

**NOTICE OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
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., the 14th day of July, 2014 at the District Office located at 255th Street and Harmony Road, Hillsdale, Kansas.

AGENDA

- I. Opening
- II. Minutes
 - 1) Reading
 - 2) Approval
- III. Current Invoices
 - 1) Review
 - 2) Approval
- IV. Guests
- V. Leak Adjustment
 - 1) Jed Bean-Account No. 2624
 - 2) Mike Brown-Account No. 1771
 - 3) Hannes Poetter-Account No. 0721
- VI. Subscriptions & Relocates
 - 1) Jamie Anderson-Glenn – 343rd & Harmony Road
 - 2) John Vansant – 295th & Coldwater Springs Road
 - 3) Keith Crouch – 250th & Ridgeview Road, Lot #4, Walnut Creek Est. Phase 4
 - 4) Joe Macek – Account No. 2948 Meter Relocate
 - Current Location: 303rd & Pleasant Valley
 - New Location: 311th & Pleasant Valley
- VII. Old Business
 - 1) Internet Attennas
- VIII. New Business
- IX. Reports
 - 1) Engineer
 - 2) Legal
 - 3) Treasurer
 - 4) Manager
- X. Announcements
- XI. Adjournment

Board Meeting Minutes

The regular meeting of the Board of Directors of Rural Water District No. 2, Miami County, Kansas was held on July 14, 2014 at the District Office located at 25290 Harmony Road, Hillsdale, Kansas.

Attendance:

Directors Attending: Jim Dycus, James Bracken, Rick Norland, Mike McClurg and Lyle Wobker.

Absent Director: Doug Hensley, Brad Ryckert, Gary Guetterman, Alan Hire

Also Attending: Jerry Bennett, Lana Kettler, Carl Hartley and Ed Kluber

Welcome and Approval of Minutes

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

A motion was made by Lyle Wobker to dispense with reading the minutes for the regular monthly meeting. Rick Norland seconded. Vote: 5-0, motion passed.

Mike McClurg moved to approve the minutes as corrected (grammar and typing corrections). Lyle Wobker seconded. Vote: 5-0, motion passed.

Lyle Wobker moved to pay the bills as presented. Motion was seconded by Mike McClurg. Vote: 5-0, motion passed.

Subscriptions & Line Extensions

There were three meter subscriptions and one meter relocate received since the May 2014 board meeting:

1. Jamie Anderson-Glenn-343rd & Harmony Road
2. John Vansant-295th & Coldwater Springs Road
3. Keith Crouch-250th & Ridgeview Road, Lot #4, Walnut Creek Est. Phase 4
4. Joe Macek-Account No. 2498 Meter Relocate to 311th & Pleasant Valley

Old Business

Chairman Dycus said Carl Hartley emailed information regarding sample lease agreements, term of agreement and fee for tower lease for the Board's review. It was the consensus of the Board to proceed with discussions and putting together specifics with Brolly Communications.

Chairman Dycus updated the Board on the Joint Advisory meeting with Water #7. Water #7 has several items they are working on before there will be any discussion on additional water demands. Water #7 thought it might be five to seven years for them to reach peak demand.

The Board discussed future demands, future contracts and agreements, the District's responsibilities to current patrons and wholesale customers. Water #7 said they would like to contract an additional 500,000 gallons. The District's current buffer is 750,000 gallons.

Legal

Carl Hartley stated Jerry Bennett was contacted by the Kansas Department of Transportation regarding a dip in K68 Highway and Rockville Road. The state resurfaced the road and now there is a dip in the road. The state wants the District to pay for the repairs. The line the District put in was eleven years ago. The sixteen inch line was a rock bore under the highway. It was installed nine foot deep with a twenty inch casing. Carl informed the Board the statute of limitations was ten years.

Treasurer's Report

Lana Kettler reported a twenty-four month general funds CD was opened at 1st Option Bank with a rate & APY of 0.83%. There are ongoing discussions with the bank of opening additional CDs for the same time frame and rate. The treasurer will make the decision when he gets back from vacation.

Manager's Report

Jerry Bennett reported the drought watch was over and the water restrictions have been lifted.

Jerry Bennett brought the Board up to date on the intake pump repairs. He presented the following costs projections and figures:

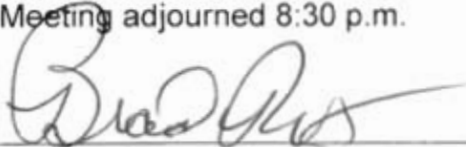
| | | | | |
|----------------------------------|----------------------|---|----|---|
| ABA | \$ 10,750.00 | } | pd | Remove/Replace/Rebuild Pump Motor |
| Alliance Pump & Mechanical | \$ 14,515.88 | | | |
| | \$ 33,786.70 | } | pd | Remove/Inspect Pump/Motor After Failure |
| (include \$16,000.00 to rebuild) | | | | |
| Applicable to pump fail | \$ 48,302.58 | } | | Rebuild Pump/Motor . . . To Install * |
| Total | \$ 59,052.58 | | | |
| | \$ 39,478.55 | | | 10" Steel Column & Motor Leads 200' * |
| | \$ 20,873.34 | | | VFD Installations * |
| Grand Total | \$ 119,404.47 | | | |

* \$94,138.59 Balance

Jerry Bennett stated ABA Pump Supply would void the one year pump warranty if Alliance touched the pump. Alliance was contracted to pull the pump and inspect it. ABA showed up to watch Alliance take the pump apart. According to Alliance, a failed bearing on the pump seized and caused the motor to fail. That was the last communication with ABA Pump Supply. Jim Bracken moved to proceed with Alliance doing the above stated work for \$94,138.59 with a written warranty. Lyle Wobker seconded the motion. Motion passed 5-0.

Announcements and Adjournment

Meeting adjourned 8:30 p.m.



Brad Ryckert
Secretary



Jim Dycus
Chairman

08/11/2014

Date