

Rural Water District No. 1
Ellsworth County, Kansas a/k/a Post Rock Rural Water District
Regular Meeting Minutes
April 15, 2025

At 6:39 pm Chairman Bland called the meeting to order and called for roll call.

Directors present at roll call: Director Bland, Director Robbins, Director Wehrman, Director Griffith, Director Teppe, Director Dolezal, Director Splitter, and Director Christy were present.

Staff present: Jon Wright, Angela Naegele, and Roxanne Stevenson

Others present: Leslee Rivarola (consultant)

Chairman Bland called for public comment. No one was present to offer public comment.

Chairman Bland called for a motion to approve the agenda. Director Dolezal motioned to approve the agenda as presented. Director Teppe seconded the motion. All members present voted in favor of the motion.

Chairman Bland called for discussion on the minutes from the March 18, 2025 regular board meeting. There were several errors noted on the minutes. After discussion it was determined the minutes had been merged with a previous month. Ms. Naegele stated she would correct the minutes and make sure the correct month was presented for the Board's consideration at the next meeting. Director Griffith motioned to table the minutes for March 18, 2025 to the following meeting. The motion did not receive a second. After discussion it was determined the March meeting minutes would be considered in May.

Chairman Bland called for the next item on the agenda with benefit unit transfers and noted they would return to that item later in the meeting.

Chairman Bland then called from the the bills to be paid and the District's expense report. Chairman Bland asked the total amount the District had been reimbursed from the State. Ms. Stevenson noted she wasn't sure on the exact amount. Chairman Bland asked if the total shows up in the accounting report and inquired which line item would show it. Ms. Stevenson indicated she thought it had been received mid-month and possibly after the current balance reports the Board had received. Director Griffith inquired about AFLAC transactions and noted there appeared to be an inconsistency on the reports. Ms. Stevenson explained the AFLAC program and individual deductions from enrolled employees paychecks. Discussion regarding AFLAC followed. Chairman Bland asked to go back to his previous question regarding the State reimbursement payments and where they were showing up on the District's monthly financial report. Following discussion, staff went to pull the information on the State reimbursement. Director Griffith inquired if it was showing in "other receivables" totaling \$146,764. Ms. Stevenson indicated that was not the amount. Following discussion regarding the finance report, Director Griffith motioned to approve the bills to be paid in the amount of \$159,138.58. Director Splitter seconded the motion. All members present voted in favor of the motion.

Chairman Bland called for the next item on the agenda and noted there was no attorney report.

Chairman Bland called for the next item on the agenda, Board member reports. Director Wehrman inquired how many AMRs were installed the previous month. Director Wehrman also inquired how many years it would take to get all of the purchased AMRs installed. Ms. Stevenson stated that 10 AMRs had been installed the previous month. Mr. Wright responded that he thought it was possible to have all the AMRs installed within 3 years for the District. Chairman Bland inquired how many counties are still outstanding without AMRs. Discussion followed noting Barton, Ottawa, Saline and Ellsworth were completed. We are waiting on endpoint determinations for Osborne, Russell and Lincoln.

Chairman Bland reviewed the information staff pulled regarding the reimbursement from the State. The District billed the State \$161,663.26 and \$153,580.10 was received in March. He said he was not sure why that is not appearing somewhere in the District's monthly finance and accounting report. Discussion followed.

Chairman Bland asked for the General Manager's report. Mr. Wright shared the District had received its first invoice from Wilson and Company for the hydraulic model. Terry Ranker has been working with Wilson and Company on providing tower elevations. The project is progressing well.

Mr. Wright indicated he made contact with the contractor working on the clarifier drive and it could be 60 days.

Mr. Wright shared they rented a generator for 2 days near Chairman Bland's area following severe weather with power outages. The approximate cost for the rental was \$780.

Mr. Wright is continuing to take resumes for distribution.

Mr. Wright noted the ditch witch machine had been returned after repairs totaling approximately \$7100 and it is working well.

Mr. Wright had spoken with the District's mowing contractors. They have agreed to continue mowing but may need to increase their rates some based on the cost of everything going up. TJ thought he'd need more fee to continue mowing and Thad thought his fee was ok, but would evaluate it. Mr. Ranker passed his level 4 operator exam and received the \$1.00 per hour increase based on passing the exam.

Chairman Bland inquired the status of Truck #5. Mr. Wright stated that the truck has 191,000 miles on it but that if they do not pull trailers he is hopeful to get an additional 25,000 miles out of it and then get rid of it. He stated it does have transmission issues, but he believes it can still be driven just not to pull trailers.

Chairman Bland moved onto the plant and distribution reports. Mr. Wright stated he would try and answer questions. Chairman Bland inquired about a customer southeast of Waldo who was having water pressure issues and had spoken with Quintin. Discussion followed.

Chairman Bland noted seeing a generator on marketplace for \$8000 but it didn't indicate how many hours were on it. Mr. Wright stated a 25 kw generator would likely run all of the District's pumps as needed. Discussion followed.

