

Board Meeting Minutes

The regular meeting of the Board of Directors of Rural Water District No. 2, Miami County, Kansas was held on November 14, 2011 at the District Office located at 25290 Harmony Road, Hillsdale, Kansas.

Attendance:

Directors Attending: Jim Dycus, Alan Hire, Gary Guetterman, Mike McClurg, Ron Flaigle, Brad Ryckert, Jim Bracken and Doug Hensley.

Absent Directors: Mike McClurg and Rick Norland

Also Attending: Jerry Bennett, Lana Kettler and Carl Hartley

Guests: Doug Ritter, Account No. 1681, Bill & Cathy Coddington, Account No. 2982 and Frank Moley, Account No. 0303

Welcome and Approval of Minutes

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

A motion was made by Brad Ryckert to dispense with reading the minutes for the regular monthly meeting. Gary Guetterman seconded. Vote: 7-0, motion passed.

Doug Hensley moved to approve the minutes as written. Ron Flaigle seconded. Vote: 7-0, motion passed.

A motion was made by Alan Hire to approve the warrants as presented, except check number 4981 to Blaze Mechanical. Seconded by Jim Bracken. Vote: 7-0, motion passed.

Subscriptions

There were two subscriptions received since the October meeting:

1. Robert D. Kramer-27751 Saddle Ridge
2. Leigh Driver-28241 Beaver Creek Road

Line Extensions

Jerry Bennett presented a request for a line extension from Leigh Driver and Suzanne Jorgensen at 28241 Beaver Creek Road. The line extension is approximately 1,400 feet. It will be a 3" extension installed by District personnel. Jim Bracken made the motion to approve the line extension. Doug Hensley seconded. Vote: 7-0, motion passed.

Leak Adjustments

Douglas Ritter, account number 1681 was present to ask for a leak adjustment. He stated the leak was by a hydrant and it had been repaired. He said he was aware of the four year time limit.

Leak Amount-26,700 gallons over 2 months

Average Usage-5,390 gallons

Leak Billing Amount-\$139.65

Adjusted Billing Amount-\$115.77

Savings-\$23.88

Motion made by Doug Hensley to approve the leak adjustment, seconded by Brad Ryckert. Vote 7-0, motion passed.

William and Cathy Coddington, account number 2982 were present to request adjustment for a leak. He stated the leak had been repaired. He said they were aware of the four year time limit.

Leak Amount-137,170 gallons over 2 months

Average Usage-12,375 gallons

Leak Billing Amount-\$585.07

Adjusted Billing Amount-\$416.44

Savings-\$168.63

Motion made by Jim Bracken to approve the leak adjustment, seconded by Brad Ryckert. Vote 7-0, motion passed.

Frank Moley representing Moley Real Estate Corp, account number asked the Board for a leak adjustment. He indicated the leak was repaired. He said he was aware of the four year time limit.

Leak Amount-272,360 gallons over 2 months

Average Usage-9,100 gallons

Leak Billing Amount-\$1,130.16

Adjusted Billing Amount-\$74.92

Savings-\$381.24

Motion made by Doug Hensley to approve the leak adjustment, seconded by Brad Ryckert. Vote 7-0, motion passed.

A letter from Joseph Sheen, manager, Wang's Brother, LLP was received by the District office requesting at leak adjustment for account number 0483. Mr. Sheen said he was going to be out of the country at the time of the meeting. He stated the leak had been found and repaired. He said he were aware of the four year time limit.

Leak Amount-225,900 gallons over 2 months

Average Usage-4,000 gallons

Leak Billing Amount-\$1,016.21

Adjusted Billing Amount-\$689.36

Savings-\$326.85

Motion made by Alan Hire to approve the leak adjustment, seconded by Brad Gary Guetterman. Vote 7-0, motion passed.

New Business

Jerry Bennett presented Pay Request No. 2 from Blaze Mechanical for work completed and stored materials on the Louisburg Booster Pump Upgrade. The amount of the pay request was \$8,010.00. Alan Hire moved to pay Blaze Mechanical with check number 4981, in the amount of \$8,010.00. Doug Hensley seconded the motion. Motion passed 7-0.

