

The regular meeting of the Municipal Utilities Board was held at 1:00 p.m. on Monday, May 13, 2024, at the Utility building with the following members present: Bartels, Carruthers, Hawley, President Harvey and City Council Liaison Avery. Absent Hansen.

ADOPTION OF AGENDA

The agenda was adopted.

MINUTES

Minutes of the regular meeting held April 8, 2024, April 22, 2024 and April 30, 2024, were read and approved. All members present voted in favor of the motion.

APPROVAL OF BILLS AND CLAIMS

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

ABRA Autobody & Glass of Brookings, Vehicle Maintenance, \$70.00; Advanced Elements Operational Technology LLC, Software Maintenance, \$8000.00; Agwrx Cooperative, Supplies/LP, \$6232.70; Allegra, Printed Supplies, \$3756.03; Appera, Supplies, \$200.98; AT & T Mobility, PCS Phone Service, \$3913.53; Atlas Copco Compressors LLC, Equip Maintenance, \$62.28; Aureon Network Services, LNP Fees, \$120.00; Auto Pro SD LLC, Supplies, \$49.00; Avera Occupational Medicine-Mitchell, Drug Screening, \$51.00; Badger Communications, Systems/Cabling Inv, \$84.92; Bally Sports North, Contract Fee, \$8777.50; Bendix Inc., Printer/Copier Maintenance, \$574.96; Blooston, Mordkofsky, Dickens & Prendergast, LLP, Legal Service, \$698.25; Bluefin Payment Systems, Credit Card Processing Fee, \$12464.71; Bobcat Of Brookings, Supplies/Equipment Rental, \$547.98; Border States Elec Supply, Supplies, \$16909.68; Border States Elec Supply, Systems/Cabling Inv, \$104.89; Brech, Andrew, Travel, \$47.20; Brookings Auto Mall, Vehicle Maintenance, \$754.06; Brookings County Finance Office, License, \$26.70; Brookings Credit Bureau & Collection Agency, Delinq. Account Collection, \$142.35; Brookings Dumpster Service, Sanitation Service, \$539.72; Brookings Engraving, Supplies, \$13.50; Brookings Municipal Utilities, Office Utility Bill, \$52982.49; Brookings Municipal Utilities, Petty Cash, \$192.00; Brookings Radio, Advertising, \$480.00; Buhls Dry Cleaners & Linen Supply, Rug/Supplies, \$185.10; Builders FirstSource, Supplies, \$27.20; Business Track, Credit Card Processing Fee, \$8818.51; Calix Inc., Framework Annual License, \$9072.77; Card Connect, Credit Card Processing Fee, \$9301.54; Carquest Auto Supply, Work Equip Maintenance/Supplies, \$1052.23; Carus LLC, Chemicals, \$10164.00; CDW Government Inc, Computer Supplies, \$335.56; Century Link, Telephone Expense, \$118.29; City of Brookings, Contract Fee, \$7240.82; City of Brookings Landfill, Landfill Fee, \$53.98; Click Rain, Website Development, \$525.00; CNA Surety, Notary Bond, \$50.00; Connections Inc, EAP Service, \$1025.82; Cooperative Network Services, LLC, Consulting Fees, \$437.50; Core & Main, Supplies, \$4197.63; Courtesy Plumbing Inc., Repair/Supplies, \$474.05; Creative Printing

