



ARABIAN ACRES METROPOLITAN DISTRICT
c/o Walker Schooler District Managers
614 N. Tejon St.
Colorado Springs, CO 80903

**REGULAR MEETING AGENDA
AND NOTICE
WEDNESDAY, AUGUST, 19, 2020
5:30 PM**

Please join my meeting from your computer, tablet or smartphone.
<https://www.gotomeet.me/WSDM/arabian-acres-metropolitan-district-meeting>

You can also dial in using your phone.
United States (Toll Free): [1 866 899 4679](tel:18668994679)
United States: [+1 \(571\) 317-3116](tel:+15713173116)

Access Code: 180-170-749
Public invited to attend

NOTICE IS HEREBY GIVEN that a Meeting of the Board of Directors of ARABIAN ACRES METROPOLITAN DISTRICT, Teller County, Colorado has been scheduled for Wednesday, August 19, 2020 at 5:30 p.m. via tele/videoconference for the purpose of addressing those matters in the Agenda set forth below.

Board of Directors / Term Expires

Allan Brown, 2022
Stan Claassen, 2022
Edith Coffman, 2023
Elizabeth Douglass, 2023
Lanny Hoel, 2023

Lynn Willow, ORC
Kevin Walker, WSDM
Kristina Kulick, WSDM

1) ADMINISTRATIVE MATTERS

- a) Call to Order & Declaration of Quorum
- b) Confirm any Potential Conflicts of Interest
- c) Discussion and Approval of the Agenda
- d) Review and Approval of the July 15, 2020 Board of Directors Meeting Minutes (see attached)

2) FINANCIAL MATTERS

- a) Review of billing and collection status
- b) Review and accept the July 31, 2020 Unaudited Financial Status (see attached)
- c) Review and approve the Payment of Claims (see attached)
- d) 2019 Audit – submitted and posted on Website
- e) Ratify contract approval for RMG – see attached

3) OLD BUSINESS

- a) Update on Construction Project
 - i) Schedule status – Michael Groselle
 - (a) Control Buildings
 - (b) Other changes to program
 - (c) Wells and tank status
 - ii) Engineering and Construction management contract update – see attached letter from AquaWorks
 - iii) Budget update – information will follow under separate cover
 - iv) 222 Denwood Easement work around – Kevin W.
 - v) Other issues for discussion and update
 - (a) Soils engineering update
- b) Fire Mitigation project status
- c) Website update and review
- d) Trout Haven Exclusion project – information will follow under separate cover

3) OPERATORS REPORT – See attached report

4) NEW BUSINESS

5) OTHER BUSINESS

6) PUBLIC COMMENT

Comments will be limited to 3 minutes. Please remain respectful of the Board of Directors as well as of your fellow residents.

7) ADJOURNMENT

THE NEXT REGULARLY SCHEDULED MEETING IS SCHEDULED FOR WEDNESDAY, SEPTEMBER 16, 2020 at 5:30 p.m.

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

July 15, 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
Braden Hammond, BiggsKofford
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 5:34 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 an Agenda item under Financial Matters 2.a. to review the Audit. Mr. Walker tabled Agenda item 3.e. for next month. Director Brown moved to approve the Agenda as modified; seconded by Director Claassen. Motion passed.
- d. Review and Approval of the June 17, 2020 Board of Directors Meeting Minutes: Director Douglass moved to approve the June 17, 2020 Board of Directors Meeting Minutes; seconded by President Coffman. Motion passed unanimously.

2. FINANCIAL MATTERS:

- a. Audit Review: Mr. Hammond presented the Audit review to the Board and noted they are slightly behind due to COVID-19, but they are expecting to have it issued by the deadline of July 31, 2020. He noted a decrease in revenues overall due to water metering issues that occurred at the end of last year. Otherwise, the financials look comparable to the year before, so they are not expecting any significant surprises. The Board discussed distributing the Draft Audit once it is ready to the Board and sign it electronically with the option of holding a Special Board Meeting if needed before the deadline. Director Douglass asked about the decrease in revenue. Mr. Walker explained the issues with water meter reads in November 2019 that led to the decrease in revenues. The Board agreed to have the draft sent electronically.
- b. Review of billing and collection status: Mr. Walker reported on the collection status and noted 10 delinquent accounts but believes the majority should be resolved prior to water shut-off tomorrow.
- c. Review and accept the June 30, 2020 Unaudited Financial Status: Mr. Walker presented the unaudited financials and noted property tax revenue is slightly behind from last year due to the extensions from Teller County due to COVID-19. Overall, there are no major issues and the financials are standard. President Coffman moved to accept the June 30, 2020 Unaudited Financial Status; seconded by Director Douglass. Motion passed unanimously.

- d. Review and approve the Payment of Claims: Mr. Walker noted a couple minor changes to the payment of claims. After review, President Coffman moved to approve the Payment of Claims with the additional \$140 for Black Mountain Pump Service; seconded by Director Claassen. Motion passed unanimously.

3. OLD BUSINESS:

- a. Final approval of Resolution to Modify Fees and Charges for Monthly Billing: Mr. Walker explained the Resolution will modify the fees and charges to match up with monthly billing that will begin August 1st. The Board discussed the current fees and reviewing the possibilities of lowering the fees when the 2021 budget is discussed in October. Director Claassen moved to approve the Resolution to Modify Fees and Charges for Monthly Billing; seconded by Director Douglass. Motion passed unanimously.
- b. System Status
 - i. Recent leak at Wells 2 and 8: Mr. Groselle reported on the recent leak and noted the wells are currently operating. There was a large leak found in Well 2 from an old curb stop that had rotted, so when the pump turned on it just pumped water into the ground. The parts to make the connection will be delivered tomorrow morning and the electrical is all working again on the wells. Mr. Groselle believes both wells will be fully repaired by tomorrow early afternoon. Today, they hit two unmarked service lines that were not locatable. They shut the valves and system as needed to make the repairs. He noted the difficulties with the older system and locating certain lines and pointed out these lines do not feed to a house and they are just capped in the ground. Mr. Groselle explained the issue is that the existing system does not allow them to isolate the breaks along Donzi without closing the tank and shutting off the system pressure. He noted they are past that problem area and they should not need to close the tank . Mr. Sommers discussed in detail the locating of the buried infrastructure as part of the construction project. He went over the challenges with the abandoned water service lines that have been unlocatable. The Board discussed the recent water service outages and how to anticipate or set expectations moving forward. The Board discussed communicating directly with those customers who are affected by water service outages when it is not a system wide outage. The customers are also notified of construction in their area that could require water to be turned off by a door hanger.
 - ii. Well Output and Tank Report: The Board discussed reading the meters and pumps to help better monitor when there are leaks. Director Claassen discussed researching the pumps further to find out if they need to be replaced soon. Mr. Sommers and Mr. Groselle went over the option of hiring Black Mountain to do a maintenance check on the wells and pumps. Mr. Walker suggested having Mr. Willow put together a maintenance schedule for them.
- c. Update on Construction Project
 - i. Schedule Status: Mr. Groselle reported on the construction schedule and noted they have been working along Donzi and have gotten from the tank down to Silbani.

