

Rural Water District No. 7, Johnson County, Kansas

Regular Board Meeting Minutes
January 9, 2018

Directors present: Dennis Carlson, Bill Gay, Larry Donham, Chuck Finley, Ken McCarty, Claude Steed, Michael Ward, and Chet Belcher. Others present: Allan Soetaert, Donna Chrisjohn, Jamie Warren, Jim Challis, Chester Bender, Beth Warren, and Frank Denning.

Chairman, Dennis Carlson, noting a quorum called the meeting to order at 5:30 PM.

The Chairman requested that the Board of Directors consider the consent agenda items. Director McCarty moved to approve the consent items on the agenda. Director Donham seconded the motion. Motion passed unanimously.

Director Calvin Hayden entered the meeting at 5:35 PM.

Agenda item #3 was a review of a Preliminary Engineering Report for the Rural Development project. A map of the Proposed Annexation area south of LPKC was distributed. The District Engineer, Jim Challis, reviewed each potential project area that was proposed and some insight as to what was entailed. He also suggested that they could possibly be prepared to begin open meetings with property owners on some projects as early as February. After discussion by the BOD, Director Gay moved to accept the report for submittal to Rural Development for consideration. Director Steed seconded the motion. Motion passed unanimously.

Agenda item #4 was the Financial Capacity Report by Ranson Financial. Beth Warren presented the report, which included projections of funding of capital improvements that have been recently proposed. Ms. Warren presented information for scenarios for future years within the report. including 2018, 2027, 2037, 2047 and 2057. The BOD discussed with Ms. Warren reserves and the proposed financings. Also discussed was the proposed surcharge for new customers. After some questions and discussion, Director Steed moved to approve the report and its findings. Director McCarty seconded the motion. Motion passed unanimously.

Agenda item #5 was the Consideration of funding CIP items and the EDC Memberships from the 2018 Budget. The first item on the list was enlisting service for the rehab of the 215th Street Water Tower. Director Belcher moved to authorize the District Manager to seek proposals from consulting firms for the reconditioning of the 215th Street Tank for BOD consideration. Director Donham seconded the motion. Motion passed unanimously. The second item was the Meter Change-Out Program. The District Manager noted that this would allow approximately 600 meters to be retrofitted to the updated AMR system. After discussion, Director McCarty moved to authorize the purchase of meters for the program at a cost not exceeding \$126,000. Director Donham seconded the motion. Motion passed unanimously. The next item was the authorization of funding that would allow the district's GIS program to continue. The District Manager noted the various aspects of the use of these funds. Director McCarty moved to authorize the Manager to fund the GIS/IT CIP budget item in 2018. Director Gay seconded the motion. Motion passed unanimously. The next item was the consideration of replacing one of the fleet vehicles. Director Belcher moved to approve the Manager to solicit bids for a replacement vehicle. Director Steed seconded the motion. Motion passed unanimously. The next item was the renewal of membership to SWJCEDC and ElevateEdgerton!. After

discussion, Director Gay moved to authorize the membership level for SWJCEDC to Bronze level and increase membership level to ElevateEdgerton! as presented in the agenda. Director Hayden seconded the motion. Motion passed unanimously. The last item was for a System Improvement replacing an existing 4" main, on Old Kansas City Road, south of Spring Hill, that has numerous water main breaks. The District Manager provided estimated replacement costs for a portion of the main, as well as a total replacement cost. After discussion, Director Finley moved to authorize the District Manager to retain a consultant for the design and assist in acquiring easement conveyances. Director Donham seconded the motion. Motion passed unanimously.

Agenda item #6 was the consideration of a proposal from Troutt, Beeman & Co to perform the annual audit of the District's financial statements for fiscal year 2017. After discussion of the proposal, Director Belcher moved to authorize the District Chairman to sign and execute the proposal for Troutt Beeman, as presented. Director Steed seconded the motion. Motion passed unanimously.


Agenda item #7 was the appointment of a delegate to the KRWA annual conference. The conference will be held March 27-29 in Wichita. The Annual Meeting of membership is Thursday, March 29th. After discussion of attendance to the conference, Chairman Carlson designated Director Finley as a delegate, and Director Gay as the alternate delegate, to the membership meeting.

The next item was reports. Reports from District's engineering consultant, Jim Challis, included an update on Sunrise at Timber Ridge. The District Manager presented reports and updates on the following: Advisory Board meeting with MI2 scheduled for January 23rd; update on the District's water loss; 2016 audit completion for CRWD6; and the KRWA Annual Meeting in Wichita March 27th through the 29th.

Director Donham moved that the Board of Directors recess into Executive Session for a period of 5 minutes to discuss non-elected personnel, pursuant to K.S.A. 75-4919(b)(1) and to include the District's Manager. Director Belcher seconded the motion. Motion passed unanimously. The time noted was 6:55 pm.

Upon reconvening the meeting at 7:00 PM, Chairman Carlson noted no additional business before the Board of Directors. Director Belcher moved to adjourn the meeting. Director Hayden seconded the motion. Motion passed unanimously.

Respectfully submitted,



Claude Steed, Secretary