

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

August 18, 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

Also in attendance were:

Kevin Walker, WSDM
Rebecca Hardekopf, WSDM
Lynn Willow, ORC
Jason Downie, Susemihl, McDermott &
Downie, P.C.
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 Douglass moved to approve the Agenda as presented; seconded by President Coffman. Motion passed unanimously.
- d. Consider Approval of Meeting Minutes from July 21, 2021: President Coffman asked about the status of late payers from last month. Mr. Walker confirmed the customer who had services turned off has not made payment. The customer who had a bill dispute is now on a payment plan. President Coffman asked about the act pack and Mr. Walker confirmed it has not been replaced yet. Mr. Willow explained there is a 3-week delay for the replacement. Director Hoel joined the meeting. After review, Director Douglass moved to approve the July 21, 2021 Meeting Minutes as presented; 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 and noted the collections are similar to last month with the same 11 late payers and one customer who has services turned off.
- b. Review and Accept the July 31, 2021 Unaudited Financial Status: Mr. Walker presented the unaudited financial status as of July 31, 2021. He noted the District continues to have a strong balance sheet with \$338,000 in the bank. 93% of property tax revenue has been collected.
- c. Review and Approve the Payment of Claims: Mr. Walker presented the payment of claims. Mr. Walker explained the payment to Kelly Brock was late in error. The annual insurance payment was made that included the additional coverage for the new equipment and control buildings. Ms. Hardekopf explained the charges to the Key Bank card is for two months and includes postage to mail water samples, and repairs. Mr. Walker will provide the itemized detail of charges to the Board. Director Claassen moved to approve the payment of claims as presented; 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 with Teller County. The County requested additional information that is now ready for submittal after Board review and approval. Mr. Walker explained the District is meeting all of the criteria for the submittal of the Material Modification of the Service Plan per the State statutes. A public hearing will be scheduled by the County once they receive and review the submittal, hopefully by early October. Mr. Walker confirmed that Mr. Downie said he would be willing to call the County Attorney again to work through questions if needed. Mr. Downie joined the meeting. Mr. Downie explained that the exclusions were completed contingent upon approval by the County Commissioners per the Service Plan and per what the County Attorney said at the time. The State statute is the exclusive procedure for districts to do an exclusion. Mr. Downie asked if it was the Board's desire to have this discussion in executive session or stay in open session; Director Claassen moved to stay in open session; seconded by Director Douglass. Motion passed unanimously. Mr. Downie commented that the County is asking for a number of additional requirements that make it difficult for the District to comply when it should be a simple hearing to approve and the statute outlines the procedure. President Coffman expressed concern that the County Attorney disagrees. Mr. Walker explained the District is following the law regarding the Material Modification that was required by the County as well as the State statute. Director Claassen moved to submit the additional information requested by the County as presented with a transmittal letter; seconded by Director Brown. Motion passed 4 to 1 with President Coffman voting against. Mr. Downie left the meeting.
- b. Construction Update
 - i) Warranty Claims: Mr. Walker reported there have been no new warranty claims. Director Douglass confirmed the issues with the manholes sinking have been resolved. Mr. Willow will have Teller County sign off on the roads in the next 30 days.
 - ii) Remaining Projects
 - (1) Budget: Mr. Walker is working on final bids for the tank recoating and will reassess the budget once those are received.
 - (2) Process: There was no additional discussion.
 - iii) Approval of Engineer for water tank project (proposal and contract to follow): Mr. Walker reported he is still searching for an Engineer to supervise the project and review the connections. AquaWorks is not available but did provide a referral. Mr. Willow suggested Par Engineering in Black Forest.
- c. Board Vacancies: Mr. Walker noted this item is not an immediate matter but will need to be discussed when the exclusions are approved.
- d. Updated Insurance Policy: Mr. Walker explained the cost of the additional insurance coverage is \$236. Director Douglass asked about the difference in coverage amounts of Control Buildings A and B. Mr. Walker will inquire about the difference in coverage. Director Douglass noted she saw that the difference in Control Building B is based on content.
- e. Mr. Walker reported there was one tap fee purchased for a property on Gerka and two

additional inquiries on tap fees.

4. OPERATIONS:

- a. **Water Loss Report:** Mr. Walker presented the Water Loss Report. February water loss was 10%, March water loss was 11%, and there seems to be an anomaly for April which was 27% and May was 57%. Water loss comes back down in June at 26% and July at 19%. Mr. Walker commented the numbers may have been mixed up for April and May since the leak occurred in June. The water purchased were not added in either, so Mr. Walker will continue to work on and improve the report.
- b. **ORC Report:** Mr. Willow presented the ORC Report. Mr. Willow noted he is waiting on the replacement of the act pack, and he spoke to Census and Dana Keppler who confirmed it is delayed three weeks. Mr. Willow is continuing work on exercising the valves and flushing the system. Mr. Willow confirmed the system will be flushed before winter. Mr. Willow discussed the tank coating project and explained a 10,000 temporary tank will cost \$5,796.47 for a 21-day rental. Mr. Willow discussed the insulation for the meters and explained the insulators are on backorder at this time. Mr. Winterer commented that Mr. Willow did a very good job filling in the hole at his meter pit. Mr. Willow updated the Board on 153 Kenwood. The customer's concern was reseeding in the area of the main line, so Mr. Willow reseeded the area very thoroughly this week. Mr. Willow noted erosion at the end of the cul-de-sac on Kenwood where the County graded. He also repaired a bent curb stop in the area left behind by the County.

5. PUBLIC COMMENT: There was no public comment.

6. ADJOURNMENT: Director Brown moved to adjourn at 6:52 p.m.; seconded by Director Douglass. Motion passed unanimously.

Respectfully Submitted,
Walker Schooler District Managers

By: Recording Secretary

THESE MINUTES ARE APPROVED AS THE OFFICIAL AUGUST 18, 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