



Kansas Municipal Gas Agency
Executive Committee Meeting Minutes
June 12, 2023

Committee Members	City	Present/ Absent	KMGA Staff/Guests
Tony Lawson	Coffeyville	Present	Paul Mahlberg
Ethan Reimer	Halstead	Present	Dixie Riedel
Nathan Law	Louisburg	Absent	John Weber
Gus Collins	Winfield	Present	Terry Pemberton
Rod Willis	Osage City	Present	Lisa Ferguson
Stephanie Ashby	Walton	Present	Mike Meyer
Gary Emry	Hesston	Present	Tyson McGreer
			Mike Shook

Item No. 1 – Call the Meeting to Order

President Gus Collins called the meeting to order at 10:01 a.m., which was held virtually. A quorum was present.

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

- **May 24, 2023 Executive Committee Meeting Minutes**
Rod Willis made a motion to approve the May 24, 2023 Executive Committee Meeting minutes. The motion was seconded by Ethan Reimer and carried unanimously.
- **Financials for the month of April 2023**
John Weber presented the April 2023 financials. He also reviewed the net equity chart, deliveries vs. budget volume chart, and legal fund balance. Gary Emry made a motion to approve the April 2023 financials. The motion was seconded by Stephanie Ashby and carried unanimously.

Item No. 3 – General Manager Report

Terri Pemberton provided legislative updates on the following:

- The City of Mulberry case has been stagnant, in response the court issued a notice to dismiss the case. The city filed a request to stay the dismissal but offered no valid reason. Unless the court decides otherwise, the case will be dismissed on June 19.
- There has been a motion by the Federal court to dismiss the AG vs. Macquarrie case. In response the AG filed a request for an extension of time to file a response to Macquarrie, and Macquarrie objected. The court is allowing the AG sixty days to file a response.
- The KGS rate case docket continues to be monitored, currently no new updates.

Paul Mahlberg provided updates on the following topics:

- Since the meeting with the OMAG group from Oklahoma, there've been no new developments.
- The Annual Gathering preparations are underway, and a date is being finalized in mid-September. More information to come.
- Kay Forsen's termination has been finalized, and a settlement agreement has been reached.

Item No. 4 – Gas Director Report

Dixie Riedel provided the Gas Director Report, which included:

- Purchased Volume (Jan 2021 – May 2023)
- Fixed Price Deals (Trade Dates thru June 1, 2023)
- Gas Rig Decline (Nov 2021 – May 2023)
- NOAA Short-term Outlook (June 19 – 25, 2023)
- Daily Index Pricing (May 1, 2023 – June 12, 2023)
- Projected Pricing (July 2023 – Mar 2026)
- Industry News – Dixie provided updates on industry trends on production, consumption, and exports

Item No. 5 – Net Equity Fund Policy/Legal Fund Assessment Discussion

- **Net Equity Fund Policy**
Paul Mahlberg reviewed the current Net Equity Fund that the Executive Committee previously approved, as well as the details surrounding the surcharge fee policy and how those fees impact KMGa. President Gus Collins asked the committee members for their feedback and a discussion ensued.
- **Legal Fund Assessment Discussion**
Paul Mahlberg said that the Legal Fund Assessment was initiated in June 2021 in response to Winter Storm Uri. A total of \$350,000 was collected from member cities, based on monies already owed and estimated monies to be owed, and put in reserve for possible future legal fees. The current balance of the fund is approximately \$50,000. Paul mentioned that at some point a decision may need to be made regarding what to do with the remaining balance, but no decision is needed at this time. Discussion ensued and the topic will be taken into consideration for future discussion.

Item No. 6 – Gas Supply Alternative Discussion

Paul Mahlberg gave a Power Point presentation that provided a categorized update on the various opinions that KMGa had received from member cities regarding a possible transition of the day-to-day services from KMGa to Wood River or Tenaska.

Paul also reviewed the budget considerations of balancing the 2023 budget for KMGa with the possible impact of transitioning services to Wood River or Tenaska.

Discussion ensued and the consensus was another meeting would take place in two weeks to resume the discussion and hopefully reach a decision at that time.

Item No. 7 – Old Business

None.

Item No. 8 – New Business

None.

Item No. 9 – Executive Session

There was no Executive Session needed.

Item No. 10 – Discuss and set date, time, and location for the next Executive Committee Meeting

The next KMGa Executive Committee meeting will be held virtually at 3:00 p.m., Tuesday, June 27th, 2023.

Item No. 11 – Adjourn Meeting

The meeting was adjourned at 11:45 a.m.



Ethan Reimer