

The regular meeting of the Municipal Utilities Board was held at 1:00 p.m. on Monday, February 10, 2014, at the Utility Building with the following members present: Harvey, Pitts, Robertson and President Myers, via teleconference. Absent: Peterson.

MINUTES

Minutes of the regular meeting held January 13, 2014 and the special meeting held January 27, 2014 were read and approved.

ADOPTION OF AGENDA

The agenda was adopted.

APPROVAL OF BILLS AND CLAIMS

Motion was made by Harvey, seconded by Pitts that the following bills and claims be approved. All members present voted in favor of the motion.

A T & T, Settlement, \$3,154.80; A T & T, Cust. Toll Free Number, \$54.28; A1 Cleaning & Restoration, Janitorial Service, \$1,680.00; ABM Manufacturing, Supp, \$18.00; A-I Computers Solutions of Bkgs, Supp, \$200.00; Air Liquide Industrial, Chemicals, \$1,174.86; Allegra, Printing Supp, \$835.65; AMP Electric Construction, Labor/Supp, \$120.05; Amzer.Com Software, PCS Supp, \$260.00; Aramark Uniform Services, Supp, \$550.75; Authorize.Net, Credit Card Processing Fee, \$88.50; Auto Body Specialties, Supp, \$21.22; Ball, Michelle, Janitorial Service, \$200.00; Barhite, Brooke, Travel, \$16.80; Bauer, Steve, Conserve/Demand Incentive, \$25.00; Bel Brands, Conserve/Demand Incentive, \$34,250.00; Bierschbach Equipment, Equip Maint, \$412.47; Border States Elec, Supp, \$3,405.32; Border States Elec, Unreg Inv, \$27,336.98; BP, Gas, \$174.79; Bridle Estates, Sewer Charge Reim, \$1,627.50; Bkgs Area Chamber of Commerce, Chamber Ad Sponsorship, \$300.00; Bkgs City Hall Finance, Defensive Driving Training, \$264.06; Bkgs City Hall Finance, EQ Basins Airport, \$10,146.34; Bkgs County Register of Deeds, Easement, \$60.00; Bkgs County Sheriff, Sheriff's Fee, \$52.15; Bkgs Credit Bureau & Collection, Delinq. Acct Collection, \$232.98; Bkgs Engraving, Banquet Supp, \$24.00; Bkgs Human Resource Office, Drug/Alcohol Screening, \$222.00; Bkgs Register, Advertising/Legals, \$5,569.40; Bkgs Register, Employment Advertising, \$334.40; Bkgs Utilities, Office Utility Bill, \$53,139.20; BSG Clearing Solutions, Settlement, \$393.02; Bunkers, Renee, Travel, \$5.04; Careerbuilder LLC, Employment Advertising, \$680.00; Carquest Auto, Equip Maint, \$140.63; CDW Government, Supp, \$566.45; Central Business, Supp, \$525.33; Century Business Products, Copier Maint, \$134.10; Century Link, Tele Exp, \$269.77; Century Link, Interconnections, \$14,838.73; Cfgear, Supp/Uniforms, \$367.29; City of Bkgs, Contract Fee, \$5,070.54; City of Bkgs Landfill, Landfill Fee, \$144.09; City of Vermillion, Utility Bill, \$301.36; Claritus, Postage Supp, \$481.74; Clay Union Electric, Utility Bill, \$184.40; Climate

