

Rural Water District No. 7, Johnson County, Kansas

Regular Board Meeting Minutes
February 14, 2023

Director's present: Steve Hines, Dennis Carlson, Gary Duggan, Ken McCarty, Shawn Hughes, Mary Nelson, Chuck Finley and Frank Denning. Director Andrew arrived after the start of the meeting. Others present: Allan Soetaert, Colin Stalter and Mindy Krouch. Others present via Zoom: Chester Bender, Todd Luckman and Philip Ciesielski.

Chairman Steve Hines called the meeting to order at 5:31 PM.

1. Consent Agenda Items

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 McCarty seconded the motion. Motion passed unanimously.

2. Consider Property Transfer Agreement with JCPRD

District Manager, Mr. Soetaert, noted that this agreement will allow W7 the ability to proceed further with the construction of an elevated water storage tank in the TimberRidge Adventure Center (south of Kill Creek Park). Todd Luckman, W7 Counsel, noted that JCPRD has reviewed and commented on the agreement. Mr. Soetaert reviewed a few of the updates made to the Agreement. After discussion, Director Carlson moved to approve the agreement with JCPRD; further authorizing the District Chairman & Secretary to sign and execute the agreement as presented. Director Nelson seconded the motion. Motion passed unanimously.

3. Woodstone Properties Proposal (Edgerton Crossing Dev.)

Mr. Soetaert noted this property, at the intersection of Homestead Lane and I-35, is a planned multi-phased commercial development that includes a travel center, retail, restaurants, hotel and other commercial uses. District Engineer, Colin Stalter, reviewed the February 2022 GBA report that outlined the specific offsite improvements that were recommended within the report as well as a subsequent report on potential cost-shares for offsite improvements. Mr. Soetaert explained the developer has responded to the proposed cost share proposal; however, more time was needed by Staff to review this proposal and develop any new cost-share proposal(s) for offsite improvements. After further discussion, Director Nelson moved to authorize District staff to submit a revised proposal for consideration. Director Duggan seconded the motion. Motion passed unanimously.

4. Consider Audit Engagement Proposal from Troutt-Beeman & Co

Mr. Soetaert noted Troutt-Beeman has provided the District two engagement proposals this year, with one proposal including the addition of a "single audit" that is required by Rural Development. Mr. Luckman informed the board he is currently researching RD loan documents to determine if a single audit will in fact be required in 2022, or 2023. After discussion, Director McCarty moved that the District retain Troutt-Beeman for audit services pending counsel's determination of any loan requirements for 2022. Director Nelson seconded the motion. Motion passed unanimously.

5. Consideration of CIP Budget Items

Mr. Soetaert provided an overview of the three proposed budget items. After a brief discussion, Director Nelson moved to authorize Management to proceed with upgrades as outlined in the agenda packet. Director Andrew seconded the motion. Motion passed unanimously.

6. Appointment of Delegate to KRWA Annual Conference

The Annual Meeting of Membership will be held Thursday, March 30, 2023. After discussion of attendance,

it was noted that Director Denning be designated as delegate, and Director Finley as the alternate delegate to the membership meeting.

7a. RD Project Update (PY)

Chester Bender (Ponzer/Youngquist) updated the Board on the project noting that it is nearly complete. Counsel, Todd Luckman added that he would have some minor work to finalize the project as well.

7b. CRWD6 Merger & Wholesale Supply Project Update (GBA)

Philip Ciesielski informed the board that the booster pump station was delivered last month and that a sub-contractor is working on all the electrical connections. Also reported was that the general contractor is starting to pressure test the water main. Mr. Ciesielski also noted that the geotechnical contractor was selected and should soon be at work in addition to the environmental permitting and county planning process, soon to follow. He believes construction can begin by late spring or early summer.

7c. Engineering Feasibility Report (D&D Development)

Colin Stalter presented his report on a proposed Subdivision on 175th Street east of Four Corners Road. This 150-home development is within the District's service area boundary, as well as being annexed by the City of Gardner. Mr. Stalter provided a review of the report noting that the District has sufficient supply and capacity to provide service to the development. There was some Board discussion regarding the annexation by the City of Gardner. Mr. Soetaert noted that he would be meeting with City officials later this week to discuss such matters. After further discussion, Director Andrew moved to accept the report as presented. Director McCarty seconded the motion. Motion passed unanimously.

7d. Benefit Unit Review

Mr. Soetaert informed the board that the original goal was to discuss BU price increase after the completion of the Master Plan. However, Mr. Soetaert feels that in order to keep up with ever increasing cost of materials, it is important to start the discussion now. Mr. Soetaert requested to meet with the BU review committee this month with the intention of presenting an update at the next board meeting. The BOD concurred.

7e. Monthly Report by Manager

Mr. Soetaert provided brief updates on road improvement projects in DeSoto, Douglas 4's Wholesale Contract; SRF 2947, and the Master Plan.

7f. Other Reports

Mr. Soetaert informed the Board that staff Health Insurance has increased by 70% for this year and he is considering changing insurance carrier. Mr. Soetaert noted that he was contemplating increasing property insurance deductibles to try to recoup the cost of the increase in these costs. The BOD concurred.

8. Adjournment

There being no further business, Chairman Hines requested a motion to adjourn the meeting. Director Andrew moved such. Director Nelson seconded the motion. Motion passed unanimously. Time noted was 6:32 PM.

Respectfully submitted,



Dennis Carlson, Secretary