



## REGULAR BOARD MEETING AGENDA AND NOTICE

WEDNESDAY, AUGUST 17, 2022

5:30 PM

Please join my meeting from your computer, tablet or smartphone.

<https://meet.goto.com/800588117>

You can also dial in using your phone.

United States: [+1 \(872\) 240-3212](tel:+18722403212)

Access Code: 800-588-117

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Board of Director	Title	Term
Edith Coffman	President	May 2023
Lanny Hoel	Treasurer	May 2023
Elizabeth Douglass	Secretary	May 2023
Martin Lempecki	Assistant Secretary	May 2025
Jennifer Shepard	Assistant Secretary	May 2025

NOTICE IS HEREBY GIVEN that a Meeting of the Board of Directors of ARABIAN ACRES METROPOLITAN DISTRICT, Teller County, Colorado has been scheduled pursuant to emergency rules and regulations for Wednesday, August 17, 2022 at 5:30 p.m. via tele/videoconference for the purpose of addressing those matters in the Agenda set forth below.

### **Management Team**

Lynn Willow, ORC

Kevin Walker, WSDM

Rebecca Hardekopf, WSDM

Jason Downie, District Legal Counsel

### **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) Consider Approval of Meeting Minutes from July 20, 2022 (enclosed)

### **2) FINANCIAL MATTERS**

- a) Review of Billing and Collection Status
- b) Review and accept the July 31, 2022, Unaudited Financial Status (enclosed)
- c) Review and Approve the Payment of Claims (enclosed)
- d) Update Board on status of grant close-out

### **3) MANAGEMENT MATTERS**

- a) Discuss new process and fees for any future Petitions of Exclusions
- b) Discuss status of Velocity work that caused the February Leak

### **4) LEGAL MATTERS**

**5) OPERATIONS**

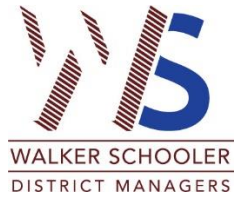
- a) ORC Report
- b) Leak data report (enclosed)

**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 21, 2022 AT 5:30 PM.





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

July 20, 2022 at 5:30 P.M.

Via Telephone and Video Conference Call

**In attendance were Directors:**

Edith Coffman  
Elizabeth Douglass  
Lanny Hoel  
Martin Lempecki  
Jennifer Shepard

**Also in attendance were:**

Kevin Walker, WSDM  
Rebecca Hardekopf, WSDM  
Lynn Willow, ORC  
Braden Hammond, BiggsKofford  
Jeff Cain, Vice President of POA  
Elric Thurstonsen, Resident

**1) ADMINISTRATIVE MATTERS**

- a) Call to Order & Declaration of Quorum: President Coffman called the meeting to order at 5:30 PM and confirmed a quorum with all Directors present.
- b) Confirm any Potential Conflicts of Interest: The Directors each confirmed there were no potential conflicts of interest.
- c) Discussion and Approval of the Agenda: Ms. Hardekopf requested an addition to the Agenda from the POA regarding storage of a fire truck on District property, added as Agenda item 3.d. Director Douglass moved to approve the Agenda as amended; seconded by Director Lempecki. Motion passed unanimously. Director Shepard joined the meeting and confirmed she had no conflicts of interest.
- d) Consider Approval of Meeting Minutes from June 15, 2022: After review, Director Douglass moved to approve the June 15, 2022 Meeting Minutes; seconded by Director Shepard. Motion passed unanimously.

**2) FINANCIAL MATTERS**

- a) Review and Consider Approval of the 2021 Audit: Mr. Hammond with BiggsKofford presented the 2021 Audit. He noted they are expecting to issue an unmodified or clean opinion which is the highest level of assurance they can provide on the financial statements. After review, President Coffman moved to approve the 2021 Audit as presented, after the Board reviews and has no additional questions in the next two days; seconded by Director Douglass. Motion passed unanimously.
- b) Review of Billing and Collection Status: Ms. Hardekopf provided a review of the Billing and Collection status. For June billings, 7 reminder letters were sent, and 5 shut-off notices were posted with one shut-off that was then paid, and services were turned back on.

