

Kansas Municipal Gas Agency
Board of Directors Meeting Minutes
October 19, 2017

Board Members Present

Michael Slobodnik, City of Alma; Peggy Ybarra, City of Altamont; Alan Brundage, City of Argonia; Rob Culley, City of Baldwin City; Manny Milbers, City of Beloit; Wes Colson, City of Burlingame; Joy Nelson, City of Cassoday; Mike Shook, City of Coffeyville; Christopher Weiner, City of Garnett; Ethan Reimer and Jamie Eberly, City of Halstead; Gary Emry and Scott Robertson, City of Hesston; Jonathan Mitchell, City of Hoisington; Becky Oakleaf and Ernest Tousley, City of Howard; Cole Herder, City of Humboldt; Larry Kallenberger and Laura Hill, City of Kechi; Devona Herrin, City of LaCygne; Ralph Streit, City of Larned; Nathan Law, City of Louisburg; John Sweet, City of Lyons; Randy Frazer, City of Moundridge; Joseph Lamond and Rodney Willis, City of Osage City; Dennis Tharp, City of Ottawa; Debbie Baughman, City of Partridge; Duane Banks, City of Russell; Taggart Wall, City of Sterling; Merl Page, City of Wamego; Richard Applegarth, City of Washington; Roger Estes and Ryan Hain, City of Wellington; Gus Collins and Jeremy Willmoth, City of Winfield

Other Attendees

Representatives from KMEA and KMGMA Member Cities; Sarah Steele, Gilmore & Bell; KMEA staff members, Gerry Bieker, Paul Mahlberg, Sam Mills, Dixie Riedel, Joni Shadonix, Gerry Stephenson

Item No. 1 – Call to Order

President Frazer called the KMGMA Board of Directors meeting to order at 10:30 a.m. at the DoubleTree by Hilton Hotel, Wichita, Kansas. A quorum was present.

Item No. 2 – Approve the Minutes of the May 3, 2017 Board of Directors meeting

Merl Page made a motion to approve the minutes of the May 3, 2017 Board of Directors meeting; seconded by Rod Willis. Motion carried.

Item No. 3 – Move to adopt Resolution No. 60, consenting to the withdrawal of the City of Attica as a full member; and authorizing other actions related thereto

Randy Frazer informed the Board that the City of Attica sold its natural gas system and asked for a motion to adopt Resolution No. 60.

Laura Hill made a motion to adopt Resolution No. 60, consenting to the withdrawal of the City of Attica as a full member; and authorizing other actions related thereto; seconded by Gus Collins. Motion carried.

Item No. 4 – Reports and Discussions

(a) General Manager’s Report

Paul Mahlberg provided an update on the recent activities of the Agency:

- **New Members/Load** – New Members/Load include: City of Louisburg, City of Altamont, and the City of Coffeyville (new power plant);
- **Pooling of Services** – Pooling of Services will be discussed at one of the breakout sessions this afternoon;
- **Policy & Procedure Manual** – All approved policies and procedures have been bundled together into one document;
- **Pipeline Capacity Review** – Staff reviewed the pipeline capacity each city holds and is in the process of making changes based on each city’s maximum usage.

(b) Gas Director’s Report

Dixie Riedel presented the Natural Gas Report which included:

- Purchase Volume YTD;
- Purchase Volume 2017 vs 2016;
- Pricing;
- Volume with Average Price;
- Daily Index Pricing (Southern Star and Enable);
- Daily Index Pricing (2017 vs 2016);
- KMGGA Update;
- Henry Hub Gas Spot Price (Early 2000’s to 2017);
- NYMEX Futures Contract/Southern Star & Enable Projected Index (November 2017 – December 2019).

Item No. 5 – Review the 2018 Annual Budget

(a) Take action to adopt the 2018 Annual Budget

Paul Mahlberg presented the 2018 Annual Budget, highlighting the variances to the 2017 Annual Budget. He noted that there will be no change to the Management Fee tiers for LDC’s or Power Plants and the Net Equity Surcharge is projected to be discontinued in January 2018.

Nathan Law made a motion to adopt the 2018 Annual Budget; seconded by Jeremy Willmoth. Motion carried.

Item No. 6 – New Business and Announcements

President Frazer recognized the staff and Executive Committee members for their time and dedication to the Agency. He also recognized and thanked John Sweet, who is retiring early next year. John has served on the KMGGA Board of Directors and Executive Committee since 2008.

**Item No. 7 – Announce date, time, and location for the next meeting of the KMG
Board of Directors**

The next Board of Directors meeting will be held in May, 2018 at the Hyatt Regency
Wichita, in conjunction with KMU's Annual Conference.

Item No. 8 – Adjourn Meeting

The meeting adjourned at 10:48 a.m.

A handwritten signature in cursive script, appearing to read "Laura Hill", written over a horizontal line.

Laura Hill
Secretary/Treasurer