

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

April 20, 2016: 6:00 P.M. at

Denny's: 100 Morning Sun Drive, Woodland Park, Colorado

ATTENDEES

Directors present: Kalvin McBride, Director
 Rebecca Seaman, Secretary
 Betty Williams, Treasurer
 Robert (Elric) Winterer, President

Others present: Judy Bertrand, Metropolitan District Management
 Kincade (Cade) Bertrand, MDM
 Lynn Willow, AAMD Water ORC

Members of the Public: See attached list

**ADMINISTRATIVE
MATTERS**

Attendance and Agenda: President Winterer called the meeting to order at 6:02 p.m. and a quorum was noted. Secretary Seaman made a Motion to add a 3 minute per person public comment at the end of the agenda before "Adjournment". Treasurer Williams seconded said motion and President Winterer called for a vote. With the exception of President Winterer who voted against the public comment due to inappropriate comments from some homeowners; the addition of the public comment section to the Agenda was approved three to one.

Marilyn Callan interrupted the Board three times during this discussion and she was informed by President Winterer that she was disrupting the meeting. Ms. Callan stated that if the Board called the police, that she would call the press.

Disclosure of Conflicts of Interest: The Board had previously been informed of the Colorado Revised Statutes to disclose potential conflicts of interest to the Board of Directors and Secretary of State. President Winterer requested the Board members to disclose any conflicts of interest. There were no conflicts.

Minutes: Treasurer Williams made a Motion to approve the March 16, 2016 Board meeting Minutes; with Calvin McBride seconding said Motion. The Minutes were unanimously approved.

President Winterer made a statement regarding Marilyn Callan making a video of the previous board meeting and stated that although this was within her rights, that it may have been appropriate for her to inform the public that she was doing so. President Winterer informed the Board and the Public that he was making a video recording of the board meeting,

Marilyn Callan interrupted the meeting again and was told by President Winterer that she was out of order.

Board Compensation: The Manager asked Director McBride if he planned to accept the \$100 compensation per meeting (up to \$1,600 per year) for serving on the Board. Director McBride stated he would accept the compensation.

Craig Baker: The Manager discussed the issues that Mr. Baker had raised with Teller County Board of Commissioners. She stated that she had responded to the County Commissioners and also provided Craig Baker's notification of withdrawal from the election and background information to the County. She stated that the County had said they will not get involved with AAMD District operations.

OPERATORS REPORT

President Winterer stated that he had not forgotten the information on the cement fabric that may be used around Building B. He committed to providing to Lynn Willow. Mr. Willow stated he had researched it but only found 2,700 lb. rolls and that it would require 2 people to install if purchased.

Director Williams asked about the well which had been hand dug and asked when this would be an issue for the State. Mr. Willow stated this was Well #3 and he hasn't run that well in months. He also discussed having a MPA (Microscopic Particulate Analysis) performed but stated that the cost is around \$1,300 per test.

Mr. Willow discussed the cost of water fracking as being around \$10 per feet vs. \$20 per foot for drilling a well. He explained the process for water fracking as:

1. Pull the pump
2. Force water pressure into the well
3. Cap and pressurize with water and air widens the water breaks and can (but is not guaranteed) to increase production by 50%.

He also stated that when the time comes to drill another well that they could use divining for determining the drilling location.

Mr. Willow discussed his priorities for capital projects and mentioned a larger storage tank and that we still have 8 well permits. Treasurer Williams asked about the price and Lynn Willow said the cost for a tank is approximately \$1.50 per gallon. He also mentioned that refurbished tanks are available, but to stay away from steel. Mr. Willow said that a concrete 40 x 20 feet tank would be appropriate and would need to be underground. He said we have a 30,000-gallon tank now. Treasurer Williams asked about the priority and Mr. Willow said fracking would probably be his first priority; then drilling another well or re-drill well #3. He will work with the District Manager to provide a more detailed capital improvement plan.

MANAGER'S REPORT

The Manager again presented Metropolitan District Management's contract to the Board and stated that she would be willing to continue managing the District after discussions with the Board of Directors.

Secretary Seaman stated that she had spoken with another firm and their charge for District Management exceeded what MDM would charge for services. Secretary Seaman made a Motion to approve their contract for District Management services; with Treasurer Williams seconding said Motion. Director McBride said he felt there had been a dramatic improvement in the financial state of the District and stated he was in favor of renewing the contract with MDM. The Board unanimously approved signing the contract with MDM.

