

MINUTES OF MUNICIPAL UTILITIES BOARD MEETING

Monday, July 29, 2013

The Municipal Utilities Board convened in regular session at the Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday July 29, 2013 at Noon with President Dustin Padgett presiding.

Board members present: Dustin Padgett, Mike Luken, Ernie Wight, Wayne Schultz, Dave Strait 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, Stephanie Ries and Lisa Pahl.

ITEM 6389

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

ITEM 6390

Motion by Schultz with second by Strait to approve minutes of the regular Board meeting on June 27, 2013. Motion carried.

ITEM 6391

Padgett opened a public hearing and Lehner presented information on a proposed lease agreement with Cody Berns. The lease is based on 40 acres for haying land described as Lot 1 and Lot 2 of the Water Improvement Addition. Lessee would pay \$45.00 an acre per year for a total of 1,800.00 per year for a 5 year agreement. No input was received from the public hearing. Padgett closed hearing. Motion by Wight with second by Luken to approve this lease and authorize General Manager to sign. Motion carried.

Padgett opened a public hearing and Lehner presented information on a proposed lease agreement with Richard DeBerg. The lease is for pasturing approximately 40 acres of land described as Lot 3 of the Water Improvement Addition. Lessee would pay \$51.75 an acre per year for a total of 2,070.00 per year for a 3 year agreement. No input was received from the public hearing. Padgett closed hearing. Motion by Schultz with second by Wight to approve this lease and authorize General Manger to sign. Motion carried.

ITEM 6392

Motion by Strait with second by Schultz to give approval for General Manager to sign Banking Agreement with Great Western Bank. Motion carried.

ITEM 6393

Open: Lehner introduced Don Roby, the new Board Liaison Member of City Council.

ITEM 6394

Chambers presented report on Operations and Projects: Electric Department, Projects Completed this Month: Completed storm restoration, a total of 30 poles and 18 transformers were changed, A total of 140 investigation orders were processed during and after the storm, Completed overhead to underground conversion at Summer Wood, Engelstad Electric completed installing primary wire at Airport industrial park per contract. Projects in Progress: Prairie Hills addition installing primary and transformers. Projects Starting Next Month: Installing 2000 KVA transformer at the Hospital, Installing primary at Pheasant Ridge, North Grove Addition and East Woods addition. Gas Department, Projects Completed this Month: Repaired 1 service line pulled out of the ground from storm damage, Responded to 3 damaged lines that were called in and repaired the coating. Projects in Progress: Working on completing Operator Qualifications, Summer construction. Projects Starting Next Month: Replacing a broke valve on regulator station #7, Replacing 190' of main that services regulator station #7 to remove a short between the pipe casing. Water Department, Projects Completed this Month: 4 new service taps, 1 replacement tap, 3 main shut downs. Projects in Progress: Inspecting and flowing all of the hydrants in the system. Projects to Start Next Month: Installing pipe on new developments. Engineering Tech Dept, Projects Completed this Month: 388 One-Call locates July 1 - 24th, 2013. 537 One-Call locates total for June, 2013, 7 Emergency locates (6 private contractors & 1 Watertown Utilities). Projects Starting Next Month: Average 475 One-Call locates in August.

ITEM 6395

Karst presented report on Administration and Financial Statements: Building/Grounds and Purchasing, Projects Completed: Cummins load banked tested and did maintenance on our main generator, Quote for shingling Mellette booster station was awarded to Kissell Construction through Hometown Building Center. Projects in Progress: ordering, receiving and stocking materials. Office, Projects Completed This Month: 13,492 Payments collected with a total of \$3,908,112.26; Total of 51,736 services billed for a total of \$3,239,160.66; Major Projects in Progress: Preparing information requested by MRES for our 2013 Electric Rate Study, Compiling information for FEMA regarding the June 21st storm. Human Resources/Risk Management: Completed payroll estimates from June 21 storm to report to FEMA.

Statements of revenue and expenses and Capital Additions were presented to the Board for review. Year to date net income is \$711,197.00 over Budget for the six months ending June 30, 2013. Total Capital Additions is \$1,189,547 under budget thru June 2013 mostly due to the 3 million gallon water tank rehabilitation project behind schedule.

ITEM 6396

Motion made by Luken with second by Strait to approve the following verified Salary claims and bills. Motion carried unanimously upon roll call vote. Total Municipal Utilities Dept Net Payroll for July, 2013 Plus ACH Payroll Payments 404,408.91.

