

Rural Water District No. 7, Johnson County, Kansas

Regular Board Meeting Minutes September 11th, 2018

Directors present: Bill Gay, Chuck Finley, Mike Ward, Dennis Carlson, Larry Donham, Frank Denning, Brian Andrew and Claude Steed. Others present: Allan Soetaert, Jill Zink, Jamie Warren, Jim Challis, Chester Bender, Quentin Kurtz, Jerry Dean, Dana Dean, Prescott Dean, Connor O'Boyle and Scott Widman.

Chairman Bill Gay called the meeting to order at 5:30 PM.

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

Director Ward requested a discussion by the Board later in the meeting to review staffing. Chairman Gay noted that he would insert the discussion point during the "Report" section of the agenda.

Chairman Gay noted Agenda item #3 was the Petition from Dana Dean for an exception to the District Policy to extend an 8" water main to serve two recently divided tracts on Waverly Road, north of 111th Street in Johnson County. Allan Soetaert, the District's Manager, presented and summarized to the Board the engineering report regarding the extension of service to the tract, noting that the report recommended the extension of the District's facilities to the tracts at a Probable Project Cost of \$100,580.75. Mr. Jerry Dean was asked to address the BOD; however, Mr. Dean noted that his petition to the Board, included in the agenda packet, was sufficient. The Dean's petition was further reviewed by the BOD. It was noted by Mr. Soetaert that this proposed water main extension was a portion of a much larger project by the District, funded by a recently approved loan through KDHE's SRF Loan Program; however, he also noted that it could take approximately 2 years before the project was complete. The Dean's responded that they had just signed a contract for the construction of a home on one of the tracts. After further discussion, Director Finley moved to deny request for an exception by the Dean's. Director Andrew seconded the motion. Discussion ensued with Jerry Dean requesting that the Board consider the extension of a 1 ½ inch temporary line that could be abandoned when the District installed the planned 8" water main in the future. After subsequent discussion by the Board, a call for the motion was made. Director Denning noted that he would be abstaining from the vote on this item. The Chairman called for the vote, which passed unanimously denying the petitioner's request.

Agenda item #4 was the Petition from Scott Widman for an exception from District Policy on line size, and the extent to which the water main is installed on his property at 8860 Rowen Road, Desoto, KS. District Manager, Allan Soetaert, briefly reviewed the request by Mr. Widman and provided an overview of the District's engineering report for the proposed project. Mr. Widman's petition requested that the Board allow a smaller main, versus the District policy of a 6" main in this location. Mr. Widman addressed the BOD. Director Finley then moved that the District allow the extension of a 4" main to the properties south line. Director Steed seconded the motion. Board discussion ensued. District engineer, Jim Challis, noted that there will be no fire protection unless a 6" line was installed. Director Denning provided comments as to why he would vote against the motion. Upon a call for the vote by the Chairman, the motion failed by a vote of 3 – 4, with the Chairman not casting a vote. After further discussion by the Board, Director Carlson then moved

that the District require a 6" main, conforming to District policy, be installed onto the Widman property. Director Andrew seconded the motion. Motion passed unanimously.

Agenda item #5 was Rural Development Project update. District Manager, Allan Soetaert informed the Board that the first community meeting presented to the public went very well. Feedback from property owners were positive. Mr. Soetaert stated that retaining easements would be a priority so the project would continue to move along. He also reported that a bond attorney was retained to review the "Guaranteed" loan proposals submitted and that information will most likely be shared with the Board of Directors at the October meeting. PY shared that the project was approximately 80% designed.

Agenda item #6 was consideration of a resignation from the Board of Director's by Director Chet Belcher. Chairman Gay recognized Chet's service to the District. Director Andrews moved to accept the resignation of Director Belcher. Director Steed seconded the motion. Motion passed unanimously. A committee was formed including Directors, Steed, Carlson and Andrews to assist Chairman Gay in finding a replacement to complete the vacant term created by Mr. Belcher.

Pursuant to the request by Director Ward; Chairman Gay requested a motion for an executive session to discuss issues related to non-elected personnel. Director Denning moved that the Board recess into Executive Session for a period of 20 minutes for consultation with its attorney, deemed privileged in the Attorney-client relationship, to include the Water District's appointed Attorney, pursuant to K.S.A. 75-4319 (b) (2); further that the Manager be included in that session. Director Steed seconded the motion. Motion passed unanimously. The time noted was 7:31 PM.

Upon reconvening the meeting at 7:51 PM, Director Denning noted for the record that no action, or voting, was taken during the executive session.

Agenda item #7 was reports and construction updates. Chester Bender (representing Ponzer Youngquist) provided some construction report updates within the District including: the 207th Street water main relocation and extension from Gardner Road to Homestead Road; the engineering report for LPKC that lies to the south side of I-35 Highway; and a KDOT project located at Highway 56 & Sunflower Road.

Regarding the KDOT project: Mr. Soetaert noted that this improvement had been modified some since the last review by the BOD; further, that the modifications would require the District to relocate more of its existing water main in the area of the road reconstruction. Mr. Soetaert noted that he and the District's engineering firm were recommending that the BOD consider upsizing the water main to 12", at an approximate cost of \$26,000. Mr. Soetaert noted that there existed funds within the 2018 Budget for this expenditure. Further discussion ensued with Director Donham moving that the District upgrade the existing main to 12" line. Director Andrews seconded this motion. Motion passed unanimously.

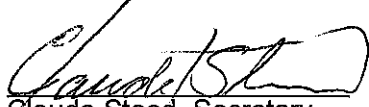
The District Manager presented reports and updates on the following subjects: the water main extension into the Sunrise at Timber Ridge subdivision; the progress of easement acquisition on the WMR project on Old KC Road, south of 231st Terrace; Miami 2 upgrades to their water treatment plant; the Wholesale Purchase Agreement with the City of Olathe; NorthPoint's final plat review and addition of 2 new buildings IP XXIII and IP XXIV; the joint study between WaterOne, Gardner & JO7; the joint study between NCAC and JO7; the RFQ's that were sent out to consulting firms for the KPWSLF Project; and a request to purchase a District vehicle by a contractor. No action was taken by the BOD.

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Director Finley then provided a report on recent WRAPS meetings, specifically related to Hillsdale Reservoir.

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Claude Steed", written over a horizontal line.

Claude Steed, Secretary