

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

June 16, 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
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 5:39 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: Mr. Walker recommended removing Agenda item 1.d. Approval of Meeting Minutes, due to the internet outage in the area and to allow the Directors time to review once internet is restored. Director Douglass moved to approve the Agenda as amended; seconded by Director Claassen. Motion passed unanimously.

2. FINANACIAL MATTERS

- a. Review of billing and collection status: Mr. Walker presented the billing and collection status. 16 customers have received late letters and 1 customer has meter turned off due to non-payment which totals roughly \$2,000. Mr. Walker noted this bill can be certified for collections.
- b. Review and accept the May 31, 2021 Unaudited Financial Status: Mr. Walker presented the May 31, 2021 Unaudited Financial Status. He noted the District is in good financial shape. The Board discussed what accumulated depreciation represents on the financial report. Ms. Hardekopf explained it and noted they are working on updating those numbers with the new water system assets. Director Claassen asked about increasing insurance to include the new water system. Mr. Walker noted they should be receiving a new bill that includes the updated assets. Director Claassen moved to accept the May 31, 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 Payment of Claims include the 5 Director payments of \$100 each, El Paso County Public Health invoice for \$20 for lab tests, 5 invoices from IREA that are paid by automatic check withdrawal, 2 invoices from JA Excavation and Septic, an invoice from National Rural Water Association, an invoice from UNCC for locates, and an invoice for Walker Schooler District Managers. Director Claassen moved to approve the Payment of Claims; seconded by Director Hoel. Motion passed unanimously.

3. MANAGEMENT MATTERS

- a. Update on Exclusion Process with Teller County: Mr. Walker reported he has been working with the Teller County Planning Department and their attorney to prepare for their hearing on the Service Plan Amendment in July or August. Mr. Walker will add an agenda item for next month's meeting to discuss the upcoming Board vacancies.
- b. Construction Update
 - i. Warranty Claims: Mr. Walker reported there is an outstanding warranty claim with Native Sun for \$1400. He noted the final project with Glacier has been completed. There was a credit received from Native Sun and a fence concern being investigated. Mr. Walker notified Native Sun about a leak at the curb that is a possible warranty item and they said once the leak is isolated, they would come repair.
 - ii. Remaining Projects
 - Budget: Mr. Walker reported there is \$49,000 left in the budget.
 - Process: They have received 3 bids for the tank coating repairs, but still working on determining how to keep the District with water for the 5 to 10 days while the tank work is being done. One option is a 10,000-gallon temporary tank, and Mr. Willow is working on a bid.
- c. Contract Extension for ORC Update Report: Mr. Walker reported he has done research on Regulation 100 which handles licensing and qualifications for ORC. He has also reviewed third-party ORC operator contracts and noted they all charge for meter reading and manual labor essentially the same amount that the District pays Mr. Willow. The Board discussed tasks that must be completed by someone with a C-license.

4. OPERATIONS: Mr. Willow reported on the monthly operations. Control Building A pumped 561,960 gallons and Control Building B pumped 168,950 gallons and there was no purchased water. All meter reads were read and recorded; Mr. Willow noted a few meters will need the radios replaced under warranty with Census. Glacier installed a new panel in Control Buildings A and B. Flushing will be completed mid-month through the end of June but may be delayed due to the current leak trouble shooting. Mr. Willow explained how he exercises the valves by digging up the valve cover and opening and closing them. Mr. Walker discussed 337,000 gallons of water were sold and shows a 40% loss. Mr. Walker will provide a report on the water loss next month.

The Board discussed the current leak in the District. Mr. Walker noted they are losing 10,000 to 20,000 gallons a day. They completed a meter read to rule out a leak at a property which did not identify a leak but did identify a couple high users and 25 meter radio reads that were defective. Mr. Walker commented that they should have noticed the leak sooner before the alarm went off and it is not acceptable to have 25 meters that are defective. They also should have recognized immediately that the 2 wells were low producing. Mr. Walker will continue to work on this issue and improve the response in the future. President Coffman requested more communication from Mr. Willow and also requested reports from the well readings. Director Douglass requested the total gallons of water sold be included in the monthly operations report. Mr. Willow will continue to look for the leak by checking all the homes

and closing off valves and isolating sections of the District. Director Brown asked about reinsulating the meter pits. Mr. Walker noted that project is still in progress, and he will check with AquaWorks on the insulation specifications for weather and a status report on the current meter pits from Mr. Willow. Mr. Winterer discussed his meter pit and how the dirt has sunk away from not being compacted correctly. Mr. Walker will get a work order put in. Director Claassen discussed reserve items that should be stored inside and inventoried.

5. PUBLIC COMMENT: There was no public comment.

6. ADJOURNMENT: Director Brown moved to adjourn; seconded by Director Claassen. Motion passed unanimously at 6:45 p.m.

Respectfully Submitted,
Walker Schooler District Managers

By: Recording Secretary

THESE MINUTES ARE APPROVED AS THE OFFICIAL JUNE 16, 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