

**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. the 13th day of November 2023 at the District Office located at 25290 Harmony Road, Paola, Kansas.

AGENDA

- I. Opening
- II. Minutes
 - 1) Reading
 - 2) Approval
- III. Current Invoices
 - 1) Review
 - 2) Approval
- IV. Guests
 - 1) Danny Contrane-Midwest Engineering Group
- V. Leak Adjustment
 - 1) Ken Alton-Acct. #3159
- VI. Subscriptions, Relocates & Line Extensions
 - 1) Carol Gatlin-21740 w. 327th St.
 - 2) Andrew Kice-10395 W. 299th St.
 - 3) Null Family Farming, LLC-299th & Plum Creek Rd.
 - 4) Sydney Shaw-271st & Waverly Rd.
 - 5) Mitchell Shaffer-28256 Pressonville Rd.
 - 6) Weers Properties/Ryan Weers-271st & New Lancaster
 - 7) DAC Ventures, LLC-Harmony Estates-Line Extension Only
- VII. Old Business
- 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 November 13, 2023, at the District Office located at 25290 Harmony Road, Paola, Kansas.

Attendance

Directors Attending: Lyle Wobker, Mike McClurg, Charlie Sievert, Glenn Alpert, Alan Hire, Rick Norland and Pete Peuser, Brad Ryckert and Gary Guetterman.

Also Attending: Jerry Bennett, Lana Kettler, Kalo Shore and Trenton Morris

Chairman Wobker called the meeting to order at 6:00 pm.

Approval of Minutes and Invoices

Glenn Alpert moved to dispense with reading the minutes for the regular meeting held in October. Rick Norland seconded the motion. Vote: 9-0, motion passed.

Mike McClurg moved to approve the minutes as corrected (meeting time). Charlie Sievert seconded the motion. Vote: 9-0, motion passed.

Alan Hire moved to pay the invoices as presented except check #17094 to Midwest Engineering, 17080 & 17097 to Crossland Heavy Contractors and #17081 to TGO. Glenn Alpert seconded the motion. Vote: 9-0, motion passed.

Lana Kettler gave the details of the Midwest Engineering invoice for \$91,080.36. Brad Ryckert moved to approve check #17094 to Midwest Engineering. Charlie Sievert seconded the motion. Vote: 9-0, motion passed.

Trenton Morris explained Crossland pay application for \$8,194.00. This invoice was for work on the twenty-four-inch bypass. Brad Ryckert moved to pay check #17097 to Crossland. Charlie Sievert seconded the motion. Vote: 9-0, motion passed.

Trenton Morris reviewed the invoice from TGO Technologies. The invoice was for pay application 2 on the procurement contract for the chlortainer for the plant expansion. He said the contract was 55% complete. Glenn Alpert moved to approve payment of check #17081 to TGO. Rick Norland seconded the motion. Vote: 9-0, motion passed.

Trenton presented Pay Application #6 from Crossland Heavy Contractors for \$521,229.51. He said the pay application covered construction of the concrete walls, a few stored materials and back filling. Glenn Alpert moved to approve payment of check #17080 to Crossland. Charlie Sievert seconded the motion. Vote: 9-0, motion passed.

Guests

Danny Coltrane from Midwest Engineering was present to discuss Amendment #4 to the engineering contract with Rural Water District No. 2. He said the amendment would increase the cost of the contract by \$594,090.00. There was discussion on the increase, services provided and the plant construction progress.

Danny Coltrane presented the preliminary plans for KDOT Phase 4 K68 Relocate. There was discussion on the project. Danny said the estimated cost to replace the District's current line would be \$2.7 million. This estimate did not include betterment cost. The District would be reimbursed by KDOT for like kind - \$2.7 million, but the District would be responsible for the cost of any upgrades.

Pete Peuser moved to approve Amendment No. 4. Charlie Sievert seconded the motion. Vote: 9-0, motion passed.

Jerry Bennett updated the Board on the status of the KDOT Phase 2 & 3 contractor Orr-Wyatt. Jerry explained Resolution 2023-1 was for filing a claim against Orr-Wyatt's bonds for work uncompleted on the project. Glenn Alpert moved to approve Resolution 2023-1. Charlie Sievert seconded the motion. Vote: 9-0, motion passed.

Leak Adjustments

Jerry Bennett presented one leak adjustment. Ken Alton, account number 3159-the leak amount was 214,370 gallons over two months with a normal usage of 32,473 gallons. The bill was adjusted to \$849.72 representing savings of \$262.99. Jerry reported all proper documentation was received. Glenn Alpert moved to approve the leak adjustment. Rick Norland seconded. Vote: 9-0, motion passed.

