

Rural Water District No. 1
Ellsworth County, Kansas a/k/a Post Rock Rural Water District
Regular Board Meeting Minutes
September 20, 2022

At 6:36 pm, Chairman Martin Bland noting a quorum, called the regular board meeting to order.

Roll Call: Directors present were Martin Bland, Kayla Errebo, Jon Wright, John Dolezal, Howard Wehrman, Joel Christy, and Ralph Larson.

Directors not Present: Brad Miller and Butch Teppe.

Others Present: Leslee Rivarola (Virtual), Doug Janssen, and Kendra Neuman in the District Office.

Guests: Todd Luckman w/ Stumbo Hanson, LLP and Alex Darby w/ Professional Engineering Consultants attended virtually.

At 6:38 pm, Chairman Bland called for a motion to approve the consent agenda. Secretary/Treasurer Larson made a motion to approve the consent agenda as written. Seconded by Vice Chairman Wright. Motion carried.

At 6:49 pm, Chairman Bland called for Item #4 on the agenda. Vice Chairman Wright made a motion to pay the bills, not to exceed the amount of \$158,012.34. Seconded by Secretary/Treasurer Larson. Motion carried.

At 6:54 pm, Chairman Bland called for Item #5 on the agenda, the discussion of Russell Supply of Water Agreement. In late July, the city of Russell returned their version of a water agreement. Mr. Luckman, the District's lawyer explained what the city of Russell had changed in their version of the contract. Mr. Luckman thought the changes sounded workable. The Board noted Russell is requesting the District supply more water than what is currently being supplied and that the Water Plant is already running at full capacity. Members questioned if there is any reason to pursue the contract further when there is no extra water to sell. Mrs. Rivarola reminded the board that Purefield had requested it. Purefield had hopes of getting more water for their plant from the District. They also know the District cannot interfere with Russell's supply to them. It was their interest to see if Russell and the District would be willing to work together before pursuing more water from the district. Ms. Rivarola reiterated that the district is under no obligation to move forward with anything. The Board decided to have Ms. Rivarola reach out to the City of Russell as well as Purefield. She was instructed to let both parties know the contract was received but the Board will need to take some time to review. No action taken.

Mr. Luckman left the meeting at 7:32 pm.

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At 7:33 pm, Chairman Bland called for Item #6 on the agenda, the feasibility of a connection with Mitchell 2. After last month's meeting, Ms. Rivarola was asked to reach out to the North Central Regional Planning Commission for more information on their grant opportunities. Ms. Rivarola presented her findings. There are two grants. One is Regional Public Water Supply Planning Grant through KDHE. It would be used to evaluate the connection between the two districts. The North Central Regional Planning Commission can assist with the application and grant process with an administrative fee of \$500. The District could also apply for Community Development Block Grants (CDBG) funding. If applicable, that grant could fund the connection project. The Board discussed moving forward with the Regional Public Water Supply Planning Grant. Secretary/Treasurer Larson will get in touch with Mitchell 2 and see if they are interested in pursuing the grant.

Mr. Darby left the meeting at 7:43pm.

At 7:44 pm, Chairman Bland called for Item #7 on the agenda regarding Health Insurance Premiums and Benefits. This is a follow-up from last month's meeting when Mr. Janssen presented the Board with information regarding a supplemental reimbursement program for employees sixty-five years and over. Ms. Rivarola was asked to research the item and present the Board with her findings. Ms. Rivarola noted the District currently pays 100% of insurance premiums for the employee, employee's spouse, and employee's qualified dependents. This is a policy decision by the Board of Directors and is subject to change or adjustment as determined by action of the Board of Directors. While not specifically stated in the Employee Handbook, one could reasonably infer the Board of Directors intended the percentage of contribution towards insurance premiums to mean the District was covering the cost of premiums provided by the District's group health insurance plan. Ms. Rivarola recommended the Board revise the language in the handbook to state "The District provides group health insurance for all qualified employees, including the employees spouse/partner, and qualified dependents as defined by the District's group health plan. The District's participation in insurance premiums is determined by the Board of Directors. Employees who are eligible for insurance become eligible the first day of the month following employment with the District. Employees should check with the Office Manager for additional information as benefits are subject to change." Revising the current statement in the employee handbook allows the board more flexibility to determine contributions. Director Wehrman made a motion to accept the recommendation to revise the language in the employee handbook as presented. Seconded by Vice Chairman Wright. Motion carried.

