

**SUMMARY**  
**CLAY RURAL WATER SYSTEM, INC.**  
**BOARD OF DIRECTORS – REGULAR**  
**February 27, 2024**

**THE REGULAR MEETING** of the Clay Rural Water System, Inc. Board of Directors was called to order at 7:02 p.m. by President Randy Huot at the System Office. Directors present: Jerry Buom, Pat Manning, Tim Irwin, Ken Kessler, Randy Ronning, Randy Huot, Mark Bottolfson, Cody Merrigan, and Josh Wendling. Also present: Manager Steve Muilenburg, Office Manager, Donna Henriksen, and Chancey Shrake 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 January 22, 2024 Regular Board minutes were presented for approval. A motion was made, seconded, and carried to approve. The Board Summary for January 22, 2024 was presented for approval. A motion was made, seconded, and carried to approve.

**VISITORS TO BE HEARD:** None.

**FINANCIAL STATEMENTS:** The January Financial Summary and allocations were reviewed by Manager Muilenburg. February Transfers: A motion was made, second and carried to approve the five routine and one Chapter financial transfers. The Board completed Items on the Board Checklist. A motion was made and second to sign approval for Pam Lunning & Steve Muilenburg to have access to Co-Link to access monthly CoBank statement. Motion carried.

A motion was made and second to suspend the Rules and move to Item 12A. Motion carried.

**UNFINISHED BUSINESS:**

**PROJECTS PHASE I & II:** Chancey Shrake of Brosz Engineering gave an update to the Board:

- The Timber Road & Highway 46 contracts are completed, but still need to submit the DOT reimbursement for Highway 46.
- On the Westreville line, we are still waiting for the meter vault.
- The service connections need to be done on the east line.
- Bids for the Greenfield Tank were opened on February 15. Only one bid was received from DN Tank, Inc. of Denver, CO; the bid was higher than anticipated. A motion was made and second to reject the bid. Motion carried. Brosz will be submitting new plans for bids on tanks at both Greenfield and the WTP site, to DANR by Friday, March 1<sup>st</sup>.
- Phase II: we have started preliminary design of the WTP. Geotech will start doing soil borings in the next few days. The bill for this will be paid by the grant from Vermillion Basin WDD. Brosz has submitted the Preliminary Engineering Report to Rural Development.

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

**MANAGER'S REPORT:** Manager Muilenburg gave his report. One new service has been completed this year and one is ready to go in Wynstone. The irrigation cleaning and the clarifier cleaning are the next items to be done. The staff is working hard on getting and documenting the Lead Survey

information. Work on 300<sup>th</sup> street will begin ASAP. Water loss is high in the Wakonda area, so staff are working on this. The new air compressor should be delivered in early March. Membrane cleaning will be scheduled for this spring at the Wynstone Plant. The January water sales report was reviewed.

**LEGAL REPORT:** Nothing to report.

**SDARWS UPDATE:** Mark Bottolfson reported his next Board meeting is in April. The CoBank match program will run April 1 – Oct. 31, so the Manager's of several systems will start a Rural Water Center donation match at that time.

**NEW BUSINESS:**

**Union County Fair Donation Request:** A donation letter was reviewed from the Union County Fair Board. A motion was made and second to donate \$250 to the Union County Fair and to the Clay County Fair, when a request is received. Motion carried.

**Appoint Scholarship Committee:** Randy Huot appointed a Scholarship Committee of: Cody Merrigan, Chairman, Jerry Buum, and Josh Wendling. A motion was made, second, and carried to approve said Committee.

**Open Enrollment Period for Insurance:** Donna Henriksen presented information to the Board on Insurance available through the SDARWS. Directors wishing to enroll in any insurance need to do so by March 15<sup>th</sup>.

**Annual Meeting Discussion:** It was brought to the Board's attention that Clay Union Electric has their Annual Meeting scheduled for April 2, 2024, with a backup date of April 9<sup>th</sup>; the same day as the Clay Rural Water Annual Meeting. The Board does not wish to change our date. The Board was told of the water credits and door prizes that would be given, same format as last year.

**Audit Update:** Manager Muilenburg reported that Kelsie from Kinner & Company Ltd, Certified Public Accounts, was in the CRWS office this last week working on information needed for the upcoming audit.

**Business Insurance Renewal:** Justin Overmann of Marsh & McLennon presented the 2024-2025 insurance proposal to Manager Muilenburg. The policy will be the same as last year with a \$3200.00 increase. A motion was made and second to have the Manager sign and approve the renewal. Motion carried.

**Capital Purchase:** Manager Muilenburg reported that the staff would like to delay purchasing a forklift for now. He has found a side-by-side ATV for purchase from a local person for \$15,000. A motion was made and second to purchase the ATV Motion carried.

**Executive Session:** A motion was made and second to go into Executive Session at 8:59 p.m. to discuss personnel matters. Motion carried. Declared out of Executive Session at 9:15 p.m.

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

**OTHER ITEMS FOR DISCUSSION:** None.

**CALENDAR OF EVENTS:** Manager Muilenburg reviewed the following:

- March 1 – District Elections, 1:15 p.m. teleconference
- March 4-7 – Lane Severson to Aberdeen for classes & testing
- March 26 – next regular Board meeting, 7 p.m., System Office

**SUPPLEMENTAL INFORMATION:** Thank you from Vermillion Food Pantry.

**ADJOURNMENT:** A motion was made, second, and carried to adjourn at 9:19 p.m.