

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

June 17, 2015: 6:00 P.M.

Police Department, 911 Tamarac Parkway
Woodland Park, Colorado

ATTENDEES

Directors present: David Belfiore, Director
Wade Holder, Treasurer
Rebecca Seaman, Secretary
Robert (Elric) Winterer, President

Others present: Judy Bertrand, Metropolitan District Management
Carmen Barker, Metropolitan District
Kimberly Mihelich, Colorado Rural Water Assn.
Lynn Willow, Water ORC

Members of the Public: See attached list

**ADMINISTRATIVE
MATTERS**

Attendance and Agenda: The meeting was called to order by President Winterer at 6:05 pm and a quorum was noted. The District Manager presented an updated Agenda reflecting that Ms. Mihelich, of the Source Water Protection Program could speak before the First Public Comment. Secretary Seaman made a Motion to accept the revised Agenda, with Treasurer Holder seconding the motion. The change to the Agenda was unanimously approved. The Board excused Betty Williams.

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: Secretary Seaman made a Motion to Approve the Minutes of the May 20, 2015 Board Meeting, with Treasurer Holder seconding. The Minutes were unanimously approved.

**SOURCE WATER
PROTECTION PROGRAM**

Ms. Mihelich provided handouts to the Board entitled "Your Guide to Colorado Rural Water Association's Source Water Protection Program". The home office of the Source Water Protection Program is in Pueblo and has been a non-profit organization since 1980. She explained that they offer technical assistance and training to small Districts. In 1996 the Safe Water Drinking Regulation was established and the CDPHE developed assessment criteria in 2004 and are currently in the protection phase. Additional information can be obtained at the www.crwa.net website. This site provides information on inventory, wells and identifies protection. The CRWA gets funding from USDA and CDPHE.

Ms. Mihelich stated that the CRWA is offering a \$5,000 matching grant to help establish best management practices and development of a Source Water Protection Plan. The handout describes the 6 Step process for obtaining the funds. "In-kind" credits toward the grant match include: Non-water Professional reimbursement (including homeowners) at \$30 per hour; Water Professional at \$60/hr. and Other Professional at \$100/hr. After the grant application has been submitted the District is reimbursed via invoices provided to CRWA.

Lynn Willow stated he would like funds to control prairie dogs around Well #3, Control Building B and the road reconstruction to Wells #2 and #8. He estimated excavation costs for the road at \$1,200. However, these projects would need to be approved by CRWA as contributing to the District's source water protection program.

TERRY MALCOLM & PUBLIC COMMENT

President Winterer gave a summary of the Executive Session with the Board of Directors, requested by District Attorney Amy Fitch at the DA's office on June 17, 2015 at 4:00 p.m.

President Winterer informed the homeowners that the DA could find no money and that their investigation showed he lived a very extravagant lifestyle. The DA believes that he spent all the funds embezzled from AAMD and Cascade. The Board was also informed that they found no evidence that PJ Anderson had known of the embezzlement and that he is actually another victim.

Marilyn Callan asked about the \$10,000 a month transfer into Mr. Malcolm's bank account. President Winterer stated that the Board was informed that an old friend of Mr. Malcolm's had been providing funds, but the DA said funds are no longer being received by Mr. Malcolm. The DA informed the Board that there are no funds for restitution, but AAMD may receive a portion of what Mr. Malcolm can earn working in the DOC.

Secretary Seaman asked the homeowners a hypothetical question. She asked if the District could recover \$40,000 would they accept that in exchange for a shorter sentence. Edith Coffman stated she had thought the DA said there were funds in Mr. Malcolm's children's' accounts. President Winterer stated no. Secretary Seaman stated that he did not even own a home or car. Marilyn Callan asked about him wiring funds across state lines. She was informed that the DA said that don't have proof of that. The homeowners were asked to vote on whether a plea should be offered. All homeowners, except for one, voted for the maximum sentence with no plea.

Secretary Seaman made a Motion to ask the DA for the maximum sentence with no plea. Treasurer Holder seconded the Motion and the Board unanimously approved.

Marilyn Callan noted that the June 25, 2015 hearing was still scheduled for 1:30 p.m.

OPERATORS REPORT

Mr. Willow mentioned that 4 loads of water were purchased when Wells #2 and #8 went down. Treasurer Holder asked about the decline in water over a week and what steps the ORC took. Mr. Willow stated he performed trouble shooting for a week and replaced a circuit breaker. He then called in Black Mountain to repair the line from pump to Well #8. He believes that a direct hit of lightning caused the breaker to switch off on Well #8. Mr. Willow and Carmen Barker will investigate filing an insurance claim for this.

