

Rural Water District No. 7, Johnson County, Kansas

Regular Board Meeting Minutes

July 13, 2021

Director's present: Steve Hines, Ken McCarty, Chuck Finley, Charlie Brovont, Mary Nelson, Dennis Carlson, and Shaun Henderson. Others present; Allan Soetaert, Donna Chrisjohn, CJ Garrett and James Buttron. Others present via Zoom: Chester Bender, Colin Stalter, and Beth Warren. Directors present via Zoom: Gary Duggan. Director(s) absent: Bill Locke.

Chairman Steve Hines called the meeting to order at 5:30 PM.

Chairman Hines requested that the Board of Directors consider the Consent Agenda items. Director McCarty moved to approve the consent items noted on the agenda. Director Nelson seconded the motion. Motion passed unanimously.

Agenda item #2 was a petition from CJ Garrett, Heartland Development regarding the proposed water main extension located along 115<sup>th</sup> Street, west of Gardner Road. Allan Soetaert, (District Manager) and Chester Bender (Ponzer-Youngquist) provided a brief overview of the proposed development and the recommendations within his report to the BOD. Mr. Soetaert then introduced Mr. Garrett. Mr. Garrett addressed the BOD regarding his request that JO7 consider participation in the cost share of the water man extension that will serve the 6 lots. Discussion ensued. Director Finley moved, per district policy, to share up to 50% prepaid Benefit Unit proceeds to be applied to this project, at the District Managers discretion. Director Henderson seconded the motion. A voice vote was taken. Chairman Hines requested a roll call vote taken. Upon tabulation, it was noted that there were 2 yay votes to 5 nay votes. Chairman Hines noted that the motion failed.

Some further discussion ensued; however, no further action was taken by the BOD. Mr. Garrett and Mr. Buttron exited the meeting at 6:25 PM.

Agenda item #3 was the Consideration of a proposed Interlocal Agreement between W7 & the City of Olathe allowing temporary service to be provided to portions of the I-35 Logistics Park located at the Northwest corner of 159<sup>th</sup> Street & Old 56 Hwy. Mr. Soetaert gave a brief overview of the project and noted that the agreement has been reviewed by Todd Luckman (District Council). After some discussion, Director Duggan moved to approve the Interlocal Agreement pending no substantive changes; further, any additional modifications are reviewed and approved by the District's Attorney and Management prior to execution by the District Chairman and Secretary. Director Finley seconded the motion. Motion passed unanimously.

Agenda item #4 was the Annual review of Water Rates. Chairman Hines requested the District's Manager report on the agenda item to the BOD. Mr. Soetaert noted that the BOD typically reviews the water rates of the District every year once the water rate from its wholesale sources are set. Mr. Soetaert briefly reviewed the wholesale costs from the District sources, as well as other general expenses that have increased. He then introduced Ms. Beth Warren, from Ranson Financial, to provide a review of the District's forecasted financial position, as well as its debt capacity obligations. Ms. Warren noted that the District remains in a strong financial position primarily due to the capital activity within its service area, and the continued annual rate adjustments by the BOD. Discussion ensued by the BOD regarding the impact of future debt on the rates. After discussion, Director Duggan moved that the District enact a 2% rate increase to

all monthly minimums, water rates, phantom meter charges, fire hydrant rates, and fire line fees effective on the September 1<sup>st</sup>, 2021 billing. Director McCarty seconded the motion. Motion passed unanimously.

Agenda item #5 was the Engineering Reports and Updates. Chairman Hines requested Mr. Soetaert to briefly review the first report, which was an Engineering Report for a property located near 91<sup>st</sup> and Evening Star Terrace. Mr. Bender reviewed the engineering report that was provided in the agenda from his firm. Director Nelson moved to accept the report as presented by the District Engineer. Director McCarty seconded the motion. Motion passed unanimously.

Mr. Soetaert and Mr. Bender (PY) then provided an update and progress of RD Project. Mr. Bender noted that segments A, D, and E are near completion, expecting some Fall cleanup and reseeded to take place. Mr. Bender also provided an update to the progress of Project B & C and some issues with those projects. No action was taken by the Board of Directors.

Colin Stalter (GBA) provided an update on the 135<sup>th</sup> Street wholesale connection and the associated compatibility study. No action was taken by the BOD.

Mr. Soetaert gave a brief review of the status of other on-going projects.

Agenda item #7 was an Executive Session. Director Carlson moved that the Board of Directors recess into Executive Session for a period of 7 minutes to discuss non-elected personnel, pursuant to K.S.A. 75-4319 (b) (1). Director Nelson seconded the motion. Motion passed unanimously. Time noted was 7:23 PM.

Upon reconvening the meeting at 7:30 PM, Chairman Hines noted that no action was taken by the BOD during the executive session portion of the meeting. Director Brovant then moved that the Manager's salary be increased 4%, with an additional \$2,500.00 bonus to be paid effective immediately. Director Nelson seconded the motion. Motion passed unanimously.

Chairman Hines noted no further business to come before the BOD. Director Nelson moved to adjourn the meeting. Director McCarty seconded the motion. Motion passed unanimously. Time noted was 7:35 PM.

Respectfully submitted,

  
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W.M. Locke, Secretary