

**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 14th day of January 2019 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
- V. Leak Adjustment
 1. David Welch-Acct #2929
 2. Jean Richardson-Acct #1959
 3. George Waldron-Acct #2759
- VI. Subscriptions Line Extensions & Relocates
 1. Wm. McClintock-303rd & Rockville Road
 2. Brandon Sutherland-223rd & Ridgeview
- VII. Old Business
- VIII. New Business
- IX. Reports
 1. Engineer
 2. Plant Upgrade
 3. Treasurer-Finance Committee
 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 January 14, 2019 at the District Office located at 25290 Harmony Road, Hillsdale, Kansas.

Attendance

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

Absent Directors: Brad Ryckert

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

Guest: Ms. Jackie Waldron, Acct #2759 and Mr. Brian Scott-Acord Cox Company.

Welcome and Approval of Minutes

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

Lyle Wobker moved to dispense with reading the minutes for the regular monthly meeting. Gary Guetterman seconded the motion. Vote: 6-0, motion passed.

Lyle Wobker moved to approve the minutes as written. Gary Guetterman seconded the motion. Vote: 6-0, motion passed.

Alan Hire moved to pay the bills as presented. Lyle Wobker seconded the motion. Vote: 6-0, motion passed.

Glenn Alpert & Charlie Sievert arrived 6:04 pm.

Leak Adjustment

Ms. Jackie Waldron, Account No. 2759, was present to request a leak adjustment. She said the leak was at the house right outside the foundation. She stated the leak was repaired and agreed to the four-year time-frame.

Jerry Bennett informed the Board of the leak details:

Leak Usage-62,210 gallons over 2 months
Average Usage-7,110 gallons
Leak Billing Amount-\$282.83
Adjusted Billing Amount-\$210.85
Savings-\$71.99

Glenn Alpert moved to approve the leak adjustment. Lyle Wobker seconded the motion. Vote: 8-0, motion passed.

Guest

Mr. Brian Scott, Acord Cox Company, reviewed the 2018 Audit Report. He stated the District has current assets totaling \$24,278,909.00, current liabilities totaling \$233,050.00 resulting in a net position of \$24,045,859.00. He also reviewed the Statement of Revenues, Expenses and Changes in Net Position for 2018. The District had revenues of \$2,927,532.00 and expenses of \$3,039,367.00. There was non-operating income of \$159,759.00 with capital contributions of \$478,915.00, creating an increase in net position of \$526,839.00. Brian said the District was in good financial standing. Glenn Alpert moved to approve the audit report. Charlie Sievert seconded the motion. Vote: 8-0, motion passed.

Leak Adjustment Continued

Lana Kettler reported Mr. Jean Richardson, Account No. 1959 wrote a letter requesting a leak adjustment. The letter stated the leak was repaired and he agreed to the four-year time-frame.

The leak details were:

Leak Usage-44,640 gallons
Average Usage-4,080 gallons
Leak Billing Amount-\$195.99
Adjusted Billing Amount-\$135.15
Savings-\$60.84

Charlie Sievert moved to approve the leak adjustment. Gary Guetterman seconded the motion. Vote: 8-0, motion passed.

Lana Kettler also read a letter from Mr. David Welch, Account No. 2929. Mr. Welch said leak was from a faulty toilet and he agreed to the four-year time-frame.

The leak details were:

Leak Usage-102,850 gallons
Average Usage-3,550 gallons
Leak Billing Amount-\$430.69
Adjusted Billing Amount-\$281.74
Savings-\$148.95

Glenn Alpert moved to approve the leak adjustment. Charlie Sievert seconded the motion. Vote: 8-0, motion passed.

Subscriptions, Relocates & Line Extensions

Two benefit units were purchased since the December 10, 2018 meeting.

1. Wm. McClintock-303rd & Rockville Road
2. Brandon Sutherland-223rd & Ridgeview

Engineering

Jerry Bennett advised the intake project contractor has their notice to proceed although a significant amount of the project is not likely until weather breaks in March. Midwest Engineering group has began their planning portion of the plant upgrade project.

Plant Upgrade Financing

Alan Hire and Jerry Bennett reviewed the information for a State Revolving Loan. Options for cash flow and revenues to pay for debt service were discussed. Wholesale contracts and revenue projections were considered. There was discussion on the need for a rate increase. Several rate options were discussed. The rate increase would change the minimum charge to \$22.00 (Debt Service would increase to \$18.50 with 1,000 gallons included in the minimum charge at the rate of \$3.50) in lieu of \$20.00 (Debt Service of \$16.50 with 1,000 gallons included in the minimum charge at the rate of \$3.50). The cost of water would increase to \$4.50 per 1,000 gallons in lieu of \$4.00 per 1,000 gallons. The cost of a benefit unit would increase to \$5,500.00 from \$4,500.00. Rick Norland moved to approve the stated rate increase option. Charlie Sievert seconded the motion. Vote: 8-0, motion passed. Lyle Wobker moved to implement the rate increase and benefit unit increase on July 1, 2019. Charlie Sievert seconded the motion. Vote: 8-0, motion passed.

Manager's Report

Jerry Bennett reported the bids for a new truck to pull backhoe trailer were received. Westfall O'Dell submitted a bid for a 2020 Freightliner, single axis cab/chassis with a dump bed and backpack tool box of \$86,516.00. They would give \$30,000.00 for the trade in of our 2012 Ford F550 truck. Total net bid for new truck-

\$56,516.00. Charlie Sievert moved to approve the purchase of a new truck from Westfall O'Dell. Gary Guetterman seconded the motion. Vote 8-0: motion passed.

Jerry Bennett asked if anyone was interested in attending the 2019 Kansas Rural Water Conference the last of March. Board members Mike McClurg and Charlie Sievert said they would attend. Charlie Sievert would be the District's voting delegate at the KRWA Annual Meeting on Thursday of the conference.

Announcements


Chairman Dycus reminded the Board the Annual Meeting was on Monday February 4, 2019 at 6:00 pm with the regular February meeting following the annual meeting.

Adjournment

Meeting adjourned 7:26 pm.



Brad Ryckert
Secretary



Jim Dycus
Chairman

2-14-19

Date