

**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 6:00 p.m. on the 13th day of January 2020 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
 1. Brian Scott-Accord Cox & Company
 2. Danny Coltrane-Midwest Engineering
- V. Leak Adjustment
 1. Floyd Bates-Account #1418
 2. Dennis Rawie-Account #2921
 3. Stephen Wonderly-Account #2986
 4. Jeff Wright-Account #0026
- VI. Subscriptions Line Extensions & Relocates
 1. Kathleen C. Gurley-Harstock-32866 W. 255th St.
- VII. Old Business
- VIII. New Business
- IX. Reports
 1. Engineer
 2. Treasurer
 3. 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 January 12, 2020 at the District Office located at 25290 Harmony Road, Hillsdale, Kansas.

Attendance

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

Directors Absent: Brad Ryckert and Gary Guetterman

Guest: Danny Coltrane-Midwest Engineering Group and Brian Scott-Acord Cox & Company

Also Attending: Jerry Bennett, Lana Kettler and Ed Kluber.

Chairman Jim Dycus called the meeting to order at 6:00 p.m.

Approval of Minutes

Glenn Alpert moved to dispense with reading the minutes for the regular monthly meeting in December. Charlie Sievert seconded the motion. Vote: 7-0, motion passed.

Mike McClurg moved to approve the minutes as written. Lyle Wobker seconded the motion. Vote: 7-0, motion passed.

Alan Hire moved to pay the bills as presented except for #12962 to Encompass. Glenn Alpert seconded the motion. Vote: 7-0, motion passed. Jerry Bennett reported on pay request from M. Shay Construction and Power Specialties.

Jerry Bennett reported on the change order for Encompass and Encompass Pay Request No. 7. The change order was for Alliance Pump to reinstall the pump after modifications. Intake project remaining items: The line conditioners on the vfd's are yet to be installed as well as the issue with the copper ion discharge lines. The holding tank also needs to be installed. Lyle Wobker moved to approve Pay Request No. 7. Charlie Sievert seconded the motion. Vote: 7-0, motion passed.

Guest

Brian Scott, Acord Cox & Company, presented the 2019 Audit review. He reviewed the auditors' letter to the Board. He reported all transactions were accurately presented. The control issue noted in the report was the lack of segregation of duties in the office due to the limited number of personnel.

The District has current assets of \$1,399,705, non-current assets of \$8,702,186 and capital assets of \$14,615,440 making the District's total asset equal to \$24,717,341. Liabilities total \$426,061, resulting in a total Net Position of \$24,291,280.00. The Statement of Revenues reflected water sales of \$2,939,701 with total cost of operation at \$3,210,968. There was a discussion on KPERS and asset values.

Danny Coltrane, Midwest Engineering Group, discussed the financing options for the plant upgrade. He updated the Board on meetings and phone conferences with USDA, Live Oak Bank and KDHE SRF. He said each option has different pros and cons. The plant upgrade is scheduled to be completed in three phases. There was discussion on the time frame for completing each phase. It was the consensus of the Board to proceed with the environmental reviews and application for the total plant upgrade. Charlie Sievert

Jerry Bennett said a new employee had been hired to fill the vacant maintenance tech position. John Rayl started on January 2nd.

Jerry also stated they were still trying to schedule the joint advisory meeting with Water #7. The holidays and everyone's busy schedules have made it difficult. It will likely be sometime in February.

Treasurer's Report

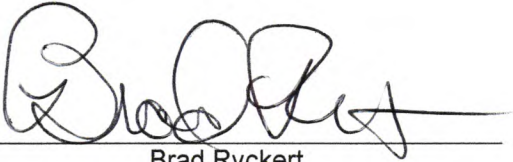
Alan Hire said there were three CDs maturing later this month. He would meet with staff and work out the best options.

Announcements

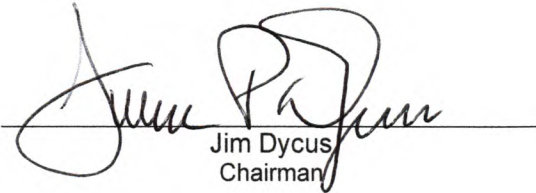
The Annual Meeting will be next month-February 10, 2020, 6:00 pm with the January regular meeting to follow.

Adjournment

Meeting adjourned 8:05 pm



Brad Ryckert
Secretary



Jim Dycus
Chairman

2-10-20

Date