

Rural Water District No. 7, Johnson County, Kansas

Regular Board Meeting Minutes  
July 10, 2018

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Directors present: Bill Gay, Larry Donham, Chuck Finley, Frank Denning, Claude Steed, Dennis Carlson, Chet Belcher, and Brian Andrew. Others present: Allan Soetaert, Donna Chrisjohn, Jamie Warren, Chester Bender, and Beth Warren.

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 Belcher moved to approve the consent items on the agenda. Director Donham seconded the motion. Motion passed unanimously.

Agenda item #3 was the request for service at 14645 Kill Creek Road. The District Manager, Allan Soetaert, noted that the property owner (Gaumnitz) was petitioning the BOD for the allowance of installing his metering point on an adjoining tract. Mr. Soetaert noted that the Gaumnitz tract was land-locked, with no county road frontage. It was noted that there was an established 80' Ingress/Egress Utility Easement, on an adjoining tract that was previously conveyed by a property owner in anticipation of building a home on the land-locked property. Mr. Soetaert noted that JO7 had a conveyed easement that also transverses this 80' tract of land. He further noted that typically the service for any property is established on the tract itself; however, some exceptions were allowed by the BOD where the property is land-locked. After discussion of District policy and exceptions, Director Steed moved to allow the request for service provided all documentation and deposits are made by the petitioner. Director Donham seconded the motion. Motion passed unanimously.

Director Ward entered the meeting at 5:40 PM.

Agenda item #4 was the Debt Capacity Report by Ranson Financial. Several options were presented and discussed at length on determining the financial impact to the JO7 customer base with the debt the BOD is considering. Also reviewed were debt service coverage ratios, remaining debt capacity, annual investments into depreciation, and the benefit unit fee structure. Discussion centered on the proposed \$25 monthly surcharge that was intended to be assessed to new customers benefitting from the Rural Development loan expansion project. After discussion, Director Carlson moved that the current Benefit Unit fees collected from the proposed new customers is not used to offset the debt of the Rural Development loan going forward. Director Belcher seconded the motion. Motion passed unanimously.

Agenda item #5 was reports. Chester Bender (representing Ponzer Youngquist) provided some construction report updates. The District Manager presented reports and updates on the following: the Rural Development Project and the Cultural Resource Survey being completed for the project; WMR on Old KC Road; the approved loan agreement for the KPWSLF being submitted; City of Gardner's emergency interconnects; City of Olathe contract; System demands due to weather; and a potential service study with the City of Gardner and WaterOne.


Director Belcher requested an update on the easement acquisitions for the RD project. Mr. Soetaert informed the BOD that he was still waiting on the documents from the consulting team

of Ponzer-Youngquist. Chester Bender noted that Jim Challis was on vacation and was the one working that task. He further noted that there had been some issue with getting information from the title company on property information.

Chairman Gay noted no other business to come before the BOD. Director Andrew moved to adjourn the meeting. Director Steed seconded the motion. Motion passed unanimously.

The adjournment time was noted as 7:00 PM.

Respectfully submitted,



Claude Steed, Secretary