

Rural Water District No. 7, Johnson County, Kansas

Regular Board Meeting Minutes  
November 12, 2019

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Directors present: Bill Gay, Frank Denning, Brian Andrew, Larry Donham, Charlie Brovont, Ken Nellor, Bill Locke, and Shaun Henderson. Others present; Allan Soetaert, Donna Chrisjohn, Chester Bender, and Mike Billings. Director(s) absent: Mike Ward.

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

Chairman Gay requested that the Board of Directors consider the Consent Agenda items. Director Andrew moved to approve the consent items noted on Agenda item #1. Director Donham seconded the motion. Motion passed unanimously.

Agenda item #2 was the presentation from Mike Billings from USDA offering the "Letter of Conditions" and "Letter of Intent" for Rural Development Project. Mr. Billings reviewed and explained the process of receiving the authorization of funds from RD. He also summarized the requirements outlined within the RD documents, which Mr. Billings presented to each of the Board members. After lengthy discussion and clarification on specific points, Director Andrew moved to authorize the Chairman to sign the Letter of Conditions for Rural Development to move forward once all items requested by RD have been met and further, pending legal counsel review and approval. Director Donham seconded the motion. Motion passed unanimously. The Chairman signed the agreement and the copies were provided to Mr. Billings before leaving the board meeting. The District's manager mentioned to Mr. Billings that he would correspond with him the opinion from the District's legal counsel in approving the agreement.

Agenda item #3 was the KPWSLF loan agreement #2988 that KDHE has submitted for consideration by the JO7 BOD. Mr. Soetaert reviewed the specific project improvements with the BOD, noting that this loan would serve as the "interim construction loan" for the Rural Development loan, previously discussed at this meeting. This is pursuant to the acceptance by Rural Development of the project and its commitment to provide the final loan proceeds. Director Brovont moved to approve the KPWSLF loan agreement pursuant to the authorization from Rural Development to proceed and JO7 legal counsel review and approval. Director Nellor seconded the motion. Motion passed unanimously.

Agenda item #4 was the Water Main Relocation report prepared by Midwest Engineering for the JCPW road improvement project and the KDOT bridge improvement project located on 199<sup>th</sup> Street. Mr. Soetaert noted JO7 has Utility Relocation Agreements with both entities for each specific project. He also noted that the two projects were bid at the same time to take advantage of contractor mobilization and perhaps some lower unit prices, which he feels was accomplished. Mr. Soetaert reviewed how the work from these two projects will be impacting portions of JO7's water mains in the area. Mr. Soetaert reviewed the Bid Summary tabulations for the BOD. It was noted that both projects allow JO7 to upgrade existing water mains to primarily 12-inch mains. Mr. Soetaert noted that the estimated cost of upsizing, both projects, should be in the range of approximately \$190,000.00. After discussion, Director Donham moved to accept the Engineer's recommendation that the low bidder, Ron Weers Construction be awarded both projects, as well as upsizing the water mains as Management has outlined, pursuant to KDOT & JCPW approval; and that the Right-of-Way is acquired. Director Andrew seconded the motion. Motion passed unanimously.

Agenda item #5 was the Water Main Extension bid for Cedar Niles Road, South of 199<sup>th</sup> Street. Mr. Soetaert reported that bids were received for this project as requested by a petitioner. Two options were bid, one of which would serve a Petitioner requesting water service, the second bid would allow the water main to be further extended and "looped" to an existing dead-end water main on Cedar Niles Road, north of 207<sup>th</sup> Street. Mr. Soetaert explained that this would assist in increasing flows and pressures for a large number of existing customers north of 199<sup>th</sup> Street, as well as provide an alternate source in case of emergency. After discussion, Director Donham moved to accept the low bid for the project pursuant to the petitioner meeting JO7 requirements; further that the additional extension is approved to allow looping the water main if right-of-way is acquired. Director Nellor seconded the motion. Motion passes unanimously.

Agenda item #6 was a request from KDOT to forfeit Benefit Unit# 0250. Mr. Soetaert explained that KDOT has acquired a property with Benefit Unit #0250 assigned to the tract. He further noted that KDOT typically requests the forfeiture of the benefit unit as the dwelling on the property will be removed and the acreage used by KDOT for their road improvement project. The Manager noted that in accordance with the District's By-Laws, Article 6, Section 7, the Board of Directors are to take action on any forfeiture request presented. Mr. Soetaert noted that KDOT has been notified by certified mail of the proceedings and ramification of this process and corresponded back to the District with their intent to forfeit the Benefit Unit and pay any, and all outstanding fees. Director Andrew moved to approve the forfeiture of Benefit Unit #0250 in accordance with the District's By-Laws. Director Nellor seconded the motion. Motion passed unanimously.

Agenda item #7 was consideration of the 2020 Budget. Management noted that approving or accepting the 2020 Budget, is not an approval of the CIP Expenditures. Mr. Soetaert reviewed the proposed budget, as well as its expenditures. After discussion, Director Andrew moved to accept the 2020 budget as presented. Director Henderson seconded the motion. Motion passed unanimously.

Agenda item #8 was reports. Mr. Soetaert briefly reviewed his written Monthly Report Summary. Some questions ensued, with discussion. No action was taken by the BOD.

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

Respectfully submitted,



Brian Andrew, Secretary