

JEFFERSON COUNTY RURAL WATER DISTRICT #13

1951 Wellman Rd. Lawrence, KS 66044

785-842-1502

www.jfrwd13.com

MONTHLY PUBLIC BOARD MEETING

October 21, 2021

LOCATION: District Water Office - 1951 Wellman Rd.

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CALL MONTHLY BOARD MEETING TO ORDER

The meeting is called to order by Chairman Gordon Brest at 7:00 p.m.

Board Members Present: Chairman Gordon Brest, Vice Chairman Andrew Breuer, Treasurer Greg Hazen, Director Larry Means, and Director John Hachmeister

Board Members Present Via GoToMeeting: Secretary George Pogge logging in at 7:50 p.m.

Employees Present: Joe Osborn and Linda Lips

Guests:

Lynn Deters, B.U. #913 – General Interest

Tom Staroske, Aqua Backflow, Inc.: GoToMeeting Presentation – Aqua Backflow, Inc. offers a cross connection control program. A survey sent to customers identifies sites that need testing, sites that need installations, and more. All documentation is handled by Aqua Backflow, Inc.
(Vote on acceptance is after Old Business.)

Martha Silks, Hydrogeologist: New Well

Ms. Silks provides her resume and would appreciate the opportunity to work with the District on the new well site.

Louis Funk, Bartlett & West: Long Range Plan and Loan Review –

1) City of McLouth Long-term Agreement Proposal Negotiations dated 08/16/2021 – At the September 16 board meeting Louis Funk handed out an updated proposal that includes the flow rates (30 GPM supply) provided by City of McLouth. City of McLouth is now reconsidering the stated flow rate. There will be more discussion at the next meeting.

2) Jefferson RWD #7 Emergency Connection – The arrangement looks to be mutually beneficial. The Board will need to decide at some point if this project will be included in the loan.



VOTE: It was moved by Andrew Breuer and seconded by John Hachmeister to have the attorney draft an emergency interconnect agreement with Jefferson RWD #7.

MOTION: So moved 6-0.

3) ARPA Funds – Greg Hazen reports that the three counties were contacted.

Louis Funk departs at 8:06 p.m.

MINUTES FROM 09/16/2021 BOARD MEETING

MOTION: It is moved by Andrew Breuer and seconded by John Hachmeister to approve the minutes from the 09/16/2021 Board meeting.

VOTE: So moved 5-1, Larry Means opposing.

NEW CERTIFICATES-1 AND TRANSFERS-4 and WATER AVAILABILITY CERTIFICATES-0:

MOTION: It is moved by Larry Means and seconded by Andrew Breuer to approve the one new certificate and four transfers.

VOTE: So moved 6-0.

TREASURER'S REPORT

1) Financial Summary: The daily actual expense report will need to be revised at the time the preliminary loan expenses are moved into a separate account.

There are questions on the percentage toward completion regarding engineering fees (project engineering vs. administrative work for loan).

2) Unpaid Bills Report:

MOTION: It is moved by Andrew Breuer and seconded by John Hachmeister to pay bills.

VOTE: So move 6-0.

DISTRICT MANAGER'S REPORT

1) Monthly Activity Report: A detailed report is included with the Board packet.

2) Water Sales/Usage/Loss Report: The water loss for September is 10.6%.

3) Airport Project – New development at the airport includes a new taxiway and hangar. As the plans stand now, the taxiway will cross over the 6" main/emergency hook-up to City of Lawrence.

4) Pressure Monitors from Geospatial Information Systems, LLC (David Rinaldi) – The plan is to order 1-2 units.

5) Water Quality – There are patrons noticing calcium carbonate/scale in the water (on coffee/coffee pots, etc.). Water Systems Engineering will be performing an analysis of the water processing system very soon. Joe is waiting for Praxair to inspect and fill the CO2 tanks prior to the analysis.

OFFICE MANAGER'S REPORT

1) Accounts Receivable Aging Report



2) Payment Method Review

3) Auditor Prospects – On 09/27 the current auditor (Karlin & Long, LLC) informed Linda Lips that due to changes in their firm over the past year, they will no longer be providing auditing services. Rate information on three prospective auditors is included in the Board packet.