Secretary Seaman discussed that there would be approximately \$16,000 coming in for water taps and asked about the cost for installing a meter pit. Per the ORC the cost is approximately \$800 for the tap, curb stop and tapping saddle. This would allow for additional funds to install meters on the wells.

He stated that Wells #6 and #7 are on the State radar for Gudi. Wells #9 and #5 have meters. Mr. Willow believes that Wells #2 and #8 are his top pick for installing meters. The cost is approximately \$2,800 to \$3,000 for each meter. This will be discussed when the water tap fees are received.

The Manager stated that Rick Zuniga was shown as the representative for the www.aaametro.org website and that Cliff Sowa did not have more information on the website or ability to transfer that site from the POA to AAMD. Secretary Seaman made a Motion to allow Cade Bertrand to investigate the transfer of the domain name and hosting to AAMD. Director Williams seconded said Motion and the Board unanimously approved allowing him to perform this out of scope work. The Manager stated that once AAMD has control of the website that postings can begin again.

The Manager mentioned that Mr. Willow still needs to train his backup for coverage and also discussed the Operations and Maintenance Manual. She said that she will provide Mr. Willow with a copy of the original O&M Manual for his review. Secretary Seaman also requested that Mr. Willow provide detail behind maintenance performed on his ORC Report.

The Manager requested retroactive approval to transfer \$15,500 from Key Bank to Park State Bank to cover the checks. Treasurer Williams made a Motion to approve; with Director McBride seconding said Motion. The transfer was unanimously approved.

The Manager and Cade Bertrand discussed the grant sent to the Board and management firm by Marilyn Callan. Cade Bertrand discussed the grant with John Wilson of the Economic Development Council and stated that the grant was not appropriate for AAMD. The Manager did state that there were Tier 1, 2 and 3 grants through DOLA that they hoped to apply for.

There was discussion of Craig Baker tapping in for water and he stated that he would be ready to pay the tap fee of \$8,000 in May. Mr. Willows stated he had spoken with Mr.

Baker about providing him with a \$800 credit to offset the expense of needing a pit for his cistern backflow preventer and the meter pit. Treasurer Williams made a Motion to allow Lynn Willow to hire Alpine Locates to locate the water main. The cost is expected to be \$95. Director McBride seconded said Motion and it was unanimously approved.

Secretary Seaman made a Motion to approve providing Craig Baker with a \$800 credit for the pit, due to unusual circumstances. Treasurer Williams seconded said Motion; and it was unanimously approved.

Mr. Willow stated that everything he has worked on is mapped, but he only knows where lines are located when he works on them.

The Manager discussed the Caselle billing program and Treasurer Williams mentioned the problems MDM had with data obtained by the previous management firm.

FINANCIAL MATTERS

Claims: The Manager presented the claims and Secretary Seaman made a Motion to approve; with Director McBride seconding. The claims were unanimously approved.

Financial Reports: The Manager presented the Cash Receipts and Disbursement statement presented to the Board by SDMS on March 31, 2015 and compared it to the current Balance Sheet and the Income Statement (Statement of Revenue, Expenses and Net Position). Treasurer Williams made a Motion to accept the unaudited financials; with Secretary Seaman seconding said Motion. The Financial Reports were unanimously approved.

The Board asked if the Manager could determine when the Judgements from SDMS and CCC would be paid off. The Manager stated she could make a general estimate of the time period.

PUBLIC COMMENT

President Winterer asked for public comment. David Johnson asked the Manager if there was any way to negotiate with SDMS and CCC to lower the 8% annual interest rate on the property tax judgement. The Manager stated that it was by court decree and would not be negotiable.

There being no further comments, Secretary Seaman thanks homeowners who did not normally attend the meetings for coming.

ADJOURNMENT

President Winterer adjourned the meeting at 7:40 p.m.

The next regular meeting is scheduled for May 18, 2016 at 6:00 p.m. at Denny's; 100 Morning Sun Drive, Woodland Park, Colorado.

Respectfully submitted,
Judy Bertrand, District Manager: Secretary

**THESE MINUTES APPROVED AS THE OFFICIAL APRIL 20, 2016 MINUTES OF ARABIAN ACRES
METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS.**

(Signed copy in possession of the District Manager)

Kalvin McBride, Director

Rebecca Seaman, Secretary

Betty Williams, Director

Robert (Elric) Winterer, President