

## **MINUTES OF MUNICIPAL UTILITIES BOARD MEETING**

**Monday, June 29<sup>th</sup>, 2015**

The Municipal Utilities Board convened in regular session at the Municipal Utilities Board Room 901 Fourth Avenue SW Watertown SD on Monday, June 29<sup>th</sup>, 2015 at 12:00 p.m. with President Wayne Schultz presiding.

Board members present: Wayne Schultz, Ernie Wight, Mike Luken, Dustin Padgett and Dave Strait. Board Liaison, member of City Council, Don Roby. Staff members present: Steve Lehner, Todd Chambers, Adam Karst, Jeff DeVille, Rich Schmidt, Doug Enstad, Mark Haider, Mark Meier, Kevin Kruiter, Stephanie Ries, Sheila Mennenga, Stanton Fox and Lisa Pahl. Press: Sam Wilmes, Public Opinion and Guest Michael Alama.

### **ITEM 6651**

Motion by Padgett with second by Luken to approve the Agenda with the change of moving Item 7, Consideration of Water Service and Voluntary Annexation Agreement, right after Item 3. Motion carried.

### **ITEM 6652**

Motion by Wight with second by Padgett to approve minutes of the regular Board Meeting on May 28<sup>th</sup>, 2015. Motion carried.

### **ITEM 6653**

Motion by Strait with second by Padgett to authorize Board President to sign The Agreement Regarding Provision of Water Service to Big Shots Fireworks with Sioux Rural Water and a Water Service and Voluntary Annexation Agreement with Michael Alama. Motion carried.

### **ITEM 6654**

This being the time and place set for consideration of bids, the following was presented. Bids for Substation Transformer Surplus Property Bid and Substation Improvement Project for Electric Department. The bids were opened Tuesday, May 23<sup>rd</sup>, 2015 at 1:30 pm by Municipal Utilities Department Staff as authorized by the Board.

Substation Transformer Surplus Property Bid: Three Bids were received and upon review and recommendation by Todd Chambers, motion by Luken with second by Wight to award bid to high valid bidder T & R Electric, Colman, SD for \$22,750.00. Motion carried.

Substation Improvement Project for Electric Department: Four Bids were received and upon review and recommendation by Todd Chambers, motion by Padgett with second by Luken to award bid to low valid bidder Paradigm Enterprises, Moorhead, MN for \$427,867.00. Motion carried.

**ITEM 6655**

Motion by Strait with second by Wight to return checks of unsuccessful bidders. Motion carried

**ITEM 6656**

Motion by Strait with second by Padgett to authorize General Manager to sign contract with Credit Collections Bureau of Sioux Falls to allow them to be our new collection agency of delinquent accounts. Motion carried.

**ITEM 6657**

Motion by Luken with second by Wight to authorize General Manager to sign change orders up to \$5,000 for construction projects during 2015. Motion carried.

**ITEM 6658**

Open: Lehner presented the two sided bill stuffer, Cookin' on Kampeska and the Clean Water flyer. Water Superintendent Jeff DeVille updated the Board on the Annual American Water Works Association Conference he went to in Anaheim, CA. DeVille said there were ten to eleven thousand in attendance and had a wide range of speakers and workshops, one that DeVille attended was the trenchless technologies session.

**ITEM 6659**

Chambers presented the report on Operations and Projects: Electric Department, Projects Completed This Month: Completed terminating underground primary wire at Carquest Alley transferred all meters to new transformers, Efraimson electric completed installation of conduit and wire in Midway Uptown Alley for conversion from overhead to underground, Linemen completed pole top and bucket truck rescue with MMUA. Projects in Progress: working with CEG on transformer change out at the Uptown Sub and Transformer addition at the Pelican Sub. Gas Department, Projects Completed this Month: Installed or removed 100 meter sets, Installed 1300' of new 2" plastic gas main in Stromseth addition and KAK Addition, Lowered a 4" steel gas main on west side of 19<sup>th</sup> St. for storm sewer project, lowered a 2" steel gas main on the east side of 19<sup>th</sup> for storm sewer project, lowered a 4" high pressure steel gas main on the east side of 19<sup>th</sup> St for storm sewer project. Projects in Progress: Working on completing Operator Qualifications. Water Department, Projects Completed this Month: 2 Hydrant Maintenance and 5 Replacement Taps, 19 new taps, Installed 2 more 12" valves to isolate the leak on 19<sup>th</sup> St. We know it is between the north side of 1<sup>st</sup> Ave and Arrow Ave. The leak locator will be here on July 15<sup>th</sup>. Engineering Tech Department, Projects Completed this Month: 426 One-Call locates June 1<sup>st</sup> - June 24<sup>th</sup>, 2015, 476 One-Call locates total May, 2015, 10 emergency locates (6 private contractor and 4 WMU). Next Month: Average 475 One-Call locates in July, Stake and locate misc. alley projects - Electric Contractor.