Systems, Heat/Cooling Maint, \$253.00; Collins, Kevin, Travel, \$620.32; Collins, Mike, Travel, \$73.60; Connections, EAP Service, \$1,357.44; Conner, Michele, Travel, \$11.20; Consortia Consulting, Consulting Service, \$149.00; Construction Specialties, 3M Substation Control House, \$15,984.14; Courtesy Plbg & Htg, Repair/Supp, \$912.02; Credit Bureau-Watertown, Delinquent Acct Collection, \$1,138.93; Crescent Electric, Unreg Inv, \$52.22; CSSA, Supp, \$570.79; Culligan-Watertown, Bottled Water, \$32.75; Dakota Riggers & Tool, Supp, \$2,470.97; Dakota Service, Supp, \$109.11; Daniels, Michael, Travel, \$17.36; Dascom Systems Group, Licenses, \$6,000.00; Dascom Systems Group, Software Support, \$900.00; Dave's Window Cleaning, Window Service, \$58.00; Davis Excavating, Snow Removal, \$585.00; Days Inn, Lodging, \$64.99; DeBeer Small Eng. Repair, Equip Maint, \$2.48; DePauw, Sean, Travel, \$67.20; Dept of Legislative Audit, Registration, \$600.00; Dept of the Treasury, Fed Tax, \$5,248.93; Dex Media East, Advertising, \$63.50; Ditch Witch of SD, Maint/Supp, \$5,012.60; DLT Solutions, Software, \$5,509.62; DPC Industries, Chemicals, \$2,246.80; Earl May Seed & Nursery, Supp, \$59.99; Earthbend, Supp, \$158.00; Einspahr Auto Plaza, 1/2 Ton Crew Cab 4 X4 Truck, \$31,246.00; Einspahr Auto Plaza, 1/2 Ton Crew Cab 4x4 Truck, \$22,705.00; Einspahr Auto Plaza, 1/2 Ton Extended Cab 4x4 Truck, \$23,506.00; Einspahr Auto Plaza, 1/2 Ton Regular Cab 4x4 Truck, \$26,329.00; Einspahr Auto Plaza, Vehicle Maint, \$411.75; Elliott Equip, Supp, \$195.64; Elster Amco Water, Meters, \$1,724.46; Entone Inc, Unreg Inv, \$203.40; Express Comm, Settlement, \$9,821.97; Farmers Coop, Supp, \$1,529.77; Fastenal, Supp, \$141.90; Federal Express Corp, Freight, \$124.56; Fibercomm, Broadband Service, \$6,310.36; First Bank & Trust, Bond Pymt Series 2011, \$36,291.25; Five-Star Awards & More, Supp, \$33.50; Fix It Shop Locksmith, Service Call, \$50.00; Fox Sports Net North, Contract Fee, \$4,328.10; Freeman, Harvey, Travel, \$13.80; FRRPA, FRRPA Lease, \$13,107.00; G & L Distributing, Supp, \$48.82; George's Pizza, Meeting Supp, \$125.48; George's Sanitation, Sanitation Service, \$47.50; Geotrust Inc, Security Certificates, \$663.00; Glazier, Lauren, Travel, \$20.16; Golden West Tech, Tech Support, \$1,636.20; Golden West Telecom, Tele Exp, \$39.58; Grainger, Supp, \$204.20; Halvorson, Brian, Travel, \$73.60; Hawkins Water Treatment Group, Chemicals, \$4,156.70; HDR Engineering, Engineering Service, \$58,000.00; Henderschiedt, Dale, Travel, \$153.60; Henkin Schultz Comm Arts, Advertising, \$12,857.75; Henkin Schultz Comm Arts, Advertising/Postage, \$9,107.26; Herr, Debra, Travel, \$8.96; Hershman, Casey, Travel, \$51.52; Hibu Inc-West, Advertising, \$325.83; Hillyard/Sx Falls, Repair/Supp, \$294.80; Hoak Media of Dakota, Contract Fee, \$956.42; Homestead Do It Center, Supp, \$1,339.44; Hometown Service, Repair/Supp, \$151.17; Ibengabriel, Cliff, Travel, \$16.80; Independent Comm, Contract Fee, \$830.34; Industrial Machine, Repairs/Supp, \$118.00; Interstate Batteries, Supp, \$31.99; Interstate Telecom, Holiday Classic, \$650.00; Interstate Telecom, Tele Exp, \$1,052.39; Invue Security Products, Supp, \$238.77; Jensen, Jay, Conserve/Demand Incentive, \$50.00; Johme, Ashley, Travel, \$141.68; Karpen, Nick, Travel, \$116.48; KDLT TV, Contract Fee, \$840.23; Kennebec Tele, PCS Access, \$41.35; Knettel, Trever, Travel, \$215.60; L G Everist, Gravel, \$110.45; Laake, Aaron, Travel, \$43.68; Lake City Fire Equip, Fire Extinguisher/Maint, \$43.50; Lakeland Engineering, Supp, \$304.79; LECA, Settlement, \$4,375.00; Lewis Drug, Supp, \$131.29; Martin's Inc, Diesel/Oil, \$1,090.80; Master Meter Systems, Annual Support/Maint, \$750.00; Matheson Tri-Gas, Supp, \$195.88; McKeever Inc, Supp, \$195.30; Mediacom, Broadband Service, \$89.95; Medinger, Amanda, Travel, \$14.56; Menards-Watertown, Supp, \$25.57; Meyer, Steve, Gas, \$73.23; Michaels Fence Co, Fencing Supp, \$279.00; Mid South Telecom, Repairs/Supp, \$903.71; Midamerican Energy, Utility Bill, \$1,034.74; Midcontinent, Broadband Service, \$283.29; Millard, Josh, Travel, \$73.60; Mills, Jack E, Cam Charges, \$12,050.03; MMUA, Membership Dues, \$350.00; Mr V's Prof Body Shop,

