

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

December 19, 2018 at 5:30 P.M.

Woodland Country Lodge, 730 Country Drive, Woodland Park, Colorado 80863

**In attendance were Directors:**

Jennifer Waller, President

Craig Waller, Treasurer

Edith Coffman, Director

Lucas Ortivez, Director

Lanny Hoel, Director

**Also in attendance were:**

Kevin Walker, Walker Schooler District Managers

Lori VonFeldt, Walker Schooler District Managers

Kristina Kulick, Walker Schooler District Managers

Members of the public (see sign-in sheet)

**1. Administrative Matters:**

- a. Call to Order and Declaration of Quorum: President Waller called the meeting to order at 5:37 p.m. President Waller confirmed a quorum.
- b. Confirm any potential conflicts of interest: President Waller confirmed with the Board that there were no potential conflicts of interest.
- c. Introductions and Public Comment: President Waller introduced the Board and Mr. Walker, Ms. VonFeldt and Mrs. Kulick with Walker Schooler District Managers. President Waller asked that everyone state their name when making their public comment.

Mrs. Kristin Turotte said she recently bought property within Arabian Acres and introduced her husband, Pierre Turotte. She said she had concerns coming into the District. She also said that she gathered information from the Tax Assessor's office that no current sitting board members own property inside the District and that concerns her as well as capital improvement projects and debt in the District. She said that her husband used to do the billing and works for AmCoBi. She said there are major discrepancies on read meters and they have not been re-read. She said that she reached out to ORCs in area and she had two resumes that she would like to submit to the Board for review. One man lives in Florissant and has the highest qualifications. Mrs. Turotte said that Mr. Turotte could not speak in detail because of confidentiality, but there are major discrepancies according to him. Mrs. Marilyn Callan asked Mrs. Turotte for proof of these accusations and said

anyone can say anything, but one must provide evidence if they are going to make accusations. Mr. Turotte said he is here as a resident and not an employee. He said they are losing 30 to 40 percent of water and he doesn't know if the reads are true and they are not corresponding reads to spreadsheet. Mrs. Turotte said there was a woman who requested to have her meter read for months. President Waller explained there was an assumption that the meter was not being read based on what she was charged, but she was not using the 7001 gallons and up and had a small usage of water, so she was being billed for what she was using and we have the meter readings. Mrs. Turotte said she thinks Mr. Walker needs to look into these things.

Mr. Craig Baker said he has had an open billing issue for months. He said his meter has not been read correctly for 6 months and the numbers exceed by 10,000 than what his meter reads. He said he has submitted CORA requests and was told to talk to AmCoBi about this issue. President Waller asked what month he was referring to, and said she provided information based on the CORA request. Mr. Baker said he asked for an audit. President Waller said it was not asked for and she did the CORA request herself. He said he asked for an audit going back to when he got his meter and he wants proof that his meter is being read correctly. President Waller said he is being charged for the correct numbers of gallons being used. Mr. Turotte said there are instances when a new meter is installed and the read is incorrect. He added that if Mr. Willow is installing meters and not programming them and there are inconsistencies with usage, that is an issue. Mr. Baker said he wants to be able to go back to the meter and match up the numbers and his meter is only 2 years old.

President Waller requested that additional questions be submitted to the Secretary who will be appointed tonight and responses will be emailed. Mrs. Turotte asked if all water district correspondence could come from the AAMD email addresses. President Waller said yes, and explained that she has had issues with her email in the past, but moving forward they will come from her AAMD email.

Shawn Smythe asked if the Board will address and respond to the concerns or if members of the public are just voicing concerns at this time, for example the claim that board members do not live in the District. Mrs. Turotte said she meant that board members do not own property in the District. President Waller explained that board meetings are normally ran as a business meeting and to handle the business of the District. Normal procedure is that the public has 2 to 3 minutes to comment and voice concerns, but if someone wants a question answered it is usually submitted in writing or it is addressed at the next board meeting. There is usually not a formal answer since the Board is supposed to discuss everything before answering. She said she is trying to answer some