- c) Review and Accept the June 30, 2022 Unaudited Financial Status: Ms. Hardekopf presented the June 30, 2022 Unaudited Financial Status. After review, Director Douglass moved to approve the June 30, 2022 Unaudited Financial Status; seconded by Director Shepard. Motion passed unanimously.
- d) Review and Approve the Payment of Claims: Ms. Hardekopf presented the Payment of Claims. She noted a change in the JA Excavation invoice amount down to \$2,807.50. Mr. Willow explained the Bluebook charge was for equipment needed to test chlorine in the system. President Coffman asked why the payment to Natural Rural Water Association was missed in March. Ms. Hardekopf will follow up with accounting staff and get back to the Board tomorrow. After review, Director Douglass moved to approve the Payment of Claims pending the answer on the Natural Rural Water Association payment; seconded by Director Shepard. Motion passed unanimously.
- e) Review Status of Grant Close-out: Ms. Hardekopf reported the project is complete and she is pulling all of the remaining invoices to be submitted with the final close-out grant request next week.

### **3) MANAGEMENT MATTERS**

- a) Discuss New Process and Fees for any Future Petitions of Exclusions: Mr. Walker is still working on this item and requested the Board table this item until the next Board meeting.
- b) Discuss Status of Velocity Work that caused the February Leak: Mr. Walker reported he spoke with Velocity. Velocity believes their workmanship warranty period is one year and they do not have any responsibility beyond that. Mr. Walker requested confirmation on the warranty period from AquaWorks and is waiting to hear back. Mr. Walker will inquire with insurance if the failure of parts would be covered.
- c) Discuss High Usage at 221 Tidi Rd: Ms. Hardekopf explained that in April, there was 11,000 gallons used at 221 Tidi Rd. Mr. Willow checked and confirmed the usage and that there were no issues with the meter. The resident thinks the high usage could have been caused by a toilet running. Ms. Hardekopf noted that historically their usage has not been that high but in June the usage was 8,000 gallons. The resident is requesting an adjustment of their May bill from April's high usage. After discussion, the Board unanimously agreed the resident is responsible for the water usage. The Board declined to provide an adjustment of the bill.
- d) Discuss Storage of Fire Truck: Ms. Hardekopf explained the POA requested the Board consider allowing a remote fire truck to be housed on District property. Director Hoel commented that the POA Board would like to and is looking into grants to build a structure on the District's property to store a fire brush truck. Mr. Walker explained the District could lease the property to an entity such as the POA or fire department and that entity would assume the liability. The Board discussed the benefit of having a fire substation but noted there is a lack of fire hydrants and water access and there are many questions to be answered. Director Hoel commented that this is very important to the neighborhood and the fire mitigation board, the POA Board, and the District should all work together on this. Mr. Jeff Cain commented that the liability would be covered under the POA insurance policy. He noted that firefighters from the Divide Fire Protection District would be the ones to drive the truck. After discussion, the Board unanimously agreed this is an idea they are willing to explore and move forward with to answer questions and receive information. The Board agreed the issue of fire protection is important.

### **4) LEGAL MATTERS**

- a) Review and Approve Resolution Establishing Fees, Rates, Tolls, Charges, and Penalties: Ms. Hardekopf presented the Resolution Establishing Fees, Tolls, Charges, and Penalties. The Resolution includes a new Posting Fee of \$50 per posting, and a Trip and Administrative Fee of \$100 which are both associated with disconnection of service. After review, Director Lempecki moved to approve the Resolution Establishing Fees, Rates, Tolls, Charges, and Penalties; seconded by Director Shepard. Motion passed unanimously.

**5) OPERATIONS**

- a) ORC Report: Mr. Willow presented the Operator's Report.
- b) Update on Tank Coating Project: Mr. Willow reported the tank coating project has been completed and the results are great and looks brand new.
- c) Leak Data Report: Ms. Hardekopf presented the Leak Data Report that is included in the Board Meeting Packet.

- 6) PUBLIC COMMENT:** Mr. Thurstonsen asked if customers will be notified of the new fees. Ms. Hardekopf confirmed that the reminder and warning letters will have the information on it. She noted that customers have four opportunities to pay before shut-off occurs and fees are charged. Ms. Hardekopf explained the process takes a month and a half before services are shut off. Ms. Hardekopf will also include a notice in the next billing statement as well as posted on the website.

