

Rural Water District No. 1  
Ellsworth County, Kansas a/k/a Post Rock Rural Water District  
Special Board Meeting Minutes  
February 10, 2020

At 6:30 pm, Chairman Brad Miller noting a quorum called the special board meeting to order.

Directors present were Brad Miller, Ralph Larson, Martin Bland, Kayla Errebo, Joel Christy.

Director not present: Secretary/Treasurer Arthur Boyd, Director Darwin Steinle and Director Howard Wehrman

Others Present: Ryan Cook, Stuart Porter and Sharon Condit.

Guest: None

At 6:31 pm, Chairman Miller called for a motion to revise the agenda to add Executive Session pursuant to K.S. A. 75-4319(b) to discuss non-elected personnel. Director Larson made a motion to add executive session to the agenda for reason pursuant to K.S.A. 75-4319(b). Seconded by Director Bland. Motion carried.

At 6:35 pm, Chairman Miller called for Item #1 on the agenda. Mr. Cook presented the proposed operations budget to the board of directors. After a period of discussion and changes to various sections of the budget, it was agreed that Mr. Cook would make the proposed changes and present the budget for approval to the regular meeting to be held on February 18, 2020.

At 8:00 pm, Chairman Miller called for discussion of the Capital Improvements Plan (CIP) budget. After a brief discussion, it was determined that Mr. Cook, Ms. Rivarola and Ms. Condit would work together to establish a CIP budget.

At 10:25 pm, Chairman Miller called for a motion to recess into executive session. Director Bland made a motion to recess into executive session for 5 minutes to discuss non-personnel matters pursuant to K.S. A. 75-4319(b). Seconded by director Larson. Motion carried.

At 10:30 pm, Director Bland made a motion to extend the executive session for 5 minutes to discuss non-personnel matters pursuant to K.S. A. 75-4319(b). Seconded by Director Larson. Motion carried.

At 10:30 pm, the meeting reconvened into open session. No action taken.

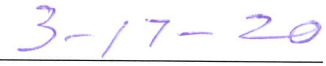
At 10:31 pm, Chairman Miller called for a motion to adjourn the meeting. Vice Chairman Gorrell made a motion to adjourn the meeting. Seconded by Christy. Motion carried.

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Meeting adjourned at 10:31 pm.

Respectively Submitted:

  
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Dave Gorrell, Vice Chairman

  
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Date

Rural Water District No. 1  
Ellsworth County, Kansas a/k/a Post Rock Rural Water District  
Regular Board Meeting Minutes  
February 18, 2020

At 6:35 pm, Chairman Brad Miller noting a quorum called the regular board meeting to order.

Directors present were Brad Miller, Ralph Larson, Martin Bland, Kayla Errebo, Joel Christy, Darwin Steinle and Howard Wehrman.

Director not present: Secretary/Treasurer Arthur Boyd

Others Present: Leslee Rivarola, and Sharon Condit.

Guest: E. A. (Butch) Teppe

At 6:36 pm, Chairman Miller called for a motion to revise the agenda to add Item # 2a to add Director Steinle to the Agenda. Director Errebo made a motion to revise the agenda. Seconded by Director Christy. Motion carried.

At 6:37 pm, Chairman Miller called for a motion to approve the consent agenda items as presented. A motion was made by Director Larson to approve the consent agenda items. Seconded by Vice Chairman Gorrell. Motion carried.

At 6:40 pm, Chairman Miller called for Item number 2 on the agenda. Ms. Condit gave the financial report and called for questions. Ms. Condit recommended that the financial report be accepted as presented and the bills to be paid and the amount not to exceed \$115,817.99. A motion was made by Director Steinle to accept the financial report as presented and to pay the bills in the amount of \$115,817.99. Seconded by Vice Chairman Gorrell. Motion carried.

At 6:45 pm, Chairman Miller gave the floor to Director Steinle. Director Steinle explained to the board of directors his reasons for resigning his position on the board. He introduced Mr. E. A. (Butch) Teppe and recommended the board appoint Mr. Teppe to fill his remaining term. Mr. Teppe introduced himself to the board of directors and gave a brief summary of his experience. Chairman Miller called for a motion to appoint Mr. Teppe to fill the remaining term of Director Steinle. Director Steinle made a motion to appoint Mr. Teppe to serve out the remaining term of his position as a director on the District board. Seconded by Director Wehrman. Motion carried. Director Steinle officially resigned his position and observed the meeting as a guest.

