

**MINUTES OF THE BOARD OF DIRECTORS SPECIAL MEETING
ARABIAN ACRES METROPOLITAN DISTRICT**

September 2, 2020 at 5:30 P.M.

Via Telephone and Video Conference Call

In attendance were Directors:

Allan Brown
Stan Claassen
Edith Coffman
Elizabeth Douglass
Lanny Hoel

Also in attendance were:

Kevin Walker, WSDM
Adam Sommers, AquaWorks
Mike Groselle, AquaWorks
Lynn Willow, ORC
Jason Downie, Susemihl, McDermott &
Downie, P.C.
Members of the public (See sign-in sheet)

1. ADMINISTRATIVE MATTERS

- a. Call to Order & Declaration of Quorum: President Coffman called the meeting to order at 5:30 p.m. and confirmed all Board members were present.
- b. Confirm any Potential Conflicts of Interest: All Board members confirmed there were no conflicts of interest.
- c. Discussion and Approval of the Agenda: Mr. Walker added item 2.d., discussion about the Construction Schedule, and item 2.e, discussion on the requested time schedule problem with Native Sun as well as guidance on Pay Application No. 3 and review of the budget. Director Claassen moved to approve the Agenda as amended; seconded by Director Brown. Motion passed unanimously.

2. FINANCIAL MATTERS:

- a. Review and approval of Pay Application No. 2 for Native Sun Construction, Inc. and accompanying work change orders – AquaWorks DBO, Inc.: Mr. Groselle reported that Native Sun is applying for approximately \$551,000 and he has reviewed the line items to date and confirmed they match where they are in the project. The Board discussed and went over the line items in detail. Mr. Sommers discussed the substantial completion date is October 1, 2020, so something must change if they are going to meet that deadline. He explained that Native Sun is planning to bring up additional crew members from other projects to help meet the deadline, but those crews will be working overtime on Friday and Saturday, so Native Sun is requesting additional funds due to having to pay their workers overtime rates. Mr. Sommers believes there is some validity to Native Sun's request, but not entirely. Mr. Sommers discussed that some of the items are legitimate requests, but some are not, and he recommended the Board further review what are valid costs and requests. The Board discussed that Native Sun has not requested any time extensions, and the contract requires them to be substantially done by October 1, 2020 and they are behind schedule. Mr. Sommers discussed that it is in the best interest of the District and Native Sun to have the project completed in the next 4 to 6 weeks. Mr. Walker will communicate back to Native Sun to begin discussions on how to get the project to completion. Director Douglass expressed concerns with the roads being put back together, and requested they be a priority. After further discussion and Director Claassen expressing his concerns, Director Claassen moved to approve Pay Application

No. 2 for Native Sun Construction, Inc. for the amount of \$551,847.98, and the Change Order No. 2 for a total of \$30,252.97 with 2 modifications, a corrected amount on the Pay Application and modified verbiage regarding the meter pits on the Change Order; seconded by Director Douglass. Motion passed unanimously.

- b. Review and approval of Pay Application No. 1 for Glacier Construction Company – AquaWorks DBO, Inc.: Mr. Groselle went over Pay Application No. 1 for Glacier Construction Company and discussed the work they have completed. He confirmed what they are asking for is reasonable. Director Claassen moved to approve Pay Application No. 1 for Glacier Construction Company as presented; seconded by Director Brown. Motion passed unanimously. Mr. Sommers noted that they may request a two-week time extension at no cost to the District due to COVID-19, but they will be working inside of the building and do not have the same issues as Native Sun. Mr. Walker noted that COVID-19 may be considered an act of God in the contract that caused the delay.
- c. Decision on 222 Denwood line replacement: Mr. Walker reported they were unsuccessful in getting an easement at 222 Denwood, so they researched alternative routes which would have been \$20,000 more in costs for the District totaling \$40,000. Mr. Walker recommends leaving the line as it is for the time being and remove the task from the project. Mr. Walker has notified the property owner of his recommendation, but he has not heard back. The Board discussed the possibility of doing it as a separate project in the Spring if there are funds left over, but there is no time to continue to pursue this without putting the entire project at risk.
- d. Project Budget discussion: Mr. Walker discussed the project budget in detail. He noted there is a remaining \$82,000 of contingency in the project which is 1/3 of what was originally projected. If they do not complete the bore, that would leave roughly \$96,000. The Board discussed that this does not include the requested \$40,000 in additional funds from Native Sun, but that dollar amount is most likely higher than what will be agreed upon.
- e. Time Schedule Issue with Native Sun discussion: There was no additional discussion.

3. OTHER BUSINESS:

- a. Trout Haven Exclusion Progress: Mr. Walker reported they are making progress but there is not a final plan yet. He should have more information at the next Board meeting.

4. PUBLIC COMMENT: Mr. Winterer commented on the culverts and requested that they are cleaned out to keep the driveway clear and prevent clogs. Mr. Groselle said he could send someone out to make sure the culverts are cleared.

5. ADJOURNMENT: Director Douglass moved to adjourn; seconded by Director Hoel. Motion passed unanimously at 7:04 p.m.

Respectfully Submitted,
Walker Schooler District Managers

By: Recording Secretary

THESE MINUTES ARE APPROVED AS THE OFFICIAL SEPTEMBER 2, 2020 MINUTES
OF THE ARABIAN ACRES METROPOLITAN DISTRICT BY THE BOARD OF
DIRECTORS SIGNING BELOW:

Allan Brown

Stan Claassen

Edith Coffman

Elizabeth Douglass

Lanny Hoel