Name	Payable Description	Payment Amount
8/1/2013		
ADVANCED ENGIN.& ENVIRON. SRVS	WATER TREAT. PLANT I & C SERVICES	\$330.00
AFLAC	CANCER PT	\$2,032.29
ANDOR INC	A/C UNIT MAINT.FOR WEST SUBSTATION	\$1,567.18
ANGUS PALM	ENERGY INCENTIVE REBATE	\$924.46
A-OX WELDING SUPPLY INC	SUPPLIES	\$361.74
APPLIED INDUSTRIAL TECH INC	SUPPLIES	\$224.69
ASPEN TREE SERVICE	STORM ASSISTANCE	\$3,000.00
AVANTI FEDERAL CREDIT UNION	CREDIT UNION	\$15,902.53
BORDER STATES ELECTRIC SUPPLY	SUPPLIES	\$30,108.50
BORNS GROUP	POSTAGE & MAILING	\$7,301.85
BURCHATZ CONSTRUCTION CO. INC	PATCH WORK	\$373.47
BUREAU OF ADMINISTRATION	STATE TELEPHONE NETWORK USAGE	\$63.41
CASHWAY LUMBER INC	SUPPLIES	\$113.42
CHAMBERS, TODD	REIMBURSEMENT EXPENSES	\$155.94
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$2,068.40
CLARK FLOWER & GIFT SHOP	FUNERAL PLANT	\$38.68
CODINGTON CTY REGISTER OF DEEDS	COPIES	\$7.00
CODINGTON-CLARK ELECTRIC COOP INC	ELECTRIC SERVICE-NEW WELLFIELD	\$5,545.79
COUNTY FAIR FOOD STORE	SUPPLIES	\$98.54
CREATIVE VISIONS LANDSCAPE & DESIGN	SUPPLIES	\$19.45
CREDIT BUREAU OF WATERTOWN INC	COLLECTIONS	\$985.49
CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$476.90
DAKOTA DATA SHRED	SHREDDING SERVICE	\$252.13
DE VILLE, JEFF	REIMBURSEMENT EXPENSES	\$56.50
DEPARTMENT OF REVENUE	WATER SAMPLES	\$403.00
DIAMOND VOGEL PAINT CENTER	SUPPLIES	\$155.68
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$2,728.02
DUECO INC	SUPPLIES	\$725.84
DUGAN SALES & SERVICE	SUPPLIES	\$105.90
E & M LAWN CARE	LAWN SERVICE	\$2,105.00
ENGELSTAD ELECTRIC COMPANY	INSTALLING UNDERGROUND LINES	\$126,230.94
ETHANOL PRODUCTS LLC	CO2	\$567.17
EXCELL DIAMOND SUNSHINE INDUSTRIAL	SUPPLIES	\$179.00
FARNAMS GENUINE PARTS	SUPPLIES	\$468.57
FASTENAL COMPANY	SUPPLIES	\$294.73
G & R CONTROLS INC.	SERVICE CALL	\$230.61
GRAINERY	EMERGENCY MEALS	\$141.56
GREAT WESTERN BANK	TASC MED	\$5,879.65
GROEBNER & ASSOCIATES INC	SUPPLIES	\$1,055.61
H R GREEN	3 MG WATER RES. REPLACEMENT	\$7,127.83
HAWKINS, INC.	SUPPLIES	\$3,072.00
HD SUPPLY WATERWORKS	SUPPLIES	\$2,536.00
HY-VEE FOODS	EMERGENCY MEALS	\$551.70
IBEW LOCAL 426	UNION DUES	\$3,059.00
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$215.92
J H LARSON COMPANY	SUPPLIES	\$7,667.50
KARST, ADAM	REIMBURSEMENT EXPENSES	\$209.74
LEHNER, STEVE	REIMBURSEMENT EXPENSES	\$352.76
LOCATORS & SUPPLIES INC	SUPPLIES	\$2,588.96
LUKONEN'S TOOL SERVICE INC	SUPPLIES	\$218.95
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$430.45
MAC'S INC	SUPPLIES	\$406.63
MAHOWALD'S HARDWARE & RENTAL	SUPPLIES	\$45.45

