

**SUMMARY  
CLAY RURAL WATER SYSTEM, INC.  
BOARD OF DIRECTORS – REGULAR  
OCTOBER 20, 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, Nick McKee, Pat Manning, Tim Irwin, Randy Ronning, Randy Huot, Mark Bottolfson, and Cody Merrigan. Absent excused was: Ken Kessler. Also present were Manager Steve Muilenburg, Office Manager Donna Henriksen, and Controller, Pam Lunning.

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

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

**MINUTES:** The minutes and summary of the Board meeting held September 27, 2022 were presented for approval. Both were approved by unanimous consent.

**VISITORS TO BE HEARD:** None.

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

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

**MANAGER'S REPORT:** Manager Muilenburg presented the October Manager's Report. Irrigation lines at Wynstone will be chlorinated the week of Nov. 14th; still working with the HOA on the front ponds, they still have a leak. Nexlink has not removed all their equipment yet; we are updating sample site locations for DANR. Misc. distribution work was reviewed. The monthly water reports and leak reports were reviewed.

**LEGAL REPORT:** Nick McKee stated he will be stepping down from the Board effective immediately. President Randy Huot appointed a nominating committee of Tim Irwin, Cody Merrigan, and Pat Manning. They will work on finding a replacement until the next scheduled Election.

**SDARWS UPDATE:** Mark reported the Leadership Conference will be held in Pierre on Nov. 9 & 10<sup>th</sup>. A motion was made, second and carried to approve Mark Bottolfson and Steve Muilenburg as Delegates for the ATC. A motion was made, second and carried to approve Pam Lunning and Pat Manning as Alternates to the ATC. A motion was made, second and carried to approve payment of the 2023 SDARWS Dues.

**2020 PROJECT UPDATE:** Manager Muilenburg reported the 2020 Project is complete. Our loan repayment will be \$1,872,797.00.

**BROSZ ENGINEERING:** A motion was made, second and carried to approve advertising for the water line project (Phase I). A motion was made, second and carried to approve payment of Brosz Invoice #25155 and Brosz Invoice #25158, once the loan funds are in place. Motion carried. A motion was

made and second to adopt Resolution #2022-5A, which adds the System Manager as a Signer for Project documents, in addition to the President. Motion carried.

**MIKE MCGILL'S REVIEW OF ARTICLES & BYLAWS:** A motion was made and second to take this item off the table. Motion carried. Mike McGill has prepared a Resolution, wording, and a ballot to present this change to the membership. A motion was made, second and carried to adopt Resolution #2022-06.

**2023 SCHOLARSHIP PROGRAM:** A motion was made and second to approve the 2023 Scholarship Program. Motion carried.

**APPROVE DISTRICT ELECTION DATE:** A motion was made and second to approve March 3, 2023 for District Elections. Motion carried. Randy Ronning, Mark Bottolfson, & Ken Kessler terms are up.

**SET ANNUAL MEETING DATE & LOCATION:** A motion was made and second to hold the Annual Meeting on March 21, 2023 at the Armory in Vermillion. A meal will be held from 5:30 to 6:30 p.m., with the Business meeting following. Motion carried.

**BYLAWS CHANGE OF "NOTICE OF INTENT" DAYS:** Mike McGill was asked about the procedure to make a change in the bylaws concerning # of days a person has to file a "Notice of Intent" for District Elections. He is recommending passing a Resolution to amend Article VIII, Section 3 of the bylaws to state that "Notice of Intent" be filed not less than 45 days prior to the date of the District Election. A motion was made and second to adopt Resolution #2022-07, to present this change to the membership, and sign as soon as Mike can get it drafted. Motion carried.

**SDARWS OFFICE TRAINING UPDATES:** Donna and Pam attended SDARWS Office training in Sioux Falls on October 11<sup>th</sup> & 12<sup>th</sup> and gave the Board an update on what they took away from the training.

**ROUTINE OFFICE BUSINESS:** Routine Office Business was approved by unanimous consent; One Drop Service, Seven New Members, and no Bad Debts.

**OTHER ITEMS FOR DISCUSSION:** It was decided to get all employees and directors a ham for Thanksgiving and to have a Christmas Party this year.

**CALENDAR OF EVENTS:** The following information was reviewed:

- Oct. 26 & 27 – Manager's Meeting in Deadwood
- Nov. 9 & 10 – Leadership Seminar in Pierre
- Nov. 11 – Office closed for Veteran's Day Holiday
- Nov. 21 (Monday) – next regular Board meeting, 7 p.m., System Office
- Nov. 24 & 25 – Office closed for Thanksgiving Holiday

**SUPPLEMENTAL INFORMATION:** A dividend check has been received from Risk Administration, due to a favorable experience rating for Worker's Compensation.

**ADJOURNMENT:** A motion was made, second and carried to adjourn at 9:21 p.m.