Director Douglass asked about receiving a copy of the monthly bank statements as noted in the Audit. Ms. Hardekopf can provide the monthly reconciled bank statements to the Board Treasurer and Director Douglass.

- 7) ADJOURNMENT:** Director Douglass moved to adjourn the meeting at 6:57 PM; seconded by Director Shepard. Motion passed unanimously.

THE NEXT REGULARLY SCHEDULED MEETING IS SCHEDULED FOR WEDNESDAY, AUGUST 17, 2022 AT 5:30 PM.

Respectfully Submitted,  
Walker Schooler District Managers

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By: Recording Secretary

THESE MINUTES ARE APPROVED AS THE OFFICIAL JULY 20, 2022 REGULAR MEETING MINUTES OF THE ARABIAN ACRES METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

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Edith Coffman

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Elizabeth Douglass

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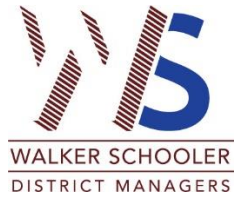
Lanny Hoel

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Martin Lempecki

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Jennifer Shepard





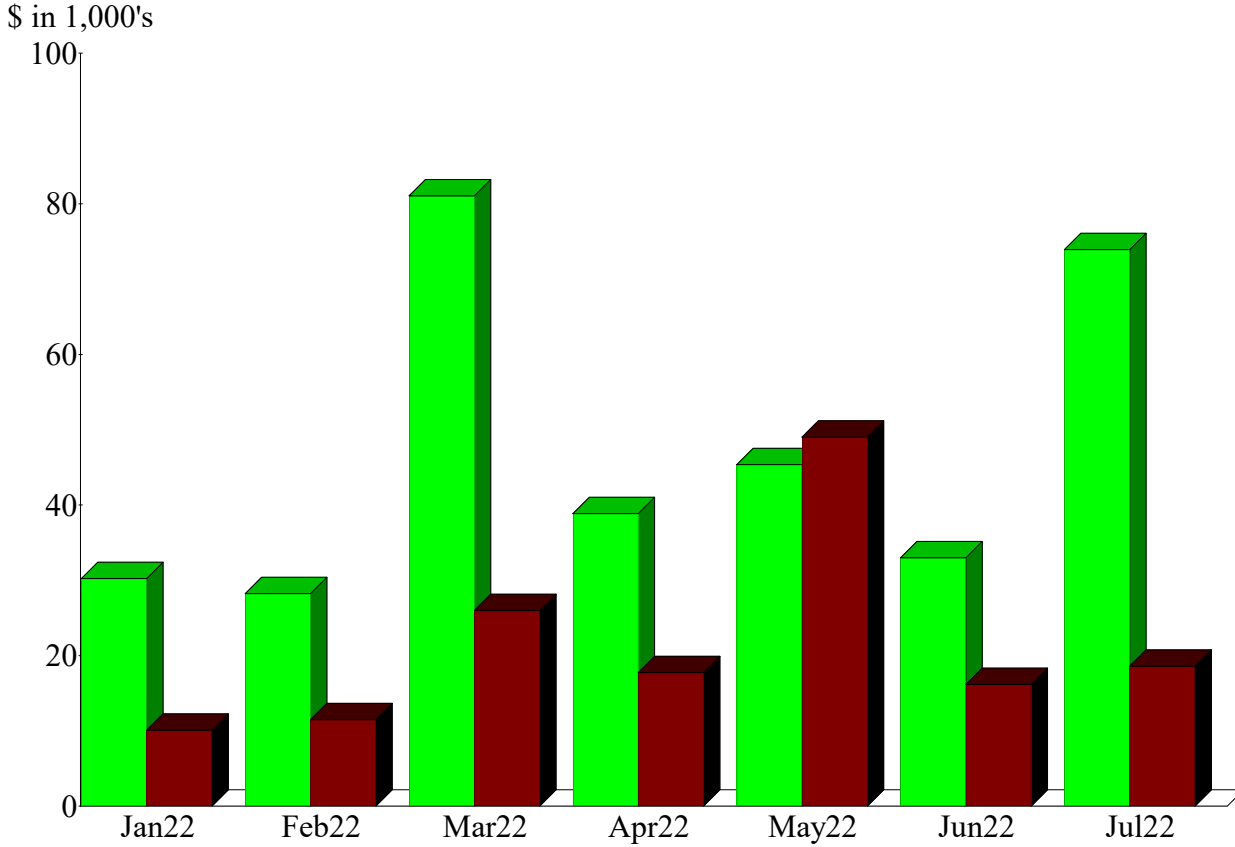
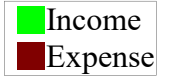
**Arabian Acres Metropolitan District**  
**Balance Sheet**  
As of July 31, 2022