Chairman Dycus said the Board needed to decide on the vacant director's position. Chairman Dycus said past Board member Lyle Wobker was willing to run for the position. He already had a working knowledge of the Board. Doug Hensley presented the name-Mark Ross, 271st & Willow Drive. There was discussion on the number of nominations received and those willing to serve. Brad Ryckert made the motion to place Lyle Wobker on the ballot in the vacated position by Ron Flaigle. Ron Flaigle seconded the motion. Vote 6-1 (Doug Hensley voting against).

Old Business

The Board continued the discussion on pressure regulators from the October meeting. Jerry Bennett reported approximately one-half of the District's patrons have regulators installed at the meter. Carl Hartley reviewed the District's liability issues. He suggested the District could decide that from a point going forward all new patrons would have to install their own regulators and the District would continue to maintain existing regulators. There was discussion on what the District could do. There was discussion on modifying the Rules & Regulations to reflect changes with letters being sent to current patrons with regulators.

Jerry Bennett asked for the board's position regarding damage claim by the McKinneys for the regulator failure. Carl Hartley explained the District's responsibilities and liabilities. Doug Hensley moved to deny the McKinney's claim. Brad Ryckert seconded the motion and the vote was 7-0. Motion passed.

Alan Hire informed the Board of a residential sprinkler class he had attended. He explained some of the codes that were going to be coming in the future. There was discussion on codes, District charges for additional meter upgrades and demand.

Alan Hire moved to go into executive session for thirty minutes to discuss personnel issues. Brad Ryckert seconded the motion. Executive session started 8:30 p.m. Regular session resumed at 9:00 p.m. The Board directed the manager to review and distribute the wage increases for 2012 as presented by the salary committee.

Engineering Report

Jerry Bennett updated the Board on the Louisburg Booster Pump construction. He stated the project was going well and was better than fifty percent completed.

Alan Hire asked if there was anything new on the Highway 68 project. Jerry Bennett said there was no new information. There was discussion on line relocates that would be required for the highway construction.

Legal

Carl Hartley reminded the Board the Court of Appeals hearing was November 15, 2011 at 9:30 am.

Carl Hartley informed the Board of Rural Water District No. 4, Douglas County, KS legal battle with the City of Eudora. The water district won their case, but the part regarding the 1926B loan was sent back to District court. The federal loan guarantee may not offer the protection against annexation. The court will have to decide.

Treasurer's Report

Alan Hire stated there was no activity to report.

Manager's Report

Lana Kettler present account number 0476, Jeffery Hodgson, for relinquish of water rights. The account balance due was \$204.00. The last payment made on the account was March 7, 2011. Doug Hensley moved to approve the relinquish of water rights. Ron Flaigle seconded the motion. Motion passed 7-0.

Jerry Bennett and Lana Kettler reported on conversations with Jim Coughenour, Gardner National Bank and Dan Fisher, USDA. The commitment for the guaranteed loan was expiring. Mr. Coughenour wanted to know if the District wanted to consider extending the commitment. There was discussion on whether to extend or not. It was the consensus of the Board to proceed if there was no cost to the District.

Jerry Bennett reported on the HAWC. The Kansas Water Office is still working on the details, rates and minimum charge scale. The Kansas Water Office wants the HAWC to work so they are trying hard to get everything fine tuned.

Jerry Bennett reported the level of Hillsdale Lake is at January levels. The Kansas Water Office has requested the Corp of Engineers to stop releasing water. Hillsdale Lake water users are waiting on whether the KWO will order Stage 1 of Water Conservation Plans to be implemented.

Jerry Bennett presented the engagement letter from Acord & Cox to perform the 2011 annual audit. It was the consensus of the Board to proceed.

Announcements

Chairman Dycus reminded the Board to send in ideas for bio questions for the nominees to complete for the mail in ballot.

Adjournment

Motion made by Alan Hire to adjourn. Seconded by Doug Hensley. Vote: 7-0, motion passed.

Adjournment Time: 9:12 p.m.

Brad Ryckert
Secretary

Jim Dycus
Chairman

Date