

SUMMARY
CLAY RURAL WATER SYSTEM, INC.
BOARD OF DIRECTORS – REGULAR
MARCH 23, 2017

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. Bob welcomed and introduced new Board member, Russ Lilly. Directors present were: David Reiff, Jim Schurdevin, Duane Holoch, Pat Manning, Randy Ronning, Randy Huot, Bob Wood, Russ Lilly, and Glen Gilbertson. Also present were Manager Greg Merrigan, Office Manager, Donna Henriksen, and Dwight Berglin of Quam, Berglin & Post, P.C.

ADOPT AGENDA: A motion was made and seconded to adopt the revised Agenda. Motion carried. Agenda items added were: 8B. transfers #6, 7, & 8.

DIRECTOR CONFLICT WITH AGENDA ITEMS: None.

MINUTES: The minutes of the February 28, 2017 regular Board meeting were distributed previously. Minutes are approved. The Board Summary for February 28, 2017 regular meeting was distributed previously. Board summary was approved.

ANNUAL RE-ORGANIZATIONAL MEETING:

President Bob Wood called the meeting to order at 7:30 p.m.

Election of Officers: Bob Wood was elected President; Glen Gilbertson was elected Vice-President; Glen Gilbertson was elected Secretary/Treasurer.

Designations for 2017: Attorney, Mike McGill; Auditor, Quam, Berglin & Post, P.C.

Depositories: First Premier – main depository. Bank of the West, Vermillion; First Dakota, Vermillion & Beresford; CorTrust, Vermillion; First National, Yankton – secondary depositories.

All employees and Directors were designated as users of the Credit Cards by unanimous consent.

DGR Engineering of Rock Rapids, IA was designated as System Engineer by unanimous consent.

Motion was made and seconded to adjourn the re-organizational meeting at 7:35 p.m. and reconvene the regular meeting. Motion carried.

VISITORS TO BE HEARD: None.

A motion was made, seconded and carried to Suspend the Rules and move to Item 14A - Audit Presentation.

AUDIT PRESENTATION: Dwight Berglin of Quam, Berglin & Post, P.C. presented the 2016 Audit. Directors signed the 990, e-file form. A motion was made, seconded and carried to accept the 2016 Audit as presented.

FINANCIAL STATEMENTS: The February Financial Summary was reviewed by Greg Merrigan. A motion was made, seconded and carried to approve the eight transfers. The checkbook total, cash balance and major budgeted items were reviewed. Greg Merrigan reviewed the Allocation of Costs. The Board reviewed the 2016 CoBank Patronage Distribution.

CHECK REGISTER: Donna 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 meter reading for the Town of Wakonda; the cleaning and replacement of membranes in the R/O Unit at Wynstone; along with meetings attended and misc. operating activities. The February Water Sales Report was also reviewed.

LEGAL REPORT: No report.

SDARWS UPDATE: Glen Gilbertson will be attending the SDARWS Board meeting April 5 & 6 in Pierre.

REPORT OF DISTRICT ELECTIONS: Greg Merrigan reviewed the minutes of the District Election teleconference held March 3, 2017. One candidate in each District was declared the winner by the Board. Directors declared were: Randy Ronning in District I; Bob Wood in District II; and Russ Lilly in District III.

LIME SLUDGE LAGOON BID: A motion was made, seconded and carried to take this Item off the table. Greg Merrigan is recommending accepting the bid of Pollman Excavation for \$6.40/ton. A motion was made, seconded and carried to approve the low bid from Pollman Excavation.

SELECT SCHOLARSHIP WINNERS: Dave Reiff, chair of the Scholarship Committee thanked Committee Members, Pat Manning & Jim Schurdevin for their help in selecting this year's scholarship winners. They are: Maren Buffington of Gayville-Volin; Kylee Donnelly of EPJ; and Kaci Madsen of Vermillion. Elena Giorgio of EPJ 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. As this is a Board approved Policy, no action is needed and Directors signed the form.

BUSINESS INSURANCE RENEWAL: Greg Merrigan reviewed the 2017 Business Insurance renewal and noted that rates have gone down. He also reviewed the insurance coverage of the vehicles.

2016 PENSION REPORT: Greg Merrigan reviewed the report of the 2016 Pension 401K Profit Sharing Plan.

ANNUAL MEETING: The Annual Meeting/Open House will be held at the System Office on Thursday, April 6 from 4-7:00 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.

FACILITY TOUR: Manager Merrigan stated if any Director would like to tour the System facilities, to let him know and a tour will be set up.

ROUTINE OFFICE BUSINESS: Greg Merrigan reviewed the Routine Office Business for the month. One Drop Service and Six New Services were approved by unanimous consent.

OTHER ITEMS FOR DISCUSSION: None.

CALENDAR OF EVENTS: April 6 - Clay RW Annual Meeting/Open House, 4-7 p.m, Wakonda Plant; April 19 & 20 - Office Training at Tea; April 25 - next regular Board meeting (Tuesday), 7:30 p.m., System Office.

SUPPLEMENTAL INFORMATION: Thank you from Clay County 4-H Club.

ADJOURNMENT: A motion was made and seconded to adjourn at 9:04 p.m. Motion carried.