

MINUTES
CLAY RURAL WATER SYSTEM, INC.
BOARD OF DIRECTORS – REGULAR
April 27, 2026

1. **Call to Order:** The regular meeting of the Clay Rural Water System, Inc. Board of Directors was called to order at 6:58 p.m. by President Cody Merrigan at the System Office.

2. **Roll Call:** Directors present: Pat Manning, Cody Merrigan, Kim Brandon, Jerry Buum, Ken Kessler, Mark Bottolfson, Dick Ebert, Josh Wendling, and Kari Surprenant.

Also present: General Manager, Steve Muilenburg, Office Administrator, Peggy James, and Controller, Pam Lunning, and the Marohl family.

3. **Adopt Agenda:** Josh Wendling moved to approve the agenda, second by Ken Kessler. Motion carried unanimously.

4. **Director Conflict with Agenda Items:** None.

5. **Minutes:** Kari Surprenant moved to approve the minutes of the March 23, 2026, Board meeting, second by Kim Brandon. Motion carried unanimously.

6. **Visitors to Be Heard:** None.

A motion was made by Mark Bottolfson and second by Pat Manning to suspend the rules and move to Item 14A. Motion carried.

14A. One of the Scholarship Recipients was recognized by the Board.

7. **Financial Statements:** Mark Bottolfson moved to approve the March Financial Summary, and the five routine March Transfers as presented, second by Jerry Buum. Motion carried unanimously. Jerry Buum moved to approve transfers 2026-23, CH2026-03, CH2026-04, and CH2026-05 as presented, second by Dick Ebert. Motion carried unanimously.

8. **Check Register:** Pat Manning moved to approve the March Check Register and April Bills requiring pre-approval, second by Jerry Buum. Motion carried unanimously.

9. **Manager's Report:** Steve Muilenburg presented the April Manager's Report and the March water sales report.

10. **Legal Report:** Steve Muilenburg gave the board an update on the legal matters.

11. **SDARWS Update:** Mark Bottolfson gave the board his report on the happenings with SDARWS.

12. **Dakota Main Stem Project:** Steve Muilenburg gave the board an update on the Dakota Main Stem Project.

13. **Unfinished Business**

A. **Project Phase I:** Mark Bottolfson moved to approve Final Pay App to Winter Construction in the amount of \$81,683.16 second by Josh Wendling. Motion carried unanimously.

B. **Project Phase II:** Jerry Buum moved to approve Draw #1 in the amount of \$2,697,510.88, subject to DANR approval, second by Kari Surprenant. Motion carried unanimously. Dick Ebert moved to approve Cody Merrigan and Pat Manning to sign the DW-07 SRF Loan documents, second by Ken Kessler. Motion carried unanimously.

- C. **Vermillion Agreement:** Kari Surprenant moved to approve Cody Merrigan and Pat Manning to sign the Vermillion Agreements to Transfer Service Rights and the Amendments attached, second by Jerry Boom. Motion carried unanimously.

14. New Business:

- B. Jerry Boom moved to approve a donation to the 5th Annual Rock-A-Thon. The motion died due to lack of second.
- C. Mark Bottolfson moved to approve the purchasing of a Hyrdo-Vac as a Capital Purchase, second by Jerry Boom. Motion carried unanimously. Ken Kessler moved to approve Cody Merrigan and Pat Manning to sign the Applicant Certification Federal Collection Policies for Consumer or Commercial Debts, second by Josh Wendling. Motion carried unanimously.
- D. Mark Bottolfson moved to approve giving Clay County Fair a donation for 2026, second by Pat Manning. Motion carried unanimously.

15. Routine Office Business: Routine Office Business was approved by Unanimous Consent that included:

- A. Drop Services: One
- B. New Members: Fourteen
- C. Bad Debt: None

16. Other Items for Discussion: none.

17. Calendar of Events: Steve Muilenburg reviewed the calendar of events.

18. Supplemental Information: none.

19. Adjournment: Josh Wendling moved to adjourn the meeting at 9:03 p.m., second Kim Brandon.

RECORDED BY: Peggy James

ATTEST: Patricia Manning, Secretary