

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

May 19, 2021 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
Rebecca Hardekopf, WSDM
Michael Groselle, AquaWorks
Lynn Willow, ORC
Members of the Public

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 Directors were present.
- b. Confirm any Potential Conflicts of Interest: The Directors each confirmed there were no potential conflicts of interest.
- c. Discussion and Approval of the Agenda: Director Douglass moved to approve the Agenda as presented; seconded by Director Brown. Motion passed unanimously.
- d. Consider approval of Meeting minutes from March 17, 2021, March 26, 2021, and April 21, 2021 Minutes: President Coffman declared she will not vote to approve the March 17, 2021 Minutes because they are not complete or accurate. Director Brown moved to approve the March 17, 2021 Minutes; seconded by Director Douglass. Motion passed 3-2 with Directors Hoel and Coffman voting no. Director Brown moved to approve the March 26, 2021 Minutes; seconded by Director Claassen. Motion passed 4-0 with President Coffman abstaining. The Board tabled the approval of the April 21, 2021 Meeting Minutes since they were not included in the Board Packet.

2. FINANACIAL MATTERS

- a. Review of billing and collection status: Mr. Walker presented the billing and collection status. Mr. Willow confirmed that one customer was shut off and another is scheduled for shutoff tomorrow if payment is not received. Mr. Walker discussed a customer who will be receiving a meter tampering charge along with the late fee. The Board discussed there are still 6 meters that are being read manually. Mr. Willow explained there are 3 meters that he is going to review with Dana Kepner.
- b. Review and accept the April 30, 2021 Unaudited Financial Status: Mr. Walker presented the April 30, 2021 Unaudited Financial Status. After review, Director Douglass moved to approve the April 30, 2021 Unaudited Financial Status; seconded by Director Brown. Motion passed unanimously.
- c. Review and approve the Payment of Claims: Mr. Walker presented the Payment of Claims. The Board discussed the settlement payment to Native Sun and agreed to discuss it further later in the Agenda. After review, Director Hoel moved to approve the Payment of Claims; seconded by Director Brown. Motion passed unanimously.

3. MANAGEMENT MATTERS

- a. Update on Exclusions: Mr. Walker reported on the Exclusions and noted he made the submittal to Teller County and is waiting to hear back by the end of the week. The Board discussed the remaining payments for the Exclusions to WSDM, legal, and \$250 to Teller County and there is \$2,600 remaining in collected funds.
- b. Construction Update
 - i. Warranty Claims: Mr. Walker explained Native Sun has offered \$5,000. After review, President Coffman moved to accept Native Sun's \$5,000 offer and close the project out; seconded by Director Brown. Motion passed 4-1 with Director Claassen voting no. Mr. Walker explained the warranty claim for Donze Circle was sent to Native Sun for \$1,700. He will keep the Board updated on the status as it goes forward. Mr. Walker discussed the settling at Lady Lane. He recommended the Board wait for another 30 days to see if there are any other areas that are settling and then make the claim to have them repaired all at once. Director Douglass noted the hole at Gerka, and Lady Lane is filling with water after rain as well. Mr. Willow said he will check that area. Mr. Walker discussed the warranty claim with Glacier for the foam and repairs to insulation. Glacier will be back next Saturday to complete the repairs.
 - ii. Remaining Projects
 - Budget: Mr. Walker reported there is \$49,000 in grant and loan funds available. 2 bids have been received for repairing the tank, one for \$20,000 and the second for \$30,000 and he is still waiting on a bid to come in. There is a conference call scheduled with the State for Friday to discuss what they want in regard to the tank. Mr. Walker noted that in order to make the repairs the tank will be out of service for 5 to 12 days, so a tanker truck will need to be rented to keep water in storage.
 - Process: There was no additional discussion.
- c. Contract Extension for ORC
 - i. Annual Review and Report: Mr. Walker discussed the ORC contract and noted it is a one-year contract that ended on April 30, 2021. Mr. Willow has requested a 5% increase. Mr. Walker noted an extensive review was done on the contract last year. Mr. Walker discussed Mr. Willow's significant role in the construction project. There were 2 major incidents during the construction project, a water line that was hit that ran the tank out of water multiple times that Mr. Willow spent a lot of time helping with. As well as the freeze that occurred in February that incurred expenses for water and repairs. Mr. Willow did charge additional hours in March for specific projects but did not charge additional hours for February. Mr. Willow has been working on a maintenance manual for operations and maintenance, but it has not been completed yet, and bi-weekly reports have not been provided as stated in the contract. All required water testing and reports have been completed and were safe and the Consumer Confidence Report shows no violations.
 - ii. Proposal: Mr. Walker recommended the Board extend the contract 6 months to November 1st, and a progress report is done at the October Board meeting to review the contract for the outstanding items. Mr. Walker discussed items that need improvement including a regular maintenance schedule, review all

meter installations and insulation, upgrade documentation, service notes for all incidents, weekly and more accurate well meter reads, improve district cell service with a booster, regularly scheduled monthly meetings between the ORC and District Manager, District Manager training on the High Tide system.

President Coffman noted Exhibit A, Item 3 on the contract that requires an alternate licensed ORC in the event of absence and the ORC will pay the costs. Mr. Walker explained a third-party contractor was utilized in the past year for certain tasks, but an alternate ORC was not required. Mr. Willow explained that under the Health Department's Regulation 100, he can designate Mr. Kilik who is a D-licensed operator to perform those duties if needed. He confirmed he has not needed anyone to perform the water testing, sampling, or State submittal for him in the last year that requires an ORC license. The Board discussed obtaining a contract with Mr. Kilik or someone else as an alternate ORC in case of emergency. The Board discussed Mr. Willow's hours that average 42 hours per month according to the contract. Director Claassen requested that Mr. Walker determine what duties must be completed by a licensed ORC. Mr. Walker discussed that the contract needs to identify the specific tasks. The Board discussed hiring an employee to complete tasks such as meter reads at a lower rate that is supervised by Mr. Willow. Mr. Willow confirmed that he would prefer the contract designates that if it is an ORC licensed and required duty, then it would come out of his contract but if it is a third-party task that does not require an ORC license the District would pay for it. Mr. Walker recommended the Board extend the contract on a monthly basis with the 5% increase with contract modifications to be made and a new contract for January 2022. President Coffman moved to extend Mr. Willow's contract on a monthly basis including the 5% increase; seconded by Director Douglass. Motion passed unanimously.

- 4. OPERATIONS:** Mr. Willow reported on the monthly operations. 333,250 gallons of water were pumped in Control Building A, 131,245 gallons pumped in Control Building B, and no water was purchased. Mr. Willow noted meters were read and recorded and that usually takes him about an hour to drive through the system.
- 5. PUBLIC COMMENT:** Mr. Winterer thanked the Board for their efforts. President Coffman noted there are a few people interested in the upcoming open board positions and requested Mr. Walker provide questions and information to present to them. Mr. Winterer noted he would volunteer for the open Board position as well.
- 6. ADJOURNMENT:** Director Claassen moved to adjourn the meeting; seconded by Director Hoel. Motion passed unanimously at 7:22 p.m.

Respectfully Submitted,
Walker Schooler District Managers

By: Recording Secretary

THESE MINUTES ARE APPROVED AS THE OFFICIAL MAY 19, 2021 MINUTES OF THE ARABIAN ACRES METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

Allan Brown

Stan Claassen

Edith Coffman

Elizabeth Douglass

Lanny Hoel