

**NOTICE OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF RURAL WATER DISTRICT NO. 2
MIAMI COUNTY, KANSAS**

The Regular Meeting of the Board of Directors of Rural Water District No. 2, Miami County, Kansas will be held at 7:30 p.m. on Monday the 10th day of January, 2011 at the District Office located at 255th Street and Harmony Road, Hillsdale, Kansas.

AGENDA

- I. Opening
- II. Reading & Approval of Minutes
- III. Pay Current Invoices
- IV. Leak Adjustment
 1. Jerrod Nelsen-Account #2185
- V. Subscriptions & Meter Relocates
 1. James E. Moore-25211 Crestview Ct., Lot 10, Block 1, Walnut Creek Est.
- VI. Line Extensions
- VII. Guests
- VIII. New Business
 1. Spring Hill Minimum Charge
 2. Annual Meeting Date
- IX. Old Business
- X. Reports
 1. Engineer
 2. Legal
 3. Treasurer
 4. Manager
- XI. Announcements
- XII. Adjournment

Board Meeting Minutes

The regular meeting of the Board of Directors of Rural Water District No. 2, Miami County, Kansas was held on January 10, 2011 at the District Office located at 25290 Harmony Road, Hillsdale, Kansas.

Attendance:

Directors Attending: Dr. Art Godfrey, Jim Dycus, Alan Hire, Lyle Wobker, James Bracken, Wayne Knop, Mike McClurg and Brad Ryckert. Absent Directors: Ron Flaigle.

Also Attending: Jerry Bennett, Lana Kettler and Carl Hartley

Guests:

Welcome and Approval of Minutes

Chairman Godfrey called the meeting to order at 7:30 p.m.

Motion made by Mike McClurg to dispense reading the minutes and approve the minutes as corrected (wording in the last paragraph on page 2-added wording "as possible"). Seconded by Jim Dycus. Vote: 8-0, motion passed.

Approval of Warrants

Motion made by Alan Hire to approve the warrants as presented. Seconded by Jim Bracken. Vote: 8-0, motion passed.

Leak Adjustments

Jerrold Nelsen, Account No. 2185, sent an email stating that the leak has been repaired. He also said he was aware of the four year time limit.

Leak Amount-287,590 gallons

Average Usage-5,000 gallons

Leak Billing Amount-\$1,175.56

Adjusted Billing Amount-\$751.68

Savings-\$423.89

Motion made by Lyle Wobker to approve the leak adjustment, seconded by Brad Ryckert. Vote 8-0, motion passed.

Subscriptions

There was one subscription received since the December meeting:

1. James E. Moore-25211 Crestview Ct., Lot #10, Block 1-Walnut Creek Estates

New Business

Jerry Bennett reviewed Spring Hill's usage under their minimum usage amount. They are 40,215,000 gallons short of meeting their minimum usage of 142,285,000 gallons. The Board discussed the cost of

water and what charges that should be assessed to Spring Hill. It was the consensus of Board to bill Spring Hill. Jim Bracken moved to bill Spring Hill to recoup the increased cost of raw water. Alan Hire seconded the motion. Motion passed 8-0.

Alan Hire moved to have the annual meeting on Tuesday, February 8th at 6:00 p.m. with the regular monthly meeting following at 7:00 p.m. Jim Dycus seconded. Vote 8-0.

Engineering

Jerry Bennett presented an engineering services quote for the Louisburg Booster Pump Upgrade. There was discussion on the project. The bid was not to exceed \$25,000.00, including design, bid phase and construction admin. The engineers estimated the project cost to be \$150,000.00 to \$200,000.00. Pumps would increase from 350 gpm to 500 gpm. Alan Hire moved to accept the proposal from Shafer, Kline & Warren. Lyle Wobker seconded. Motion passed 8-0.

Legal

Carl Hartley informed the Board of the status of the CUP hearing for the tower site. The judge made a decision to uphold the commissioners' decision. Carl reviewed the judge's decision. Jim Bracken moved to proceed with the appeal to the Kansas Appellate Court. Lyle Wobker seconded the motion. Vote 7-1, motion passed.

Carl then updated the Board on the Louisburg dispute.

Carl Hartley informed the Board on the status with the Hillsdale Area Water Cooperative, HAWC agreement.

Carl Hartley said the Rural Water District No. 4, Miami County, KS supplemental agreement was completed.

Carl Hartley reported on the Gustin Annexation. The approval is working its way through all the entities involved.

Treasurer's Report

Alan Hire reported two certificates of deposits matured on December 27th at 1st Option Bank: CD #52589, Capital Reserve CD-\$324,638.67 and CD #52588, Depreciation CD-\$301,237.13. Both CDs were deposited into the Operating MMA at 1st Option. It is currently paying 1%. Rates from the CD quotes ranged from 0.14% for 90 days to 1.25% for 24 months.


Manager's Report

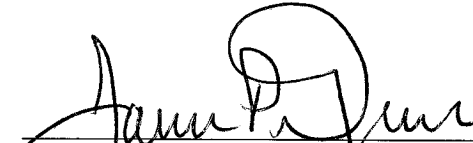
Jerry Bennett announced the KRWA conference was coming up March 29 to March 31 and any parties interested needed to let him know at the February meeting.

Adjournment

Motion made by Jim Bracken to adjourn. Seconded by Brad Ryckert. Vote: 8-0, motion passed.

Adjournment Time: 8:51 p.m.


Wayne Knop Brad Ryckert
Secretary


Dr. Art Godfrey Jim Dyell
Chairman

2-9-11
Date