

CLAY RURAL WATER SYSTEM, INC.
BOARD MEETING SUMMARY
FEBRUARY 27, 2009

On February 27, 2009 at 12:00 p.m. the rescheduled regular meeting of the Board of Directors of the Clay Rural Water System was called to order via teleconference by Board President Craig Nelson at the System Office. The following directors answered roll call: Randy Erickson, John Haver, Jim Ross, Duane Holoch, Vic Hendriks, Tom Manning, and Rick Peterson.

Also present were: Manager, Greg Merrigan and Office Manager Donna Henriksen.

AGENDA: A motion was made, seconded and carried to approve the Agenda.

MINUTES: A motion was made, seconded and carried to approve the regular board meeting minutes of January 22, 2009 and the Board Summaries for December 23, 2008 – special meeting, December 23, 2008 – regular meeting, and January 22, 2009 meeting.

VISITORS TO BE HEARD: None.

FINANCIAL STATEMENTS: A motion was made, seconded and carried to accept the January Financial Statements. A motion was made, seconded and carried to approve the transfer of funds.

BILLS FOR PAYMENT: A motion was made, seconded and carried to approve the February Bills for Payment and the March Bills requiring pre-approval.

MANAGER'S REPORT: Greg Merrigan reviewed the February Manager's Report. He also presented the December 2008 water sales report.

LEGAL REPORT: None.

SDARWS UPDATE: Jim Ross is registered to attend the Rally in Washington, DC.

COMPREHENSIVE STUDY: Greg Merrigan reported he had attended the VBWDD meeting requesting grant assistance with the cost of the study. VBWDD agreed to finance a portion of the Study and a Grant Agreement was presented for signature. A motion was made, seconded and carried to authorize the President to sign the Agreement.

Discussion was held on a timetable for a project in 2010 to implement the recommendations of the Comprehensive Study. A motion was made, seconded and carried to submit the State Water Plan Application to get the project formally listed on the State Water Plan and eligible for funding.

DISTRICT ELECTION CANDIDATES/LOCATION: District Election candidates are in place for all three Districts and Donna Henriksen has contacted an Election Board. Directors are needed for the Election Board. They will be: District I – Rick Peterson; District II – Duane Holoch; District III – Jim Ross.

BOARD RETREAT: The agenda was reviewed. It was suggested to hold a Special Board meeting after the retreat to deal with any administrative items needed for the 2010 Project.

SIOUX EMPIRE WATER FESTIVAL DONATION: Clay Rural Water has received a request for a donation to the Sioux Empire Water Festival. A motion was made, seconded and carried to give a \$100 donation.

EMPLOYEE RELATIONS COMMITTEE REPORT: The Employee Relations Committee report was reviewed and the Committee recommends the following changes for consideration by the full Board: add page numbers to the Table of Contents and add chain of command procedure to Policy N. 102. A motion was made, seconded and carried to adopt the committee recommendations.

POLICY COMMITTEE REPORT: The Policy Committee report was reviewed and the Committee recommends the following changes to the full Board: revisions to Article III of the Articles of Incorporation; revision to Policy No. 208; revision to Policy No. 301; revision to Policy No. 302; revision to Policy No. 303; revision to Policy No. 306; revision to Policy No. 307; and revision to Policy No. 310. A motion was made, seconded and carried to adopt the committee recommendations.

CLAY COUNTY FAIR SPONSOR: A request was received from the Clay County Fair regarding sponsorship. A motion was made, seconded and carried to be a \$100 Sponsor.

DISPOSE OF OLD COPIER: Discussion was held on what to do with the old copier. A motion was made, seconded and carried to declare it surplus property. Directors were asked to find a worthy organization that the copier could be donated to.

BUSINESS INSURANCE RENEWAL: The new Business Insurance Proposal has not been received yet. A motion was made, seconded and carried to table until the Board Retreat.

2008 CONSTRUCTION SUMMARY: Greg Merrigan reviewed the 2008 construction summary.

ROUTINE OFFICE BUSINESS: A motion was made, seconded and carried to approve five Drop Services, one Membership Transfer and two New Services.

OTHER ITEMS: Two articles from Sioux City Journal were reviewed. One dealt with Hyperion and one with land values.

CALENDAR OF EVENTS: March 6 – District Elections; March 10 – Board Retreat, Winery in Vermillion; March 23 – Wynstone Homeowner’s Association Annual Meeting; March 26 – next regular Board meeting, 7:30 p.m., System Office; March 28 – Audit, Annual and re-organizational meetings at St. Agnes, Vermillion.

SUPPLEMENTAL INFORMATION: Customer correspondence.

ADJOURNMENT: A motion was made, seconded and carried to adjourn at 1:02 p.m.