

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

October 21, 2015: 6:00 P.M.

Police Department, 911 Tamarac Parkway
Woodland Park, Colorado

ATTENDEES

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

Others present: Judy Bertrand, Metropolitan District Management
Carmen Barker, Metropolitan District
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 6:00 pm and a quorum was noted. The Board excused Treasurer Wade Holder and Director David Belfiore. The Agenda was unanimously approved by the Board.

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 from September 16, 2015; with Director Williams seconding said Motion. The Minutes were unanimously approved.

PUBLIC COMMENT

Cathy Hansen (who publishes *Ute Country News*) read an email from the District Manager regarding writing an article about AAMD being on the road to recovery. She stated that she did not believe it was a good idea to publish what is going to happen and didn't want bondholders to question the financial situation of the District. She stated she did not want to paint a rosy picture of the District.

Director Williams stated that we needed to begin putting some positive information out to the public and Realtors, but that we did not need to include dollar figures.

President Winterer presented his daughter, Michelle, to the Board and homeowners.

RETRACTION OF PREVIOUS MEETING MINUTES:

Edith Coffman wanted it noted in the Minutes that the statement in the previous meeting regarding her incurring \$1,400 in legal charges for her resignation from the Board be corrected. The Board of Directors agreed that the verbiage in the previous

Minutes was incorrectly approved by the Board. Edith Coffman and the Board of Directors at that time did not incur legal charges for Ms. Coffman's resignation letter. The charges referenced in previous Minutes were due to an attempt at a recall by some homeowners.

Bernadette Miller, a tenant of a property in Arabian Acres Metro District, spoke to the Board about charges on her water bill. She stated she had not received a water bill until May 2015. Ms. Miller stated Lynn Willow came out and there was no sign of leakage but she couldn't have used 14,000 gallons. President Winterer stated that SDMS had managed until April. The District Manager stated that she had copies of the returned invoices which were sent to the PO Box she had requested. The Manager also stated that she had made no payments, had spoken with Ms. Miller on numerous occasions and was told by Ms. Miller that she would not pay. She told Ms. Miller that she believed she was there due to the Owner requiring her to pay her portion of the water bill. The District Manager stated she had already removed some of the late charges and the President stated they should all be removed.

Craig Baker asked what percentage of the budget was allocated to Trout Haven. President Winterer stated that AAMD was still in the hole by \$100,000 due to Terry Malcolm. He further stated that extending the line to Trout Haven was on the District's radar, but that we don't have the capital at this time. Director Williams stated this was a new Board and that the PER said nothing about Trout Haven. Secretary Seaman acknowledged that Trout Haven is a third of the District and she would like to see a Trout Haven resident apply for a position on the Board in the future. Lynn Willow stated that many of the Trout Haven residents do not want to tap in. President Winterer stated that a lot of things need to happen before we deal with extending the line; but the Board sees AAMD and Trout Haven as one District.

OPERATORS REPORT

Secretary Seaman requested the ORC to call the County to follow up on the French drain and water coming to the surface at Banner and Donzi.

Mr. Willow stated that we have 3 well permits left with 2-3 locations for them. He stated that Lot 10 at Silver Trail and Gerka is not a good location. However, on the other side of the pond there is an easement which may work, but with GUIDA it may not be feasible. He stated that Well #3 is the best producing well but that it may be a problem as it was hand-dug.

Secretary Seaman made a Motion to have Carmen Barker contact Dave regarding options for future wells. Director Williams seconded said Motion and the Board unanimously approved this out-of-scope work.

Mr. Willow discussed the cisterns and backflow prevention that AAMD implemented a year ago. If the State finds homeowners without backflow prevention devices the District will be fined. Secretary Seaman made a Motion to charge the homeowners for any fines from the State; with Director Williams seconding said Motion. The Board unanimously approved charging homeowners for any penalties, fines or charges from

the State due to a homeowner's cistern. Carmen Barker suggested reaching out to testers in order to get a discount on the price for multiple homes.

