

**SUMMARY
CLAY RURAL WATER SYSTEM, INC.
BOARD OF DIRECTORS – REGULAR
December 18, 2023**

THE REGULAR MEETING of the Clay Rural Water System, Inc. Board of Directors was called to order at 1:06 p.m. by President Randy Huot at the System Office. Directors present: Dave Reiff, Jerry Buom, Pat Manning, Tim Irwin, Randy Ronning, Randy Huot, Mark Bottolfson, Cody Merrigan, and Ken Kessler. Also present: Manager Steve Muilenburg, Office Manager, Donna Henriksen, and Chancey Shrake, Deryn Beck, and Brad Lawrence of Brosz Engineering.

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

DIRECTOR CONFLICT WITH AGENDA ITEMS: None.

MINUTES: Minutes of November 20, 2023 Regular Board minutes were presented for approval. A motion was made, seconded, and carried to approve. The Board Summary for November 20, 2023 was presented for approval. A motion was made, seconded, and carried to approve.

VISITORS TO BE HEARD: None.

A motion was made, seconded and carried to Suspend the Rules and move to item 12A. Projects Phase I & II.

UNFINISHED BUSINESS:

Projects Phase I & II: Chancey Shrake of Brosz Engineering gave an update on the Project: Timber Road is done. Still waiting on Westreville meter building. Two vaults will be spray-foamed with insulation in the next couple of days. Winter Brothers is putting stuff away and working on a punch list. 12" and 14" lines are tested, pressurized and tied in. Highway 46 was self-performed at a great cost savings.

Phase I: the Greenfield Tank will go to bid after the first of the year; hope to open bids around Feb. 1st. Geotech is test drilling at the treatment plant site the end of December. There should be funds in excess of one million to carry over to the tank job.

There are Change Orders in the amount of \$174,080; this brings the new Contract Price to \$7,535,634. A motion was made and second to approve Change Order #2 in the amount of \$174,080. Motion carried. Draw #12 in the amount of \$1,262,085.21 was presented. A motion was made, seconded and carried to approve. A motion was made and second to advertise for bidding the tank at Greenfield after the first of the year. Motion carried.

FINANCIAL STATEMENTS:

The November Financial Summary and allocations were reviewed by Manager Muilenburg. A motion was made and second to authorize Steve and Pam to work with Stacey at Premier Bank regarding the sweep accounts to maintain compliance with the FDIC insured limits on our accounts. Motion carried.

December Transfers: A motion was made, second and carried to approve the five routine financial transfers. The Board completed Items on the Board Checklist.

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

MANAGER'S REPORT: Manager Muilenburg discussed the December Manager's Report. He noted that the Irene and Spink tank mixers have been installed; 700' of pipe has been installed along 300th St for the DOT Project; we need to replace the air compressor for the water plant, cost will be \$11-12,000 and it is 4-6 weeks out for delivery; both plants are operating great. Manager Muilenburg also reviewed the November Water Sales Report.

LEGAL REPORT: Mike McGill will be asked to come to the March Board meeting.

SDARWS UPDATE:

Mark Bottolfson gave an update on ARPA \$, ATC, Leadership Conference and reported that the Audit for the State has been completed. He also stated that Kurt Pfeifle is retiring as of 4/15/23. The Rural Water Center donation request was mentioned again, no decision at this time. Manager Muilenburg reported on his trip to Water Pro.

NEW BUSINESS:

2024 Proposed Meeting Dates: Donna Henriksen presented proposed meeting dates for 2024, with a few variations due to Manager's meetings conflicting. A motion was made, seconded and carried to approve meeting dates for 2024.

Annual Lobbying Motion: A motion was made and seconded to authorize any Director or Employee of the Clay Rural Water System to lobby during the 2024 Legislative Session on behalf of Clay Rural Water System, the SD Association of Rural Water Systems or any other entity that promotes a common cause. Motion carried.

District Election Terms: Pat Manning, District I and Cody Merrigan, District II will run again. Dave Reiff, District III submitted his resignation from the Board. A motion was made, second and carried to accept Dave's resignation. A motion was then made and second to appoint Josh Wendling to fill out the remainder of Dave's term for January and February, 2024. Motion carried.

Hookup Fees/Billables: Manager Muilenburg presented the Hookup Fees & Billables for 2024; the only change is adding the Application Fee to a new hookup, minimum of \$200. A motion was made and second to approve as presented. Motion carried.

Maguire Iron Contracts: Manager Muilenburg presented two contracts from Maguire Iron. The first contract is for the Beresford Tank, to disinfect the interior of the tank, install a mixing unit, and clean inside bottom 6' of sediment for a cost of \$20,175.00. Second contract is for the interior blasting and interior painting of the Irene Tower at a cost of \$82,500.00. A motion was made and seconded to approve and sign both contracts, motion carried.

Executive Session: A motion was made and seconded to go into Executive Session at 3:07 p.m. Declared out of session at 3:30 p.m.

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

OTHER ITEMS FOR DISCUSSION: None.

CALENDAR OF EVENTS: Steve Muilenburg reviewed the following:

- December 25 – System Office closed for Christmas Day
- January 1 – System Office closed for New Year’s Day
- January 9-11, 2024 – ATC, Pierre
- January 16, 2024 – “Notice of Intent” due for District Elections
- January 22 (Monday) – next regular Board meeting, 7 p.m., System Office
- January 24 & 25 – Manager’s Meeting in Pierre

SUPPLEMENTAL INFORMATION: Thank you from Lawrensen Family and the Beresford Food Pantry.

ADJOURNMENT: A motion was made, second, and carried to adjourn at 3:36 p.m.