Inc., Printed Materials, \$285.00; Crescent Electric Supply, Supplies, \$1419.34; Culligan of Brookings, Bottled Water, \$66.00; Cummins Inc, Generator Maintenance, \$561.08; Dakota Service & Repair, Supplies, \$37.30; Dakota Supply Group, Supplies, \$26712.28; Dakota Supply Group, Systems/Cabling Inv, \$2207.82; Dept Of The Treasury, Federal Tax, \$6144.09; DHE, LLC, Maintenance Fee, \$996.63; Ditch Witch UnderCon, Supplies/Work Equip Maint, \$3649.42; Double K Sales & Detailing LLC, Work Equipment Maintenance, \$317.05; Drexler, Brian, Travel, \$120.30; Eide Bailly LLP, Audit Fee, \$6000.00; Einspahr Auto Plaza, Vehicle Maintenance, \$89.75; Electros witch, Supplies, \$768.39; Fastenal Company, Supplies, \$5239.48; First Bank & Trust - Visa, Supplies, \$1264.72; Fix It Shop Locksmith, Supplies, \$200.00; Flagshooter, Flags, \$1183.14; Foerster Supply Inc, Supplies, \$751.50; Franz Reprographics, Plotter Maintenance, \$150.00; Frontier Precision Inc, Supplies, \$805.50; G & R Controls, Equipment Repair/Supplies, \$449.00; Golden West Technologies Inc., Tech Support, \$2587.24; Grainger, Supplies, \$1859.68; Graybar Electric Company, Supplies, \$7157.09; Graybar Electric Company, Systems/Cabling Inv, \$120.93; Great Northern Environmental, Supplies, \$1368.40; Gridor Const., Inc., Water Treatment Plant, \$2076794.00; Hach Chemical Company, Supplies, \$4647.44; Halgerson, Russ, Travel, \$60.30; Henkin Schultz Comm Arts, Communications Consultant, \$7752.50; Hillyard/Sioux Falls, Janitorial Supplies, \$807.22; Hiltunen, Trent, Travel, \$53.10; Hireclick-Keloland Employment, Employment Advertising, \$309.00; Homestead Do It Center, Supplies, \$3757.35; ICIMS Inc, Subscription Fees, \$759.00; Infinite Welding & Machine, Labor/Supplies, \$151.60; Innovative Systems, Software/Hardware Maintenance, \$21900.00; Interstate All Battery Center, Supplies, \$780.00; Interstate Telecommunications Cooperative, Telephone Expense, \$346.70; Jackrabbit Tire Company, Work Equipment Maintenance, \$74.08; Jenne, Inc, Systems/Cabling Inv, \$6835.38; Jimmy Johns #926, Meeting Supplies, \$248.38; John Deere Financial, Supplies, \$25.10; Kleinemas, Jason, Travel, \$120.30; Kuechenmeister, Mark, Travel, \$47.20; Lake County International Inc., Work Equipment Maintenance, \$324.18; Lewis Drug Inc, Supplies, \$136.91; Loban, Darin, Travel, \$64.90; Lower, Bill, License, \$50.00; Lowe's, Supplies, \$1696.12; Lowe's, Systems/Cabling Inv, \$93.10; Lumen, Telco Settlement, \$272.22; Mack, Brayton, Travel, \$17.70; Mack, Scott, Travel, \$1177.97; Martin's Inc, Diesel/Oil, \$1571.30; Matheson Tri-Gas Inc, Supplies, \$261.15; McClain, Tyson, Travel, \$82.60; Mediacom LLC, Broadband Service, \$89.95; Midcontinent Comm., Broadband Service, \$75.04; Midcontinent Comm., Contract Fee, \$793.25; Midwest Glass LLC, Supplies, \$104.26; Millennium, Fiber Distribution Hub In Pedestal, \$5675.75; Millennium, Fiber Optic Splitter, \$2315.75; Moss Adams LLP, Consulting Service, \$1350.00; MVTL Laboratories Inc., Wastewater Analysis, \$533.40; Napa Auto Parts, Supplies, \$297.69; NCTC, TV Programs Fee, \$22794.00; Nexstar Broadcasting, Inc., Contract Fee, \$12937.09; North Central International, Inc., Equipment/Maintenance, \$396.40; Northern Truck Equipment, Service Body Chevy 2500, \$30980.00; Northwestern Energy, Natural Gas, \$3234.82; NRECA, Publication, \$72.00; Office Peeps Inc, Supplies, \$1903.25; One Source - The Background Check Company, Employee Verification, \$36.00; OneNeck IT Solutions LLC, Hardware Maintenance/Supplies, \$2843.32; O'Reilly, Supplies, \$10.99; Outlaw Graphics, Supplies/Decals, \$90.00; Party Depot, Employee Recognition Banquet, \$977.55; Pete Lien & Sons Inc, Chemicals, \$5112.24; PFC Equipment, Inc., Supplies, \$3235.39; Prunty Construction Co, Inc, Raw/Treated Water Pipelines, \$405086.13; Prussman Contracting Inc, Main Repair/Equipment Rental, \$2732.07; Quadient, Inc., Postage Meter Rental, \$832.00; Ramsdell F&M Ltd., LP Fill, \$84.06; Resco, Supplies, \$5601.50; Runnings, Supplies, \$5351.76; Runnings, Systems/Cabling Inv, \$119.94; Scales Plus, Supplies, \$855.33; Schaffer Law Office, Prof. LLC, Legal Service, \$875.00; Schomp's