questions and have those answers because she wants residents to know they can depend on them. Mrs. Turotte asked if her concerns will be addressed through email. President Waller said everyone on the Board owns their home in the District. Mrs. Turotte asked why it isn't on the County Registrar. President Waller said we do not have to answer these questions because they are personal. Director Coffman said she owns her home and has torn down and rebuilt a home. Mr. Turotte said he suggests Director Coffman put her name on her home. Mrs. Turotte said the board members have to own property. Mr. Walker clarified that a board member qualification is also to be in contract to own property, but the main issue is paying taxes. There is also a lease obligation that is indirect because the owner of the property pays the taxes. Another qualification is that a board member must be a registered voter in Colorado. Mr. Walker explained that all Directors sign an Oath of Office that is verified and says that they are qualified by an Election Officer. Mr. Walker said even if there is an appointment, they are still obligated to be qualified to be a Director and usually the attorney will make sure that anyone who is about to be appointed is qualified. Mrs. Turotte said except for last meeting when someone was appointed without notice. President Waller explained that Director Coffman had expressed interest prior to, and was fully checked before being appointed. Mrs. Turotte discussed the information from the Assessor's office again and said she believes it is a relevant question. President Waller said it is personal information and as long as we are qualified and have done what is required by state law and SDA, then there is nothing else to say. Mrs. Callan said she has done quite a bit of research on the Assessor's office website and it can be quite tricky, so maybe she made a mistake. Mr. Lanny Hoel asked Mrs. Turotte what she found out. Ms. Johanna Vannini said that Treasurer Waller's father is the titled owner and the tax bill goes to him. She said the Recorder's and Treasurer's office all say his father owns the house. Director Coffman said she has lived here since 1995. She said she has paid off her house, tore it down and rebuilt it in 2014. Director Coffman stated this is ridiculous and Mrs. Turotte is attacking the Board and we have a business meeting to handle and we need to move on.

- d. Discuss and Approve the Agenda: Director Coffman moved to approve the Agenda; seconded by Treasurer Waller. Motion passed unanimously.
- e. Review and Approve the Minutes of the:
  - November 27, 2018 - District Board Meeting: The Board confirmed they had a chance to review the minutes. Director Coffman moved to approve the November 27, 2018 minutes; seconded by Treasurer Waller. Motion passed unanimously.

- December 6, 2018 - Public Special Meeting: Treasurer Waller moved to approve the December 6, 2018 minutes; seconded by Director Coffman. Motion passed unanimously.
  
- f. Lucas Ortivez, Interest in Board Position: President Waller introduced Mr. Lucas Ortivez and said he has submitted a letter of interest. President Waller explained that only the Board can ask him questions. Mr. Ortivez said he is a new resident of Arabian Acres, and he and his wife moved here from Texas. He said he has worked in the oil and gas industry doing pipeline inspection and radiography. He said he has also worked for CSU updating modularity in the water department. He explained that he has gained a lot of knowledge and thinks he would be an asset to the Board. Mr. Ortivez said he is excited to be a part of the community and is excited to be a part of the Board. He knows water is probably Colorado's most special resource especially with the dry climate and he hopes to be appointed to the Board. Director Coffman asked if he had any children. He said he has no children. Director Coffman asked if it would be a problem to attend meetings on the 3<sup>rd</sup> Wednesday of the month. Mr. Ortivez said it would be no problem at all. President Waller said this would be the last time meeting at this location and next month the Board will meet at the Divide Fire Station.
  
- g. Nominations, Appointment of two (2) new Directors to Board of Directors, Oath of Office and Notice of Appointment: President Waller asked if anyone on the Board wanted to make a nomination. Director Coffman said she would like to nominate Lanny Hoel; seconded by Treasurer Waller. Motion passed unanimously. Ms. Betty Williams asked if it has changed that when the board members are nominated, they do the oath. The Board confirmed they will take an oath of office. The Board welcomed Mr. Hoel up to the front. Mr. Hoel took the Oath of Office. Treasurer Waller nominated Lucas Ortivez; seconded by Director Coffman. Motion passed unanimously. Mr. Ortivez took the Oath of Office.
  
- h. President's Report: President Waller noted that the Group 3 project is tabled indefinitely. She said she was given a large stack of blank envelopes from Ms. Bertrand. She explained they held a meeting in July to talk about the capital improvement projects and the consensus was that majority of Trout Haven did not want the expansion. There was a plan to send a survey to the residents to get feedback, but the survey was never sent by Ms. Bertrand even though the postage was paid for by the District. Mr. Baker spoke out and said Trout Haven East is not in the District. President Waller said it is and she has the maps to show it. President Waller said she will eventually use the envelopes that were meant for the surveys.

President Waller updated the Board and said that everything is officially paid off with everything to do with Mr. Malcolm, including the law firm. The 10 mills will

be coming off as well. At this moment, we only have 24 mills that was signed on the budget for next month. A woman from the public asked if the \$100,000 that was stolen was paid back. President Waller said no, that will be paid back by Mr. Malcolm himself, but we are getting small checks from him. The total paid back from him for the year is \$56.

