	COPIES	\$69.00
CODINGTON-CLARK ELECTRIC COOPERATIVE INC	ELECTRIC SERVICE-NEW WELLFIELD	\$6,835.94
CREDIT BUREAU OF WATERTOWN INC	COLLECTIONS	\$569.70
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$59.76
CUMMINS CENTRAL POWER LLC	SUPPLIES	\$57.81
DAKOTA DATA SHRED	SHREDDING SERVICE	\$119.80
DE VILLE, JEFF	REIMBURSEMENT EXPENSES	\$62.15
DELTA STAR, INC	SUPPLIES	\$1,039.50
DEPARTMENT OF REVENUE	WATER SAMPLES	\$871.00
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$13,236.38
E & M LAWN CARE	LAWN CARE	\$1,150.00
ELECTRIC MOTORS & MOORE INC	SUPPLIES	\$34.00
EMERSON PROCESS MGMT. REGULATOR TECHN.INC	REGULATORS PER BID	\$10,764.00
ENERGY LABORATORIES INC	WATER TESTING	\$1,120.00
ENGELSTAD ELECTRIC COMPANY	UNDERGROUND-BURGER KING LOOP	\$35,375.79
ENSTAD, DOUG	REIMBURSEMENT EXPENSES	\$45.77
ETHANOL PRODUCTS LLC	CO2	\$1,521.56
F J MC LAUGHLIN CO.	SUPPLIES	\$448.95
FARNAMS GENUINE PARTS	SUPPLIES	\$325.48
FASTENAL COMPANY	SUPPLIES	\$511.60
FIBERGLASS SPECIALTIES INC	REPAIR TRANFORMER BASEMENTS	\$950.00
FRANKLIN PRESS INC	GAS INSERT	\$3,208.68
GREAT WESTERN BANK	TASC MED	\$5,879.65
GROEBNER & ASSOCIATES INC	SUPPLIES	\$155.00
HAWKINS, INC.	SUPPLIES	\$3,215.52
HD SUPPLY WATERWORKS	SUPPLIES	\$8,564.69
IBEW LOCAL 426	UNION DUES	\$3,059.00
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$79.92
J H LARSON COMPANY	SUPPLIES	\$12,436.90
JOHN CRANE INC	SUPPLIES	\$200.98
KOONS GAS MEASUREMENT	SUPPLIES	\$1,714.40
LAKE AREA TECH INSTITUTE	ENERGY INCENTIVE REBATE	\$5,100.00
LEE'S STUMP REMOVAL	TREE STUMP REMOVAL	\$1,820.00
LEHNER, STEVE	REIMBURSEMENT EXPENSES	\$514.73
LOCATORS & SUPPLIES INC	SUPPLIES	\$197.09
LUKONEN'S TOOL SERVICE INC	SUPPLIES	\$43.26
LYLE SIGNS INC	SUPPLIES	\$452.54

