

Rural Water District No. 7, Johnson County, Kansas

Regular Board Meeting Minutes
March 10, 2026

Directors present: Mary Nelson, Charlie Brovont, Dennis Carlson, Ken McCarty, Bill Locke, Chuck Findley and Frank Denning. Directors absent: Shaun Henderson and Walter Johnston. Others present: Allan Soetaert, Colin Stalter, and Mindy Krouch. Others present via Zoom: Brooke Hudlemeyer.

Chair Nelson called the meeting to order at 5:30 PM.

1. Consent Agenda Items

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

2. Consider Rate Model Proposal

The District's Manager, Allan Soetaert, discussed the history of the District's rate reviews, specifically how they were considered with the District's ability to meet its current, and future, debt obligations. He also noted the District's current uniform block rate schedule for water consumption billed to the patrons. He offered some comments on the District's previous declining block rate schedule in comparison to an inclining block rate. He discussed how peak demand usage impacts the District's wholesale water purchases. Mr. Soetaert explained that the intent of an inclining block rate structure is to encourage customers to manage their personal peak demand and practice water conservation. He noted the proposal from Raftelis is similar to many other entities who have implemented an inclining block rate schedule. Mr. Soetaert further explained that this work, estimated to cost \$25,000, will be funded through the 2026 Budget under "System Studies." After discussion, Director Denning moved to authorize the District's Manager to engage Raftelis to review the District's rate structure. Director Brovont seconded the motion. Motion passed unanimously.

3. Reports/Updates

3a. 111th Street & Evening Star Road PER by Garver

Colin Stalter, District Engineer, reviewed a Preliminary Engineering Report (PER) for a group of property owners interested in water service located along the south side of 111th Street from Evening Star Road to County Line Road. This area is not currently within the District's service area and would require attachment proceedings. He noted that the area is not currently served by any water provider. Mr. Stalter explained that the consulting firm, Garver, was asked to evaluate the feasibility of expanding service to this area. Brooke Hudlemeyer of Garver presented the results of the hydraulic analysis. She reported that no off-site improvements would be required to extend service to the area. The project would require approximately 2,800 LF of 12-inch water line extension along Evening Star Road, 5,200 LF of 8-inch water line extension along West 111th Street, and 1,000 LF of 2-inch water line extension along County Line Road. Ms. Hudlemeyer also noted that the available fire flows would be in the acceptable range. After discussion, Director Brovont moved to accept the PER as presented. Director McCarty seconded the motion. The motion passed unanimously.

3b. Billing Software (Fee) Update

Mindy Krouch, Administrative Assistant, discussed the upcoming transition to new billing software and the associated fees that will be introduced. She noted the addition of a mailing/billing fee and a new ACH payment processing fee. As ACH payments will no longer be handled by staff, a fee of 0.85% plus \$0.45 per transaction will be implemented to cover the cost of using a third-party processor. She then discussed several options the Board could consider to reduce the costs associated with these services. These options include implementing a paper billing fee, applying an across-the-board administrative fee, and adopting customer-assumed transaction fees. She also noted that any of these options could be implemented in phases. After discussion, there was consensus that customers will assume all transaction fees associated with bill payments, including credit, debit, and ACH payments. However, the District will initially absorb the costs associated with printing and mailing paper bills. The Board indicated that it would like to reevaluate the costs associated with this service at a later date.

Chair Nelson recommended providing a notification period of at least 30 days to inform patrons of the change in ACH fees, as there are currently no fees associated with that payment method. No further action was taken by the BOD.

3c. Monthly Report by Staff

Mr. Stalter provided updates on several construction projects throughout the District. He reported on the Mt. Sunflower development in De Soto, noting reduced projected water demands and a forthcoming study by GBA. He also reported that construction has begun at Lone Star Prairie and that development adjustments are being made at Horizon Pointe. Mr. Stalter stated that the Gardner Road project is progressing and is expected to be completed within the next two months. He also discussed ownership changes affecting properties at 255th Street and Hospital Drive. In addition, he provided an update on the TimberRidge storage tank project.

Mr. Soetaert provided updates on several ongoing discussion items involving neighboring entities. He noted an upcoming meeting with the City of Gardner regarding wastewater reporting and reminded the Board that a Benefit Unit price review will be presented at an upcoming meeting. He reminded everyone of the KRWA conference in Wichita from March 24-26.

3d. KDHE SRF Solicitation of Projects (Update)

Mr. Soetaert noted that the District has received the yearly notice from KDHE regarding loan submission. He reminded the BOD that these loans are low interest loans and staff will present potential projects for BOD consideration. Mr. Soetaert noted that the applications are to be submitted by May 1, 2026.


3e. Chair Updates

Chair Nelson informed the Board that the Four Corners property will be on the agenda at the Johnson County Planning Commission meeting on April 15th at 6:30 p.m. and invited any members interested to attend. She noted some others initiatives that she has extended, but has not yet received a response. She reminded the Board of Directors of the Annual Meeting scheduled for March 30th at 5:30 p.m. Chair Nelson then requested that the Board discuss potential levels of financial support for area economic development organizations. Discussion ensued with the Board offering concurrence of maintaining existing levels of membership.

7. Adjournment

There being no further business, Chair Nelson requested a motion to adjourn the meeting. Director Locke moved such. Director McCarty seconded the motion. Motion passed unanimously. Time noted was 6:48 PM.

Respectfully submitted,


Dennis Carlson, Secretary