Mechanical Services, Labor/Supplies, \$3655.45; Schoon's Pump N' Pak, Vehicle Gasoline, \$7351.81; SD Dept of Environ & Nat, Certification, \$60.00; SD Dept of Health Lab Remit Center, Testing W-WW Samples, \$921.00; SD Dept of Public Safety, Inspection, \$320.00; SD Dept of Rev, Enhanced 911, \$8446.37; SD Public Utilities Comm, Gross Receipts Tax, \$5800.31; SD State Treasurer, Communication Impaired Fee, \$1853.90; SD Telecom Association, Registration, \$11943.00; SD Treasurer, Sales/Excise Tax, \$162443.55; SDN Communications, Circuit Lease, \$21962.18; Sioux Falls Utilities, Utility Bill, \$39.72; Sioux Valley Energy, Dispatching Service, \$1100.00; South Dakota Newspaper Services. Inc, Employment Advertising, \$3782.00; South Dakota One Call, Locate Fee, \$313.95; South Dakota Public Assurance Alliance, General Liability/Property Ins, \$163.89; Springbrook, Credit Card Processing Fee, \$2461.68; Springbrook Holding Company LLC, Software Support, \$6566.00; Sprint PCS, PCS Phone Service, \$53.92; Stan Houston Equipment Co Inc, Supplies, \$447.50; Steege, Diana, Travel, \$406.66; Stoltenberg, Sandra, Tree Damage, \$2991.32; Stuart C. Irby, Supplies, \$2461.00; Sturdevant's Auto Value, Supplies, \$785.60; Swanson, Todd, Travel, \$78.00; Swiftel Communications, Office Phone Bill, \$128477.80; Teledynamics, Systems/Cabling Inv, \$73.32; The UPS Store, Freight, \$945.09; Thermo Fisher Scientific (Asheville) LLC, Supplies, \$295.94; Thompson, Ryan, Travel, \$119.30; Traffic Control Corp, Supplies, \$612.00; United Parcel Service, Freight, \$50.70; United States Postal Service, Postage, \$9000.00; Universal Service Adm. Co, USAC Contribution, \$30743.35; USA Bluebook, Supplies, \$3194.63; Vanderwal, Todd, Travel, \$17.70; Vantage Point Solutions Inc., Engineering Consulting, \$3055.00; Vermeer High Plains, Supplies, \$537.75; Volkert, Matt, Travel, \$82.60; Walker & Associates Inc, Supplies, \$408.00; Wesco, Supplies, \$1162.40; Wesco, Transformers, \$267028.00; WW Tire Service Inc, Work Equipment Maintenance, \$53.07; Xcel Energy/NSP, Utility Bill, \$9.74; Artz, Brian, Telephone Refund, \$8.29; Bachar Lawn Care & Landscaping, Telephone Refund, \$797.19; BLEVINS, AUTUMN, Refund Check, \$5.54; Bucher, Justin, Telephone Refund, \$13.18; Claire's Boutique's Inc, Telephone Refund, \$39.59; Crawford, Paul, Telephone Refund, \$52.11; Dingmann, Reygan, Telephone Refund, \$3.51; Edgewood Vista Assisted, Living & Memory, Telephone Refund, \$191.16; Elkton Electric, Telephone Refund, \$135.60; Fjeldos, Larry, Telephone Refund, \$52.60; FRYER, CAROL & JAMES, Refund Check, \$60.30; Fuhrman, Chaz, Telephone Refund, \$59.62; Giese, Wyatt, Telephone Refund, \$47.89; Hegerfeld, Jackson, Telephone Refund, \$6.80; HELLKAMP, REGINALD, Refund Check, \$21.78; Herrera, Johnny, Telephone Refund, \$191.67; Higgins, Bertha, Telephone Refund, \$23.92; INNOVATION ENTERPRISE, Refund Check, \$51.26; Jorenby, Arlys, Telephone Refund, \$3.08; Koltiska, John, Telephone Refund, \$45.31; Kramar, Susan, Telephone Refund, \$20.75; Larson, Brad, Conserve/Demand Incentive, \$25.00; Lounsbury, Brad, Telephone Refund, \$113.31; Meier Visual Clinic, Telephone Refund, \$135.60; MORGAN, JENNIFER, Refund Check, \$101.38; Morrill, Ruth, Telephone Refund, \$28.79; Mullen, Kristian, Telephone Refund, \$76.07; Myhre, Owen, Telephone Refund, \$39.98; Northern Directional LLC, Telephone Refund, \$101.64; Pepe, Rozina, Telephone Refund, \$106.52; Prussman Contracting Inc, Conserve/Demand Incentive, \$302.94; R & B PROPERTIES LLC, Refund Check, \$40.17; Rickard, Nathan, Telephone Refund, \$21.03; Roth, Cassie, Telephone Refund, \$45.08; SHAFFSTALL, BETHANY, Refund Check, \$527.70; Shank, Boyd, Telephone Refund, \$107.01; Too' Shay Tack, Telephone Refund, \$135.60; Weber, Sarah, Conserve/Demand Incentive, \$25.00; Wieczorek, Terry, Telephone Refund, \$70.14; Wilkinson & Schumacher Law Pro. LLC, Telephone Refund, \$580.80; Williams, Zakera, Telephone Refund, \$235.81; Wilson, Alexis, Telephone Refund, \$77.15; YOST, AMY, Refund Check, \$107.32.

