

Kansas Municipal Gas Agency
Board of Directors Meeting Minutes
November 3, 2016

Board Members Present

Larry Berry and Steve Wilkinson, City of Anthony; Alan Brundage, City of Argonia; Michael Swonger, City of Attica; Rob Culley, City of Baldwin City; Wes Colson, City of Burlingame; Jon Roberts, City of Burrton; Gene Ratzlaff, City of Coffeyville; Gonzalo Garcia and John Krievins, City of Gardner; Bob Mills, City of Garnett; Ethan Reimer, City of Halstead; Gary Emry, City of Hesston; Jonathan Mitchell, City of Hoisington; Ernest Tousley, City of Howard; Cole Herder, City of Humboldt; Devona Herrin, City of LaCygne; Ralph Streit, City of Larned; John Sweet, City of Lyons; Randy Frazer, City of Moundridge; Joseph Lamond and Rod Willis, City of Osage City; Dennis Tharp and Jeff Oleson, City of Ottawa; Rakel Halling, City of Spearville; John Wagerle and Taggart Wall, City of Sterling; Merl Page, City of Wamego; Roger Estes and Ryan Hain, City of Wellington; Gus Collins, City of Winfield

Other Attendees

KMEA staff members Sam Mills, Dixie Riedel, Joni Shadonix, Gerry Stephenson

Item No. 1 – Call to Order

President Frazer called the KMGGA Board of Directors meeting to order at 10:30 a.m. at the DoubleTree by Hilton Hotel in Wichita, Kansas. A quorum was present. President Frazer announced that Paul Mahlberg was unable to attend today's meeting due to a death in the family.

Item No. 2 – Approve the Minutes of the May 4, 2016 Board of Directors meeting

Rod Willis made a motion to approve the minutes of the May 4, 2016 Board of Directors meeting; seconded by Jonathan Mitchell. Motion carried.

Item No. 3 – Move to adopt Resolution No. 58 and to Execute Sixteenth Amendment to the Interlocal Cooperation Agreement

Randy Frazer asked for a motion to adopt Resolution No. 58, accepting the City of Russell as an additional member city and accepting the withdrawal of the City of Mulvane as a member city.

Merl Page made a motion to adopt Resolution No. 58; seconded by Larry Berry. Motion carried.

Item No. 4 – Reports and Discussions

(a) General Manager's Report

Sam Mills provided an update on the recent activities of the Agency:

- The KMGGA Executive Committee approved a revised Surcharge Fee Policy. The new policy provides that the surcharge, when implemented, is a

volume charge as compared to the old method of a percent adder to the cities bills;

- The KMGGA Executive Committee modified the Pipeline Capacity Policy that lays out the process and procedures for sharing of the firm capacity rights between the cities that hold capacity and those that don't hold firm capacity;
- KMGGA welcomed the City of Burrton, the Russell Power Plant, and the Wellington Power Plant/Fire Department as new customers;
- KMEA and KMGGA continually work to improve coordination between the two agencies. We continually support and add additional power plants to our agencies and there is synergies and cross support with the new 24/7 operations. Later today, there will be two breakout sessions specifically related to natural gas, as well as the presentation of two new awards specifically for KMGGA member cities.

(b) Gas Director's Report

Dixie Riedel presented the Natural Gas Report which included:

- Natural Gas Pricing;
- Southern Star & Enable Daily Index Pricing (January through October 22, 2016);
- Southern Star & Enable Daily Index Pricing (2015 vs. 2016);
- LDC Annual Usage Volume (2014-2016);
- Power Plant Annual Usage Volume (2014-2016);
- Total Annual Usage Volume (2014-2016);
- EIA Gas Storage;
- NOAA Forecasted Temperature and Precipitation Maps;
- Natural Gas Outlook;
- Natural Gas – Projected Pricing (November 2016 thru December 2017);
- Recap of 2016.

Item No. 5 – Review the 2017 Annual Budget

(a) Take action to adopt the 2017 Annual Budget

Sam Mills presented the 2017 Annual Budget, highlighting the variances to the 2016 Annual Budget.

Gus Collins made a motion to adopt the 2017 Annual Budget; seconded by Wes Colson. Motion carried.

Item No. 6 – New Business and Announcements

There was no new business.

Randy Frazer thanked the KMEA staff and recognized the KMGGA Executive Committee members for their hard work and dedication to the Agency this past year. He also encouraged everyone to attend the afternoon breakout sessions.

**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, 2017 at the Hyatt Regency
Wichita, in conjunction with KMU's Annual Conference.

Item No. 8 – Adjourn Meeting

The meeting adjourned at 10:54 a.m.



Laura Hill
Secretary/Treasurer