	<b>Jul 31, 22</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
ECB Checking	383,116.47
2-1000 · COLOTRUST 4001	167,685.91
2-1020 · COLOTRUST Reserve 8002	32,104.61
3-1000 · COLOTRUST-Capital Reserve 8003	238,425.55
<b>Total Checking/Savings</b>	821,332.54
<b>Accounts Receivable</b>	
1-1200 · Accounts Receivable	11,313.15
<b>Total Accounts Receivable</b>	11,313.15
<b>Other Current Assets</b>	
1-1300 · Property Tax Receivable	9,916.63
<b>Total Other Current Assets</b>	9,916.63
<b>Total Current Assets</b>	842,562.32
<b>Fixed Assets</b>	
1-1850 · Construction in Progress	2,515,552.62
<b>Total Fixed Assets</b>	2,515,552.62
<b>Other Assets</b>	
3-1500 · Capital Assets	1,263,742.90
3-1520 · Equipment	702,640.55
3-1540 · Land	101,000.00
3-1560 · Water Rights	172,588.00
3-1590 · Accumulated Depreciation	-563,876.00
<b>Total Other Assets</b>	1,676,095.45
<b>TOTAL ASSETS</b>	<b>5,034,210.39</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
1-2000 · Accounts Payable	18,102.62
<b>Total Accounts Payable</b>	18,102.62
<b>Other Current Liabilities</b>	
1-2020 · Accrued Interest	7,427.30
2-2200 · Deferred Revenue-Property Taxes	9,916.63
<b>Total Other Current Liabilities</b>	17,343.93
<b>Total Current Liabilities</b>	35,446.55
<b>Long Term Liabilities</b>	
DWRP 1.5 Million Loan	1,062,557.99
2-2400 · 2007 Bonds Payable	970,000.00
2-2440 · Natural Rural Water	30,908.95
3-4090 · CWCB Meter Loan 400K	174,653.81
<b>Total Long Term Liabilities</b>	2,238,120.75
<b>Total Liabilities</b>	2,273,567.30
<b>Equity</b>	
30000 · Opening Balance Equity	215,933.51
32000 · Retained Earnings	2,363,125.98
Net Income	181,583.60
<b>Total Equity</b>	2,760,643.09
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>5,034,210.39</b>

