

Rural Water District No. 1
Ellsworth County, Kansas a/k/a Post Rock Rural Water District
Regular Meeting Minutes
May 20, 2025

At 6:38 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 Dolezal, Director Splitter, and Director Christy were present. Director Teppe was absent.

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

Others present: Leslee Rivarola (consultant), Richard Rockel (State of Kansas Water Office)

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

Chairman Bland asked if there were any additions to the agenda. None were offered. Chairman Bland called for a motion to approve the agenda. Director Griffith motioned to approve the agenda as presented. Director Robbins seconded the motion. All members present voted in favor of the motion.

Chairman Bland called for discussion on the revised minutes from the March 18, 2025 regular board meeting minutes. Director Dolezal motioned to approve the minutes as presented. Director Robbins seconded the motion. All directors present voted in favor of the motion, with the exception of Director Wehrman who had stepped out momentarily. Chairman Bland called for discussion on the April 15, 2025 regular meeting minutes. None was offered. Chairman Bland called for a motion. Director Griffith motioned to approve the minutes. Director Splitter seconded the motion. All directors present voted in favor of the motion.

Chairman Bland called for the bills to be paid and expense report. There was discussion regarding contract mowing and rates to be charged. There was a question on the expense of \$6,000 for a fireproof filing cabinet. Staff stated they purchased two new filing cabinets for the amount of \$5,954.00. It was brought up that they are fire resistant and not fireproof. Discussion followed. Following discussion Chairman Bland called for a motion on the bills to be paid. Director Dolezal motioned to pay the bills in the amount of \$91,765.92. Director Robbins seconded the motion. All members present voted in favor of the motion.

Chairman Bland called for the next item on the agenda, a presentation from Richard Rockel from the State of Kansas Water Office. Mr. Rockel provided information on how the Board of Directors could increase the amount of water the District is contracted to purchase from the Kansas Water Office from Kanopolis Lake. There are two paths available. The first path is if the Board wants to guarantee a certain amount of water, then the contracted amount has to increase and the take-pay minimum would increase as well. Currently, the District is guaranteed 400 million gallons per year. The minimum take-pay amount is 200 million gallons per year. If the Board wanted to increase to 500 million gallons per year, the take-pay minimum would increase

to 250 million gallons per year. The fee for water has also increased by 4% and the District's current minimum fee is \$169,000 approximately. If the board increased its contracted water amount by 100 million gallons the fee would increase to approximately \$171,000 per year as the minimum fee. The current contract between the District and the Kansas Water Office is good through 2041. The State of Kansas has secured the federal water rights for the reservoir. The second option is a surplus water rights. If the reservoir gets higher demand, the District would not be guaranteed to receive additional water supply. Mr. Rockel went on to explain that his office is restricted by what it can offer in surplus by drought of record. Mr. Rockel indicated if the Board wanted to move forward it would require a new contract and that must be approved by the Kansas Water Authority. The Kansas Water Authority prefers to see long-term contracts, and the current contract expires July 12, 2041. Discussion followed with the Board. Mr. Rockel stated that he would email the slides from his presentation to Jon Wright. At approximately 7:04 pm, Mr. Rockel left the meeting.

Mr. Wright shared that he thought they had a two-year grace period to commit to contracting the water, but that is only with the surplus option.

Chairman Bland called for an update on the pumps. Mr. Wright stated that he had the office staff send the 2007 Engineering Study to the members of the Board. Discussion followed. Discussion regarding increasing the plant capacity and how much plant capacity could be increased without increasing the lines in distribution. It was stated that the plant capacity could be increased to 1.25 million gallons or 1.5 million gallons without much work to increase pipe sizes in distribution.

Ms. Naegele reported that the finance report had been modified to include an additional report under operations receivables. Ms. Naegele identified several things that show up on that report.

Mr. Wright provided an update on the pumps. Discussion regarding the speed and rpms of the pumps followed. Based on the 2007 Engineering Study the District needs a 60 horse-power pump. A question regarding warranty period was asked. Mr. Wright indicated the pumps being considered do not have warranties but that the company indicated they would stand behind their pump. Director Christy indicated his experience with the vendor and that they are reputable. Discussion followed about the seal. Mr. Wright shared he had Shawn Yost take a look at it as well. Discussion followed. Sergeant Drilling was going to provide a quote but never did. Mr. Wright indicated this item is urgent to keep moving as the District is moving into the warmer months. A question was asked if the larger pump requires more electrical work. The answer was no because it is on a VFD. Discussion about the desire to go with a larger pump followed. After discussion, Director Griffith motioned to move forward with the 60 horse-power pump totaling \$72,238. Director Splitter seconded the motion. Director Wehrman inquired about sales tax. Staff responded that the District is exempt from sales tax. All members present voted in favor of the motion.

