

**MINUTES/NOTES OF THE BOARD OF DIRECTORS OUTREACH MEETING  
ARABIAN ACRES METROPOLITAN DISTRICT**

July 28, 2018: 10:30 A.M. at

**Florissant Public Library, 334 Circle Dr, Florissant, CO 80816**

**ATTENDEES**

Directors present: Ken Springer, Secretary  
Craig Waller, Treasurer  
Jennifer Waller, President  
Betty Williams, Director

Others present: Judy Bertrand, MDM (District Manager)  
Clay Brown, DOLA  
Jason Downie, Attorney  
Rachel Pittinger, CO Water Conservation Board  
Adam Sommers, AquaWorks

Members of the Public: See Sign-in Sheet

**ADMINISTRATIVE  
MATTERS**

Attendance and Agenda: President Waller called the meeting to order at 10:37 a.m. and a quorum was noted.

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. There were no conflicts.

**DISCUSSION OF CAPITAL IMPROVEMENT PROJECTS AND COMMENTS FROM ATTENDEES**

Clay Brown, Regional Director of DOLA discussed that DOLA provides assistance to Districts at no cost to them. The goal of DOLA (the smallest State agency) is to strengthen Colorado communities. Mr. Brown handles 8 counties and often works with rural communities. DOLA encourages Capital Improvement Plans as if Districts do not have a road map, they don't know where they are going. A 5-year plan is the norm, but some Districts project 10 years out. He mentioned that the Board has adopted a Capital Improvement Plan policy, but that the intent of this meeting was to obtain feedback from the community regarding prioritizing the capital projects. Mr. Brown stated that the public should be involved, and their positions heard prior to prioritizing the projects and developing a budget.

Mr. Brown stated that AAMD is like a lot of other small Districts who have major capital projects and that due to this the costs per resident are high. He mentioned that the Teller County area is not in an aquifer and needs a reliable source of water. Mr. Brown also stated that many water systems were built without county oversight.

Mr. Brown discussed that the existing infrastructure that needs to be replaced and that the District is paying off debt for a system that has exceeded its life. He stated that debt

should never exceed the life expectancy of the water system. Mr. Brown stated that the existing water lines have leaks and that the capital project for the installation of reliable water meters will begin in the Spring. He stated that this was the only project that has been approved by the Board and that applications for grants and loans have been submitted.

A resident asked how the meters would be effective in identifying water loss if there were not meters on the wells. Mr. Sommers responded that the meter project included metering the wells and customer's meters. He stated that if the tank level dropped that the ORC would drive around and find the high usage.

Adam Sommers stated that his goal has been to find problems and determine the most cost effective way to make improvements. He stated that to fund all projects the cost would be \$10.6M but that these projects have not been approved by the Board, may not be desired by the community, and may be performed over 10 years.

Mr. Sommers stated that portions of the water pipe were constructed using sewer pipe. He stated that the sewer pipes are thin and not intended for high pressure and this is why there are leaks and water occasionally must be ordered. The sewer pipe material can be crushed by hand.

Clay Brown stated that the Board wants input from those that are currently not being served. He asked how many people were from Trout Haven and approximately 50% raised their hands.

Mr. Sommers stated that there are approximately 100 properties in the Trout Haven area that are not connected to the AAMD water system. A homeowner asked why, after the embezzlement and Ken Rupp's substandard water system, would anyone want to connect.

President Waller stated that the Board understands the issue with the embezzlement and the poor quality of infrastructure purchased from Ken Rupp. However, she stated that the Board and District can do nothing about the past and the District needs to move forward and fix these issues. She stated that the Board's goal was to have a functioning and flourishing District. Ms. Waller also stated that the District was no longer in the financial situation it was in the past.

Several homeowners discussed the inclusion of Trout Haven into AAMD and how they were not allowed to vote in 2002-2003. They stated that some of the County Commissioners were friends with Ken Rupp and allowed this to happen. Numerous comments were made by Trout Haven residents who were frustrated that they were paying property taxes to AAMD with no benefit. Mr. Brown stated that it is unusual that a large portion of the District is not served. However, he stated that in 2002 the expectation was that the District would grow and due to the recession, that did not happen. He acknowledged that a small group must pay for these improvements.

A homeowner asked how Ken Rupp could get away with this and Jason Downie discussed the statute of limitation and that it would be hard to sue for damages. Mr.

Downie mentioned taxpayers paying for schools and roads even if they did not have children or use specific roads.

Mr. Brown stated that the current mill levy did not even pay for the annual bond payment. A homeowner asked if the District planned to raise the mill levy and Mr. Brown responded, "only if you vote for it".

Mr. Sommers discussed the Water Infrastructure improvements to the existing water lines at the cost of \$6.8M. His chart noted that there was a possibility of applying for \$1M in grants and \$2M in loans. It was noted that if AAMD were approved as a disadvantaged community that the loan may be at 0%. Mr. Sommers stated that this project, if approved, would be performed over a period of time.