The Board discussed how the recent leaks and repairs were significant setbacks to the schedule. Mr. Sommers explained in similar situations, clients have not charged liquidated damages or expenses for going past the deadline of October 1, 2020 for legitimate time extensions.

ii. Communication Plan –Use of FaceBook and the website were outlined by Mr. Walker.

iii. Change Orders

a) Approval Process: Mr. Walker went over the Change Orders in detail with the Board. Mr. Walker discussed the need for establishing a process to authorize the small change orders quickly. President Coffman expressed concerns with giving this authority due to the costs associated for the District. After further discussion, the Board agreed to authorize Mr. Walker, Mr. Groselle and Mr. Sommers to approve small change orders with prompt notification to the Board by email on the details of the change order.

b) Approved Orders – actual change orders will be submitted to the Board at the next meeting.

iv. Contractor Water Source Concept: Mr. Groselle reported that as of now they are no longer seeking water from the District and they will haul it in for the remainder of the project.

v. Other issues and progress - none

d. Fire Mitigation: Director Douglass reported she walked the properties with CUSP and marked them for the roadway mitigation program. Next, CUSP will bring out contractors to provide bids to mitigate, so the project is moving along.

e. Trout Haven Exclusion Project: Mr. Walker reported that the attorney working on this is sick and quarantining at home, so the Board will review this item next month

4. OPERATORS REPORT: Mr. Walker noted Mr. Willow was unable to attend the meeting due to an emergency at another location, but the Operator's Report was included in the Board packet. President Coffman expressed concerns with tank level steadily decreasing. Mr. Walker explained it could be from the leak and noted they had to turn it off twice today, but he is monitoring the tank closely.

5. NEW BUSINESS: There was no further discussion.

6. OTHER BUSINESS: There was no further discussion.

7. PUBLIC COMMENT: President Coffman opened the meeting to public comment. Mr. Winterer thanked Director Douglass for the timely notification of water issues on Facebook and the website. President Coffman suggested keeping a couple 5-gallon buckets of water in case of emergency during these water break issues.

Mr. Stephan Weiss asked why they are continuing to pay the capital improvement fees when it could be beyond the affordability in the area. He also asked why they are paying them when it was indicated in 2015 that fees would be removed in 2018. Mr. Walker explained the

operating budget and cash flow model analysis that was done a few months ago. He noted they might be able to consider a decrease of the fee during the budget discussion for next year. Director Claassen noted the pump assessment and if they need to replace it could cost \$5,000 to \$10,000 per pump. They are also planning on replacing 2/3 of the distribution lines, so that is 10,000 feet of line that are not going to be replaced and valves still need to be inspected. He added that right now we do not have the information to budget for what might need to be spent in the next two years replacing pumps and valves. Mr. Walker noted the Long-Term Capital Plan is available on the website.

Mr. Ray thanked the Board for working on the quality issue, and with the new filters he has not had any major issues for almost a month. He also appreciates the Board considering the reduction of fees if feasible to do so.

8. ADJOURNMENT: Director Douglass moved to adjourn; seconded by Director Claassen. Motion passed unanimously at 7:30 p.m.

Respectfully Submitted,
Walker Schooler District Managers

By: Recording Secretary

THESE MINUTES ARE APPROVED AS THE OFFICIAL JULY 15, 2020 MINUTES OF THE ARABIAN ACRES METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

