

Rural Water District No. 7, Johnson County, Kansas

Regular Board Meeting Minutes

May 8, 2018

Directors present: Bill Gay, Larry Donham, Chuck Finley, Frank Denning, Chet Belcher, Claude Steed and Dennis Carlson. Others present: Allan Soetaert, Donna Chrisjohn, Jill Zink, Jamie Warren, Jim Challis, Chester Bender, Quentin Kurtz.

Directors Brian Andrew and Michael Ward were absent.

Chairman, Bill Gay, 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 Finley moved to approve the consent items on the agenda. Director Donham seconded the motion. Motion passed unanimously.

Agenda item #3 was the review of the Debt Capacity Report by Ranson Financial. Chairman Gay noted that the representative from Ranson was not able to attend the meeting as scheduled. After a brief discussion it was determined to postpone this agenda item until the June regularly scheduled meeting.

Agenda item #4 was the Annual Water Rate Review. Chairman Gay requested the District's Manager, Allan Soetaert, to report on the agenda item to the BOD. Mr. Soetaert reviewed wholesale costs from the District sources, as well as other general expenses that have increased. Discussion ensued by the BOD regarding the pending investments needed to increase the District's wholesale supply amounts. Director Finley moved that the District enact a 4% rate increase effective with July 1, 2018 billing to customers. Director Belcher seconded the motion. Discussion ensued.

Director Brian Andrew entered the meeting at 5:48 PM.

Discussion continued regarding the motion and its impact. The Board also discussed fire line monthly fees and fire line charges. Upon a call for the vote, Chairman Gay repeated the motion. Motion passed unanimously.

Agenda item #5 was the consideration of a Water Main Relocation report prepared by the District's Engineering Consultant, Jim Challis of Ponzer Youngquist, for the JCPW Road Improvement Project. Mr. Soetaert noted that JCPW is planning road work to 199th Street, between Homestead Road and Gardner Road that will impact portions of the District's 6" and 12" water mains throughout the project area. He reported that the estimated relocation work for "like kind" pipeline is proposed to be the cost responsibility of JCPW. Mr. Challis provided an estimate to "upsized" portions of the existing 6" main to 12" in diameter that are located between Homestead Road and the 199th Street overpass of I-35 HWY. Mr. Soetaert and Mr. Challis previewed the advantages in upsizing the main. Mr. Soetaert noted that the estimated cost of upsizing was \$127,500. After discussion, Director Donham moved to accept the report and to upsize the water main to 12" in diameter. Further, that the Chairman and Secretary enter into a Utility Relocation Agreement with the JC BOCC pursuant to the agreement being approved by JO7 Counsel and manager. Director Steed seconded the motion. Motion passed unanimously.

Director Carlson motioned to authorize the District Manager to retain an engineering consultant for the design of the WMR project, secure the necessary right-of-way, and advertise the project for bidding. Director Andrew seconded the motion. Motion passed unanimously.

Agenda item #6 was consideration for Water Service for Phase 3, IP40 (Project Blast) on 186th Street, west of Waverly Road. Mr. Soetaert and Mr. Challis reviewed the engineering report with the BOD. After discussion, Director Donham moved to approve the application by ColdPoint Logistics. Director Belcher seconded the motion. Motion passed unanimously.

Agenda item #7 was consideration for Application of Water Service for Concrete Strategies Inc. (CSI) who has petitioned for a 2" service on Waverly Road. Mr. Soetaert and Mr. Challis reviewed the application and engineering report provided. Quentin Kurtz provided a perspective in regards to making service available to petitioners for water service that do not own property in the District. After discussion, Director Finley moved to approve the application for service pursuant to provisions outlined by Staff and Counsel. Director Steed seconded the motion. Motion passed unanimously.

Agenda item #8 was consideration of a request to transfer location of BU #0331 by Don Hann. The assigned location of BU 0331 is currently located on a parcel in the SW corner of 207th Street and Cedar Niles Road. Mr. Soetaert noted that Mr. Hann is requesting the assigned location of the benefit unit to a lot located in the Feather Ridge Subdivision, Spring Hill, KS, also located within the district. He also reviewed recommended conditions, by the BOD to Mr. Hann, pursuant to approving the transfer. After discussion, Director Andrew moved to approve the transfer of location for BU #0331 in accordance with Article 6, Section 4, of the District's By-Laws; pursuant to provisions set forth from JO7 legal counsel. Director Steed seconded the motion. Motion passed unanimously.

The next item was reports. The District Manager presented reports and updates on the following: Rural Development Project; SRF Project; the City of Olathe; the City of De Soto; the City of Gardner; Old KC Road Project; 231st East of Moonlight WME; 181st WME; Project Mustang; WME 236th & Hedge Lane. Mr. Soetaert also stated that he had been notified that the owner(s) of a tract of land near 131st Street & Lakeshore Drive (Turner/Dow property) have reached an agreement with the City of Olathe to provide water and sewer service to the property.

At 6:40 Director Gay noted no additional business before the Board of Directors. Director Belcher moved to adjourn the meeting. Director Andrew seconded the motion. Motion passed unanimously.

Respectfully submitted,

Claude Steed, Secretary