MARCO INC	MAINTENANCE AGREEMENT	\$37.37
MARCO INC	MAINTENANCE AGREEMENT	\$668.83
MC KEEVER INC	SUPPLIES	\$257.67
MEL DAHLE TIRE CO	SUPPLIES	\$1,112.33
MENARDS INC	SUPPLIES	\$665.62
MET LIFE	LIFE INSURANCE	\$1,016.32
MIDCONTINENT COMMUNICATIONS	INTERNET SERVICE	\$105.00
MINNESOTA MUNICIPAL UTILITIES ASSN	SAFETY PROGRAM	\$6,819.20
MUNICIPAL UTILITIES - PC	PETTY CASH	\$165.86
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND #1660	\$428.61
MUNICIPAL UTILITIES-REFUND ACCT	REFUND OVERPAYMENT OF FINAL BILLS	\$11,028.36
NEW PIG CORP	SUPPLIES	\$80.30
NEW YORK LIFE INS.	LIFE INSURANCE	\$196.00
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$1,973.55
OFFICE MAX CONTRACT INC	SUPPLIES	\$14.99
OFFICE PEEPS	OFFICE SUPPLIES	\$431.77
PAPKA FENCING	FENCING	\$186.30
PETE LIEN & SONS	LIME PER BID	\$17,973.19
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$128.21
PRELOAD INC	3 MG RESERVOIR REPLACEMENT	\$922,500.31
PRINT-EM-NOW INC	SUPPLIES	\$767.42
PRO LINE INC	SUPPLIES	\$226.09
PROBUILD	SUPPLIES	\$37.25
REDLINGER BROS PLUMBING & HEATING	SUPPLIES	\$71.30
RESCO	SUPPLIES	\$4,420.58
RON'S SAW SHOP	SUPPLIES	\$17.99
RUNNING'S SUPPLY INC	SUPPLIES	\$603.21
SCHAEFFER MANUFACTURING COMPANY	SUPPLIES	\$1,040.65
SD ONE CALL	LOCATES	\$563.85
SD PUBLIC ASSURANCE ALLIANCE	PROP. , BOILER, MACHINERY INS.PREM	\$43,538.00
SERVICEMASTER	JANITORIAL SERVICE	\$3,120.00
SHERWIN WILLIAMS CO	SUPPLIES	\$72.95
SIOUX VALLEY CO-OP	FUEL, SUPPLIES	\$9,959.13
SOUTHERN CROSS CORP	EQUIPMENT REPAIR	\$656.36
STAR LAUNDRY INC	RUGS	\$270.78
STUART C IRBY CO	SUPPLIES	\$2,843.95
STURDEVANTS AUTO PARTS	SUPPLIES	\$795.91
THE GYM INC.	ENERGY INCENTIVE REBATE	\$3,978.00
TITAN MACHINERY- WTN	SUPPLIES	\$248.06
TITAN MACHINERY-SF	SUPPLIES	\$115.91
TRAV'S OUTFITTER	SUPPLIES	\$198.96
TRINITY CONTRACTING INC	UTILITY BILL REFUND	\$6,133.73
UPPER BIG SIOUX RIVER WATERSHED	ENERGY INCENTIVE REBATE	\$1,420.00
UPS	SUPPLIES	\$252.75
USA BLUEBOOK	SUPPLIES	\$1,439.17
VERMEER HIGH PLAINS	SUPPLIES	\$802.18
WATERTOWN CO-OP ELEVATOR ASSN	SUPPLIES	\$92.80
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN PUBLIC OPINION	PUBLISHERS	\$330.50
WATERTOWN UNITED WAY	United Way	\$351.00
WATERTOWN WHOLESALE	SUPPLIES	\$575.70
WATERTOWN WINNELSON CO	SUPPLIES	\$615.92
WELLMARK BLUE CROSS/BLUE SHIELD	HEALTH INSURANCE	\$65,872.06
WESCO DISTRIBUTION INC	SUPPLIES	\$5,531.86
ZEP MANUFACTURING CO	SUPPLIES	\$253.91
	Total	\$1,373,460.25

Total July, 2013 1,373,460.25; Transfer to City's General Fund 95,700,
Muni Utilities Electric Water Gas 38,410.77; Northern Natural Gas

2,273.20; Missouri River Energy Services Power 1,819,375.44; BP Canada Energy Marketing Natural gas 134,600.00; Dept of Revenue Sales/Excise Tax 128,770.59; CPEP Natural Gas 12,820.50, First Nat'l Bank-SF SRF Loan 413,660.20, City Finance Office Garbage Sewer 385,043.05.

ITEM 6397

Pursuant to SDCL 1-25-2(3)(4) Strait moved with second by Luken to move to Executive Session for discussion of contractual matters and personnel issue. No action expected after Executive Session. Motion carried.

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

Motion by Strait with second by Luken to adjourn. Motion carried.

The Watertown Municipal Utilities Department does not discriminate against the handicapped in employment or admission or access to its programs and activities or the provision of services.

Dated at Watertown, South Dakota this 29th day of July, 2013

ATTEST: _____

Lisa Pahl

Dustin J. Padgett

Executive Secretary

President

Municipal Utilities Board

Municipal Utilities Board