PERSONNEL INFORMATION

Department Salaries (April): Electric, \$243,532.52; Water, \$123,702.64; Wastewater, \$120,297.62; Telephone, \$318,005.38; Retirement, \$46,977.02; Social Security, \$57,571.17; Insurance, \$105,526.85; Deferred Comp, \$15,207.18.

Salary Changes: J. Reller, \$29.30; T. McClain, \$32.55; T. Rymerson, \$29.30

New Employee: V. Munson, \$27.13; C. Tvinnereim, \$20.26 A. Landsman, \$25.57; W. Lower, \$25.57; S. Schulte, \$19.18.

PUBLIC HEARING ON THE PROPOSED REAL ESTATE EXCHANGE AGREEMENTS

A public hearing was held on the proposed Real Estate Exchange Agreements.

Steve Meyer, Executive Vice President/General Manager, presented the history of the 6th Street Water Tower property.

1. Decision to retire 6th Street and 4th Street water towers and construct a new water tower at the 4th Street site. This decision provided more combined capacity and less maintenance.
2. Decision to retain Swiftel's utility/communication tower capability to cover the entire city of Brookings by constructing a new utility/communications tower.
3. Decision to relocate the new utility communication tower to enable potential better use of the 6th street water tower site.
4. BMU, through its attorney, was unable to purchase property for the new utility/communication tower site that would meet BMU's and its existing tower tenants radio propagation requirements.
5. BMU hired Century 21 realtor, Ryan Krogman, to help BMU purchase property for the new tower.
6. The realtor found GCS Holdings LLC who was/is interested in a property exchange.
7. Documents have been drafted for the exchange of property per SDCL 9-27-34.1.
8. Property exchange documents include contingencies such as inspections, environmental studies, federal regulatory approvals, local planning and zoning approvals, public hearing, appraisals, and IRS compliance were prepared.

Curt Kabris, Swiftel Operations Manager, discussed the following benefits of relocating the Swiftel Utility/Communication Tower

1. Swiftel is the municipally owned communication company. Wireless technology has served as a beneficial communication enhancement for the citizens of Brookings. The antenna coverage placed on the BMU water towers has provided Swiftel and other communications companies with an option for wireless communication throughout the entire city of Brookings. Swiftel wants to replace the antenna coverage lost with the

removal of the 6th street water tower. Wireless technology is expected to continue to fill necessary communication needs in Brookings.

2. Construction of the 6th Street water tower started in 1948 and has served Brookings well until replaced and scheduled for demolition after the utility and communication antennas are relocated. It is believed that constructing a utility/communications tower at the 6th Street water tower site would not be the best use of this property. Swiftel searched for property with suitable radio signal propagation and efficient fiber optic network relocation characteristics. The proposed site fits those characteristics.
3. The proposed site is necessary for the two cellular carriers and the City of Brookings, who is currently using the 6th water tower site to adequately cover the University and the other neighborhoods nearby.
4. Limiting the number of towers in a city is always desired. If the proposed site is not used, it is likely that it will take several additional towers in Brookings to meet the coverage needed.
5. The new tower site owned by Swiftel will be providing wireless communication at no charge as we have in the past (Street Dept, Landfill and BMU).

Ryan Krogman presented the market analysis he conducted to support the sales and purchase values agreed upon between BMU and GCS. Ryan stated that his analysis used the historical sales transactions that had recently occurred on 6th Street and near the BMU water tower site property. The costs per square foot of the historical sales supported the value to be received by BMU for the water tower site. The value per square foot of the GCS property was reduced relative to the value of the water tower site because it is not located directly on 6th Street, its lower elevation than the adjacent property on 6th Street and for the small size of the parcel.

Steve Britzman stated that he has been a long time property owner and resident of Brookings that he was familiar with the property being exchanged and aware of the development happening on 6th Street and understood and agreed with Ryan Krogman's analysis. Steve stated the properties were correctly valued.

Carol Pitts confirmed with Swiftel staff that the Board of Adjustment and Planning Commission had approved the conditional use permit for a communications tower, variances for lot area and width and setback. Carol shared that she was aware of the applicable state statutes and concurred that the properties were properly valued.