### ITEM 6660

Karst presented the report on Administration and Financial Statements: Purchasing, Accounting and Facilities, Projects Completed this Month: State sales and excise tax audit is complete with no issues. Projects in Progress: Ordering, receiving and stocking materials, Working with Todd Architects on a plan for an addition to our current warehouse for additional parking for vehicles and equipment. Customer Service, Projects Completed this Month: 13,383 payments collected for a total of \$4,017,116, total of 52,519 services billed for a total of \$3,403,909. Human Resources/Risk Management: Completed additional SPP Transmission payroll distribution information, Prepared Hold-Harmless Agreement with WAPA - will be providing training hours for a WAPA Apprentice Lineman.

Statements of Revenue and Expenses and Capital Additions were presented to the Board for review. Year to date net income is \$122,741 under budget for the Five months ending May 31<sup>st</sup>, 2015, Total Capital Additions are \$228,572 under budget for the five months ending May 31<sup>st</sup>, 2015.

### ITEM 6661

Motion made by Padgett 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 June 31<sup>st</sup>, 2015 Plus ACH Payroll Payments 411,258.07. Info: T. Pahl 19.56 effective 6/15/15, M. Andrews effective 27.82. New Hires: T. Wirjes, Electric Summer Temp 13.00 effective 5/26/2015, A. Niemann, Electric Summer Temp effective 5/26/2015.

Name	Payable Description	Payment Amount
July 1, 2015		
ADV. ENGINEER & ENVIRON. SERVICES	WTP 2014 I & C SERVICES	\$2,906.06
AFLAC	CANCER PT	\$2,067.10
ANDREWS, BILL	SERVICE	\$96.90
A-OX WELDING SUPPLY INC	SUPPLIES	\$224.46
AP & SONS CONSTRUCTION INC	WILLOW CREEK WATER MAIN	\$43,578.10
APPLIED INDUSTRIAL TECH INC	SUPPLIES	\$1,899.65
ARGUS LEADER MEDIA	SUBSCRIPTION RENEWAL	\$219.52
BENDIX IMAGING INC	SUPPLIES	\$535.93
BENET PLACE	ENERGY INCENTIVE REBATE	\$1,179.00
BORDER STATES ELECTRIC SUPPLY	SUPPLIES	\$40,776.21
BORNS GROUP	POSTAGE & MAILING	\$7,746.61
BUREAU OF ADMINISTRATION	SALES/EXCISE TAX	\$100.15
CASHWAY LUMBER INC	SUPPLIES	\$165.80
CHAMBERS, TODD	REIMBURSEMENT EXPENSES	\$376.63
CHAPMAN METERING LLC	SUPPLIES	\$450.00
CHASE CARDMEMBER SERVICE	CREDIT CARD	\$2,085.57
CHEMCO SYSTEMS, LP	SUPPLIES	\$392.98
CHILD SUPPORT PAYMENT CENTER	Child Support - Case #247392027A	\$275.00
CODINGTON-CLARK ELECTRIC COOP. INC	WELLFIELD ELECTRIC SERVICE	\$6,194.70
CONSULTING ENGINEERS GROUP INC	TRANSFORMER CHANGE	\$18,900.00
CREATIVE VISIONS LANDSCAPE & DESIGN	SERVICE	\$82.95
CREDIT BUREAU OF WATERTOWN INC	COLLECTIONS	\$765.11