MOTION: It is moved by Andrew Breuer and seconded by John Hachmeister to go with Kientz & Penick CPAs, LLC in Manhattan, KS.

VOTE: So moved 5-1, Larry Means opposing.

Note: KRWA uses Kientz & Penick as an auditor and Elmer Ronnebaum speaks highly of their firm. There will be no additional charges with their firm to answer questions throughout the year and set up the new loan in QuickBooks.

4) Well Protection Plan – It is time to update the Well Protection Plan. Ken Kopp with KRWA will be assisting the District on this project. Linda Lips circulates information on the plan. Linda asks if a work session including interested Board members might be helpful. Gordon Brest, Greg Hazen, and John Hachmeister volunteer to work on this project. Joe Osborn and Linda Lips will also be involved. Linda will contact the attorney to confirm KOMA regulations.

OLD BUSINESS

1) City of Lawrence: Review Agreement – Final documents are still pending.

2) Long Range Plan and Loan Review – See Guests for Long Range Plan. Linda Lips reports that the application has been submitted for the SRF loan and the USDA loan is still in progress.

3) Review Bylaws – Ongoing: No new updates.

4) Policies and Procedures Updates (includes Cross Connection) – Table until next month.

Other:

A vote is required on accepting the agreement with Aqua Backflow, Inc.:

MOTION: It was moved by Andrew Breuer and seconded by Greg Hazen to accept the agreement with Aqua Backflow, Inc.

VOTE: So moved 6-0.

NEW BUSINESS

1) Begin Budget Discussions, Review Current Budget and Identify Areas of Concern – Joe Osborn presents the first draft of the proposed 2022 budget. The second draft will include an estimation of the 4th quarter 2021 and a closer look at inflation.

2) Request Fee Schedule from Engineer & Attorney – Linda Lips reports that Bartlett & West anticipates an inflationary increase of around 4.5%. Stumbo Hanson increased their rate on 09/01/2021 to \$175.00 per hour; there will be no further increase in 2022.

3) Propose Pay Increase Percentage – This topic is covered in the budget discussions.



4) Set Dates for Auditor to Conduct Audit and MD&A Review (and sign engagement letter) – Table until next month.

5) Review Calendar for Next Month's Agenda Items – Second Draft of Budget to be Finalized this Month or in December, District Manager Review-Final Draft (by Board).

Lynn Deters departs at 9:14 p.m.

Linda Lips departs at 9:16 p.m.

6) Employee Reviews (by District Manager) –

Executive Session with Joe Osborn Present:

MOTION: It was moved by Greg Hazen and seconded by Andrew Breuer to go into executive session for 15 minutes starting at 9:20 p.m. to discuss an individual employee's performance, pursuant to K.S.A. 75-4319 (b) (1) personnel matters of nonelected personnel, and the open meeting will resume in this room at 9:35 p.m.

VOTE: So moved 6-0.

The Board comes out of executive session at 9:35 p.m. and no binding actions or decisions are made as a result of executive session.

7) District Manager Review-First Draft (by Board) –

Executive Session with Board Only Present:

MOTION: It was moved by Greg Hazen and seconded by John Hachmeister to go back into executive session for 20 minutes starting at 9:35 p.m. to discuss an individual employee's performance, pursuant to K.S.A. 75-4319 (b) (1) personnel matters of nonelected personnel, and the open meeting will resume in this room at 9:55 p.m.

VOTE: So moved 6-0.

The Board comes out of executive session at 9:55 p.m. and no binding actions or decisions are made as a result of executive session.

Handouts:

Aqua Backflow Information

Well Protection Plan Information

Proposed Budget 2022

ADJOURNMENT

MOTION: It was moved by Andrew Breuer and seconded by John Hachmeister to adjourn the meeting at 9:56 p.m.

VOTE: So moved 6-0.

Respectfully Submitted and Prepared by,

Linda L. Lips, Office Manager



Gordon A. Brest, Chairman



George Pogge, Secretary