Treasurer Holder stated that the 4 loads of water took AAMD to a higher level than it had been for a week. He questioned why we couldn't have ordered 2 truckloads as this would have caught us up. Mr. Willow stated that he didn't get the system up and running until after he had ordered the third truck, which was on its way. Mr. Willow also stated that there are only 2 pumps that are filling the tank. When it gets down to ¼ gallon the pumps shut down so as not to burn out and they can't let the system go dry or the resident's will have to boil water. Mr. Willow tried to repair the problem on his own but had to call in an electrician.

Secretary Seaman instructed Mr. Willow to let her know immediately when there were issues so that she could get the word out to residents via email. Also, Lynn was requested to contact MDM (Carmen Barker) immediately on potential problems.

Director Belfiore stated that with his electrical background he could help with some of these types of issues in the future.

Mr. Willow stated he would get MDM his liability insurance to MDM.

The Board approved a water system tour for July 15, 2015 at 3:30 p.m., before the Board meeting. All homeowners are invited to attend.

Cisterns: Carmen Barker is compiling the list of homeowners who have reported having cisterns.

Water Taps: Lynn Willow is inspecting the forfeiture taps and Ms. Barker will contact Jason Downie to prepare documents on the release of tap at 715 Pawutsy. Mr. Willow wanted to make it clear that the property on Pawutsy cannot drill a well. Treasurer Holder wanted to know if the property owner had ever paid. The Manager stated he had not since MDM assumed management of the District.

The property at 40 Lady Lane was bought just to expand the property of 52 Lady Lane. Treasurer Holder made a Motion to allow for the forfeiture of the tap fee and forgive the outstanding balance on this account. Secretary Seaman seconded the Motion and the Board unanimously approved.

MANAGER'S REPORT

The District Manager provided the Manager's Report which is made part of these Minutes.

P-K Enterprises: The Board was presented with the May 28, 2015 letter from P-K Enterprises stating they would like to exercise their right (per the Agreement of September 8, 2014) to manifold the Trout Haven Hydrant into the Trout Haven Store. The Board agreed they were within their right to exercise this right. Lynn Willow is working with Bryan to inspect the hydrant.

FINANCIAL MATTERS

Claims/Accounts Payable for June 2015: The Manager requested approval from the Board to transfer \$2,000 from Key Bank to ColoTrust for bond reserves. Treasurer Holder made a Motion to allow the transfer, with Secretary Seaman seconding the Motion. The Board unanimously approved. The Board was presented with the claims for the month and the Manager noted that she had made out the final payment check for Mr. Rupp and would hold it until July 10, 2015. Secretary Seaman made a Motion to approve the claims and Mr. Rupp's final payment; with Treasurer Holder seconding the Motion. The Board unanimously approved.

The Manager presented the unaudited financials; including Balance Sheet and Income Statement. She also provided the analysis of Debt.

PUBLIC COMMENT

Marilyn Callan stated that she wanted an accounting from the DA's office after the Terry Malcolm trial.

Edith Coffman asked about adoption of the By-laws. The Manager stated she would provide a draft of the By-laws to the Board.

The Board was asked what the new Board members positions were on receiving Director fees. Director Belfiore stated he would waive his fees.

Ms. Coffman asked Treasurer Holder about a report on the SDA conference he attended last September. Treasurer Holder gave a summary of the sessions; stating he did not attend sessions that were informative to him.

Craig Baker asked about production numbers and stated that Peter Italiano amended reports to read + or - 17,000 gallons. Lynn Willow stated he does not know where the information came from. Mr. Baker asked if Mr. Willow changed production of wells for the summer and Mr. Willow stated he cannot change production; only run them longer.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion by Director Seaman, seconded by Director Holder, and upon unanimous vote, the meeting was adjourned at 9:22 p.m.

The next regular meeting is scheduled for July 15, 2015 at 6:00 p.m. at Police Department, 911 Tamarac Parkway, Woodland Park, Colorado

Respectfully submitted,
Judy Bertrand, District Manager: Secretary

**THESE MINUTES APPROVED AS THE OFFICIAL JUNE 17, 2015 MINUTES OF ARABIAN ACRES
METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS.**

(Signed copy in possession of the District Manager)

David Belfiore, Director

Wade Holder, Treasurer

Rebecca Seaman, Secretary

Betty Williams, Director

Robert (Elric) Winterer, President