Vehicle Maint, \$771.04; Napa Auto Parts, Supp, \$231.65; NECA Admin, Number Portability, \$375.00; Nielsen's, Repair/Supp, \$162.74; North West Rec, Utility Bill, \$20.65; Northwest Scientific, Supp, \$195.44; Northwestern Energy, Natural Gas, \$1,146.51; Novak Sanitary Service, Shredding, \$125.11; NPC, Credit Card Processing Fee, \$36,248.63; NTCA Assoc Research, Compensation/Benefit Report, \$95.00; NTCA, Employment Advertising, \$500.00; Obeslo, Kayla, Travel, \$8.96; Office Elements, Maint/Supp, \$299.52; Oldcastle Precast, Pre Cast Sections, \$17,211.50; Otter Tail Power, Utility Bill, \$125.70; Party Depot, Supp, \$208.20; Patrick, Dan, Travel, \$5.60; Pete Lien & Sons, Chemicals, \$4,171.65; Pizza Hut, Meeting Supp, \$27.68; Power & Telephone, Supp, \$2,655.25; Power & Telephone, Unreg Inv, \$4,966.80; Prairie Graphics, Supp/Uniforms, \$348.50; Prussman Contracting, Sand, \$180.00; Prussman Contracting, Water Line Repair, \$6,644.28; Rains, Jake, Travel, \$15.12; Reed, Lyle, Meals/Baggage/Cab/Shuttle Fees, \$355.50; Resmen, Kaylene, Travel, \$26.32; Runnings, Supp, \$1,614.86; Safe N Secure, Security, \$4,937.76; Sancom, PCS Access, \$12.09; Schoon's Pump N' Pak, Gas, \$3,962.80; Schulte, Dan, Travel, \$82.32; Schuneman Equip, Equip Maint, \$140.91; SD Dept of Health Lab, Testing W-WW Samples, \$1,321.00; SD Dept of Revo, License & Titles, \$20.00; SD Treasurer, Sales/Excise Tax, \$222775.86; SD Water & Wastewater, Registration, \$180.00; SDN Comm, Circuit Lease, \$61,869.89; SDN Comm, Maint, \$2,343.34; Servicemaster, Janitorial Service, \$260.00; Siemens Energy, Regulators, \$102,207.00; Sx Empire Baseball Assoc, Sponsorship, \$325.00; Sx Falls Auto Trim, Repairs, \$411.00; Sx Falls Utilities, Utility Bill, \$457.19; Sx Valley Energy, Buy Out, \$27,408.74; Sx Valley Energy, Utility Bill, \$1,301.49; Smith Supplies, Supp, \$205.76; Speedy Cleaners, Rugs/Supp, \$157.10; Sprint, Tele Exp, \$42.46; Sprint, PCS Service Fee, \$413,230.19; Sprint, PCS Phone Service, \$3,626.40; Sprint, PCS Inv., \$47,382.92; Sprint-Bkgs, PCS Accessories, \$20.15; Stainbrook, Cal, Travel, \$73.60; Staples, Supp, \$11.27; State Of Iowa-Treasurer, Sales Tax, \$5,860.00; Stoltenburg, Audie, Travel, \$182.56; Stuart C. Irby, Supp, \$3,909.79; Sturdevant Auto, Supp, \$385.76; Subway, Retirement Supp, \$175.00; Swanson, Todd, Travel, \$73.60; Swiftel Center, Banquet Supp, \$4,282.00; Swiftel, Office Phone Bill, \$77,352.45; Teledyne Isco, Supp, \$252.60; The Depot, Conserve/Demand Incentive, \$400.00; Wall Street Journal, Publication, \$466.34; Titan Machinery, Supp, \$1,612.43; Top Notch Cleaning, Janitorial Service, \$1,845.00; Tower Distribution, Contract Fee, \$238.52; Town & Country Shopper, Advertising, \$392.00; Town & Country Shopper, Employment Advertising, \$182.00; Union County Elec, Utility Bill, \$241.70; UPS, Freight, \$458.75; Universal Service Adm, USAC Contribution, \$5,807.25; University Estates, Water Charge Reim, \$3,250.00; US Postmaster-Sx Falls, Postage, \$294.00; Vermeer High Plains, Equip Maint, \$25.62; Vessco Inc, Equip Maint, \$1,809.36; Volkers, Jason, Travel, \$73.60; WAHBA, Registration, \$255.00; Water & Enviro Engineering Center, Analysis, \$3,328.00; Watertown Utilities, Utility Bill, \$391.69; Wells Fargo, Deposit Tickets, \$165.36; Wesco, Cable, \$281,679.42; Wesco, Supp, \$20,972.20; WJA Consulting, Consulting Service, \$4,000.00; Wright, Richard, Travel, \$16.80; Xcel Energy/NSP, Utility Bill, \$1,156.68; Young Broadcasting, Employment Advertising, \$297.00.