Mr. Wright discussed a tenant south of Wilson that has been watering cattle and that may be contributing to the low pressure issues. Director Dolezal stated they had been watering cattle on that property for years and it didn't make sense they would just now be experiencing low water pressure. Mr. Wright stated it could be something on the tenant/property owners side of the line.

Mr. Wright brought to the Board's attention the issue of the transfer fee. He said the office had been contacted by someone who was very upset from Dorrance. That they had transferred their benefit unit to the son and they didn't feel they should have to pay the transfer fee. The individual had contacted a board member. Mr. Wright asked the Board for direction on what to do with benefit unit transfers within families. Mr. Wright stated that he was the one who made the motion when he was on the Board and he felt it was important to stay consistent on imposing the transfer fee to everyone who transfers. Chairman Bland noted there are a number of people on the benefit unit list who are deceased. Mr. Wright stated if the Board would like to consider a policy about family benefit unit transfers they could but the staff need a policy to be able to be consistent. Director Griffith suggested a fee for benefit unit transfers within the same family of \$100 to cover the administrative costs. Director Christy stated that water is the most valuable thing in this area and that people who want to maintain their water should be prepared to pay the fees set by the Board. Mr. Wright suggested the Board could consider this item and they could discuss it again at a future meeting. Director Teppe stated he thinks it is important the staff have something to know how to enforce what the Board is wanting. Discussion followed including a discussion on what is considered the definition of a family member. Discussion followed about the issue of droughts and whether service had to be provided if the transfer fee was unpaid.

Following discussion with no formal action, Chairman Bland called for the office report. Ms. Naegele indicated she had spoken with Ryan Cook and was going to reach out to Trout Beeman to set up the District's audit. Chairman Bland asked when the last audit was completed. Ms. Naegele responded that it was in 2021 and they were working on the fiscal year 2022 audit in 2023 but the Office Manager had resigned and so did the General Manager. Ms. Naegele shared the staff began to provide information that the auditors requested in September 2023. The information was emailed. One staff member from Trout Beeman had surgery and another staff member from Trout Beeman was involved in an automobile accident. Based on the Post Rock staff turnover and Trout Beeman staff medical issues the fiscal year 2022 audit was never completed. Director Teppe asked how they were going to complete an audit by email as an integral part of auditing is being onsite and asking questions and gauging responses and information received. Mr. Teppe suggested the District needed to identify a new audit firm and someone who was closer and more available. Ms. Naegele expressed concern about getting a

new audit firm up to speed and familiar with the District. Discussion followed about a new audit firm. Mr. Wright said it is important to him the audit is performed because he wants to know that all things match up as well. Mr. Wright stated staff would look into the cost of audits and other firms as well.

Ms. Stevenson said the District had received it's health insurance renewal. Discussion on the health renewal followed. Ms. Rivarola asked if they had provided a census on who was enrolled on the plan and the cost of coverage for the plan renewal so the Board could evaluate the difference in costs. Ms. Naegele stated they would request that information from Blue Cross Blue Shield of Kansas.

Ms. Naegele stated that KDHE was going to perform their inspection. The District had spoken with Ms. Marsha Fleming of KDHE and the plan was to inspect towers and pump stations the first day of inspections and the water treatment plant on day two.

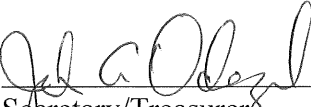
Chairman Bland noted the water sold report reflected 27 million gallons of water.

At 8:16 pm Chairman Bland called for a 10 minute break.

At 8:30 pm Chairman Bland reconvened the meeting and called for a motion to go into executive session to discuss non-elected personnel. At 8:31 pm Director Christy motioned to recess into executive session for 15 minutes under K.S.A. 75-4319(b)(1) to discuss non-elected personnel with the justification to discuss an individual employee to include all Board members, Mr. Jon Wright, and Ms. Leslee Rivarola. Director Griffith seconded the motion. Director Wehrman voted against the motion all remaining Board members voted in favor of the motion. At 8:46 pm the Board reconvened in open session. At 8:47 pm Director Christy motioned to extend the previous executive session for 15 minutes under K.S.A. 75-4319(b)(1) to discuss non-elected personnel with the justification to discuss an individual employee to include all Board members and Ms. Leslee Rivarola. Director Griffith seconded the motion. All Board members present voted in favor of the motion. At 9:02 pm the Board of Directors reconvened in open session. At 9:05 pm Director Christy motioned to extend the previous executive session for 15 minutes under K.S.A. 75-4319(b)(1) to discuss non-elected personnel with the justification to discuss an individual employee to include all Board members and Ms. Leslee Rivarola. Director Griffith seconded the motion. All Board members present voted in favor of the motion. At 9:20 pm the Board reconvened in open session. Director Christy motioned to allow Mr. Jon Wright to work remotely full-time pending a release to do so from a doctor and that the Board would review the matter with Mr. Wright in 12 weeks. Director Griffith seconded the motion. All members present voted in favor of the motion.

Chairman Bland called for a motion to adjourn the meeting. At 9:23 pm Director Dolezal motioned to adjourn the meeting. Director Splitter seconded the motion. All members present voted in favor of the motion.

Respectfully Submitted:


Secretary/Treasurer

5-20-25
Date