

**SUMMARY
CLAY RURAL WATER SYSTEM, INC.
BOARD OF DIRECTORS – REGULAR
NOVEMBER 21, 2022**

The regular meeting of the Clay Rural Water System, Inc. Board of Directors was called to order at 6:58 p.m. by President Randy Huot at the System Office. Director's present were Dave Reiff, Pat Manning, Tim Irwin, Randy Ronning, Randy Huot, Mark Bottolfson, Ken Kessler, and Cody Merrigan. Also present were Manager Steve Muilenburg, Office Manager Donna Henriksen, Controller, Pam Lunning, and Chancey Shrake of Brosz Engineering.

ADOPT AGENDA: A motion was made, second and carried to adopt the revised agenda, addition of Approval #2022-47.

DIRECTOR CONFLICT WITH AGENDA ITEMS: None.

MINUTES: The minutes and summary of the Board meeting held October 20, 2022 were presented for approval. Both were approved by unanimous consent.

VISITORS TO BE HEARD: Mike Lovejoy.

FINANCIAL STATEMENTS: The October Financial Summary was reviewed by Pam Lunning and Manager Muilenburg. Also reviewed was the Cost of Production, Debt Service, Comparative Info, Income Statement, and Allocation of Costs. Five Financial Transfers were presented; a motion was made and second to approve. Motion carried. Items on the Financial checklist are being worked on.

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

A motion was made, second and carried to suspend the rules and move to Item 12A.

PROJECTS PHASE I & II:

1. Chancey Strake of Brosz Engineering was present to give an update. Hope to bid the tanks in January. A motion was made, second and carried to approve Drawdown #1 for Chapter Project, Phase I in the amount of \$618,075.27.
2. Chancey explained the bids received for the Projects.
 - For the Highway 46 Project material bids were received from Core & Main for \$56,171.34 and from Ferguson Waterworks for \$47,896.76.
 - Bid Schedule #1 – West Vermillion; the low bidder was 3-D Digging at \$479,528.00.
 - Bid Schedule #2 – Westerville; the low bidder was Winter Contracting at \$831,497.00.
 - Bid Schedule 3A – West Phase Booster to WTP; the low bidder was Winter Contracting at \$2,640,160.00
 - Bid Schedule 3B – WTP to Garfield Booster; the low bidder was Winter Contracting at \$3,830.183.00.

A motion was made and second to approve material bids and award to Ferguson Waterworks in the amount of \$47,896.76, contingent on DANR Funding approval. Motion carried.

A motion was made and second to approve Schedule 1 to 3D-Digging, \$479,528.00; Schedule 2, \$831,497.00 and Schedule 3, \$6,470,343.00 to Winter Contracting, contingent on DANR Funding approval. Motion carried.

MANAGER’S REPORT: Manager Muilenburg presented the November Manager’s Report. Some water has been added to the front ponds in Wynstone, chlorination has been on hold, but hoping to complete the last week in November, had a glitch in the internet connection on some computers and replaced a breaker, excess pipe from the large order last fall has been sold. Misc. distribution work was reviewed.

LEGAL REPORT:

- The SRF loan paperwork was completed on November 18, 2022. Mike McGill is finishing the process.

SDARWS UPDATE: Mark reported the next SDARWS Board meeting will be December 1st in Sioux Falls.

EXECUTIVE SESSION: A motion was made, second and carried to go into Executive Session at 9:21 p.m. Declared out of session at 9:51 p.m. A motion was made, second and carried to approve employee bonuses for 2022.

APPROVE 2023 HEALTH INSURANCE RENEWAL: A motion was made and second to approve the proposed Health Insurance renewal for 2023. Motion carried.

AFLAC LIFE INSURANCE: Manager Muilenburg presented information on AFLAC life insurance and is proposing offering the employees one year paid at the \$75,000 level of Term Insurance. A motion was made, second and carried to approve.

SURPLUS TRUCKS: A motion was made and second to surplus the 2016 Ford, but to keep the Ram for now. Motion carried.

ACCOUNTING UPDATE: Pam Lunning and Manager Steve have been looking for another Auditor, but have not been successful to date.

ROUTINE OFFICE BUSINESS: A motion was made and second to approve One Drop Service, 12 New Services, and One Bad Debt in the amount of \$647.66. Motion carried.

OTHER ITEMS FOR DISCUSSION:

- Discussion was held on location and date of a Christmas Party.
- A motion was made and second to give \$100 to each of the area Food Banks. Motion carried.

CALENDAR OF EVENTS: Manager Muilenburg reviewed the calendar:

- Nov. 24 & 25 – Office closed for Thanksgiving Holiday
- Dec. 19 – Budget Meeting at 9 AM, System Office
- Dec. 19 – next regular Board meeting following lunch at the System Office
- Dec. 26 – Office will be closed for Christmas Holiday
- Jan. 2 – Office will be closed for New Year’s Holiday

SUPPLEMENTAL INFORMATION: Manager Muilenburg mentioned that water loss was up last month at 16%, but several leaks have been found and repaired.

ADJOURNMENT: Meeting was declared adjourned at 10:28 p.m.