Don McCarty, BMU legal counsel, prepared the necessary Real Estate Exchange Agreements in accordance with SDCL 9-27-34.1.

No written comments were received. The public hearing closed.

REAL ESTATE EXCHANGE

Motion was made by Bartels, seconded by Hawley that the Board approve the appraised value of the real estate exchange per SDCL 9-27-34.1 as presented in the public hearing. All members present voted in favor of the motion.

REAL ESTATE EXCHANGE AGREEMENTS

Motion was made by Hawley that the following Resolution No. 15-24 be approved.

RESOLUTION NO. 15 – 24

RESOLUTION APPROVING LAND EXCHANGE AGREEMENTS

WHEREAS Brookings Municipal Utilities (BMU) desires to acquire property for a Utility/Communications Tower; and

WHEREAS GCS Holdings, LLC is willing to be a party to an Agreement for an exchange of land currently owned by BMU for land upon which the new Utility/Communications Tower will be located; and

WHEREAS a Public Hearing, upon due notice, having been conducted on the 13th day of May, 2024, as required by the provisions of SDCL 9-27-34.1; and

WHEREAS the Board having been presented with a draft Real Estate Exchange Agreement; and

WHEREAS the Board finding that the appraisal of the properties to be exchanged are realistic and reasonable, and the proposed exchange is in the best interest of BMU.

NOW, THEREFORE, BE IT RESOLVED that the Brookings Municipal Utilities Board approves entering into the Real Estate Exchange Agreement with GCS Holdings, LLC, and related Real Estate Purchase Agreements detailing the terms of the respective Agreements for the purchase and sale of the exchanged tracts of land.

BE IT FURTHER RESOLVED by the Brookings Municipal Utilities Board that the President of the Board and/or Executive Vice President/General Manager be hereby authorized to execute the approved contracts and any related documents necessary to facilitate the proposed transaction.

Adopted this 13th day of May, 2024.

ATTEST:

Seth Hansen, Secretary

Tim Harvey, President

The motion was seconded by Carruthers. All members present voted in favor of the motion.

QUARTERLY FINANCIAL REVIEW

Laura Julius, Financial & IT Manager, presented a quarterly financial review of first quarter 2024.

FIRST READING OF WATER IRRIGATION RATE REVIEW

The proposed rate increase for water irrigation rate service was reviewed. Motion was made by Hawley, seconded by Carruthers to approve the first reading of the proposed rate increase for irrigation water rates. All members present voted in favor of the motion.

SURPLUS EQUIPMENT TO BE SOLD – EAST WATER PLANT CONVEYOR

Motion was made by Carruthers that the following Resolution No. 16-24 be approved.

RESOLUTION NO. 16 - 24

RESOLUTION ORDERING DISPOSITION OF SURPLUS
EQUIPMENT TO BE SOLD

WHEREAS the city of Brookings Municipal Utilities owns property which is no longer necessary, useful or suitable for municipal purposes; and

WHEREAS said property is as follows:

East Water Plant Conveyor -18” Wide by 30’ Long, N-Series Belt Conveyor with support, 2HP, 460 VAC, 3 Phase, 60 Hz Drive and & Power Feeder as manufactured by Chantland

NOW, THEREFORE, BE IT RESOLVED by the Brookings Municipal Utilities Board that the Board hereby orders that the above referenced property be declared surplus equipment to be sold in accordance with the provision of SDCL 6-13.

Adopted this 13th day of May, 2024.

ATTEST:

Seth Hansen, Secretary

Tim Harvey, President

The motion was seconded by Hawley. All members present voted in favor of the motion.

BIDS

AWARDING OF BIDS

LEAD SERVICE LINE REPLACEMENT

Prussman Contracting Inc.	\$ 915,492.70
Austreim Excavating LLC	\$1,096,678.93
Meyer Services Inc.	\$1,343,477.40

Motion was made by Carruthers, seconded by Hawley that the low bid of Prussman Contracting Inc. in the amount of \$915,492.70 for the Lead Service Line Replacement be approved contingent upon the approval of the South Dakota Department of Agriculture and Natural Resources; and that, after reviewing the contract for the above bid, 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.

EXECUTIVE SESSION

Motion was made by Carruthers, seconded by Hawley that the Board adjourn to an executive session for the purpose of discussing personnel. All members present voted in favor of the motion.

The Board reconvened in open session.

ADJOURNMENT

The meeting adjourned.

ATTEST:

Seth Hansen, Secretary

Tim Harvey, President