

**SUMMARY
CLAY RURAL WATER SYSTEM, INC.
BOARD OF DIRECTORS – REGULAR
December 20, 2021**

The regular meeting of the Clay Rural Water System, Inc. Board of Directors was called to order at 12:58 p.m. by President Randy Huot at the System Office. Directors present were: Dave Reiff (via phone), Nick McKee, Pat Manning, Tim Irwin, Randy Ronning, Randy Huot, Mark Bottolfson, Cody Merrigan, and Ken Kessler. Also present were: Manager Steve Muilenburg, Office Manager Donna Henriksen, Chancey Shrake & Nick Gillen of Brosz Engineering.

ADOPT AGENDA: A motion was made, seconded and carried to adopt the Agenda as presented.

DIRECTOR CONFLICT WITH AGENDA ITEMS: None.

MINUTES: The minutes of the regular Board meeting, November 22, 2021, along with the Board Summary for November 22, 2021 were approved by unanimous consent.

VISITORS TO BE HEARD: None.

A motion was made, seconded and carried to suspend the Rules and move to Item 12E.

BROSZ ENGINEERING: Chancey & Nick, of Brosz Engineering, were present to update the Board on the timeline of the Project for new WTP, pipeline, booster stations, etc. No one was present for the Public Hearing. A motion was made and seconded to approve Resolution #2021- 01 authorizing an Application for Financial Assistance, submittal of the Application, and designating authorized representatives to certify and sign payment requests, in the amount of \$16,517,000.00, and submit to SECOG. Motion carried. A motion was made and seconded to sign the Engineering Agreement & Task Orders No. 1-4 with Brosz Engineering. Motion carried.

FINANCIAL STATEMENTS: The November Financial Summary, cash balances, and allocations were reviewed by Manager Muilenburg. Transfers: A motion was made, seconded and carried to approve the five financial transfers. Items on the Financial checklist are being worked on. The Board reviewed the year-end account balances.

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

MANAGER’S REPORT: Manager Muilenburg presented the December Manager’s Report. Miscellaneous year end work being done on distribution system and in-plant maintenance. Steve reviewed the November Water Sales Report.

LEGAL REPORT: Mike McGill has reviewed the Brosz Engineering Agreement and Task Orders, 1-4, and given his approval to sign.

SDARWS UPDATE: Mark Bottolfson gave a short report. The Rally will be held Feb. 7-9 in D.C. Those representatives attending the ATC are: Mark, Steve, and Donna.

2020 PROJECT UPDATE: Pay Request #2 to Dakota Pump, in the amount of \$248,625.38, was presented for approval. A motion was made, seconded, and carried to pay. Steve also presented a SCADA Upgrade Progress Report, which the Board reviewed.

ANTENNA LEASE: Steve has been in contact with Harlowe Bus Service regarding the new terms for their contract, but he has not heard back from them.

EMPLOYEE HANDBOOK: Manager Muilenburg presented several changes to the Employee Handbook. Motion was made, seconded and carried to approve proposed changes.

LAND PURCHASE: Closing on the land is tentatively scheduled for January 18, 2022.

2022 PROPOSED MEETING DATES: Manager Steve Muilenburg presented the proposed dates for 2022 Board meetings. It was the Board's consensus to change meetings from Thursday to Tuesday nights. A motion was made, seconded, and carried to approve revised meeting dates.

ANNUAL LOBBYING MOTION: A motion was made and seconded to approve the annual legislative lobbying motion. Motion carried.

MOVE SRF/INSURANCE FUND BALANCES: A motion was made and seconded to authorize moving the fund balances of the SRF set-aside and the insurance set-aside. Motion carried.

DISTRICT ELECTION TERMS: Directors terms expiring in March of 2022 include, Randy Huot in District 1, Nick McKee in District 2, and Tim Irwin in District 3. All agreed to run again, so a Nominating Committee is not needed. Each candidate needs to sign a "Notice of Intent" to be placed in nomination.

EXECUTE MONEY MARKET ACCT: Paperwork was provided to change the Checking account at First Savings Bank to a Money Market account. A motion was made and seconded to authorize all Officers and the Manager to sign the paperwork. Motion carried.

HOOK-UP FEES/BILLABLES: Manager Muilenburg presented the Board with information on rising cost of supplies pertaining to new construction. It was the Board's consensus to leave hookup fee prices alone for now, but will monitor changes in costs.

GAYVILLE SESQUICENTENNIAL: A letter was received from the Gayville Sesquicentennial Committee asking Clay Rural Water System to be a supporter of their 150th Anniversary Celebration July 1-3, 2022. A motion was made and seconded that Clay Rural Water System be a major sponsor.

DUMP TRAILER: Information was provided on the possibility of purchasing a dump trailer, from an area contractor. Motion was made, seconded and carried to purchase said trailer.

ROUTINE OFFICE BUSINESS: All Routine Office Business was approved by unanimous consent, including: five Drop Services, 14 New Services, and no Bad Debts.

OTHER ITEMS FOR DISCUSSION: None.

CALENDAR OF EVENTS: The following information was reviewed:

- December 24 & 31: Office closed for Christmas & New Year's Holidays
- January 11-13, 2022 – ATC in Pierre
- January 18-19, 2022 – System Audit
- January 25, 2022 – next regular Board meeting, 7 p.m., System Office

SUPPLEMENTAL INFORMATION: None.

ADJOURNMENT: Meeting declared adjourned at 4:34 p.m.