At 6:53 pm, Chairman Miller called for discussion and approval of the 2020 Operating Budget. After a brief discussion it was agreed to separate the audit fees and accounting fees as separate line items. It was discussed to develop a Capital Improvements Budget (CIP) and add a portion

of the -expenses for Distribution R&M, Plant R&M, and Tower Maintenance to the CIP budget. Those amounts were reduced by \$5,000 each. The General Manager position was increased by \$5,000. The Engineering Fees were reduced by \$36,000. After making the above changes the budget showed a net income of \$58,235. Chairman Miller requested that Ms. Rivarola work with Mr. Ryan Cook and Ms. Condit to develop a CIP budget. Chairman Miller called for a motion to approve the operating budget with the changes. Director Bland made a motion to approve the operating budget with the above changes. Seconded by Vice Chairman Gorrell. Motion carried.

At 8:15 pm, Director Wehrman requested permission to make a motion to payoff the District's loan at First Bank Kansas. Chairman declined the motion and reminded Mr. Wehrman the item he is requesting to discuss was not on the agenda and that he might want to hold off on making the motion. After a brief discussion as to reasons for paying off the loan versus reasons not to payoff the loan, Director Wehrman made a motion to pay off the loan in the amount of \$1,099,887.31 on or before March 2, 2020. Seconded by Vice Chairman Gorrell. Chairman Miller called for a roll call vote. Directors Larson, Bland and Errebo voted no. Vice Chairman Gorrell, Directors Christy, Wehrman and Teppe voted yes. Chairman Miller voted no. The vote was a tie. Motion failed.

At 8:50 pm, Darwin Steinle departed the meeting.

Chairman Miller called for a 10-minute break.

At 9:00 pm, Chairman Miller called for Item # 4 on the agenda. Ms. Condit presented two quotes for replacement of the windows and doors at the treatment plant. The quotes were from Quality Glass of Great Bend, Kansas and from Cheney Door Company of Salina, Kansas. After a brief discussion, Ms. Condit recommended that the quote from Quality Glass be accepted with a change to the proposed front door. She recommended that the front door be a solid door and not half glass and half metal as proposed in the quote. Chairman Miller called for a motion. Vice Chairman Gorrell made a motion to accept the quote from Quality Glass of Great Bend, Kansas and not to exceed the amount of \$20,932. Seconded by Director Larson. Motion carried.

At 9:10 pm, Chairman Miller called for Item #5 on the agenda. Ms. Condit presented two quotes for painting the treatment plant. The quotes were from MicroCor and Dondlinger. After a brief discussion, the decision was to table this item until the March meeting.

At 9:15 pm, Chairman Miller called for a motion to recess into Executive Session. Director Christy made a motion to recess into Executive Session to discuss session pursuant to K.S.A. 75-

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4319(b) to discuss non-elected personnel for 15 minutes to include all Directors, consultant Leslee Rivarola. Seconded by Director Bland. Motion carried.


At 9:30 pm, the meeting reconvened in open session with no action taken.

At 9:31 pm, Chairman Miller called for a motion to adjourn the meeting. Vice Chairman Gorrell made a motion to adjourn the meeting. Seconded by Christy. Motion carried.

Meeting adjourned at 9:32 pm.

Respectively Submitted:

  
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Dave Gorrell, Vice Chairman

  
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Date

Rural Water District No. 1  
Ellsworth County, Kansas a/k/a Post Rock Rural Water District  
Special Board Meeting Minutes  
February 24, 2020

At 6:30 pm, Chairman Brad Miller noting a quorum called the special board meeting to order.

Directors present were Brad Miller, Ralph Larson, Martin Bland, Kayla Errebo, Joel Christy and Butch Tepe.

Director not present: Secretary/Treasurer Arthur Boyd and Director Howard Wehrman

Others Present: Mr. Todd Luckman, Ms. Leslee Rivarola and Sharon Condit.

Guest: None

At 6:31 pm, Chairman Miller turned the meeting over to Mr. Luckman. Mr. Luckman reviewed the Water Purchase Agreement and pointed out areas that are appropriate or favorable to the District. Also, he discussed the request of J-Six that are questionable or should be carefully considered. Mr. Luckman will make the proposed changes and resubmit the agreement to J-Six Farms, LLC.

Mr. Luckman then reviewed the Construction Agreement for Water Main Extension. He addressed the concerns that J-Six has with the agreement. After review and discussion, Mr. Luckman will make the necessary changes and present the Construction Agreement to J-Six Farms, LLC.


There was a brief discussion concerning the contracts the District has with the current wholesale customers. Mr. Luckman then discussed some issues of contracting with the City of Lucas and/or the City of Bunker Hill for the requested amount of water proposed by the engineers.

Mr. Luckman brought the board of directors up to date with the latest information and situation with the extension of the intake at the lake that involves APEX, RMA and Rural Water District No. 1 Ellsworth County Kansas.

At 8:50 pm, Chairman Miller called for a motion to adjourn the meeting. Director Christy made a motion to adjourn the meeting. Seconded by Director Bland. Motion carried.

Meeting Adjourned at 8:50 pm.

Respectively Submitted:

  
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Dave Gorrell, Vice Chairman

  
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Date