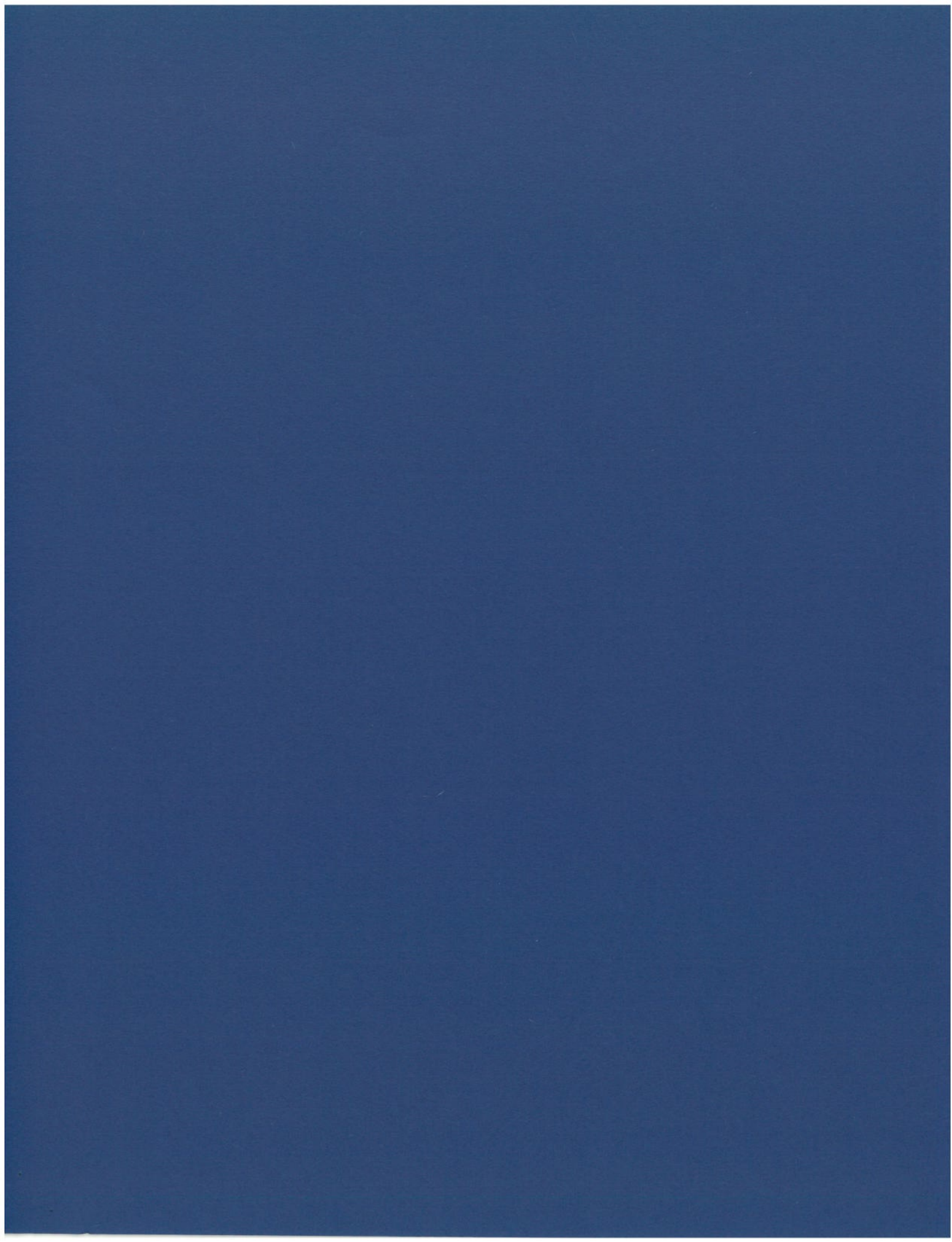
Allan Brown

Stan Claassen

Edith Coffman

Elizabeth Douglass

Lanny Hoel



Arabian Acres Metropolitan District
Profit & Loss Budget vs. Actual
January through July 2020

	Jan - Jul 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
1-4000 · Capital Improvement Fees	77,160.61	130,000.00	-52,839.39	59.4%
1-4020 · CORA Requests	150.00			
1-4030 · Late Fee Revenue	1,409.41			
1-4050 · Water Service Fee	65,068.42	107,503.00	-42,434.58	60.5%
1-4070 · Water Tap Fees	0.00	8,000.00	-8,000.00	0.0%
1-4080 · Water Usage	52,082.96	80,000.00	-27,917.04	65.1%
2-4400 · Property Tax Revenue	115,654.64	121,646.88	-5,992.24	95.1%
2-4450 · Specific Ownership Tax	6,239.29	8,515.28	-2,275.99	73.3%
2-4460 · Restitution	40.15			
2-4470 · State Senior/ Veteran Funds	5,940.04			
3-4090 · CWCB Meter Loan 400K	27,295.65			
3-4095 · CDPHE Grant 300K	107,523.00	100,000.00	7,523.00	107.5%
Total Income	458,564.17	555,665.16	-97,100.99	82.5%
Gross Profit	458,564.17	555,665.16	-97,100.99	82.5%
Expense				
1-6020 · Bank Service Charges	60.00	750.00	-690.00	8.0%
1-6030 · Website	137.84	750.00	-612.16	18.4%
1-6050 · District Management-Operating	25,250.00	50,000.00	-24,750.00	50.5%
1-6060 · Dues Fees and Subscriptions	1,605.28	3,500.00	-1,894.72	45.9%
1-6065 · Engineering O&M	0.00	2,000.00	-2,000.00	0.0%
1-6070 · Election Expense	400.00	6,000.00	-5,600.00	6.7%
1-6080 · Insurance Expense-Operating	6,676.00	8,000.00	-1,324.00	83.5%
1-6090 · Office Supplies	16.42	500.00	-483.58	3.3%
1-6100 · Postage and Copies-Operating	1,357.77	800.00	557.77	169.7%
1-6110 · Audit	0.00	7,500.00	-7,500.00	0.0%
1-6120 · Directors Fees	4,500.00	10,000.00	-5,500.00	45.0%
1-6130 · Legal	8,000.00	20,000.00	-12,000.00	40.0%
1-6150 · Water Billing	5,670.64	5,000.00	670.64	113.4%
1-6170 · Chemicals and Supplies	613.38	2,500.00	-1,886.62	24.5%
1-6180 · ORC Fees-Operating	24,661.08	44,000.00	-19,338.92	56.0%
1-6190 · Repairs and Maintenance	5,187.04	20,000.00	-14,812.96	25.9%
1-6210 · Utilities	7,731.11	12,500.00	-4,768.89	61.8%
1-6220 · Water Distribution Purchases	8,800.00	30,000.00	-21,200.00	29.3%
1-6230 · Water Testing	5,835.18	3,000.00	2,835.18	194.5%
2-6240 · Treasurer Collection Fee	3,382.56	1,824.70	1,557.86	185.4%
3-6000 · Capital Outlay	148,420.30	2,100,000.00	-1,951,579.70	7.1%
3-6030 · Bid Advertising	0.00	500.00	-500.00	0.0%
3-6050 · District Management	1,000.00			
3-6180 · ORC Fees	1,050.00			
60000 · Advertising and Promotion	0.00	500.00	-500.00	0.0%
Total Expense	260,354.60	2,329,624.70	-2,069,270.10	11.2%
Net Ordinary Income	198,209.57	-1,773,959.54	1,972,169.11	-11.2%
Other Income/Expense				
Other Income				
1-7020 · Interest Income - Operating	0.00	6,000.00	-6,000.00	0.0%
2-7000 · Interest Income	1,954.00	2,500.00	-546.00	78.2%
Total Other Income	1,954.00	8,500.00	-6,546.00	23.0%
Other Expense				
2-8000 · Bond Interest	27,203.00	54,408.00	-27,205.00	50.0%
2-8050 · National Rural Water Interest	812.91	1,578.18	-765.27	51.5%
2-8080 · Trustee Fees	250.00	250.00	0.00	100.0%
Total Other Expense	28,265.91	56,236.18	-27,970.27	50.3%
Net Other Income	-26,311.91	-47,736.18	21,424.27	55.1%
Net Income	171,897.66	-1,821,695.72	1,993,593.38	-9.4%