Chairman Bland called for the next item on the agenda, the Blue Cross Blue Shield of Kansas renewal. Ms. Stevenson shared the renewal went up 19% from the previous year. Discussion followed. Director Christy shared that most employees would prefer higher wages and less

contributions to benefits. The Board asked if the new policy had already gone into effect. The response was yes.

Staff presented the property and casualty renewal from Elliott Insurance. Discussion followed. Chairman Bland inquired about Kansas Workers Compensation and when that policy renews. Ms. Stevenson stated that Elliott Insurance could not match what K-Worcs offers. Chairman Bland inquired on the price. Ms. Stevenson left the meeting to pull the invoice and the policy,

Chairman Bland called for Board reports there were none.

Chairman Bland called for the General Manager's report. Mr. Wright stated that Wilson and Company continues to work on the hydraulic model. The model is approximately 75-80% done. Mr. Wright spoke with Marsha Fleming with KDHE. She plans to be out on June 9th and June 10th. Mr. Wright also shared that not all staff members are required to hold a level 1 operator license with KDHE as long as the Operator of Record has the minimum license required for the plant. Mr. Wright shared he was considering hiring someone and wasn't sure if the individual would be eligible for a level 1 because of a lack of a GED. Discussion followed. Ms. Griffith inquired what level each staff member held. Mr. Wright shared an update on operator license levels of staff members. Mr. Wright shared an update on AMRs in Osborne County and the cost associated with adding AMRs to Osborne County. The question was asked if the AMRs in each county included inactive meters. Discussion followed. Discussion about AMRs and assisting in finding water loss followed and that AMRs help identify spikes in water usage. Director Griffith motioned to approve AMRs for Osborne County in the amount of \$23,352.09. Director Dolezal seconded the motion. All members present voted in favor of the motion.

Mr. Wright provided an update from a Microsoft Teams meeting with the Kansas Department of Wildlife and Parks. They are in need of a 1-inch meter for a visitor center that is already under construction. Mr. Wright shared with KDWP that the District is not permitting new meters until the hydraulic study is completed. Discussion followed with no action taken.

Chairman Bland called for the distribution report. Mr. Wright shared that the customer who had been experiencing low water pressure is on a different line. Ms. Naegele left the meeting briefly to make copies of the meter report from the Schultz property. Director Dolezal stated there is a large pile of dirt leftover from the 10" water line leak by Wilson. Mr. Wright stated he would send staff out to even it out.

The meeting paused and minutes stopped at 8:11 pm because of technology issues.

The meeting resumed at 8:15 pm.

Chairman Bland called for the plant report. Mr. Wright shared that the power is secure for the computer at the plant.

Chairman Bland stated that the audit needed to be added to the agenda. Chairman Bland indicated the audit was behind three fiscal years. The 2021 audit was not posted on the State's website. Following discussion, Ms. Rivarola was asked to follow up with the District's legal counsel to obtain information on what agency to send the 2021 audit to.

Discussion regarding the 2022 and 2023 audit followed. There were multiple conversations occurring at the same time. There was discussion about an accounting firm in Hays and Trego being a potential option for completing the audit. Discussion about whether to continue with Trout Beeman or engage a new firm followed. The cost for Trout Beeman was estimated at \$11,500 for completing the 2022 audit and \$10,000 for 2023. Discussion continued. Following discussion, Director Griffith motioned to have Trout Beeman complete the 2022 and the 2023 audit. Director Robbins seconded the motion. All members present voted in favor of the motion.

Mr. Wright discussed an employee he would like to hire for distribution. Discussion followed and no action was taken.

At 8:42 pm Chairman Bland called for a 10 minute break.

At 8:53 pm Chairman Bland called the meeting back to order.

At approximately 8:55 pm the Microsoft Teams connection stopped working.

At 9:08 pm the District called Ms. Rivarola by phone.


Director Griffith motioned to accept the property and casualty insurance renewal from Elliott Insurance in the amount of \$71,716. Director Splitter seconded the motion. All members present voted in favor of the motion.

At 9:11 pm Chairman Bland called for a motion to go into executive session to discuss non-elected personnel. At 9:11 pm Director Dolezal motioned to recess into executive session for 20 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 Robbins seconded the motion. Director Wehrman motioned to amend the time to 10 minutes. The motion did not receive a second. All members present voted in favor of the motion to enter into executive session.

At 9:31 pm the Board reconvened into open session. Director Griffith motioned to increase the hourly wage of Steve Crumpton to \$28.75 per hour. Director Robbins seconded the motion. All members present voted in favor of the motion.

Chairman Bland called for a motion to adjourn the meeting. At 9:34 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

6-12-25
Date