MACKSTEEL WAREHOUSE INC	SUPPLIES	\$225.00
MAC'S INC	SUPPLIES	\$144.83
MAHOWALD'S HARDWARE & RENTAL	SUPPLIES	\$121.31
MARCO INC	MAINTENANCE AGREEMENT	\$37.37
MARCO INC	MAINTENANCE AGREEMENT	\$235.09
MC KEEVER INC	SUPPLIES	\$257.66
MEL DAHLE TIRE CO	SUPPLIES	\$1,383.36
MENARDS INC	SUPPLIES	\$387.43
MESA PRODUCTS INC	SUPPLIES	\$2,585.68
MESEBERG, DAVID	REIMBURSEMENT EXPENSES	\$61.00
MET LIFE	LIFE INSURANCE	\$1,016.32
MIDCONTINENT COMMUNICATIONS	INTERNET SERVICE	\$105.00
MILBANK WINWATER WORKS	SUPPLIES	\$147.45
MINNESOTA MUNICIPAL UTILITIES ASSN	2013 OVERHEAD SCHOOL REGISTRATION	\$880.00
MUNICIPAL UTILITIES - PC	PETTY CASH	\$153.78
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND #10134	\$536.69
MUNICIPAL UTILITIES-REFUND ACCT	REFUND OVERPAYMENT OF FINAL BILLS	\$11,692.62
NEW YORK LIFE INS.	LIFE INSURANCE	\$196.00
NORTH AMERICAN SALT COMPANY	SUPPLIES	\$4,019.20
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$6,538.61
NOVA FIRE PROTECTION INC	ANNUAL INSPECTION	\$150.00
NOVASPECT, INC.	REGULATORS PER BID	\$20,700.60
OFFICE MAX CONTRACT INC	SUPPLIES	\$67.44
OFFICE PEEPS	OFFICE SUPPLIES	\$847.62
O'REILLY AUTOMOTIVE INC	SUPPLIES	\$47.50
PETE LIEN & SONS	LIME	\$29,788.84
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$128.21
PRELOAD INC	3 MG RESERVOIR REPLACEMENT	\$251,445.55
PROBUILD	SUPPLIES	\$74.08
RESCO	SUPPLIES	\$356.59
RON'S SAW SHOP	SUPPLIES	\$263.97
RUNNING'S SUPPLY INC	SUPPLIES	\$302.11
SCHMIDT, RICHARD	REIMBURSEMENT EXPENSES	\$74.93
SCHUNEMAN EQUIPMENT CO.	SUPPLIES	\$19.95
SD DEPT OF AGRICULTURE	Fees	\$100.00
SD DEPT OF THE MILITARY	ENERGY INCENTIVE REBATE	\$41,643.45
SD ONE CALL	LOCATES	\$456.75
SERVICEMASTER	JANITORIAL SERVICE	\$3,120.00
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$8,574.93
SIOUX VALLEY GREENHOUSES	LAWN REPAIR	\$612.00
STAR LAUNDRY INC	SUPPLIES	\$270.78
STATE TREASURER	UNCLAIMED PROPERTY FOR 2013	\$826.42
STUART C IRBY CO	TRANSFORMERS PER BID	\$8,867.31
STURDEVANTS AUTO PARTS	SUPPLIES	\$134.78
T & R ELECTRIC CO	FURAN TESTS	\$525.00
TITAN MACHINERY- WTN	REPAIR ON UNIT #29	\$940.70
TITAN MACHINERY-SF	SUPPLIES	\$492.09
TYNDALE COMPANY INC	SUPPLIES	\$14.95
UPPER BIG SIOUX RIVER WATERSHED	SOURCE WATER PROTECT. PROGRAM - SEPT. '13	\$90,000.00
UPS	SHIPPING	\$197.49
UTILITIES PLUS ENERGY SERVICES INC	RELAY REPLACEMENT	\$2,079.69
WALGREEN CO #10007	ENERGY INCENTIVE REBATE	\$829.00
WATERTOWN CO-OP ELEVATOR ASSN	SUPPLIES	\$138.75
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN FORD CHRYSLER	SUPPLIES	\$979.84
WATERTOWN PUBLIC OPINION	PUBLISHINGS	\$322.66
WATERTOWN UNITED WAY	United Way	\$351.00
WATERTOWN WHOLESALE	SUPPLIES	\$472.15
WELLMARK BLUE CROSS/BLUE SHIELD	HEALTH INSURANCE	\$65,369.47
WESCO DISTRIBUTION INC	SUPPLIES	\$2,952.04
WILLIAM NEALE & CO., PC	2012 Audit	\$7,618.00
TOTAL		\$777,798.79

Total September, 2013 777,798.79; Transfer to City's General Fund 95,700; Muni Utilities Electric Water Gas 53,949.98; Northern Natural Gas 2,273.20; Missouri River Energy Services Power 2,122,454.80; BP Canada Energy Marketing Natural gas 123,252.50; Dept of Revenue Sales/Excise Tax 136,362.01; CPEP Natural Gas 11,131.33, City Finance Office Garbage Sewer 389,382.13.

ITEM 6415

Motion by Wight with second by Strait to adjourn. Motion carried unanimously upon roll call vote.

The Watertown Municipal Utilities Department does not discriminate in employment opportunities or provision of services basis of race, color, religion, sex, national origin, age, disability, or any other characteristic protected by law.

Dated at Watertown, South Dakota this 30th day of September, 2013

ATTEST: _____

Lisa Pahl

Michael V. Luken

Executive Secretary

President

Municipal Utilities Board

Municipal Utilities Board