Subscriptions and Line Extensions

Six subscriptions and one line extension were received since the October meeting.

- 1) Carol Gatlin-21740 w. 327th St.
- 2) Andrew Kice-10395 W. 299th St.
- 3) Null Family Farming, LLC-299th & Plum Creek Rd.
- 4) Sydney Shaw-271st & Waverly Rd.
- 5) Mitchell Shaffer-28256 Pressonville Rd.
- 6) Weers Properties/Ryan Weers-271st & New Lancaster
- 7) DAC Ventures, LLC-Harmony Estates-Line Extension Only

Jerry Bennett presented the line extension for DAV Ventures. The extension is for the subdivision Harmony Estates located at 319th & Harmony Road. The line extension distance is 1,550 feet for an estimated cost of \$46,000.00. Glenn Alpert moved to approve the line extension application for Harmony Estates. Rick Norland seconded the motion. Vote: 9-0, motion passed.

Old Business

Trenton Morris updated the Board on the Hersey meters in the Miami 1 territory that were not reading correctly the last couple of months. The problem was found and corrected.

Jerry Bennett informed the Board the Osawatomie State Hospital pulled water while the Osawatomie water plant was down. They took 730,000 gallons and there were some rumblings of the possibly of them buying more water from Rural Water 2. They have a 130,000-gallon tank. The emergency contract they had with Miami 1 was for a rate of \$10.00/1,000 gallons. The District billed them at the current patron rate of \$5.00/1,000 gallons.

Jerry Bennett stated Trenton Morris and himself had met with the City of Paola to discuss the reciprocal flow of water between the city and the district. A plan was made to track the monthly readings and usage and share the info between both entities.

Jerry Bennett reported on the meeting with Franklin Rural Water District No. 6. Franklin 6 is serious about wanting to purchase supplemental water from RWD #2. They are interested in RWD #2 contract operating their plant and distribution system. There was discussion on the size of the District, number of meters, water source and debt.

Chairman Wobker stated he had contacted the Mayor of Spring Hill about meeting. The mayor said he would need to gather some information and get back with him. There was no response. Jerry Bennett said he had contacted Water One. Water One is considering taking on the Spring Hill water system.

Jerry Bennett reported Water #7 still wanting capacity in the new plant. The City of Baldwin approached Water #7 about buying water from Rural Water District No. 2 through Water #7 and Edgerton. There was discussion on the possibilities.

New Business

Jerry Bennett presented an Engagement Letter from Acord, Cox and Scott for the District's 2023 audit. The amount quoted was \$11,000.00 to \$11,500.00. Alan Hire moved to approve the letter. Glenn Alpert seconded the motion. Vote: 9-0, motion passed.

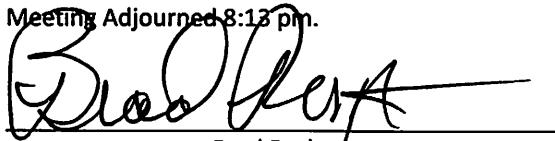
Lana Kettler reported on the holiday dinner. Location, menu and date were discussed. December 13th was the date decided on. Lana said she would let everyone know the details when they were finalized.

Treasurer

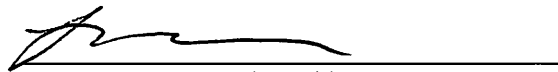
Alan Hire reviewed the current rates, debt and income projections. There was discussion on the annual debt payment when the plant construction was complete and the debt ratio required by the loan. Alan Hire explained the current fixed rate contract with the Kansas Water Office expires at the end of this year. The fixed rate was \$0.10/1,000 gallons. The contract was for 239,440,000 gallons. Next year the rate for all raw water will be \$0.493/1,000 gallons. Alan Hire presented possible rate increase scenarios for the Board to review. Alan Hire suggested keeping the rate of \$5.00/1,000 gallons and making the minimum charge \$22.00, but the minimum charge does not include 1,000 gallons. There was discussion on the options. Charlie Sievert moved to eliminate the 1,000 gallons included in the minimum charge, keep the base rate at \$5.00/1,000 gallons and the minimum charge at \$22.00. Pete Peuser seconded the motion. Vote: 9-0, motion passed.

Adjournment

Meeting Adjourned 8:13 pm.



Brad Ryckert
Secretary



Lyle Wobker
Chairman

Date