CRESCENT ELECTRIC SUPPLY CO	SUPPLIES	\$1,724.46
DAKOTA DATA SHRED	SHREDDING SERVICE	\$67.05
DE VILLE, JEFF	REIMBURSEMENT EXPENSES	\$1,148.66
DEPARTMENT OF REVENUE	WATER SAMPLES	\$1,065.00
DGR ENGINEERING	TRANSMISSION LOSS ANALYSIS	\$9,288.00
DIAMOND VOGEL PAINT CENTER	SUPPLIES	\$38.35
DSG DAKOTA SUPPLY GROUP	SUPPLIES	\$10,658.66
EFRAIMSON ELECTRIC INC	MEMORIAL PARK OVERHEAD SERVICE	\$41,202.50
ENERGY ECONOMICS INC	SERVICE	\$508.65
ENERGY LABORATORIES INC	WATER TESTING	\$1,240.00
ENGELSTAD ELECTRIC COMPANY	SERVICE	\$3,142.86
ETHANOL PRODUCTS LLC	SUPPLIES	\$1,241.43
EXHAUST PROS	SUPPLIES	\$70.00
FARNAMS GENUINE PARTS	SUPPLIES	\$887.27
FARWEST LINE SPECIALTIES, LLC	SUPPLIES	\$4,385.50
FASTENAL COMPANY	SUPPLIES	\$789.10
GCR TIRE CENTER	SUPPLIES	\$28.38
GRAINGER	SUPPLIES	\$230.80
GRAY CONSTRUCTION CO INC	SERVICE	\$387.35
GRAYBAR ELECTRIC CO INC	SUPPLIES	\$187.86
GREAT WESTERN BANK	TASC MED	\$6,554.36
GROEBNER	SUPPLIES	\$12,294.36
HANSEN, BRENT	REIMBURSEMENT EXPENSES	\$686.55
HAWKINS, INC.	SUPPLIES	\$1,607.76
HD SUPPLY WATERWORKS, LTD	HYDRANTS AS PER BID	\$57,061.80
HM CRAGG	SERVICE	\$2,107.00
IBEW LOCAL 426	UNION DUES	\$3,354.00
INDELCO PLASTICS CORPORATION	SUPPLIES	\$13,803.62
INTERSTATE ALL BATTERY CENTER	SUPPLIES	\$161.91
IXOM	SUPPLIES	\$4,649.56
J H LARSON COMPANY	SUPPLIES	\$5,417.66
JURGENS PRINTING & COPY CENTER INC	SUPPLIES	\$251.25
KARST, ADAM	REIMBURSEMENT EXPENSES	\$65.00
KOONS GAS MEASUREMENT	SUPPLIES	\$3,665.65
LEHNER, STEVE	REIMBURSEMENT EXPENSES	\$768.15
LIQUI-SYSTEMS	SUPPLIES	\$159.81
LOCATORS & SUPPLIES INC	SUPPLIES	\$547.98
MACKSTEEL WAREHOUSE INC	SUPPLIES	\$92.67
MAC'S INC	SUPPLIES	\$243.87
MAHOWALD'S HARDWARE & RENTAL	SUPPLIES	\$53.43
MARCO INC	CONTRACT RENEWAL	\$6,949.72
MARCO INC	MAINTENANCE AGREEMENT	\$260.64
MC KEEVER INC	SUPPLIES	\$162.11
MEL DAHLE TIRE CO	SUPPLIES	\$215.80
MENARDS INC	SUPPLIES	\$1,872.27
MENNENGA, SHEILA	REIMBURSEMENT EXPENSES	\$137.08
MET LIFE	LIFE INSURANCE	\$1,161.94
METERING & TECHNOLOGY SOLUTIONS	SUPPLIES	\$22,879.63
MIDCONTINENT COMMUNICATIONS	INTERNET SERVICE	\$105.00
MILLENNIUM FINANCIAL SERVICES	ENERGY INCENTIVE REBATE	\$450.00
MISSOURI RIVER ENERGY SERVICES	REGISTRATION	\$175.00
MUELLER CO	SUPPLIES	\$7,250.60
MUNICIPAL UTILITIES - PC	PETTY CASH	\$490.31
MUNICIPAL UTILITIES-NSF CHECK ACCO	REIMBURSE NSF FUND #7503-8	\$86.38
MUNICIPAL UTILITIES-REFUND ACCT	REFUNDS OF CREDITS ON ACCOUNTS	\$12,953.72
NELSON TECHNOLOGIES INC	SUPPLIES	\$3,758.21

