



Kansas Municipal Gas Agency
Executive Committee Meeting Minutes
April 14, 2022

Committee Members	City	Present/ Absent	KMEA Staff	Other Attendees
Mike Shook	Coffeyville	Present	Laurie Brock *	Sarah Steele, Gilmore & Bell *
Ethan Reimer	Halstead	Present	Kay Forsen	Steve Mauer, Mauer Law Firm *
Nathan Law *	Louisburg	Present	Paul Mahlberg	Brad Mears, KMU *
Chad Buckley	Lyons	Absent	Dixie Riedel	
Rod Willis	Osage City	Present	Joni Shadonix	
Stephanie Ashby	Walton	Absent	John Weber *	
Gus Collins	Winfield	Present		

Item No. 1 – Call the Meeting to Order

President Gus Collins called the meeting to order at 10:43 a.m. at the KMU Training Center in McPherson, KS. A quorum was present.

President Collins announced the need to move the executive session to the beginning of the meeting to accommodate Mr. Mauer’s schedule.

Item No. 8 – Executive Session to discuss matters covered by attorney-client privilege

Mike Shook made a motion for Executive Committee members, staff, and legal counsel to go into executive session for 15 minutes beginning at 10:45 a.m. to discuss matters covered by the attorney-client privilege, with the open meeting to resume at 11:00 a.m. The motion was seconded by Ethan Reimer and carried unanimously. The executive session ended at 11:00 a.m. No action was taken.

Item No. 2 – Seek Approval of the following items:

- **March 23, 2022 Executive Committee Meeting Minutes**
 Rod Willis made a motion to approve the March 23, 2022 Executive Committee meeting minutes. The motion was seconded by Ethan Reimer and carried unanimously.
- **Financials for the month of February 2022**
 John Weber presented the financials for the month of February 2022. He also reviewed the net equity chart, delivered vs. budget volume chart, and legal fund balance.

Nathan Law made a motion to approve the February 2022 financials. The motion was seconded by Ethan Reimer and carried unanimously.

Brad Mears joined the meeting at 11:07 a.m.

Item No. 3 – Presentation of 2023 Preliminary KMGGA Budget

Paul Mahlberg reviewed the 2023 preliminary budget and explained that the purpose of the preliminary budget is to provide information for cities so they can prepare their 2023 budgets. Paul informed the Committee that the preliminary budget is approximately \$70,000 short of a balanced budget and asked for direction on how to proceed. After discussion, there was a consensus of the Committee to pull the shortfall from reserves in 2023 and communicate to the full Board at the April 27th meeting that there will be an increase coming down the road.

Item No. 4 – General Manager Report

Paul Mahlberg provided the General Manager report, which included:

- **Staffing Update** – Terri Pemberton, accepted the position of General Counsel. She starts on April 18th. Paul thanked Sarah Steele for her many years of service to KMEA/KMGGA.
- **Infrastructure Bill** – We hired a consultant to help members with funding opportunities for infrastructure improvements to their natural gas systems. Dixie added that all members should have received a letter from PHMSA who will oversee the distribution of funds on the gas side.

Item No. 5 – Gas Director Report

Dixie Riedel provided the Gas Director report, which included:

- Purchased Volume (Jan 2020-Mar 2022)
- SSC, EGT & PEPL Daily Index Pricing (Mar 1st-April 7th)
- SSC, EGT & PEPL Daily Index Pricing (Current vs Prior Year)
- NYMEX Futures Contracts (May 2022-Dec 2023)
- What's Impacting Prices Recap
- Regional Meetings – KMGGA will be hosting four regional meetings across Kansas over the next several months.

Item No. 6 – Old Business

- **Risk Management Consulting Service** – Paul reported that he has not yet responded to The Energy Authority (TEA) regarding their revised proposal. In lieu of proceeding with TEA, Paul recommended that KMGGA hire Rick Pemberton, a consultant with local natural gas experience, to provide an independent review of KMGGA's Gas Supply Purchasing Strategy Policy. Paul provided background information on Mr. Pemberton and indicated that his hourly rate is reasonable. There was a consensus of the Committee to authorize Paul to hire Mr. Pemberton to review KMGGA's Gas Supply Purchasing Strategy Policy, with an effort to limit the review to 16 hours.

Item No. 7 – New Business

- **Review Natural Gas Supply Purchasing Strategy Policy** – Dixie reviewed several "talking points" for KMGGA's Gas Supply Purchasing Strategy Policy. She also provided information on a weather hedging product.

Item No. 8 – Executive Session to discuss matters covered by attorney-client privilege

Item No. 8 was moved to the beginning of the meeting.

Item No. 9– Discuss and set date, time, and location for the next Executive Committee Meeting

The next KMGGA Executive Committee meeting will be held at 10:30 a.m., Wednesday, May 18, 2022, at the KMU Training Center, McPherson, KS.

Paul encouraged Committee members to attend the June 8-9, 2022 Joint meetings in Overland Park, which will include golf and a KC Royals game.

Item No. 10 – Adjourn Meeting

The meeting was adjourned at 12:08 p.m.



Mike Shook
Secretary/Treasurer