

**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. on the 11th day of July 2016 at the District Office located at 255th Street and Harmony Road, Hillsdale, Kansas.

AGENDA

- I. Opening
- II. Minutes
 - a. Reading
 - b. Approval
- III. Current Invoices
 - a. Review
 - b. Approval
- IV. Guests
- V. Leak Adjustment
 - a. Mark Burton-Account No. 2888
- VI. Subscriptions & Relocates
 - a. HS Homes-248th & Ridgeview, Lot #3 Walnut Creek
- VII. Line Extensions
- VIII. Old Business
 - a. Louisburg Interconnect Agreement & Vault Easement
 - b. SKW Agreement
- IX. New Business
- X. Reports
 - a. Engineer
 - b. Treasurer
 - c. 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 July 11, 2016 at the District Office located at 25290 Harmony Road, Hillsdale, Kansas.

Attendance:

Directors Attending: Jim Dycus, Mike McClurg, Alan Hire, Charlie Sievert, Lyle Wobker, Glenn Alpert, Gary Guetterman and Rick Norland.

Absent Directors: Brad Ryckert

Also Attending: Jerry Bennett, Lana Kettler and Ed Kluber

Guests: Mr. & Mrs. Mark Burton

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. Mike McClurg seconded. Vote: 8-0, motion passed.

Glenn Alpert moved to approve the minutes as corrected (grammatical corrections). Lyle Wobker seconded the motion. Vote: 8-0, motion passed.

Lyle Wobker moved to pay the bills as presented. Motion was seconded by Glenn Alpert. Vote: 7-0, motion passed. Alan Hire abstained as check number 9488 was paid to Triangle Builders-\$4,527.00.

Leak Adjustments

Mr. & Mrs. Mark Burton, Account No. 2888 were present to ask the Board for a leak adjustment. Mr. Burton said they purchased the property one year ago. They never signed up for water, never turned it on and there must have been an administration error. Jerry informed the Board of the leak details:

Average Usage-1,000 gallons
Leak Usage-417,000 gallons over 2 months
Leak Billing Amount-\$1,709.32
Adjusted Leak Billing Amount-\$1,086.22
Savings Amount-\$623.10

Mr. & Mrs. Burton stated the leak was not repaired and did not feel they should be responsible for the leak amount since they did not request the water service. Jerry Bennett explained the benefit unit was purchased by the previous property owner and transferred upon property purchase. Mr. & Mrs. Burton asked what other recourse they had. The Board stated they could relinquish the water rights. However, if in the future they wanted water, they would have to purchase a new benefit unit at current cost. The Burtons stated they would consider their options and report back.

Subscriptions & Line Extensions

There was one meter subscriptions received since the June 2016 board meeting:

- HS Homes-248th & Ridgeview, Lot #3 Walnut Creek

Old Business

Jerry Bennett said he visited with the City of Louisburg regarding their wholesale rate as per Mike McClurg's request. Jerry said he discussed how well the current agreement between RWD #2 and the City of Paola had been working. The City of Paola and RWD #2 had been trading water back and forth, there was no billing involved. The City of Louisburg was agreeable to the same method.

Jerry Bennett explained the problem area-303rd to 319th Streets and between New Lancaster and Switzer. During peak demands homes in higher elevations do not have adequate pressure and flow. The estimated cost to correct the problem is \$800,000.00 with the installation of approximately 6 miles of 6 inch. The District had tried other solutions to correct the problem, but none of them have been successful. The interconnect with the City of Louisburg would allow the District to supplement the water supply during peak demand times. There was discussion on the availability of water for additional meters in the area.

Mike McClurg moved authorize the chairman to sign after legal counsel makes necessary changes in the interconnect agreement reflecting the water trade with the City of Louisburg. Lyle Wobker seconded the motion. Vote 8-0.

Jerry Bennett presented the Shaffer Kline & Warren agreement for continuing work on District's projects. The agreement had been reviewed and revised by legal counsel. This is an annual agreement for on call services. Glenn Alpert moved to approve the agreement. Gary Guetterman seconded the motion. Motion passed 8-0.

Task Order One-interconnect work. This agreement covers the engineering work for the City of Louisburg and RWD #2 interconnect. The District will bill the City for their portion-approximately 50%. Gary Guetterman moved to approve Task Order One upon Louisburg's approval of the Interconnect Agreement. Mike McClurg seconded the motion. Motion passed 7-0. Rick Norland abstained because SKW is a customer of his company.

Task Order Two-zebra mussel copper ion design and plan. Alan Hire moved to approve Task Order Two with engineering cost not to exceed \$30,000.00. Glenn Alpert seconded the motion. Vote 7-0 motion passed. Rick Norland abstained because SKW is a customer of his company.

New Business

Glenn Alpert asked if the District participated in the Hillsdale Wraps program. Jerry Bennett said the District participated as a member of HAWC. HAWC entities contribute to HAWC and the HAWC contributes to Wraps.

Jerry Bennett stated GoBrolly Communications is interested in three additional standpipe locations for internet antennae. They are the Gerken, Highland and Prothe Standpipes. There was discussion on the current leases between the landowners and RWD #2 and how they would extend to GoBrolly. Jerry Bennett is to have the leases reviewed by legal counsel. Lyle Wobker moved to approve the

additional tower sites to the existing agreement with GoBrolly. Gary Guetterman seconded the motion. Motion passed 7-0. Glenn Alpert abstained-his family is the leaseholder of the Highland Standpipe.

Treasurer's Report

Alan Hire, treasurer, reported a general funds CD was renewed at 1st Option for 24 months with a rate of 1.09%. The renewal amount of the CD was \$203,348.83.

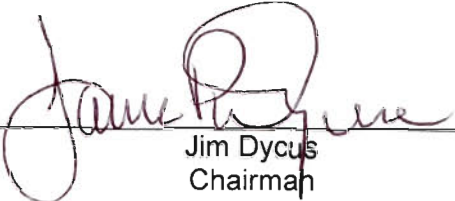
Announcements and Adjournment

Chairman Jim Dycus presented Jerry Bennett with a watch for 25 years of service. The Board enjoyed cake and ice cream in Jerry's honor.

Meeting adjourned 8:30 p.m.



Brad Ryckert
Secretary



Jim Dycus
Chairman

08/08/2016
Date