NEW PIG CORP	SUPPLIES	\$180.86
NEW YORK LIFE INS.	LIFE INSURANCE	\$106.00
NORTHWEST LINEMAN COLLEGE	TRAINING	\$534.00
NORTHWEST PIPE FITTINGS INC	SUPPLIES	\$930.20
OFFICE PEEPS	SUPPLIES	\$431.39
PAST TIMES INC.	ENERGY INCENTIVE REBATE	\$2,177.62
PETE LIEN & SONS	BULK LIME	\$21,244.39
PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	\$132.15
PRINT 'EM NOW INC	SUPPLIES	\$320.00
PROF. LANDSCAPING & LAWN IRRIGATION, LLC	SERVICE	\$198.98
REDLINGER BROS PLUMBING & HEATING	SUPPLIES	\$103.80
RESCO	SUPPLIES	\$3,199.50
RUNNING'S SUPPLY INC	SUPPLIES	\$475.83
SANFORD WTN OCCUP.MEDICINE	SCREENS	\$871.00
SCOTT ENGINEERING CO	LAKE PELICAN SUBSTATION ADDITION PROJECT	\$4,025.00
SD DENR	FY2016 FEES	\$7,000.00
SD ONE CALL	LOCATES	\$520.80
SERVICEMASTER	JANITORIAL SERVICE	\$3,120.00
SHERWIN WILLIAMS CO	SUPPLIES	\$61.46
SIOUX VALLEY GREENHOUSES	SERVICE	\$3,386.40
SOLUS LED	ENERGY INCENTIVE REBATE	\$10,230.00
STAR LAUNDRY INC	SERVICE	\$421.63
STUART C IRBY CO	TRANSFORMERS AS PER BID	\$73,036.45
STURDEVANTS AUTO PARTS	SUPPLIES	\$74.79
T & R ELECTRIC SUPPLY COMPANY INC	SUPPLIES	\$2,178.00
TAC SERVICES LLC	LAWN SERVICE	\$1,985.00
TEREX	SUPPLIES	\$70.00
THEIN WELL	SUPPLIES	\$5,440.75
TIMMERMAN'S	SUPPLIES	\$35.00
TITAN MACHINERY-SF	SUPPLIES	\$434.01
TOOL TIME RENTAL	RENTAL	\$445.50
TRAV'S OUTFITTER	SUPPLIES	\$70.00
TYLER BUSINESS FORMS	SUPPLIES	\$224.02
UPS	SHIPPING	\$322.85
USA BLUE BOOK	SUPPLIES	\$524.56
VESSCO INC	SUPPLIES	\$4,053.64
VISION SERVICE PLAN (VSP) (CA)	VISION INSURANCE	\$508.07
WATERTOWN CO-OP ELEVATOR ASSN	SUPPLIES	\$409.25
WATERTOWN DEVELOPMENT COMPANY	INDUSTRIAL DEVELOPMENT EXPENSE	\$8,690.00
WATERTOWN PUBLIC OPINION	PUBLISHINGS	\$770.31
WATERTOWN UNITED WAY	United Way	\$414.00
WATERTOWN WHOLESALE	SUPPLIES	\$511.77
WATERTOWN WINNELSON CO	SUPPLIES	\$20.64
WEISMANTEL RENT ALL	RENTAL	\$295.00
WELLMARK BLUE CROSS/BLUE SHIELD	HEALTH INSURANCE	\$69,199.18
WESCO DISTRIBUTION INC	SUPPLIES	\$3,694.80
WILSON BOHANNAN COMPANY	SUPPLIES	\$1,056.22
WW TIRE SERVICE INC	SERVICE	\$198.82
<b>TOTAL</b>		<b>\$616,098.75</b>

Total May 2015 616,098.75; Transfer to City's General Fund 99,865, Muni Utilities Electric Water Gas 42,928.37; Northern Natural Gas 2,273.20; Missouri River Energy Services Power 1,303,174.34; BP Canada Energy Marketing Natural Gas 183,477.53; Dept of Revenue Sales/Excise Tax 136,930.44; CPEP Natural Gas 12,304.60, City Finance Office Garbage Sewer 395,228.33.

**ITEM 6662**

Pursuant to SDCL 1-25-2(3) Luken moved with second by Wight to move to Executive Session for discussion of contractual matters and pending litigation. The Board does not expect to take action when they reconvene to regular session. Motion carried.

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

Motion by Padgett with second by Wight to adjourn. Motion carried.

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 29<sup>th</sup> day of June, 2015

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

Lisa Pahl  
Executive Secretary  
Municipal Utilities Board

\_\_\_\_\_

Wayne Schultz  
Board President  
Municipal Utilities Department