Secretary Seaman stated she would like to see maintenance on the ORC report if Mr. Willow has investigated problems in an area. Mr. Willow stated he does include these on his reports.

Secretary Seaman asked about the SCADA system and Mr. Willow explained that the old system needed elevation at the bottom of the tank, which provided inaccurate information. With the new SCADA system it is automatic. Secretary Seaman requested that the President meet with Treasurer Holder to understand how the system works. SCADA has call out alarms and Mr. Willow is the contact on all 3 alarms. Secretary Seaman requested that if Mr. Willow sees issues to contact her in order to allow her to send an email out to the homeowners.

MANAGER'S REPORT

The Manager requested retroactive approval to transfer \$21,000 from Key Bank to Park State Bank to cover October claims. Secretary Seaman made a Motion to approve the transfer; with Director Williams seconding said Motion. The Board unanimously approved.

The Manager presented the Application for Water Tap Permit and requested that the Board approve with the modification of putting a line on the first page for the name of the Applicant. The Manager also presented the Application for Water Tap Permit received from the Ray's for 293 Daniwood Grove. Secretary Seaman made a Motion to approve the Application form with the modification and also approve the Ray's Tap Application; with Director Williams seconding said Motion. The Board unanimously approved. The Manager stated that the Ray's had already paid the \$8,000 tap fee.

Edith Coffman stated that there was construction on a lot at Gerka to Silver Trail. Mr. Willow stated that the people who own the lot (394 or 395 Gerka) are aware that they have to apply for a water tap. Mr. Willow is going to check if there is a notice posted at this site. The Board thanked Ms. Coffman for bringing this to their attention.

Secretary Seaman stated that she wanted Ms. Barker or Ms. Bertrand to maintain serial numbers of the new equipment purchased. Mr. Willow stated he would provide that information and has taken pictures of the serial numbers. President Winterer has a druemel tool that Mr. Willows will use to mark equipment as the property of AAMD.

Carmen Barker presented the Lien packet to the Board and the template was approved. Ms. Barker explained the problem with obtaining grants due to the Median Household Income (MHI) being so high for AAMD. She explained that Florissant was around \$33,000; while the last survey of AAMD showed \$58,00. She is meeting with the USDA on Monday to see if AAMD can qualify for a matching grant. AAMD is allowed to go back 24 months and Ms. Barker will need to meet with Lynn on several issues. She stated it is easier to obtain funds from USDA if we have debt. But she stated AAMD needs to have a water engineer and recommended Brad Simons. He has already taken a look at the water system and charges \$170/hr. He estimates approximately 10 hours to

complete and will commit to not exceeding \$2,500. Secretary Seaman made a Motion to approve contracting with Brad Simons up to \$2,500. Director Williams seconded the Motion and was unanimously approved. Ms. Barker believes Adam should be able to take the PER and modify it, as he was previously paid \$25,000 for that service.

The Board discussed the Abandonment of Tap documents that were sent to Mr. Martin and Ms. Douglas. Ms. Bertrand will contact Ms. Douglas and send an invoice for \$250 for the Abandonment application.

FINANCIAL MATTERS

Claims/Accounts Payable for October 2015: Secretary Seaman made a Motion to accept the claims; with Director Williams seconding. The Board unanimously approved.

The Manager presented the unaudited financials; including a Draft Balance Sheet and Income Statement. The Board accepted the financial statements.

Secretary Seaman made a Motion to allow the Manager to transfer \$78,000 from ColoTrust to Zion's Bank in November in order to make the bond payment. Director Williams seconded said Motion and the Board unanimously approved.

2016 Budget:

Secretary Seaman asked if there was any effect on obtaining grants by not having the bond reserves funded in full. Ms. Barker stated there was not. Ms. Bertrand was requested to provide the Board with a budget that showed continuing with the \$100 supplemental fee.

NEW BUSINESS

None.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion by Secretary Seaman; seconded by Director Williams, and upon unanimous vote, the meeting was adjourned at 8:32 p.m.

The next regular meeting is scheduled for November 18, 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 OCTOBER 21, 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