

**Regular meeting
April 24th, 2007**

**APPROVED MINUTES OF REGULAR MEETING OF THE BOARD OF
DIRECTORS
Of
EL PASO WATER COMPANY, INC.**

April 24th, 2007

The regular meeting of the Board of Directors of El Paso Water Company, Inc. convened in the City Council Chamber, 611 Mulberry, Derby, Kansas at 9:48 p.m. following adjournment of the City Council meeting.

The following Directors were present and constituted a quorum:

Dion Avello
Cheryl Bannon
Charlie Schwarz
Chuck Warren
Loren Johnson
Jim Craig
George Arnold
Jim Meidinger
Mark Staats

Others in attendance:

Kathy Sexton, Chief Executive Officer
Phil Alexander, Vice President
Jean Epperson, Secretary-Treasurer

Mr. Avello called the meeting to order.

APPROVAL OF MINUTES

MOTION: Schwarz moved to approve the minutes of the March 27th 2007 board meeting. Bannon seconded.

VOTE: Craig yea, Arnold yea, Johnson yea, Warren yea, Schwarz yea, Staats yea, Bannon yea; Avello yea, Meidinger yea 9 yea, 0 nay motion carried.

DECLARATION OF DIVIDEND

Jean Epperson, Secretary/Treasurer presented the staff report.

MOTION: Warren moved to adopt a resolution declaring and directing payment of a dividend for the month of March in the amount of \$123,431.14 to the City of Derby, Kansas, as the sole stockholder of the Company. Meidinger seconded.

VOTE: Craig yea, Arnold yea, Johnson yea, Warren yea, Avello yea, Schwarz yea, Bannon yea, Staats yea, Meidinger yea 9 yea, 0 nay, motion carried.

SCHEDULING OF SPECIAL MEETING ON MAY 8TH

Kathy Sexton, Chief Executive Officer explained the purpose of this is to move the regular meeting from the 2nd Tuesday to the 1st, scheduling the special meeting is what the required action is. Essentially the water rate study was originally scheduled for tonight, but the consultant needed more time to do that. They would like to do that May 8th, and in doing so can move up the rest of the agenda as well.

DISCUSSION:

Mr. Craig asked if they would be receiving an update of some of the new figures from the engineer as far as the rates go, before the meeting.

Ms. Sexton advised she hoped to get some information by the end of this week, which means the board will get it next week, definitely with the agenda packet on Thursday afternoon.

MOTION: Craig moved to approve the call for a Special El Paso Water Company Board of Directors meeting on May 8 2007 at 7:00 p.m. for the purpose of receiving a report on the water rates, considering a resolution admitting water rates, approving minutes from the April 24th meeting and declaring a dividend for the month of April. Schwarz seconded.

VOTE: Craig yea, Arnold yea, Johnson yea, Warren yea, Avello yea, Schwarz yea, Bannon yea, Staats yea, Meidinger yea 9 yea, 0 nay, motion carried.

ADJOURNMENT

MOTION: Meidinger moved to adjourn at 10:50 p.m. Bannon seconded.

VOTE: Craig yea, Arnold yea, Johnson yea, Warren yea, Avello yea, Schwarz yea, Bannon yea, Mulanax yea, 8 yea, 0 nay, 1 absent, motion carried.

Jean Epperson, Secretary