The following are Telephone/Utility Refunds:

Basye, Donald, \$42.87; Lothar, Mike, \$18.45; Nelson, Robin, \$12.04; Olson, Vernon & Cynthia, \$15.00; R & B Properties, \$41.72; TB Partnership, \$36.28; Tigges, Brett, \$208.31; Warborg, Teresa, \$15.63; Watertown Credit Bureau, \$0.39; White, Joseph, \$78.57; Winkler, Laura, \$35.14; 3rd & Main Antiques, \$15.00; Anderson, Virg, \$18.76; Biogenetic Services, \$15.54; Borstad, Ronald, \$3.31; Coderre, Laurence, \$5.16; Devuyt, Melodee, \$53.25; Fromelt, Kathleen, \$86.04; Gonzales, Christy, \$61.95; Hagedorn, Ryan, \$43.93; Harold's Photo Center,

\$9.75; Identity Genetics, \$8.49; McCammack, Michael, \$38.64; McKeown, Rick, \$88.39; Meadow Creek Golf Course, \$5.06; Micheel, Lois, \$18.05; Nelson, Robin, \$251.09; Nielsen, George, \$20.61; Panther Graphic Print & Media Solutions, \$96.00; Peterson, Scott, \$278.62; Sax, Larry, \$160.00; Schleicher, Darin, \$7.75; Skordahl, Reuben, \$17.78; Tschetter, Emery, \$35.72; Williams, Kalli, \$50.71; Winkler, Laura, \$116.21; Yseth, Kelley, \$15.34.

PERSONNEL INFORMATION

Department Salaries (January): Electric, \$189,445.43; Water, \$82,748.50; Wastewater, \$75,461.82; Telephone, \$518,975.80;

Retirement, \$49,067.00; Social Security, \$63,045.99; Insurance, \$76,338.55; Deferred Comp, \$13,071.71;

Salary Changes: N. Buchloh, \$6,685.11*; K. Collins, \$5,370.64*; S. DePauw, \$3,251.00*; D. Herr, \$3,612.22*; N. Karpen, \$3,612.22*; T. Knettel, \$3,714.73*; A. Laake, \$3,612.22*; S. Ludwigs, \$9.55*; S. Mack, \$4,532.27; S. Malsam, \$9.55*; E. Martinez, \$11.99*; B. Smith, \$10.12*; A. Stolenburg, \$4,648.47*; J. Thorson, \$11.24*; T. Hohn, \$16.55; C. Holm, \$11.15; S. Spurrell, \$16.48; L. Dickey, \$26.16; R. Perry, \$23.84;

New Employees: L. Weyh, \$10.66.

