

SUMMARY
CLAY RURAL WATER SYSTEM, INC.
BOARD OF DIRECTORS – REGULAR
March 26, 2024

The regular meeting of the Clay Rural Water System, Inc. Board of Directors was called to order at 7:01 p.m. by President Randy Huot at the System Office. Directors present: Jerry Buom, Pat Manning, Tim Irwin, Ken Kessler, Randy Ronning, Randy Huot, Mark Bottolfson, Cody Merrigan, and Josh Wendling. Also present: Manager Steve Muilenburg, Office Manager, Donna Henriksen, and new employee, Jennifer Badke.

ADOPT AGENDA: A motion was made, seconded and carried to adopt the agenda.

DIRECTOR CONFLICT WITH AGENDA ITEMS: Ken Kessler, Scholarship.

MINUTES: Minutes of February 27, 2024, regular Board minutes were presented for approval. A motion was made, seconded, and carried to approve. The Board Summary for February 27, 2024, was presented for approval. A motion was made, seconded, and carried to approve.

RE-ORGANIZATIONAL MEETING: Randy Huot called the re-organizational meeting to order at 7:03 p.m. and turned the meeting over to Manager Muilenburg to conduct the election of the President. 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. Cody Merrigan was elected by acclamation. Randy Huot opened the floor for nominations for Secretary/Treasurer. Pat Manning was elected by acclamation.

Designations for 2024: Motions were made, second, and carried to approve the following: Attorney, Mike McGill; Audit for 2024; Main and secondary depositories; approve Credit Card Users; Engineers: DGR Engineering of Rock Rapids, IA, Brosz Engineering of Pierre/Sioux Falls, and Bartlett & West of Topeka, KS.

Re-organization meeting adjourned at 7:23 p.m. and resumed regular board meeting.

VISITORS TO BE HEARD: None. Manager Muilenburg introduced a new employee, Jennifer Badke.

FINANCIAL STATEMENTS: The February Financial Summary and allocations were reviewed by Manager Muilenburg. A motion was made, second and carried to close two accounts. A motion was made, second and carried, to approve eight financial transfers. The Board completed Items on the Board Checklist. CoBank Patronage for 2023 has been received.

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 gave his report. The servicemen have been working on leak repairs and are gearing up for construction work to start in early April. Wynstone Irrigation chlorination was completed in March. Office staff is working on lead/copper inventory list. Work has been completed on the 300th St project. Locate tickets have been taking a lot of operator time and leak detection was a priority the last month. Harn will be at the Wynstone Plant to clean the membranes the first week in April. The February water sales report was reviewed.

LEGAL REPORT: Nothing to report.

SDARWS UPDATE: Mark Bottolfson reported that \$89.3 million left over ARPA funds were approved for water projects. His next State Board meeting is April 4th in Pierre. SDARWS Manager, Kurt Pheifle is retiring April 15, 2024. Manager Muilenburg has a Dakota Mainstem Board meeting via Zoom on March 27th. Kurt Pheifle will be taking over as Director of Dakota Mainstem as of 5/1/24.

UNFINISHED BUSINESS

Projects Phase I & II Update: Manager Muilenburg updated the Board on the Project. The Westreville Meter Building should be delivered in about 30 days; Chancey Shrake is working on reimbursement for Highway 46 work; the Greenfield tank bids that came in over budget and rejected were submitted to the State to show a need for additional ARPA funding.

District Election Minutes were reviewed by the Board.

990 Filing Penalty Removed: The Board reviewed correspondence from the IRS regarding the removal of the penalty for the late 990 filing.

NEW BUSINESS:

Scholarship Committee Recommendation: Seven applications for the Jack & Arlene Devany Scholarship were received this year. The Committee recommends awarding to: Brody VanBeek of I-W High School, Andrew Sharples-Schmidt of Wakonda, and Joel Dahlhoff of Vermillion HS. A motion was made, seconded, and carried to accept the Committee recommendation.

Policy No. 106 “Conflict of Interest: Each Director signed a “Conflict of Interest” statement per Policy No. 106.

Confidentiality Agreements: Each Director was asked to sign a Confidentiality Agreement.

Execute Attorney Contract: A motion was made and second to authorize Board President, Randy Huot, to execute a 3-year contract with Attorney, Mike McGill. Motion carried.

Annual Meeting Reminder: Office Manager, Donna Henriksen, reviewed the notes for the upcoming Annual Meeting on Tuesday, April 9th at the Vermillion Armory.

Beresford Booster Upgrades: Manager Muilenburg briefed the Board on needed repairs and upgrades at Beresford Booster Station. Work would include 2 new pumps, 2 new VFD’s, valves, and piping at a cost of approximately \$29,274.95. A motion was made and second to complete the needed repairs. Motion carried.

ROUTINE OFFICE BUSINESS: Routine Office Business was approved by unanimous consent including: one Drop Service, five New Members, and no Bad Debts.

OTHER ITEMS FOR DISCUSSION: Manager Muilenburg reported a new pressure washer may be needed in the future.

CALENDAR OF EVENTS: Manager Muilenburg reviewed the following:

- April 2 – Clay-Union Electric Annual Meeting; 3 p.m. Ribbon Cutting
- April 4 – SDARWS Board Meeting in Pierre
- April 4 – Union County Electric Annual Meeting, 4-7 p.m.
- April 9 – Clay Rural Water Annual Meeting, 5:30 p.m. at the Armory, Vermillion

- April 16 & 17 – Office Manager Meeting in Pierre
- Monday, April 22 – next regular Board meeting, 7 p.m., System Office
- April 24 & 25 – Manager’s Meeting & Rural Water EXPO, Rapid City

SUPPLEMENTAL INFORMATION: Manager Muilenburg attended the VBWDD Meeting. Several thank you’s were reviewed.

ADJOURNMENT: A motion was made, second, and carried to adjourn at 9:15 p.m.