

**SUMMARY**  
**CLAY RURAL WATER SYSTEM, INC.**  
**BOARD OF DIRECTORS – REGULAR**  
**MARCH 22, 2018**

**The regular meeting** of the Clay Rural Water System, Inc. Board of Directors was called to order at 7:27 p.m. by President, Bob Wood at the Water System Office. Directors present were: David Reiff, Jim Schurdevin, Duane Holoch, Pat Manning, Randy Ronning, Bob Wood, and Glen Gilbertson. Absent excused were: Randy Huot and Russ Lilly. Also present were Manager Greg Merrigan, Office Manager, Donna Henriksen, and Dwight Berglin of Quam, Berglin & Post, P.C. In the absence of the secretary, Bob Wood appointed Pat Manning as acting secretary.

**ADOPT AGENDA:** A motion was made and seconded to adopt the Agenda. Motion carried.

**DIRECTOR CONFLICT WITH AGENDA ITEMS:** None.

**MINUTES:** The minutes of the February 27, 2018 regular Board meeting were distributed previously. Minutes are approved. The Board Summary for February 27, 2018 regular meeting was distributed previously. Board summary was approved.

**ANNUAL RE-ORGANIZATIONAL MEETING:**

Election of Officers: Officers elected by unanimous consent include: President Bob Wood, Vice-President, Glen Gilbertson, and Secretary/Treasurer, Randy Huot.

Designations for 2018: The following were designated for 2018 without objection: Attorney Mike McGill, legal services (new 3-year contract); Quam, Berglin & Post P.C., auditing services; First Premier Bank, Wakonda, main depository; Bank of the West, Vermillion, First Dakota, Vermillion & Beresford, CorTrust, Vermillion, and First National, Yankton, secondary depositories; DGR Engineering, engineering services.

A motion was made and seconded to allow all employees and Directors as users of credit cards. Motion carried.

Bob Wood declared the re-organizational meeting adjourned at 7:36 p.m. Regular meeting re-convened.

Bob Wood moved to suspend the rules and move to Item 14A, audit presentation. Motion was seconded and carried.

**AUDIT PRESENTATION:** Dwight Berglin of Quam, Berglin & Post, P.C. presented the 2017 Audit. Directors signed the 990, e-file form. A motion was made, seconded and carried to accept the 2017 Audit as presented.

**VISITORS TO BE HEARD:** None.

**FINANCIAL STATEMENTS:** The February Financial Summary was reviewed by Greg Merrigan. A motion was made, seconded and carried to approve the four transfers. The checkbook total, cash balance and major budgeted items were reviewed. Greg Merrigan reviewed the Allocation of Costs.

The Board reviewed the 2017 CoBank Patronage Distribution. A motion was made, seconded and carried to approve transfer #2018-17 from General Savings to General Checking for CoBank 2017 Patronage Distribution.

**CHECK REGISTER:** Donna Henriksen reviewed the March Check Register and April Bills requiring pre-approval. A motion was made and seconded to approve. Motion carried.

**MANAGER'S REPORT:** Greg Merrigan presented the March Manager's Report. He discussed QOT mailing, annual material bids, pump work done in the plant and winter plant maintenance, and misc. operating activities. The February Water Sales Report was also reviewed.

**LEGAL REPORT:** Greg Merrigan updated the Board.

**SDARWS UPDATE:** Glen Gilbertson will be attending the SDARWS Board meeting April 4 & 5 in Pierre.

**REPORT OF DISTRICT ELECTIONS:** Greg Merrigan reviewed the minutes of the District Election teleconference held March 2, 2018. One candidate in each District was declared the winner by the Board. Directors declared were: Pat Manning in District I; Glen Gilbertson in District II; and Dave Reiff in District III.

**BUSINESS INSURANCE RENEWAL:** Greg Merrigan reviewed the 2018 Business Insurance renewal.

**SELECT SCHOLARSHIP WINNERS:** Pat Manning chair of the Scholarship Committee thanked Committee Members, Jim Schurdevin & Russ Lilly for their help in selecting this year's scholarship winners. They are: Rylan Pratt of Vermillion; Nick O'Connell of Beresford; and Anneliese Taggart of Vermillion. Riley Johnson of Vermillion will be the alternate. A motion was made, seconded and carried to approve the selection.

**POLICY NO. 106:** Manager Merrigan reviewed Policy No. 106 - Conflict of Interest. A motion was made, seconded and carried to have Directors sign.

Randy Huot arrived at 8:40 p.m.

**EMERGENCY SUPPLY AGREEMENT:** Greg Merrigan presented information on an Emergency Supply Agreement with the Wakonda Heritage Manor. A motion was made and seconded to approve the agreement and authorize the President and Secretary to sign. Motion carried.

**2018 SCHEDULE OF CHARGES:** Greg Merrigan presented a proposed Schedule of Charges for service moves and hookups with updated pricing. A motion was made, seconded and carried to approve the charges.

**ANNUAL MEETING:** The Annual Meeting/Open House will be held at the System Office on Thursday, April 5 from 3-6:00 p.m. No formal meeting will be held, but members will be served a picnic lunch and have the opportunity to tour the water plant.

**ANNUAL OPERATIONS REPORT:** Due to the lengthy meeting, the Operations Report will be presented at the April Board meeting.

**ROUTINE OFFICE BUSINESS:** Greg Merrigan reviewed the Routine Office Business for the month. All business was approved by unanimous consent including: no Drop Services, nine New Services, and no Bad Debts.

**OTHER ITEMS FOR DISCUSSION:** A Board tour will not be held this year.

**CALENDAR OF EVENTS:** April 5 – SDARWS Meeting in Pierre; April 5 - Clay RW Annual Meeting/Open House, 3-6 p.m, Wakonda Plant; April 17 & 18 - Office Training at Tea; April 24 - next regular Board meeting (Tuesday), 7:30 p.m., System Office.

**SUPPLEMENTAL INFORMATION:** Backpack donation thank you.

**ADJOURNMENT:** Bob Wood declared the meeting adjourned at 8:51 p.m.