

**SUMMARY**  
**CLAY RURAL WATER SYSTEM, INC.**  
**BOARD OF DIRECTORS – REGULAR**  
**March 28, 2023**

**CALL TO ORDER:** The regular meeting of the Clay Rural Water System, Inc. Board of Directors was called to order at 6:56 p.m. by President Randy Huot at the System Office. Directors present: Dave Reiff, Tim Irwin, Jerry Buom, Pat Manning, Randy Ronning, Randy Huot, Mark Bottolfson, Ken Kessler, and Cody Merrigan. Also present: Manager Steve Muilenburg, Pam Lunning, Controller, Office Manager Donna Henriksen, and Nick Gillen, Brosz Engineering.

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

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

**MINUTES:** Minutes and Board Summary of the February 28, 2023 board meeting were presented for approval. A motion was made, second and carried to approve both.

**REORGANIZATION BOARD MEETING:** The regular Board moved into the reorganization meeting and Manager Steve Muilenburg declared nominations open for the Office of President. Mark Bottolfson nominated Randy Huot. No further nominations were received so Randy Huot was elected by acclamation. Manager Steve Muilenburg turned the meeting back over to Randy Huot.

Randy Huot opened the floor for nominations for Vice President. Dave Reiff nominated Randy Ronning. No further nominations were received so Randy Ronning was elected by acclamation.

Randy Huot opened the floor for nominations for Secretary/Treasurer. Ken Kessler nominated Pat Manning. No further nominations were received so Pat Manning was elected by acclamation.

**Designations for 2023:**

**Attorney:** Attorney Mike McGill's contract is in place until 2024. A motion was made, second and carried to approve.

**Auditor:** A motion was made, second and carried to approve an Audit for 2023; naming said Auditor at a future date.

**Financial Institutions:**

A motion was made, second and carried to approve Premier Bank of Alcester as the main depository.

A motion was made, second and carried to authorize the following banks as secondary depositories, if needed: First Premier Bank of Wakonda, First Dakota of Vermillion & Beresford; CorTrust of Vermillion; First Savings of Beresford; Premier Bank of Alcester; Liberty National of Elk Point; One American Bank of Centerville.

**Designate Users of Credit Cards:**

A motion was made, second and carried to designate all employees and Directors as users of credit cards.

**Engineer:**

A motion was made, second and carried to designate DGR Engineering of Rock Rapids, IA, Brosz Engineering of Sioux Falls, and Bartlett & West of Sioux Falls as engineers for the System.

Reorganization meeting adjourned at 7:05 p.m. and resumed regular board meeting.

**VISITORS TO BE HEARD:** None.

A motion was made and second to suspend the Rules and move to Item 13A. New Chapter Project Update. Motion carried.

**NEW CHAPTER PROJECT UPDATE:** Nick Gillen of Brosz Engineering reported on the progress of the Project.

- Bid Schedule 1 – West Vermillion awarded to 3-D Digging and Trucking – consecutive construction days – 45 days. Work will start end of April or first part of May.
- Bid Schedule 2 – Westreville awarded to Winter Contracting – consecutive construction days – 60 days. Work will start approximately April 10<sup>th</sup>.
- Bid Schedule 3 – West Phase Booster to Garfield Booster awarded to Winter Contracting – consecutive construction days – 120 days.
- Preconstruction Meeting occurred on March 23, 2023. Notice to Proceed was issued to both Winter Contracting and 3-D Digging on March 23, 2023.

**FINANCIAL STATEMENTS:** The February Financial Summary and allocations were reviewed by Manager Muilenburg and Controller Pam Lunning. A motion was made, second and carried to approve the seven financial transfers: The Board completed Items on the Board Checklist. CoBank Patronage for 2022 has been received, in the amount of \$28,262.44.

**CHECK REGISTER:** Donna Henriksen reviewed the March Check Register and April Bills requiring pre-approval. A motion was made, second and carried to approve payment of bills.

**MANAGER’S REPORT:** Manager Muilenburg highlighted the March Manager’s Report. He noted the Wynstone Irrigation chlorination will be done as soon as ice is off the pond; having some SCADA control issues, has hired a summer mower and will hire a part time/seasonal person to assist with digging, etc. Both plants are running smoothly; staff is still searching for leaks. February Water Sales Report was reviewed.

**LEGAL REPORT:** None.

**SDARWS UPDATE:** Mark Bottolfson reported his next Board meeting is April 6 in Pierre.

**DISTRICT ELECTION UPDATE:** Minutes of the District Elections held March 3 were reviewed.

**ANNUAL MEETING RECAP:** The Annual meeting was discussed. Some suggestions for next year were to send a postcard reminder, have a power point showing system activities and construction, but overall everyone thought it went well.

**UTILITY BOX PURCHASE:** Manager Muilenburg discussed purchasing a utility box for the new 2023 Dodge Dually. A motion was made and second to purchase. Roll Call Vote was taken. Motion carried.

**SCHOLARSHIP COMMITTEE RECOMMENDATION:** Chair of the Scholarship Committee, Ken Kessler, presented the Board with the applicants and ranking for the 2023-2024 Scholarships. Winners were: Macy Quartier, Irelyn Fickbohm, both of Beresford HS, and Sophia Giorgio of Elk Point-Jefferson HS. Alternate is Jessica Martz. A motion was made and second and carried to approve the Committee selection.

**POLICY NO. 106:** The Board reviewed Policy No .106 “Conflict of Interest” and each signed the form.

**INSURANCE RENEWAL:** The board reviewed the Insurance Renewal package; total cost is \$52,059.88.

**EXECUTIVE SESSION:** A motion was made, second and carried to go into Executive Session at 8:49 p.m. to discuss future water sales within the Clay Rural Water System. Declared out at 9:21 p.m.

**ROUTINE OFFICE BUSINESS:** The Board approved all Routine Office Business by unanimous consent including: No Drop Service, 15 New Services, and no Bad Debts.

**OTHER ITEMS FOR DISCUSSION –** Discussion was held on when the truck and trailer will be sold and how; Pam and Donna reported they are looking for a new billing system, as current system is causing problems.

**CALENDAR OF EVENTS:** The following information was reviewed: March 29 & 30: SDWWA Training for Staff in Yankton; April 11 & 12: Office Training in Mitchell; April 21: next regular Board meeting (Friday), 7:00 p.m., System Office; April 26 & 27: Rural Water EXPO, Rapid City Ramkota; April 28 & 29: RW Fishing Tourney at Cow Creek Bay, Pierre, SD

**SUPPLEMENTAL INFORMATION:** The Board reviewed customer comments and congratulations on receiving "System of the Year".

**ADJOURNMENT:** Motion was made, second and carried to adjourn at 9:35 p.m.