Arabian Acres Metropolitan District
Balance Sheet
As of July 31, 2020

	Jul 31, 20
ASSETS	
Current Assets	
Checking/Savings	
ECB Checking	186,178.67
1-1020 · Zions First National Bank	0.75
2-1000 · COLOTRUST 4001	119,645.86
2-1020 · COLOTRUST Reserve 8002	31,942.83
3-1000 · COLOTRUST-Capital Reserve 8003	237,223.51
Total Checking/Savings	574,991.62
Accounts Receivable	
1-1200 · Accounts Receivable	25,838.53
Total Accounts Receivable	25,838.53
Other Current Assets	
1-1210 · Accounts Receivable County	1,010.44
1-1250 · Prepaid Expense	6,408.57
1-1300 · Property Tax Receivable	92,587.44
Total Other Current Assets	100,006.45
Total Current Assets	700,836.60
Fixed Assets	
1-1850 · Construction in Progress	68,299.63
Total Fixed Assets	68,299.63
Other Assets	
3-1500 · Capital Assets	1,262,622.90
3-1520 · Equipment	3,307.55
3-1540 · Land	101,000.00
3-1560 · Water Rights	172,588.00
3-1590 · Accumulated Depreciation	-442,548.00
Total Other Assets	1,096,970.45
TOTAL ASSETS	1,866,106.68
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
1-2000 · Accounts Payable	48,798.41
Total Accounts Payable	48,798.41
Other Current Liabilities	
1-2020 · Accrued Interest	4,767.00
2-2200 · Deferred Revenue-Property Taxes	92,587.44
Total Other Current Liabilities	97,354.44
Total Current Liabilities	146,152.85
Long Term Liabilities	
2-2400 · 2007 Bonds Payable	1,105,000.00
2-2440 · Natural Rural Water	51,405.43
Total Long Term Liabilities	1,156,405.43
Total Liabilities	1,302,558.28

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08/12/20

Accrual Basis

Arabian Acres Metropolitan District

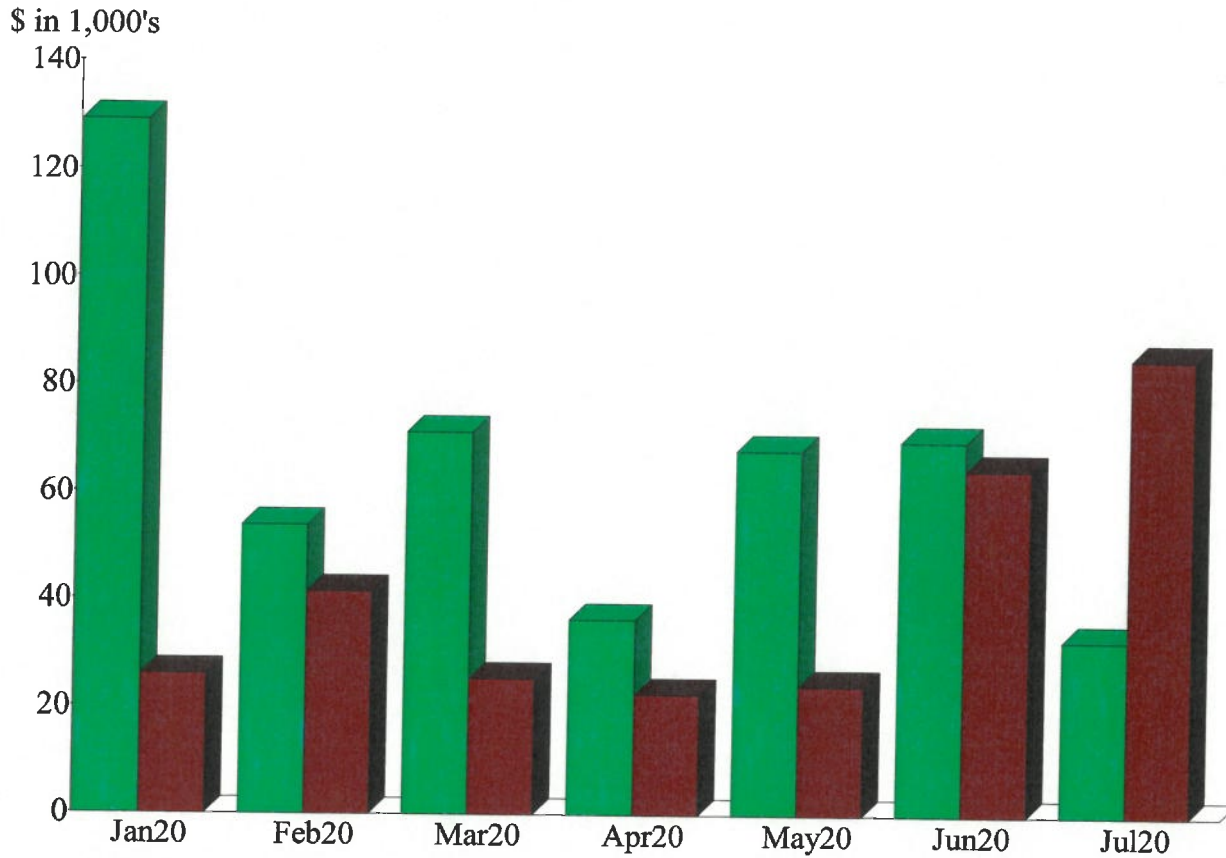
Balance Sheet

As of July 31, 2020

	<u>Jul 31, 20</u>
Equity	
30000 · Opening Balance Equity	215,933.51
32000 · Retained Earnings	175,717.23
Net Income	<u>171,897.66</u>
Total Equity	<u>563,548.40</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,866,106.68</u></u>

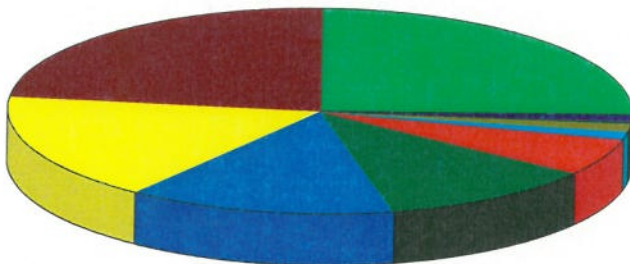
Income and Expense by Month January through July 2020

