

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

July 21, 2021 at 5:30 P.M.

Via Telephone and Video Conference Call

In attendance were Directors:

Allan Brown
Edith Coffman
Elizabeth Douglass
Lanny Hoel (arrived late)
Stan Claassen (arrived late)

Also in attendance were:

Kevin Walker, WSDM
Rebecca Hardekopf, WSDM
Lynn Willow, ORC
Jeff Mandarich, BiggsKofford
Patricia Spencer, BiggsKofford
Members of the Public

1. ADMINISTRATIVE MATTERS

- a. Call to Order & Declaration of Quorum: President Coffman called the meeting to order at 5:31 p.m. and confirmed a quorum was 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 Brown moved to approve the Agenda as presented; seconded by Director Douglass. Motion passed unanimously. Director Hoel joined the meeting.
- d. Consider Approval of Meeting Minutes from May 19, 2021 and June 16, 2021: The Board agreed to delay the approval of the Minutes to allow Director Douglass time to review. After review, Director Douglass moved to approve the May 19, 2021 Meeting Minutes; seconded by Director Hoel. Motion passed unanimously. Director Douglass moved to approve the June 16, 2021 Meeting Minutes; seconded by Director Brown. Motion passed unanimously.

2. FINANACIAL MATTERS

- a. Review and Approval of Draft Audit: Mr. Walker introduced the Auditor, BiggsKofford who performed the District Audit this year. Mr. Mandarich presented the Draft Audit to the Board. He noted they anticipate issuing a clean opinion with no significant issues found. Mr. Walker noted that legal counsel will review the Draft Audit. After review, Director Brown moved to approve the Draft Audit as presented; seconded by Director Hoel. Motion passed unanimously.
- b. Review of Billing and Collection Status: Mr. Walker presented the billing and collection status. There is one outstanding non-payer who has services turned off, and one customer who is disputing their bill, and 14 late payers from last month who have received late notices. Director Claassen joined the meeting.
- c. Review and Accept the June 30, 2021 Unaudited Financial Status: Mr. Walker presented the June 30, 2021 Unaudited Financial Status and noted the District continues to have a strong cash position which may lead to a possible reduction in the capital improvement fee next year. Director Brown moved to approve the June 30, 2021 Unaudited Financial Status as presented; seconded by Director Douglass. Motion passed unanimously.

- d. Review and Approve the Payment of Claims: Mr. Walker presented the Payment of Claims. The Board discussed the price of the act pack replacement. Mr. Walker will further research with Glacier on why the price was so high and will dispute if needed. The Board requested that Mr. Willow find out why the part needed to be replaced and if it is covered under warranty, and if it was lightning what kind of protection can be used to prevent it happening again. The Board discussed the lightning strike at wells #4 and #8 and that it can be covered by insurance. After review, Director Douglass moved to approve the Payment of Claims; seconded by Director Brown. Motion passed unanimously.

3. MANAGEMENT MATTERS

- a. Update on Exclusion Process with Teller County: Mr. Walker updated the Board on the Exclusion Process and noted a letter from Teller County requesting additional data. He is continuing to work through the process and hopes to have the submittal done by next week. Mr. Walker will provide the submittal to the Board for review.
- b. Construction Update
 - i) Warranty Claims: Mr. Walker reported a warranty claim was submitted to Native Sun last month for the leak in June. Native Sun was responsive and made the repairs. Mr. Walker noted the cause of the leak in June was failure that occurred at the valve and the connection of the tie-in due to pressure.
 - ii) Remaining Projects
 - (1) Budget: Mr. Walker reported there is \$49,000 left in the budget.
 - (2) Process: They have received 3 bids for the tank repair which are around \$21,000 to \$30,000 which does not include keeping the system running during repairs which would require a temporary 10,000-gallon tank. Mr. Walker will provide a work order and a contract next month to start in September. Mr. Walker estimates there will be a remaining \$15,000 to \$20,000 after the tank project.
- c. Insurance Policy Update: Mr. Walker reported the insurance policy on the buildings was increased to \$300,000 each from \$100,000. He has requested a quote from the insurance company to increase coverage which he will provide to the Board at the next meeting.

4. OPERATIONS:

- a. Water Loss Report: Mr. Walker is still working on gathering data for the monthly water loss report and will provide an update at the next meeting.
- b. ORC Report: Mr. Willow presented the ORC Report. He noted 18 loads of water were purchased due to the leak in June. He confirmed he is continuing to work on insulating the meter pits. The Board discussed organizing and coordinating the shut-off notices, final bill reads, and other requests for Mr. Willow so they can be done when he is in the District. President Coffman asked about a backup option for Mr. Willow. Mr. Walker explained they have used someone in the District a few times, but it is difficult to find someone when you cannot provide regular hours. Mr. Willow said he has worked with other Districts in the area before and is currently looking for someone.

5. PUBLIC COMMENT: There was no public comment.

6. ADJOURNMENT: Director Douglass moved to adjourn at 7:00 PM; seconded by Director Claassen. Motion passed unanimously.

Respectfully Submitted,
Walker Schooler District Managers

By: Recording Secretary

THESE MINUTES ARE APPROVED AS THE OFFICIAL JULY 21, 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