

Rural Water District No. 7, Johnson County, Kansas

Regular Board Meeting Minutes

May 10, 2022

Director's present: Steve Hines, Ken McCarty, Chuck Finley, Dennis Carlson, Mary Nelson, Gary Duggan, Frank Denning, Shawn Hughes and Brian Andrew. Others present: Todd Luckman, Allan Soetaert, and Mindy Krouch. Others present via Zoom: Chester Bender, Beth Warren and Colin Stalter.

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.

District Manager, Allan Soetaert, presented Agenda item #2 which was the consideration of budget items. Mr. Soetaert discussed the District's need to upgrade the office alarm system noting that the current system is quite dated and could pose issues should any of the existing components fail as replacement parts are not available. The proposed new security and access control systems, through A-Tec Security, would cost approximately \$15,000 with a monthly monitoring fee. The second budget item discussed was office furniture. This includes a new workstation as well as new conference room tables and chairs. Mr. Soetaert noted that with additional staffing, additional workspace would be required. Additional information was reviewed with the BOD. Director Nelson moved to authorize Management to not exceed \$50,000 in upgrading the Office Security System and Office Furniture as outlined. Director McCarty seconded the motion. Motion passed unanimously.

Agenda item #3 was KDHE SRF Solicitation of Projects. Mr. Soetaert discussed a notice from KDHE requesting public water supply entities to submit projects for funding. KDHE provides low interest loans for construction of public water supply system infrastructure. W7 has used this funding in the past for several projects and has even been awarded several projects that allowed some amount of principal forgiveness. Mr. Soetaert discussed some projects that he believes would be options for W7 to submit SRF Loan Applications. Submitting an application does not make the District liable to accept the loan funds. Mr. Soetaert noted several projects worthy of consideration by the BOD. After discussion, Director Finley moved to authorize management to submit an SRF loan application for two potential projects. Director Andrew seconded the motion. Motion passed unanimously.

Todd Luckman presented Agenda item #5b, Counsel Updates. Mr. Luckman gave an update on the boundary overlap with WaterOne. He stated WaterOne has provided documentation that indicates the area in question is within their service area. He recommended that W7 work with WaterOne on officially noting the service provider. Mr. Luckman then discussed the ongoing easement dispute with a property owner and noted that upon all parties meeting to review the situation, it was agreed that the owner will move his fence. This has resolved the problem and no further action will be taken at this time. In other reports, Mr. Luckman noted that he will continue to review the proposed by-law changes and will present his updates to the BOD when complete. He then discussed his work on a wholesale supply contract with Douglas RWD #4. After discussion, no Board action was taken.

Agenda item #4b was the 95th Street Cost Share proposal presented by Chester Bender. Mr. Soetaert noted that he had requested Mr. Bender to review the conditions of an undersized water main that has been requested for multiple service connections recently. Mr. Bender outlined the condition where there is about one mile of a 1.5" water main along 95th Street east of Wavery Road that is incapable of providing domestic service due to the number of existing customers, and the high head loss, on the water main. Mr. Bender presented some options for consideration of full, or partial, replacement of this 1.5" main, as well as estimated construction costs. Further discussion ensued regarding some other factors for consideration in replacing the water main. After discussion, it was generally noted by the BOD that this area, along with other areas, will be reviewed during the System Analysis by GBA; further, any decision on replacing this water main would be postponed until the report was complete. No Board action was taken.

Agenda item #4a was Edgerton Crossing cost share proposal by GBA. Mr. Soetaert noted that the BOD had requested the GBA develop a proposed cost-share of the water main crossing HWY I-35 @ the Homestead Road Interchange. Colin Stalter gave some background on the proposed development noting that the area for potential improvements is generally located at 199th Street and Homestead Lane. Aside from the internal development needs, the engineering report recommends installing a 12" water main, crossing I-35, and connecting to an existing 12" main near 207th Street. Mr. Stalter noted that generally improvements of this nature would be the responsibility of the developer, according to W7 Policy; however, the BOD chose to review responsibilities of costs for these improvements due to the benefits created to the system and surrounding area. System benefits include an increase in transmission capacity that is beyond the minimum requirements to accommodate the development, while localized benefits include improvement to fire flows, improved operating pressure, new access to water mains and adding a 3rd crossing of I-35 that would allow a new route of water conveyance to the District's LPKC storage tank. These improvements would decrease water age and therefore chlorine decay at the storage tank. Mr. Stalter discussed a potential cost-share. After some discussion, the Board's consensus was to discuss at a future meeting once Management has had discussion with the Development team.

Agenda item #4c was CRWD6 Merger and Wholesale supply project update on 135th Street, by Mr. Stalter. It was reported that a pre-construction meeting had been held in March and that material submittal reviews and selecting paint colors were ongoing. It was also noted that due to material lead times, BRB was looking at a July start date but has been able to secure needed materials and may be able to begin in June instead. Also reviewed were potential elevated storage tank sites and the work associated with that.

Agenda item #4d was a project update by Chester Bender of PY. Areas B & C are substantially completed. Mr. Bender noted that there were some cleanup issues from last fall they are still trying to work through. There was an on-site meeting last Friday and once the ground is dry enough, the work should be accomplished.

Mr. Soetaert reviewed Agenda item #4e and the ongoing construction updates with various other projects. Mr. Soetaert reviewed a water main relocation project on Waverly Road that was approved by the BOD. Mr. Soetaert reviewed some of the requests by the property owner regarding the conveyance of an easement. The BOD consented that Mr. Soetaert proceed with meeting those requests by the property owner.

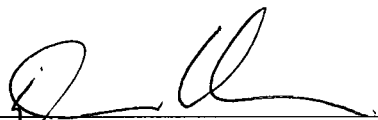
Mr. Soetaert provided some comments regarding LPKC IP 61 & IP 62, which was currently being reviewed by the District's consulting engineering firm. No action was taken by the BOD.

Chester Bender then provided an update regarding Gardner Road Project F.

Agenda item #5a was Chairman updates. Chairman Hines discussed the ongoing by-laws review and proposed changes. He noted that the proposed changes have been presented to the District's counsel, Todd Luckman, for review and comment. Chairman Hines then discussed the pending Benefit Unit cost review typically held annually by the BOD. Mr. Soetaert presented a table with comparisons to surrounding entities. Mr. Soetaert mentioned that he has requested District consultants to provide a proposal for a "Cost of Service" study, noting that this would provide a more comprehensive look at expenses that could be recovered in pricing structure. The BOD discussed the timing of such a study and if it was a consideration to make an interim adjust to the Benefit Unity pricing schedule. After discussion, it was decided that the BOD will review all costs and fees at the June BOD meeting.

With no further business to come before the BOD, Director Andrew moved to adjourn the meeting. Director Nelson seconded the motion. Motion passed unanimously. Time noted was 7:13 PM.

Respectfully submitted,



Dennis Carlson, Secretary