*Plus commission

QUARTERLY FINANCIAL REVIEW

Laura Julius, Finance and Accounting Manager, presented a quarterly financial review of fourth quarter 2013.

2015 DIRECTORY RATES

Motion was made by Harvey, seconded by Pitts to approve the 2015 Directory Rates as presented by staff. All members present voted in favor of the motion.

AUTHORIZATION TO PURCHASE GASOLINE FOR BMU FOR 2014

Motion was made by Harvey, seconded by Pitts that in compliance with SDCL 5-18-25 and after soliciting quotations from 12 suppliers by hand delivering quotation forms on file in the office of the Executive Vice President/General Manager for BMU's fuel needs for 2014, the following quotations were received and a contract was entered into with Cenex Zip Trip of Brookings. All members voted in favor of the motion.

Unleaded Gasoline

	<u>Market Amount With Ethanol</u>	<u>Over the Rack Price Without Ethanol</u>
Cenex Zip Trip	4.0¢	4.0¢
Schoons Pump 'N Pac	4.25¢	4.25¢
Gas n Mor	7.5¢	7.5¢
Hy-Vee	7.0¢	7.0¢

BIDS

AWARDING OF BIDS

The following bids were opened and read at 1:30 p.m. on February 5, 2014, and presented at this time for consideration and action.

SUBSTATION TRANSFORMERS – ELECTRIC DEPARTMENT

	Item 1 TOC	Item 2 TOC	GRAND TOTAL
	Bid Total	Bid Total	
Company			
Howard Industries - IRBY	\$1,788,545.38	\$1,287,663.88	\$3,076,209.26
ABB - Wesco	\$1,772,729.24	\$1,338,009.22	\$3,110,738.46
SPX Transformer Solutions	\$1,699,194.98	\$1,337,124.76	\$3,036,319.74
Delta Star – Pro Tech Sales	\$1,751,846.80	\$1,363,335.80	\$3,115,182.60

Motion was made by Pitts, seconded by Harvey that the low bid be approved with SPX Transformer Solutions in the amount of \$3,036,319.74 for four Substation Transformers; and that, after reviewing the contracts for the above bids, that the President of the Board and/or Executive Vice President/General Manager be authorized to execute the approved contract documents. All members present voted in favor of the motion.

PADMOUNT TRANSFORMERS – ELECTRIC DEPARTMENT

Company	10% Bid Bond or 5% Check	ITEM 1	ITEM 2	ITEM 3	ITEM 4	ITEM 5	ITEM 6	ITEM 7
		QTY OF 3 112.5 KVA 3 Phase	QTY OF 1 150 KVA 3 Phase	QTY OF 1 500 KVA 3 Phase	QTY OF 2 750 KVA 3 Phase	QTY OF 1 1000 KVA 3 Phase	QTY OF 1 1500 KVA 3 Phase	QTY OF 1 2000 KVA 3 Phase
IRBY	10%	\$14,658.00	\$5,718.00	\$13,044.00	\$27,020.00	\$15,752.00	\$20,630.00	\$28,133.00
WESCO	10%	\$15,450.00	\$5,618.00	\$10,248.00	\$26,200.00	\$15,790.00	\$19,600.00	\$27,473.00
BSE Copper	10%	\$16,860.00	\$5,990.00	\$11,825.00	\$27,560.00	\$15,975.00	\$21,280.00	Does not meet Spec
RESCO	10%	\$14,100.00	\$5,020.00	\$11,392.00	Does not meet Spec	Does not meet Spec	Does not meet Spec	Does not meet Spec
BSE CM	10%	-	-	-	-	-	-	-