Income
Expense



Income Summary January through July 2020

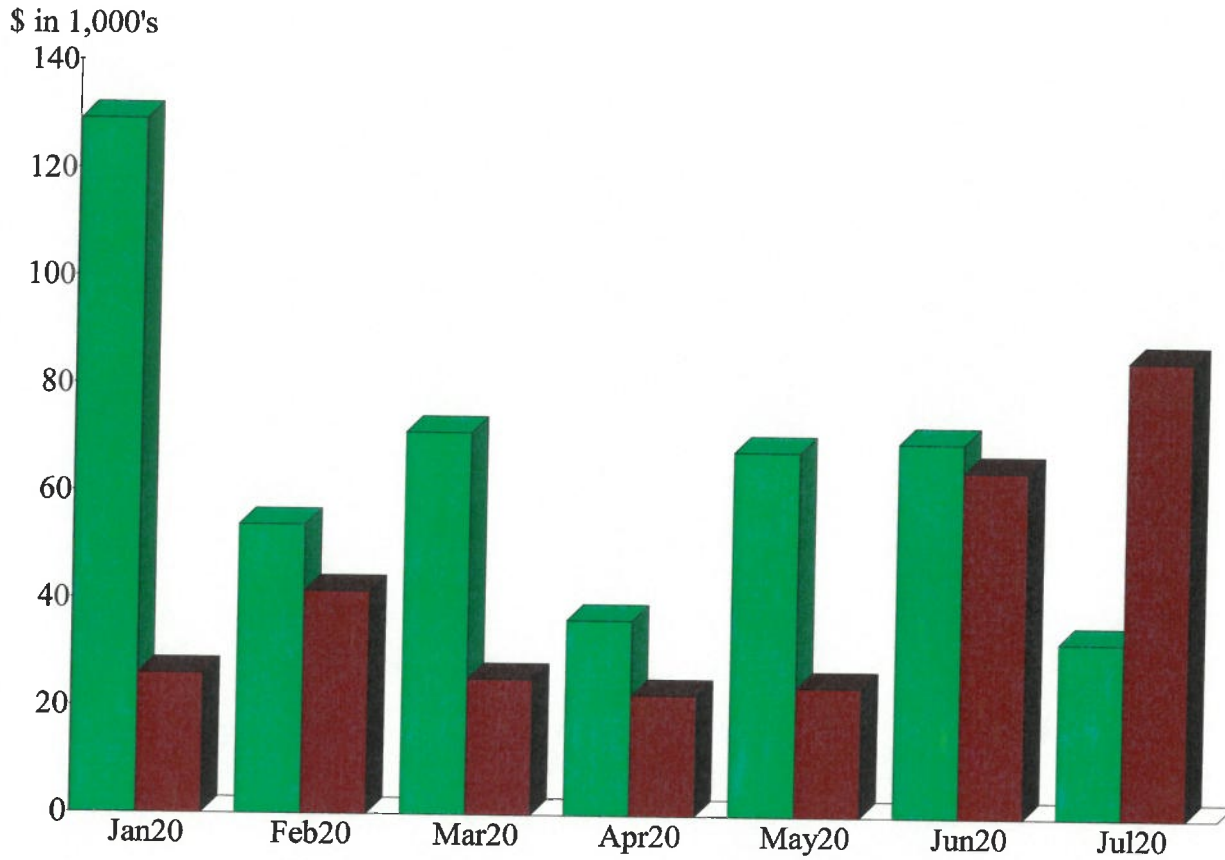
2-4400 · Property Tax Revenue	25.11%
3-4095 · CDPHE Grant 300K	23.35
1-4000 · Capital Improvement Fees	16.76
1-4050 · Water Service Fee	14.13
1-4080 · Water Usage	11.31
3-4090 · CWCB Meter Loan 400K	5.93
2-4450 · Specific Ownership Tax	1.35
2-4470 · State Senior/ Veteran Funds	1.29
2-7000 · Interest Income	0.42
1-4030 · Late Fee Revenue	0.31
Other	0.04
Total	\$460,518.17



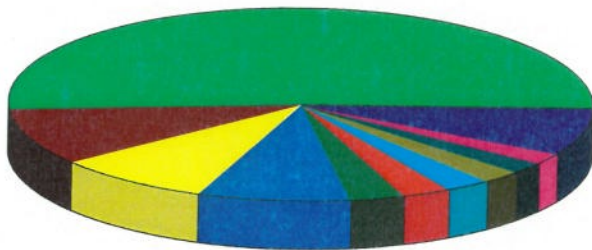
By Account

Income and Expense by Month January through July 2020

Income
Expense



Expense Summary January through July 2020



3-6000 · Capital Outlay	51.42%
2-8000 · Bond Interest	9.43
1-6050 · District Management-Operating	8.75
1-6180 · ORC Fees-Operating	8.54
1-6220 · Water Distribution Purchases	3.05
1-6130 · Legal	2.77
1-6210 · Utilities	2.68
1-6080 · Insurance Expense-Operating	2.31
1-6230 · Water Testing	2.02
1-6150 · Water Billing	1.96
Other	7.06
Total	\$288,620.51