Director Errebo left the meeting at 8:17 pm.

At 8:19 pm, Chairman Bland called for Item #8 on the agenda, the discussion of wages. Vice Chairman Wright noted the recent turnover of employees at the District. He would like to make Post Rock a place where employees stay long-term and retire from. He hopes the Board can come up with ideas to make employment within the district enticing. There was some discussion on insurance, retirement, and leave times as well as current wages. There may be some room to improve on paid leave times as well as retirement. The Board asked Ms. Rivarola to come up with an accrual table of paid leave times for the next meeting to present to the Board. Vice Chairman Wright asked other members to think on more ideas for discussion next month. Members also discussed the idea of running distribution with four employees instead of five. The salary of the fifth employee could be used to increase the salaries of new employees as well as current salaries. It was noted that many employers around the area have implemented cost of living raises to combat inflation. Many members agreed, a wage increase could be valuable to current employees as well as new ones. After some discussion, Director Dolezal made a motion to postpone the hiring of a fifth person in distribution until at least the first of the year and issue a cost-of-living increase for all employees of \$1 per hour effective 9/22/2022. Vice Chairman Wright seconded. Motion carried.

At 8:52 pm, Chairman Bland called for Item #9 on the agenda. Mr. Janssen presented the General Manager's report along with the Distribution and Plant reports. Ms. Neuman presented the Office Manager's report.

At 9:31 pm, Vice Chairman Wright called for Executive Session for fifteen (15) minutes to discuss non-elected personnel pursuant to K.S.A 75-4319(b) (1); to include all board members present and Ms. Rivarola. Seconded by Director Christy. Motion carried.

At 9:47 pm, the Board of Directors went back into open session. Director Wright made a motion to extend the executive session for 15 minutes to discuss non-elected personnel pursuant to K.S.A 75-4319(b) (1); with the justification being to discuss the performance and or discipline of individual non-elected employees of the District, to include all board members present and Ms. Rivarola. Seconded by Director Dolezal. All members present voted yes. The Board of Directors reconvened in open session at 10:02 pm. The following motions were made.

At 10:04 pm, the Board of Directors reconvened in open session. Director Christy made a motion to reduce the spending limit of the General Manager from \$10,000 to \$2,500 effective immediately and direct the Office Manager to update the District Purchasing Policy. Seconded by Vice Chairman Wright. Motion Carried.

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At 10:05 pm, Director Christy made a motion that the Board of Directors must authorize the hiring of all employees effective immediately. Seconded by Director Dolezal. Motion carried.

At 10:06 pm Director Christy made a motion that any offers of employment that have been extended are conditional upon approval of the board. Seconded by Vice Chairman Wright. Motion carried.

At 10:08 pm Director Christy made a motion to reconvene the personnel committee to review and approve all actions related to personnel including hiring, firing, discipline, and compensation, effective immediately. The committee will include Chairman Bland, Vice Chairman Wright, and Director Teppe. Seconded by Vice Chairman Wright. Motion carried.

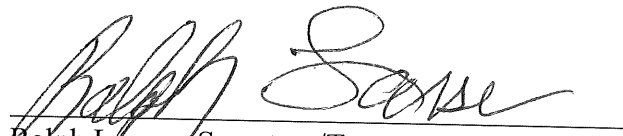
At 10:10 pm Vice Chairman Wright made a motion to reinstate the Budget Committee. The committee will include Chairman Bland, Secretary/Treasurer Larson, and Director Wehrman. Seconded by Director Larson. Motion carried.

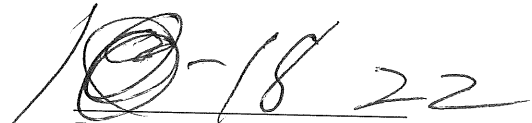
At 10:14 pm Director Wehrman made a motion to rescind the motion for the \$1 per hour raise for all personnel. After some discussion, there was not a second. The motion did not carry.

At 10:18 pm, Director Dolezal made a motion to adjourn. Seconded by Secretary/Treasurer Larson. Motion carried.

Meeting adjourned at 10:18 pm.

Respectively Submitted:


Ralph Larson, Secretary/Treasurer


Date