Company	ITEM 8	ITEM 9	ITEM 10	ITEM 11	ITEM 12	ITEM 13	ITEM 14
	QTY OF 1	QTY OF 4	QTY OF 3	QTY OF 9	QTY OF 3	QTY OF 3	QTY OF 7
	2500 KVA	10 KVA	15 KVA	25 KVA	37.5 KVA	75 KVA	100 KVA
	3 Phase	Single Phase	Single Phase	Single Phase	Single Phase	Single Phase	Single Phase
IRBY	\$34,741.00	\$3,940.00	\$3,189.00	\$10,125.00	\$4,098.00	\$5,640.00	\$15,610.00
WESCO	\$31,606.00	\$4,972.00	\$3,765.00	\$11,790.00	\$4,188.00	\$5,760.00	\$15,085.00
BSE Copper	\$33,885.00	\$5,100.00	\$3,945.00	\$12,829.50	\$4,710.00	\$6,540.00	\$17,745.00
RESCO	Does not meet Spec	\$4,032.00	\$3,150.00	\$10,386.00	\$3,714.00	\$5,232.00	\$14,483.00
BSE CM	-	\$5,080.00	\$3,840.00	\$12,060.00	\$4,350.00	\$5,490.00	\$14,875.00

Motion was made by Harvey, seconded by Robertson that the following low bids be approved: RESCO, Item 1, 3 – 112.5 KVA 3 Phase Transformers, \$14,100.00; Item 2, 1 – 150 KVA 3 Phase Transformer, \$5,020.00; Item 10, 3 – 15 KVA Single Phase Transformers, \$3,150.00; Item 12, 3 – 37.5 KVA Single Phase Transformers, \$3,714.00; Item 13, 3 – 75 KVA Single Phase Transformers, \$5,232.00; Item 14, 7 – 100 KVA Single Phase Transformers, \$14,483.00; IRBY, Item 5, 1 – 1000 KVA 3 Phase Transformer, \$15,752.00; Item 9, 4 – 10 KVA Single Phase Transformers, \$3,940.00; Item 11, 9 – 25 KVA Single Phase Transformers, \$10,125.00; WESCO, Item 3, 1 – 500 KVA 3 Phase Transformer, \$10,248.00; Item 4, 2 – 750 KVA 3 Phase Transformers, \$26,200.00; Item 6, 1 – 1500 KVA 3 Phase Transformer, \$19,600.00; Item 7, 1 – 2000 KVA 3 Phase Transformer, \$27,473.00; Item 8, 1 – 2500 KVA 3 Phase Transformer, \$31,606.00; and that, after reviewing the contracts for the above bids, that the President of the Board and/or Executive Vice President/General Manager be authorized to execute the approved contract documents. All members present voted in favor of the motion.

WATER METERS - WATER DISTRIBUTION & SEWER COLLECTION DEPARTMENT

		ITEM #1
Company	Bid Security	Misc. Water Meters
Dakota Supply Group	10%	\$61,078.90
Ferguson Waterworks	10%	\$60,061.30
HD Supply Waterworks	10%	\$78,704.98
Elster AMCO Water Inc.	10%	\$99,141.00

Motion was made by Myers, seconded by Pitts that the following low bids be approved: Ferguson Waterworks, Item 1, Misc. Water Meters, \$60,061.30; and, that, after reviewing the contracts for the above bids, that the President of the Board and/or Executive Vice President/General Manager be authorized to execute the approved contract documents. All members present voted in favor of the motion.

AUTHORIZATION TO SUBMIT BIDS

DIRECTORY PRINTING – TELEPHONE DEPARTMENT

Motion was made by Harvey, seconded by Pitts that authorization be given to advertise for bids for Directory Printing. All members present voted in favor of the motion.

EXECUTIVE SESSION

Motion was made by Harvey, seconded by Pitts to adjourn to an executive session for the purpose of discussing competitive service offerings, pending litigation, personnel and contractual matters. All members present voted in favor of the motion.

The Board reconvened in open session.

ADJOURNMENT

The meeting adjourned.

ATTEST:

Gail Robertson, Secretary

Steven Myers, President