By Account

Arabian Acres Metropolitan District

PAYMENT REQUEST

8/19/2020

GENERAL FUND

Company	Invoice	Date	Amount	Retainage	Amount this Draw	Comments
Edith Coffman	08192020EC	8/19/2020	\$ 100.00		\$ 100.00	
Lanny Hoel	08192020LH	8/19/2020	\$ 100.00		\$ 100.00	
Elizabeth Douglas	08192020ED	8/19/2020	\$ 100.00		\$ 100.00	
Allan Brown	08192020AB	8/19/2020	\$ 100.00		\$ 100.00	
Stan Claassen	08192020SC	8/19/2020	\$ 100.00		\$ 100.00	
Alpine Locates & Utilities	10726	7/20/2020	\$ 237.50		\$ 237.50	
Black Mountain Pump Service, Inc.	1344	7/29/2020	\$ 180.00		\$ 180.00	
Dana Kepner Company, Inc.	3060335-00	7/24/2020	\$ 327.58		\$ 327.58	
Department of Public Health and Environme	FGD20200614	7/29/2020	\$ 100.00		\$ 100.00	
El Paso County Public Health	73120	8/15/2020	\$ 101.00		\$ 101.00	
Front Range Winwater Works Co.	065105-00	7/24/2020	\$ 134.56		\$ 134.56	
Gold Rush Water	15375	8/1/2020	\$ 275.00		\$ 275.00	
Gold Rush Water	15291	7/19/2020	\$ 1,100.00		\$ 1,100.00	
Gold Rush Water	15338	7/25/2020	\$ 550.00		\$ 550.00	
IREA	40045402	8/12/2020	\$ 21.11		\$ 21.11	ACH
IREA	40032202	8/12/2020	\$ 310.79		\$ 310.79	ACH
IREA	40299901	8/12/2020	\$ 164.48		\$ 164.48	ACH
IREA	43071702	8/12/2020	\$ 169.26		\$ 169.26	ACH
IREA	43183502	8/12/2020	\$ 291.99		\$ 291.99	ACH
Jehn Water Consultants, Inc.	982.1/8-20	8/2/2020	\$ 460.00		\$ 460.00	
J.A. Excavation & Septic's LLC	Contracted072020	7/31/2020	\$ 2,650.00		\$ 2,650.00	
J.A. Excavation & Septic's LLC	Contracted072020	7/31/2020	\$ 990.00		\$ 990.00	
Key Bank Credit Card	*8927	8/12/2020	\$ 334.25		\$ 334.25	ACH - Paid
Mailing Services Inc	14052	7/14/2020	\$ 106.50		\$ 106.50	
National Rural Water Association	9012020	9/1/2020	\$ 924.10		\$ 924.10	
USA BlueBook	310355	7/28/2020	\$ 151.24		\$ 151.24	
Walker Schooler District Managers	6565	7/31/2020	\$ 4,509.01		\$ 4,509.01	
TOTAL			\$ 14,588.37	\$ -	\$ 14,588.37	

CAPITAL FUND

Company	Invoice	Date	Amount	Retainage	Amount this Draw	Due	Comments
AquaWorks DBO, Inc.	2144	7/26/2020	\$ 32,469.90		\$ 32,469.90		
Glacier Construction Co Inc			\$ 5,000.00		\$ 5,000.00		
Ground Engineering	208522.0-2	8/10/2020	\$ 3,026.50		\$ 3,026.50		
Ground Engineering	208522.0-1	7/13/2020	\$ 856.25		\$ 856.25		
TOTAL			\$ 41,352.65	\$ -	\$ 41,352.65		

, Treasurer

Arabian Acres Metropolitan District

TOTAL \$ 55,941.02

Contract for Geotechnical Engineering Services

DATE:	July 30, 2020	JOB NO: 178152
CLIENT:	Name: AquaWorks DBO Inc. Address: 3252 Williams Street City, State, Zip: Denver, CO 80205 Phone: (303) 477-5915 Email: mike@aquaworksdbbo.com	
GEOTECHNICAL ENGINEER:	Geostruct Engineers, Inc. dba RMG – Rocky Mountain Group 2910 Austin Bluffs Parkway, Suite 100 Colorado Springs, CO 80918 Phone: (719) 548-0600 Fax (719) 548-0223	
The CLIENT's Project is:	Potable Water Distribution System - Arabian Acres CR 42 and Denwood Dr Teller County, Colorado	

The Basic Services of Geotechnical Engineer are indicated below and include:

Personnel of RMG shall make visits to the site at the request of the contractor or his designated representative in order to perform construction testing and perform laboratory materials tests as requested. Such visits and testing by personnel of RMG are not intended to be exhaustive or to extend to every aspect of work in progress, or to involve detailed inspections of the work, but rather are to be limited to spot checking, selective sampling and similar methods of general testing of the work based on the request of the contractor or designated representative. Personnel of RMG shall not during such visits or as a result of observations and testing, supervise, direct or control the contractor's work nor have authority over or responsibility for the means, methods, techniques, sequence or procedure of construction selected by the contractor including safety procedures.

The Basic Services will be completed as requested and scheduled. Please contact RMG dispatch, at our phone number notated above, a minimum of **24 hours** prior to schedule for inspections Monday – Friday and a minimum of **48 hours** prior to schedule for inspections Saturday, Sunday, or Holidays.

The Geotechnical Engineer's charges and Method of Compensation are as follows:

Invoices are based on the following rates:

- CMT Tech: \$65/hr (concrete/soil density testing) – 2 hr minimum, twice daily visits, est. 90 visits over 45 working days
- Proctor w/ Soil Classification: \$275 each, est. 1 sample
- Daily Field Reports: \$40 each, est. 45
- Daily Vehicle & Equipment Charge: \$38/day, est. 45
- PM/Sr. Geo Eng (PE): \$155/hr, est. 8 hours

Construction Materials Testing Estimate – Not-To-Exceed Amount without Prior Authorization: \$16,725.00

All other services at standard hourly rates - consult our office for rates

Hours before 8am and after 5pm (M-F) and all Saturday hours will be billed at 1.5 times the applicable rate. All services provided on Sundays and holidays will be billed at 2.0 times the applicable rate. Hourly services are billed portal to portal from our office.

Balance Due Net 30 days if Credit has been Approved. Client is responsible for requesting Credit. To request Credit, please call the office phone number above. Otherwise, balance is due and payable upon receipt of invoice and work product will be released after payment has been received.

Agreement includes Exhibit A attached and included herewith.

READ THIS: Client signing this document acknowledges they are the responsible party for PAYMENT of this contract. If a third party is to be billed, do NOT sign this contract and inform RMG of their name & contact information. Contract must only be signed by the party directly responsible for payment. RMG shall be entitled to interest at the rate of 12% per annum on all over due amounts and all costs of collection, including reasonable attorney's fees.

This Agreement is made and executed as of the date above by:

Edith Coffman

Edith Coffman (Aug 4, 2020 16:16 MDT)

Client Signature (Also acknowledges receipt and review of Exhibit A)

Edith Coffman

Print Name



Cory Ramsey, P.E.

RMG Representative

Exhibit A – Services

ROCKY MOUNTAIN GROUP (designated as **RMG**) shall perform for or furnish to CLIENT professional services for all phases of the Project to which this Agreement applies as stated in Basic Services. No other services are included unless specifically stated. **RMG** shall serve as CLIENT's architect and/or engineering representative for the Project providing professional consultation and design with respect thereto.