## Arabian Acres Metropolitan District Profit & Loss Budget vs. Actual January through July 2022

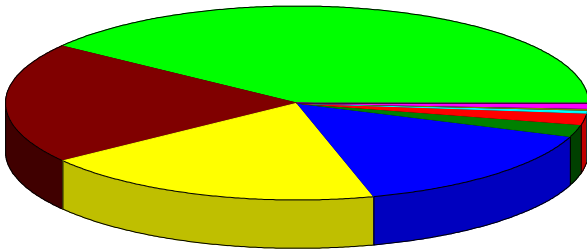
	TOTAL					
	Jun 22	Jul 22	Jan - Jul 22	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>						
<b>Income</b>						
1-4000 · Capital Improvement Fees	9,267.07	9,817.82	67,358.45	106,000.00	-38,641.55	63.55%
1-4030 · Late Fee Revenue	150.00	422.40	1,948.80			
1-4050 · Water Service Fee	8,660.13	9,278.26	63,417.15	100,000.00	-36,582.85	63.42%
1-4080 · Water Usage	6,204.28	9,135.95	50,134.25	100,000.00	-49,865.75	50.13%
1-4090 · Trout Haven Exclusion Deposits	16.77	0.00	16.77			
2-4400 · Property Tax Revenue	7,187.07	43,342.46	132,531.29	142,291.92	-9,760.63	93.14%
2-4450 · Specific Ownership Tax	1,188.11	1,294.50	7,245.97	9,960.43	-2,714.46	72.75%
2-4460 · Restitution	0.00	67.13	150.98			
2-4470 · State Senior/ Veteran Funds	0.00	0.00	6,551.07			
<b>Total Income</b>	<b>32,673.43</b>	<b>73,358.52</b>	<b>329,354.73</b>	<b>458,252.35</b>	<b>-128,897.62</b>	<b>71.87%</b>
<b>Expense</b>						
1-6110 · Audit	0.00	0.00	0.00	8,000.00	-8,000.00	0.0%
1-6020 · Bank Service Charges	0.00	32.00	52.00	100.00	-48.00	52.0%
1-6040 · Computer and Internet Expense	0.00	288.00	288.00			
1-6120 · Directors Fees	500.00	500.00	3,900.00	7,500.00	-3,600.00	52.0%
1-6050 · District Management-Operating	3,908.37	0.00	23,450.22	54,000.00	-30,549.78	43.43%
1-6060 · Dues Fees and Subscriptions	14.30	519.50	1,046.68	2,500.00	-1,453.32	41.87%
1-6070 · Election Expense	0.00	0.00	267.19	10,000.00	-9,732.81	2.67%
1-6080 · Insurance Expense-Operating	0.00	0.00	79.00	8,000.00	-7,921.00	0.99%
1-6130 · Legal						
1-6135 · Trout Haven Exclusions	0.00	0.00	327.36			
1-6130 · Legal - Other	0.00	6,622.60	6,622.60	10,000.00	-3,377.40	66.23%
<b>Total 1-6130 · Legal</b>	<b>0.00</b>	<b>6,622.60</b>	<b>6,949.96</b>	<b>10,000.00</b>	<b>-3,050.04</b>	<b>69.5%</b>
1-6180 · ORC Fees-Operating	3,307.50	3,307.50	23,152.50	48,000.00	-24,847.50	48.23%
1-6160 · Other Expense	0.00	0.00	0.00	22,000.00	-22,000.00	0.0%
1-6100 · Postage and Copies-Operating	174.21	190.09	1,567.12	4,000.00	-2,432.88	39.18%
1-6170 · Chemicals and Supplies	153.53	0.00	153.53	2,000.00	-1,846.47	7.68%
1-6190 · Repairs and Maintenance	0.00	0.00	17,152.24	30,000.00	-12,847.76	57.17%
1-6210 · Utilities	506.15	549.58	6,362.13	12,500.00	-6,137.87	50.9%
1-6150 · Water Billing	675.00	675.00	4,725.00	10,000.00	-5,275.00	47.25%
1-6220 · Water Distribution Purchases	0.00	0.00	7,425.00	10,000.00	-2,575.00	74.25%
1-6230 · Water Testing	21.00	121.00	651.33	4,000.00	-3,348.67	16.28%
2-6240 · Treasurer Collection Fee	211.13	1,300.93	3,972.25	4,268.76	-296.51	93.05%
3-6000 · Capital Outlay						
3-6001 · DWRP 1.5 Million Loan	6,635.08	500.00	12,655.08			
<b>Total 3-6000 · Capital Outlay</b>	<b>6,635.08</b>	<b>500.00</b>	<b>12,655.08</b>			
3-6050 · District Management	0.00	3,908.37	3,908.37			
63400 · Interest Expense	0.00	0.00	2,699.71	5,356.10	-2,656.39	50.4%
63500 · Bond Principal Payment	0.00	0.00	0.00	75,000.00	-75,000.00	0.0%
<b>Total Expense</b>	<b>16,106.27</b>	<b>18,514.57</b>	<b>120,457.31</b>	<b>327,224.86</b>	<b>-206,767.55</b>	<b>36.81%</b>
<b>Net Ordinary Income</b>	<b>16,567.16</b>	<b>54,843.95</b>	<b>208,897.42</b>	<b>131,027.49</b>	<b>77,869.93</b>	<b>159.43%</b>
<b>Other Income/Expense</b>						
<b>Other Income</b>						
2-7000 · Interest Income	347.93	569.04	1,388.99			
<b>Total Other Income</b>	<b>347.93</b>	<b>569.04</b>	<b>1,388.99</b>			
<b>Other Expense</b>						
2-8000 · Bond Interest	0.00	0.00	24,250.00	48,500.00	-24,250.00	50.0%
2-8050 · National Rural Water Interest	81.55	79.44	600.13	990.81	-390.68	60.57%
2-8055 · Interest Expense - CWCD	0.00	0.00	3,602.68	23,688.07	-20,085.39	15.21%
2-8080 · Trustee Fees	0.00	0.00	250.00	500.00	-250.00	50.0%
<b>Total Other Expense</b>	<b>81.55</b>	<b>79.44</b>	<b>28,702.81</b>	<b>73,678.88</b>	<b>-44,976.07</b>	<b>38.96%</b>
<b>Net Other Income</b>	<b>266.38</b>	<b>489.60</b>	<b>-27,313.82</b>	<b>-73,678.88</b>	<b>46,365.06</b>	<b>37.07%</b>
<b>Net Income</b>	<b>16,833.54</b>	<b>55,333.55</b>	<b>181,583.60</b>	<b>57,348.61</b>	<b>124,234.99</b>	<b>316.63%</b>

