

SUMMARY
CLAY RURAL WATER SYSTEM, INC.
BOARD OF DIRECTORS – REGULAR
October 22, 2024

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. Directors present: Jerry Buom, Pat Manning, Tim Irwin, Josh Wendling, Randy Ronning, Randy Huot, Mark Bottolfson, Ken Kessler, and Cody Merrigan. Also present: Manager Steve Muilenburg, Office Manager, Donna Henriksen, and Chancey Shrake of Brosz Engineering.

Adopt Agenda: A motion was made, second, and carried to adopt the agenda.

Director Conflict with Agenda Items: None.

Minutes: Minutes of the September 24, 2024, regular Board meeting were presented for approval. A motion was made, seconded, and carried to approve. The Board Summary for September 24, 2024, was presented for approval. A motion was made, seconded, and carried to approve.

Visitors to Be Heard: None.

Financial Statements: The September Financial Summary and allocations were reviewed by Manager Muilenburg. A motion was made, second and carried, to approve the five regular financial transfers. The Board reviewed the Board Checklist.

A motion was made, seconded, and carried to suspend the Rules and move to Item 13A & B.

Projects Phase I & II Update: Chancey Shrake of Brosz Engineering was present to update the Board on the Projects. There is not much to report; they are going through the list of items that were unsatisfactory and are working on placing dollar values to those items. It is also noted that the drawdown request #15 amount approved last month was incorrect and has been changed to the corrected amount of \$448,309.76. This change was for electrical work done at the Westville Shack. Documentation of this correction is ready for signature.

Phase I Tank & Booster Bids: Chancey Shrake reviewed the bids received for the two one million gallon tanks and for the Spink Booster. A motion was made and seconded to approve the bid of \$3,298,000.00 for the Greenfield Tank and \$2,047,000.00 for the Wakonda Tank, both from Great Plains Structure for the bolted steel. Motion carried. A motion was made and seconded to approve the bid from Dakota Pump for the Spink Booster in the amount of \$421,000.00. Motion carried.

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 gave his report. The Metron meters are all installed. We have a few water installations to complete yet this fall. The irrigation back lake will be drained down in November to see what can be done to help control the plant overgrowth; hydrant flushing will be happening over the next week on the irrigation and potable hydrants. We anticipate meeting with the City of Elk Point in the next month and the PFAS/Lead Copper Inventory List is completed and sent to DANR. The Irene tank interior painting is complete and one high service pump has been replaced at the Wakonda plant. The September water sales reports were reviewed. Water loss was very good this month at 5.67%.

Legal Report: Steve Muilenburg has given Mike McGill the pre-annexation agreement with Vermillion, and it does not appear to be a good deal for CRWS.

SDARWS Update: The Board chose Delegates of Mark Bottolfson, Steve Muilenburg, and Donna Henriksen and Alternate Pat Manning to attend the ATC in Pierre in January 2025. The SDARWS invoice for 2025 dues was approved. The Board approved Mark Bottolfson to be re-elected for another term as Clay's representative on the State Board.

Dakota Main Stem Project: Manager Muilenburg commented that this Project is turning into something other than what it was intended for. The Manager's will have this on their Agenda for their meeting in late October.

New Business:

Rate Committee: The rate committee met briefly prior to the meeting. The State mandates that we have a rate that is 110% of our monthly payments. A motion was made that we put in the next issue of Quality on Tap, that there will be a rate increase in 2025 due to our project costs, effective 1/1/25. Second and carried.

2025 Scholarship Program: Motion was made and seconded to offer the same Scholarship Program of (3) \$500 scholarships for 2025. Motion carried.

District Election Date: A motion was made and seconded to set the date of March 7, 2025 for District Elections. Motion carried. Director terms that are up include: Randy Huot (not eligible for re-election), Jerry Buum, and Tim Irwin (stated he is not running again).

Annual Meeting Date & Location: A motion was made and seconded to set the Annual Meeting date for Tuesday, April 8 or Thursday, April 10, 2025 at the Vermillion Armory, depending on availability. Would also like Heck's Barbeque to cater again.

2025 Capital Purchases: Manager Muilenburg mentioned some of the Capital purchases might include a Hydro Vac and another operator & vehicle; he will have more information at the November meeting.

Bartlett & West Phase II Contract: Steve Muilenburg stated the contract is not quite ready and Mike McGill will need to review before the Board signs; should have for November meeting.

Executive Session: Not needed.

Routine Office Business: All Routine Office Business was approved by unanimous consent including: One Drop Service, 13 New Members, and one Bad Debt.

Other Items for Discussion: The Board would like to get hams or a Hy-Vee gift certificate for all Board members, employees, and attorney for Thanksgiving.

Calendar of Events: The following was reviewed:

- October 29 & 30 – Manager Meeting in Deadwood
- November 7 – Safety Training for Operators
- Nov. 13-14 – SDARWS Leadership Conference, Pierre
- November 25 (Monday) – next regular Board meeting, 7 p.m.
- November 28 & 29 – Office closed for Thanksgiving Holiday
- Jan 14-16, 2025 – ATC in Pierre

Supplemental Information: Board read thank you notes from Field to Table & Clay County Fair.

Adjournment: A motion was made, second, and carried to adjourn at 8:59 p.m.