RMG may modify specified boring locations, field and laboratory tests and other similar items, as deemed necessary to **RMG** by the practice of due care. **RMG** shall first consult with CLIENT about the necessity for such modifications if they involve additional fees.

The CLIENT will provide **RMG** all criteria and full information as to CLIENT's requirements for the Project, including design objectives and constraints, space, capacity and performance requirements, flexibility and expendability, and any budgetary limitations; and furnish copies of all architectural design and construction standards which CLIENT will require to be included in the Drawing and Specifications; place at **RMG's** disposal all available information pertinent to the Project including previous reports and any other data relative to design or construction of the Project, as well as existing geotechnical and geologic data, analyses and reports concerning the site which are known or may become known to CLIENT; furnish data prepared by others, including without limitation explorations and tests of subsurface conditions at or contiguous to the site, drawings of physical conditions in or relating to existing surface or subsurface structures at or contiguous to the site, or hydrographic surveys. CLIENT shall be responsible for, and **RMG** may rely upon, the accuracy and completeness of all information furnished pursuant to this paragraph. **RMG** may use such information in performing or furnishing services under this Agreement.

The CLIENT shall make available to **RMG** all information known to CLIENT concerning the location of underground services, conduits, pipes, tanks and other obstructions which CLIENT considers pertinent to **RMG's** services hereunder. CLIENT and/or Owner shall arrange for access to and make all provisions for **RMG** to enter upon public and private property as required for **RMG** to perform service under this Agreement. The CLIENT shall provide engineering surveys to establish reference points and base lines to enable **RMG** to define the locations and elevations of field explorations and tests. CLIENT is responsible for determination of all excavation grades. The CLIENT represents to **RMG** that there are no known or suspected hazardous substances, including but not limited to asbestos, hazardous wastes and toxic or radioactive materials to which **RMG** will or may be exposed in performing services at the site of the PROJECT. The CLIENT shall reimburse **RMG** for all costs incurred in connection with decontamination or contaminated field or laboratory equipment, replacement of unusable contaminated consumable and the disposal of any contaminated consumables if necessary.

CLIENT shall examine all alternate solutions, studies, reports, sketches, Drawings, Specifications, proposals and other documents presented by **RMG** (including obtaining advice of an attorney, insurance counselor and other consultants as CLIENT deems appropriate with respect to such examination) and render in writing decisions pertaining thereto.

CLIENT shall provide approvals and permits from all governmental authorities having jurisdiction to approve the portions of the Project designed or specified by **RMG** and such approvals and consents from others as may be necessary for completion of such portions of the Project. Such services shall comply with the Codes and Standards of said jurisdiction in effect during the preparation of such services.

If Construction Phase services are not included in the **RMG's** scope of services for the specific Project, CLIENT shall be solely responsible for interpretations of, or deviations to, the **RMG's** specifications or the Construction Documents, and for observing the work by contractor to discover, correct or mitigate errors, inconsistencies or omissions.

Unless specific periods of time or specific dates for providing services are specified in this Agreement **RMG's** obligation to render services hereunder will extend for a period which may reasonably be required for the design, award of construction contracts, construction and initial operation of the Project including extra work and required extensions thereto.

CLIENT shall promptly provide **RMG** written notice describing in reasonable detail any issues arising out of, or related to, the services performed by **RMG** under this Agreement, including any issues related to **RMG's** work raised by CLIENT's customer. **RMG** shall have the right to inspect any project about which it receives notice. If CLIENT does not own a project for which notice has been provided, CLIENT shall reasonably assist **RMG** in obtaining access to inspect that project.

If CLIENT suspends services, requests significant modifications or changes in the extent of the Project, or authorizes Additional Services, or if progress is delayed through no fault of **RMG**, the time of performance and rates and amounts of compensation provided for herein for **RMG's** services shall be adjusted appropriately.

CLIENT shall pay **RMG** for Basic Services performed or furnished on the basis set forth in Basic Services. CLIENT shall pay **RMG** for Additional Services performed or furnished as submitted in an Addendum to contract. If CLIENT fails to make any

payment due **RMG** for services and expenses within thirty days after receipt of **RMG's** invoice therefore, **RMG** may, after giving three days' written notice to CLIENT, suspend services under this Agreement until **RMG** has been paid in full all amounts due for services, expenses and charges.

In the event of termination by CLIENT by submitting 7 day written notice, compensation due **RMG** in accordance with this Agreement for all such services performed or furnished by **RMG** and **RMG's** Consultants to date shall be due and payable. Any prepaid retainer may be refunded minus such compensation for services performed to date.

All documents including Drawings and Specifications provided or furnished by **RMG** pursuant to this Agreement are instruments of service in respect of the Project, and **RMG**, as appropriate, shall retain an ownership and property interest therein (including the right of reuse by and at the discretion of **RMG** as appropriate) whether or not the Project is completed. CLIENT may make and retain copies for information and reference in connection with the use and occupancy of the Project by CLIENT and others; however, such documents are not intended or represented to be suitable for reuse by CLIENT or others on extensions of the Project or on any other project. Any such reuse without written verification or adaptation by **RMG**, as appropriate, for the specific purpose intended will be at CLIENT's sole risk and without liability or legal exposure to **RMG**. CLIENT shall indemnify, defend and hold harmless **RMG** from all claims, damages, losses and expenses including attorneys' fees arising out of or resulting therefrom. Any such verification or adaptation will entitle **RMG** to further compensating at rates to be agreed upon by CLIENT and **RMG**.

All documents, reports and Drawings and Specifications provided or furnished by **RMG** are valid for a period of two years after the date on the documents, reports and Drawings and Specifications. Unless otherwise requested by CLIENT in writing, **RMG** shall be free to take appropriate photos and/or videos of projects as needed either for preparation of work or business development purposes.

Excluding any claims of **RMG** against CLIENT arising out of CLIENT's failure to pay **RMG** any amounts due under this Agreement which claims may be resolved by litigation in **RMG's** sole discretion, any claims or disputes arising out of or related to this Agreement whether in contract, tort and/or based upon an alleged statutory violation, including any claims against **RMG's** officers, directors, shareholders and/or employees, shall be resolved by binding arbitration administered by the American Arbitration Association in accordance with the then current Construction Industry Arbitration Rules. The costs of the arbitration shall be borne equally by the parties, subject to reallocation in the final arbitration award. In the event **RMG** substantially prevails in arbitration it shall be entitled to an award of its attorney's fees and costs. Any arbitration award may be enforced through entry of judgment by any court of competent jurisdiction.