Mr. Sommers discussed the possibility of extending the water to Trout Haven properties and the majority of Trout Haven residents in attendance stated that they did not want to connect. Many of them have wells and would not want the expense to connect nor the monthly water fees. Mr. Sommers did acknowledge that the cost per property to extend the line to Trout Haven would not be known until it was determined how many Trout Haven properties would be interested in connecting.

Mr. Sommers stated that he believed the priority should be to fix the leaks in the existing system before considering extending a line to Trout Haven, if that was desired by the property owners.

A homeowner discussed the fact that the fire hydrants are not functionable. Mr. Sommers discussed that some of the water lines are only 2 inches in diameter and don't have the capacity to connect to a 6 inch line.

Previous President Elric Winterer stated that when he was on the Board that the goal was to keep from adding additional charges to the current water customers.

Mr. Brown asked how many Trout Haven people in attendance had a well. All Trout Haven residents stated they did. Clay Brown then asked how many want to have water provided by AAMD. None of them did.

Trout Haven homeowners stated they feel they have done their share of supporting the District with property taxes and why should they be responsible for extending the line.

A homeowner asked why DOLA wasn't there 15 years ago. Mr. Brown stated the Board did not request their help back then.

A resident asked about the Service Plan and Jason Downie said Service Plans can be interpreted differently and the accountability is to those who created the Service Plan; and that the District should not provide services that are not needed or wanted. Mr. Downie also reiterated that a Service Plan is a guide.

A homeowner asked how many wells can be drilled. Mr. Sommers stated that the plan is to drill 3 wells during the water infrastructure improvement project.

A Trout Haven resident asked about excluding from AAMD and Mr. Downie responded that the debt incurred is still a responsibility of the excluded community.

Mr. Sommers stated that the estimate of water loss in the existing system was around 50% at one time and is now about 30%. He mentioned the two sources of water loss as between the treatment building and service lines and the service lines. The new smart meters being installed will resolve this.

Mr. Downie mentioned if you bought a car that is breaking down, do you put band aids on it or replace it.

A homeowner asked Mr. Brown how many grants DOLA awards. He responded that they fund all the good projects and have awarded \$100,000,000 in grants. Mr. Brown stated that the top 50% get funding and then it goes down based on a point system.

Several homeowners stated that they thought it would be a good idea to go door to door in Trout Haven to determine who was interested in connecting to AAMD.

Mr. Brown stated that if a customer has a leak in their service line that the contractor can repair the service line at a lower cost if there are several customers needing service line repairs.

Mr. Brown discussed that existing wells would be grandfathered in, but Woodland Park had a policy that if the water line goes past property that the owner would pay to connect. He stated that developers normally extend water lines and prorate by linear foot until the cost is recouped.

A person asked about the issue of service lines being connected to poor quality main lines. Mr. Sommers stated that quite a few of the lines were replaced in the past. He also stated he has contingency built into the water infrastructure replacement project #2.

There was discussion about wells and septic systems and the distance between them. Also, the concern was that septic systems could allow for sewage to flow to other wells if not constructed appropriately. Mr. Brown stated that Teller County doesn't allow for septic to be closer than 200 feet from a well.

Mr. Winterer informed the public that AARP offered insurance coverage for water service lines.

A homeowner mentioned Autumn Dreamers and that Ken Rupp put in lines for free.

Another homeowner mentioned Divide Fire putting out fires. Mr. Brown asked how that related to the capital improvement being discussed. He asked if the homeowner wanted to build a reserve for fire and she responded no.

Mr. Sommers stated that the smart meters were the tip of the spear and this was only the initial phase. He stated that with the new meters if there are leaks this will allow the ORC to inform the customer.

Mr. Brown stated that in order to move ahead with the Trout Haven extension that the District would have to have enough residents willing to connect to make the project feasible. He stated that at this time it did not appear to be something they were interested in.

## ADJOURNMENT

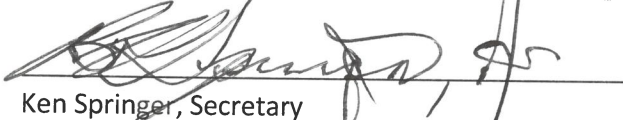
President Waller made a Motion to adjourn the meeting at 12:57 p.m. with Treasurer Waller seconding said Motion. The meeting was unanimously adjourned.

The next Regular meeting is scheduled for **Thursday, August 16, 2018 at 5:30 p.m. at Woodland Country Lodge, 730 Country Drive, Woodland Park, Colorado, 80863.**

Respectfully submitted,  
Judy Bertrand, District Manager: Secretary

**THESE NOTES FROM THE OUTREACH MEETING ARE APPROVED BY THE ARABIAN ACRES METROPOLITAN DISTRICT BOARD OF DIRECTORS.**

(Signed copy in possession of the District Manager)

  
Ken Springer, Secretary

  
Jennifer Waller, President

  
Craig Waller, Treasurer

  
Betty Williams, Director