Income and Expense by Month  
January through July 2022



Income Summary  
January through July 2022

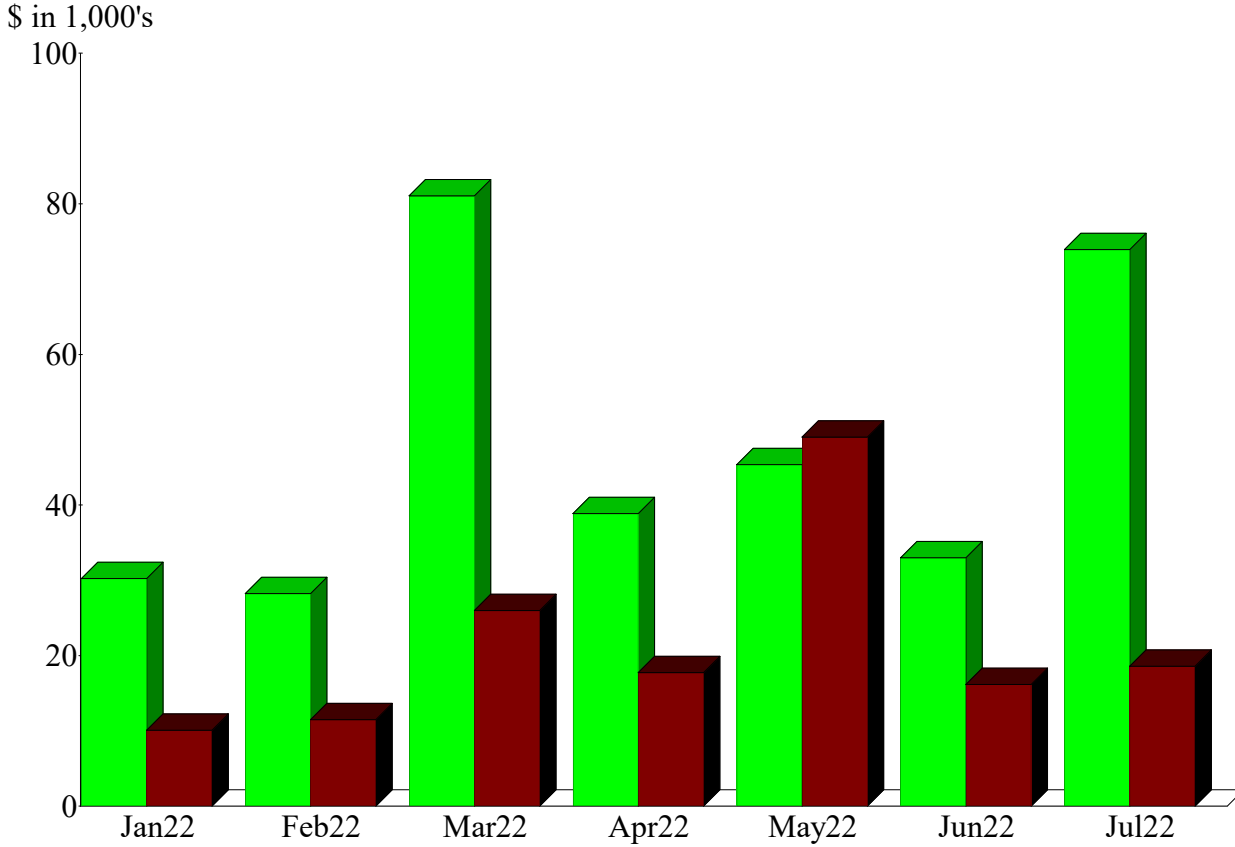
2-4400 · Property Tax Revenue	40.07%
1-4000 · Capital Improvement Fees	20.37
1-4050 · Water Service Fee	19.17
1-4080 · Water Usage	15.16
2-4450 · Specific Ownership Tax	2.19
2-4470 · State Senior/ Veteran Funds	1.98
1-4030 · Late Fee Revenue	0.59
2-7000 · Interest Income	0.42
2-4460 · Restitution	0.05
1-4090 · Trout Haven Exclusion Deposits	0.01
<b>Total</b>	<b>\$330,743.72</b>



