Rural Water District No. 7, Johnson County, Kansas

Regular Board Meeting Minutes
June 16, 2026

Directors present: Mary Nelson, Ken Kearney, Walter Johnston, Brian Andrew, Dennis Carlson and Chuck Lockey. Directors present via Zoom: Frank Denning. Directors absent: Ken McCarty and Chuck Finley. Others present: Allan Soetaert, Colin Stalter, and Mindy Krouch. Others present via Zoom: Rodney Ranzenberger, Todd Luckman and Chris Burger.

Chair Nelson called the meeting to order at 5:32 PM.

1. **Consent Agenda Items**
   Chair Nelson requested that the Board of Directors consider the Consent Agenda items. Director Andrew moved to approve the consent items noted on the agenda. Director Kearney seconded the motion. Motion passed unanimously.

2. **Consider Recessing into Executive Session**
   Director Andrew moved that the board recess into Executive Session for a period of 15 minutes for consultation with an Attorney, deemed privileged in Attorney-Client relationship, to include the Water District's appointed Attorney, pursuant to K.S.A. 75-4319 (b) (2); further that the Manager and the District Engineer be included in that Session. The regular meeting will resume at 5:50 PM in the W7 Board Room. Director Kearney seconded the motion. Motion passed unanimously. Time noted was 5:35 PM.

   The regular meeting reconvened at 5:50 PM upon Chair Nelson noted that no decisions, action or votes were taken during the executive session.

   Todd Luckman and Chris Burger exited the meeting.

3. **Consider Modifications to "Water Service Use Policy"**
   Allan Soetaert, District Manager, began by providing historical context for the policy. He noted the challenges of developing a policy that applies across multiple jurisdictions, each with its own approach to accessory dwelling units (ADUs). Mr. Soetaert then reviewed the proposed revisions, explaining that the changes were recommended by District counsel and better align the policy with the District's By-Laws. Following discussion, Director Andrew moved to approve the proposed policy revisions with the addition of a requirement that ADUs be reviewed every 36 months. Director Kearney seconded the motion. The motion passed unanimously.

4. **Consider Petition for Accessory Dwelling Unit**
   Mr. Soetaert presented an ADU request submitted by District patron Kent McIntire. He then introduced Mr. McIntire. Mr. McIntire then presented his request and explained the reasons supporting his petition for an ADU allowance. He noted that his request will also be presented to the Board of County Commissioners at its July meeting. Following Mr. McIntire's presentation and Board discussion, Director Carlson moved to approve the ADU request, pending county approval. Director Andrew seconded the motion. The motion passed unanimously.

5. **Benefit Unit Cost Review**
   Mr. Soetaert reminded the Board that GBA had presented its Benefit Unit rate review at the May meeting, at which time the Board requested additional rate options for consideration. Colin Stalter, District Engineer, then reviewed GBA's report, discussed the costs considered in determining Benefit Unit rates, and presented GBA's recommended rate along with two additional rate options. He also provided comparisons of Benefit Unit fees charged by surrounding entities. Mr. Soetaert further discussed the impact that these fees would have on future Capital Improvement Projects. Following Board discussion, Director Andrew moved to implement Rate Option 3 effective November 1, 2026, with a review of the rates to occur in June 2027. Director Carlson seconded the motion. The motion passed unanimously.

6. Consider Loan Documents

Mr. Soetaert discussed the history of this Rural Development (RD) project, which dates back to 2024, and highlighted the aspects of obtaining Rural Development funding. He noted that interest rates are scheduled to increase on July 1, 2026, and that execution of the loan documents is necessary to secure the lower interest rates. Mr. Soetaert further explained that the loan documents had been reviewed by legal counsel, who recommended some minor revisions which were incorporated within the revised documents. He also reviewed the projects proposed to be funded through the loan proceeds. Following discussion, Director Carlson moved to approve the USDA Loan Resolution and authorize the Chairperson to execute the Letter of Intent, Request for Obligation of Funds, and Loan Resolution and Security Agreement. Director Andrew seconded the motion. The motion passed unanimously.

7. Reports/Updates

7a. Chair Updates

Chair Nelson updated the Board of Directors that the District's Special Use Permit has been approved by the Board of County Commissioners for its property at 16530 Four Corners Road.

7b. District's Four Corners Road Facility

Rodney Ranzenberger of GBA was introduced to the Board. A brief update was provided to the Board on the design of its proposed facility. Mr. Ranzenberger then discussed the differences between the Construction Manager at Risk (CMAR) and Design-Build delivery methods and sought the Board's direction regarding which approach to pursue for the planned Four Corners facility. He reviewed the characteristics and benefits of each project delivery method. Following discussion, Director Carlson moved to proceed with the CMAR delivery method for the Four Corners facility project. Director Kearney seconded the motion. The motion passed unanimously.

7c. Monthly Report by Staff

Mr. Stalter provided updates on several construction projects throughout the District. He reported that the Geiger project is nearing substantial completion and that a design memorandum for the Mt. Sunflower project is expected to be presented next month. Mr. Stalter also reported that the 127th Street SRF project is currently in the design phase with GBA and that coordination with the Kansas Department of Transportation is ongoing. He further noted that the Horizon Pointe project has been revised and will require additional considerations to the Water Main Extension Agreement. Additionally, he stated that a Preliminary Engineering Report (PER) is pending for a project at 183rd Street and Four Corners Road, and that a design proposal is being prepared for a project on 183rd Street west of County Line Road. Mr. Stalter concluded by reporting that the TimberRidge tank has been filled. SCADA work is expected to be completed next week, with sanitizing and sampling to follow.

Mr. Soetaert then provided updates regarding the District's ongoing discussions with the neighboring entities. He also shared brief updates on the tiered water rate study, the 2025 audit, and the implementation of the District's new billing software.

7. Adjournment

There being no further business, Chair Nelson requested a motion to adjourn the meeting. Director Andrew moved such. Director Johnston seconded the motion. Motion passed unanimously. Time noted was 7:15 PM.

Respectfully submitted,

Dennis Carlson, Secretary