

Rural Water District No. 7, Johnson County, Kansas

Regular Board Meeting Minutes

January 18, 2022

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Director's present: Steve Hines, Ken McCarty, Charles Brovont, Mary Nelson, Shaun Henderson, and Gary Duggan. Others present: Allan Soetaert and Payton Outler. Others present via ZOOM: Dennis Carlson, Chester Bender, and Colin Stalter. Director(s) absent: W. M. (Bill) Locke and Charles Finley.

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

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

Agenda item #2 was an Executive Session. Director Brovont moved that the Board of Directors recess into Executive Session for a period of 15 minutes for consultation with an 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 Manger be included in that session. Director Nelson seconded the motion. Motion passed unanimously. Time noted was 5:33 PM.

Upon conclusion of the Executive Session at 5:48 PM, Chairman Hines announced that no actions were taken by the BOD during the Executive Session. Director McCarty then moved that the Board authorize the Manager and District Counsel to proceed with a lawsuit against Bill Moore should the use of his property, in violation of the rights of the District, continue. Director Duggan seconded the motion. The motion passed unanimously.

Agenda item #3 was the Consider Resolution #2022-01-01 regarding SRF Loan Agreement #3039. Chairman Hines reviewed that the loan consideration has been reviewed and discussed by the BOD several times. He also mentioned that Ranson Financial had previously reviewed the proposed debt obligations of the District to determine its ability to assume this debt, along with other Capital Improvement items within the District that are planned. Mr. Soetaert the provided a brief history of the events leading up to the District's application for this loan fund. Mr. Soetaert also discussed the improvements required by the District which will establish a new wholesale connection with Water One as well as other system improvements that are part of the CRWD6 water system acquisition. Mr. Soetaert also handed out the financial review that was performed for this lending application. There being no further discussion, Director Nelson moved that the BOD adopt Resolution #2022-01-01 (a copy attached to these minutes). Director McCarty seconded the motion. Motion passed unanimously.

Agenda item #4 was the Review of W7/NCAC Joint Water Service Study by the consulting firm GBA. Mr. Soetaert first provided a brief overview of the joint study between the two water supply entities for an area on the east side of NCAC. Colin Stalter (GBA) provided an extensive review of the report for the BOD. Mr. Stalter noted that the report covered all phases of likely improvements to the service area. Upon conclusion of the report, some brief discussion ensued by the BOD regarding growth outside the development area and future water sources. After discussion ended, Director Nelson moved to accept the final report by GBA as presented. Director McCarty seconded the motion. Motion passed unanimously.

Agenda item #5 was the consideration of the Audit Engagement Proposal from Troutt-Beeman &

Co. Mr. Soetaert provided an overview of the proposal. After some discussion, Director McCarty moved that the Chairman be authorized to sign and execute the proposal from Troutt-Beeman & Co. Director Brovont seconded the motion. Motion passed unanimously.

Agenda item #6 was the Engineering Reports/Updates.

Mr. Stalter provided reports on the Wholesale Connection project with WaterOne, as well as some updates on the improvements associated with the project. Mr. Stalter noted that a bid opening, and a pending approval of bids, is expected for the March BOD meeting.

Mr. Bender (PY) provided updates on the RD projects. Mr. Bender noted that project A, D & E still had additional clean up. Mr. Bender also noted that projects B and C had continuous issues and that it also needed additional clean up. Mr. Bender mentioned this mostly consisted of seeding.

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

Mr. Soetaert mentioned benefit unit prices had not been reviewed by the BOD in quite some time. After discussion, the BOD noted that the issue should be addressed in the forthcoming months.

Chairman Hines then provided an update to the Annual Meeting and the changes to the By-Laws that were instituted last year regarding ballots and their submittal to the District. Chairman Hines also noted that revised By-Laws noted that the BOD was to place three (3) nominations on an official ballot 60-days prior to the annual meeting. The Chairman noted that he had spoken with the three board members, whose term were expiring at the next annual meeting, concerning potential nominations. The nominations received were: Frank Denning, Brian Andrew, and Shawn Hughes. Chairman Hines requested other nominations. There being no other nominations, Director Nelson moved that the three nominations be placed on the official ballot. Director McCarty seconded the motion. Motion passed unanimously.

There being 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 7:21 PM.

Respectfully submitted,

  
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W.M. Locke, Secretary