By Account

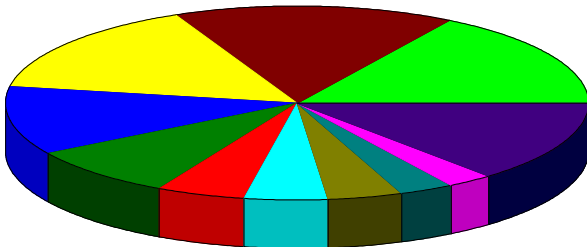
Income and Expense by Month  
January through July 2022

Income  
Expense

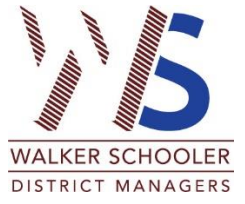


Expense Summary  
January through July 2022

2-8000 · Bond Interest	16.26%
1-6050 · District Management-Operating	15.72
1-6180 · ORC Fees-Operating	15.52
1-6190 · Repairs and Maintenance	11.50
3-6000 · Capital Outlay	8.48
1-6220 · Water Distribution Purchases	4.98
1-6130 · Legal	4.66
1-6210 · Utilities	4.27
1-6150 · Water Billing	3.17
2-6240 · Treasurer Collection Fee	2.66
Other	12.78
<b>Total</b>	<b>\$149,160.12</b>



By Account



# Arabian Acres Metropolitan District

## PAYMENT REQUEST

8/17/2022

### GENERAL FUND

Company	Invoice	Date	Amount	Comments
Edith Coffman	081722EC	8/17/2020	\$ 100.00	
Lanny Hoel	081722LH	8/17/2020	\$ 100.00	
Elizabeth Douglas	081722ED	8/17/2020	\$ 100.00	
Jennifer Shepard	081722JS	8/17/2020	\$ 100.00	
Martin Lempecki	081722ML	8/17/2020	\$ 100.00	
Black Mountain Pump Service	7511	3/3/2022	\$ 1,815.66	
CDPHE	FGD20220871	7/26/2022	\$ 100.00	
Core Electric Coop	43183502	7/26/2022	\$ 154.30	ACH
Core Electric Coop	43071702	7/26/2022	\$ 41.53	ACH
Core Electric Coop	40299901	7/26/2022	\$ 162.26	ACH
Core Electric Coop	40032202	7/26/2022	\$ 163.73	ACH
Core Electric Coop	40045402	7/26/2022	\$ 21.76	ACH
Domain Listings	242-1848	7/22/2022	\$ 288.00	
El Paso County Public Health	73122	7/31/2022	\$ 21.00	
J.A. Excavation & Septic's LLC	73122	7/31/2022	\$ 2,807.50	
J.A. Excavation & Septic's LLC	73122-1	7/31/2022	\$ 500.00	
Lynn Willow	7/19/2022	7/19/2022	\$ 25.82	
Mountain Mutual Reservoir Company	73122	7/31/2022	\$ 500.00	
National Rural Water Association	90122	8/17/2022	\$ 924.10	
Rain For Rent	1762396	7/15/2022	\$ 500.00	
Susemihl, McDermott & Downie	34491	7/31/2022	\$ 892.00	
Susemihl, McDermott & Downie	34492	7/31/2022	\$ 5,730.60	
UNCC	2220040067	4/30/2022	\$ 14.30	
UNCC	222070065	7/31/2022	\$ 19.50	
Walker Schooler District Managers	7126	7/31/2022	\$ 4,629.27	
<b>TOTAL</b>			<b>\$ 19,811.33</b>	

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Director