This Agreement is to be governed by the law of the principal place of business of **RMG**. Exclusive venue for any action arising out of or related to this Agreement shall be in the county in which the project is located.

The standard of care for all professional services performed or furnished by **RMG** under this Agreement will be the care and skill ordinarily used by members of **RMG's** profession practicing under similar conditions at the same time and in the same locality. **RMG** makes no warranties, express or implied, under this Agreement or otherwise, in connection **RMG's** services.

If this contract is signed and dated after 6 months from the contract date, the terms and fees are subject to be negotiated. The fees and scope for any services listed in this contract that is not initiated within 12 months of the most recent signatory date is subject to renegotiation.

This Agreement may be executed in counterparts, each of which shall be deemed an original, and when taken together, shall constitute one and the same agreement. A facsimile signature, electronic signature, or electronically transmitted signature shall be deemed to be an original for the purpose of executing this Agreement.

Limitation of Liability

IN RECOGNITION OF THE RELATIVE RISKS, REWARDS AND BENEFITS OF EACH PROJECT TO BOTH THE CLIENT AND **RMG**, THE RISKS HAVE BEEN ALLOCATED SO THAT THE CLIENT AGREES THAT, TO THE FULLEST EXTENT PERMITTED BY LAW, THE TOTAL LIABILITY IN THE AGGREGATE OF **RMG** AND ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS AND INDEPENDENT PROFESSIONAL ASSOCIATES AND CONSULTANTS TO CLIENT AND ANY THIRD PARTIES FOR ANY AND ALL INJURIES, CLAIMS, LOSSES, EXPENSES AND/OR DAMAGES WHATSOEVER ARISING OUT OF OR IN ANY WAY RELATED TO **RMG's** SERVICES OR THIS AGREEMENT, SHALL NOT EXCEED THE TOTAL COMPENSATION RECEIVED BY **RMG** UNDER THIS AGREEMENT, OR \$15,000, WHICHEVER IS GREATER.



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Board of Directors
Arabian Acres Metropolitan District
c/o Walker Schooler District Managers
614 N. Tejon St
Colorado Springs, CO 80903

July 28, 2020

RE: Construction Engineering Budget Update

Dear Directors:

The engineering firm of AquaWorks DBO has been retained by the district to provide construction engineering services in support of the Potable Water Treatment & Distribution projects. These services include customary resident project representative services, project coordination, reviewing project documentation, preparing as-built drawings, and completing close out documentation.

Since the inception of the project, AquaWorks has been asked, and has provided, additional services including locating existing lines, developing a valving shut off plan, mapping locations of rock found during potholing, responding to broken lines, keeping existing wells producing water, and monitoring the water tank level. These additional services have been applied at our hourly rates to the existing contact amount of \$117,775. The existing contract was estimated for Mike Groselle being on site 32 hours per week. Mike's involvement with this project has typically been 40-50 hours per week.

Through July 26, 2020 AquaWorks has billed \$78,204.94 in costs. While we are currently within the budgeted amount, we wanted to notify the district that at the continued rate for out of scope work we are being asked to complete, we will exhaust our budget before the construction is completed.

This letter is a budget update and no action is being requested at this time. Towards the end of August, AquaWorks will present a contract extension request to the district for the anticipated remaining construction engineering services.

Sincerely,

AQUAWORKS DBO, INC.

Adam Sommers, P.E., AICP

cc. Kevin Walker

ARABIAN ACRES METROPOLITAN DISTRICT

MONTHLY OPERATIONS REPORT

July 7, 2020 to August 5, 2020

Submitted by: Lynn Willow, O.R.C/Operator

TOTAL WATER PUMPED

Control A 332,721

Control B 199,910

TOTAL PURCHASED WATER

Trucked – 2

(Amount actually received per each 4,000 gallon load is generally 200-300 gallons less due to standard and typical hauling losses)

OPERATIONS & MAINTENANCE ISSUES

- 1) Bac-T samples for the month have been taken and are negative.
- 2) Well #6 is out of water.
- 3) Well #8 according to Black Mt. Pump is Also running out of water.
- 4) Read, recorded and turned in meter reads.
- 5) Well # 9 was not turning on. Black Mt pump came out to find a blown fuse. Fuse was replaced and #9 is up and running.
- 6) At the same time #9 was not working, well #3 was turning on, but not pumping any water. After further investigation, we found that the pump had not been reconnected to feeder line correctly after NSC installed booster pump. Well #3 is now connected and pumping water.
- 7) Well# 3 has been set up to pump water to NSC construction tank for sell to them, when AAMD's demand warrants it.

OTHER BUSINESS:

Arabian Acres Check list

Date	Cl2 check	Meter check	Pumps	Hydrants	Tank	Chemicals	Valves	Buildings	Wells	Hrs
7-01-20	X	X	X		X	X		X	x	3
7-03-20	X	X	X		X	X		x		4.5
7-06-20	x	x	x		x	x		x		3.5
7-07-20										4.0 *
7-08-20	x	x	x		x	x		x		3.5
7-09-20										7.0 *
7-10-20	x	x	x		x	x		x		3.0
7-13-20	x	x	x		x	x		x		3.5
7-16-20	x	x	x		x	x		x		3
7-20-20	x	x	x		x	x		x	x	3.5
7-22-20	x	x	x		x	x		x	x	3.5
7-23-20										6
7-24-20	x	x	x		x	x		x	x	5
7-27-20	x	x	x		x	x		x	x	5.5
7-29-20	x	x	x		x	x		x		3.0
7-31-20	x	x	x		x	x		x	x	4

Notes:

7-7-20 Checked on progress of CIP project, NSC hit electric lines to wells 2 and 8.*

7-9-20 Overseeing CIP. Installation of booster pump at Control A.*

7-23-20 mainline leak on donzi, orderd 2 loads of water

7-23-20 repair mainline on Donzi

7-27-20 wells 3 and 9 not working, fuse in 9 bad, 3 was connected wrong by NSC. Black Mt. out to fix.

7-31-20 Read meters