- i. Review and sign termination letter for AmCoBi: President Waller said the billing will be moved over to WSDM beginning January 18, 2019 and she will send a 30 day termination letter to AmCoBi. She explained that WSDM is already working on integrating us into their system, so this gives two weeks to work out the bugs and get everything out the first of February. President Waller passed around an example of what the new water bill will look like and noted the bill will include the meter reads. Ms. VonFeldt said they can change the bill and make edits to accommodate the District's needs. Director Ortiz asked if there will be an online version of the bill. Mr. Walker said yes, they can do online as well as paper bills. Director Coffman asked if there is a way for people who read their own meters to continue to do so once the new meters are installed. Mr. Walker said yes, they could read their own in the pits if they want to. Director Coffman asked if there is an app since they are electric reads. Mr. Walker said there should be electronic access, and we can figure all of that out. Ms. Williams said she told Mr. Willow her digital display does not work but he is still able to read it. Director Coffman said if there is a way to see it and she could look at her previous bill to track it. Ms. Williams asked if there will still be a display on the new meters. President Waller said yes, but it will be located at the meter pit at the end of the road.
- j. Engineering CIP Report Update and Vote: President Waller said she briefly met with Mr. Adam Sommers yesterday and things are going great as far as loans and grants. She said we are waiting to get a copy back from State to accept the \$200,000 grant that the District was awarded. She has signed paperwork and Mr. Sommers has hand delivered it and submitted it. Ms. Williams asked if WSDM is the District Manager now and if they will be handling the special projects. President Waller said yes, but she will be helping until they get up to speed on everything. She will keep in contact with Mr. Sommers to help facilitate all of the paperwork and everything that needs to be done. Mr. Sommers wants to meet with WSDM in January to bring them up to speed.

President Waller updated the Board that coming January 1, 2019, the meters themselves would increase in price by 10% which would cost \$20,000 due to the tariffs that go into effect. Mr. Sommers suggested they sign the PO for the meters, with the approval of the Board. President Waller explained that they would not be ordering them right now, it would just lock in the price. Ms. Williams asked about the grants. President Waller explained the grants and loan that are being worked

on and how they will be able to go back and pay Mr. Sommers' expenses retroactively with the grants. President Waller said we will get the grant for \$200,000 on January 2<sup>nd</sup>, and there is another one we are working on that we should get in February or March. It has not been awarded officially yet, but it looks great and is just a matter of paperwork. Director Coffman explained the loan for \$400,000 and that they only have to use what is needed and it is 0% interest for 10 years. President Waller said she is not sure what we will draw on it, but it will not increase anything for the first meter project. All will be paid with grants, and loans will be paid off by revenue. The Board discussed the meters and that they come with a guarantee and 20 year warranty. President Waller noted that Mr. Willow is very satisfied with the meters as well. Mrs. Callan asked for the price per meter. President Waller said it is \$141.80 per meter based on 143 meters. Mrs. Callan said the price is in line with other smart meters that she researched. Treasurer Waller moved to allow a signature on the PO for the meters to lock in the price of \$20,277.40; seconded by Director Coffman. Motion passed unanimously.

President Waller told the Board that it is time to sign another contract for Mr. Sommers that will allow him to continue working on the project. He will develop final plans and specs for tank, the SCATA system that control the wells and meters that allows them to look at the levels at any time. President Waller explained Mr. Sommers' contract is the same as the one that was signed before. Mrs. Callan asked if it is an extension of his normal contract. President Waller said yes, and that the contract does list out the next steps of the project. Ms. Williams asked if they just signed a contract. President Waller explained it was for work done on the meters and RFPs and that this contract is to develop the final specs moving forward. Director Ortivez asked if it was an annual contract. President Waller said it was not an annual contract. Mr. Walker clarified that most Districts cannot sign contracts for longer than a year because they cannot be obligated for longer than a year without a vote, the District must be able to appropriate funds. This is called a Multi-year Obligation, contracts must be updated annually. Director Coffman moved to sign another contract for Mr. Sommers; seconded by Director Ortivez. Motion passed unanimously.

k. DOLA CIP Report Update:

## **2. Operator's Report:**

- a. ORC Report – President Waller gave the Operator's report and said they did not have to truck in any water this month. Mr. Willow has been working with Mr. Sommers on the capital improvement project. She went on to say that freezing temperatures are here, and noted that there is one free service turn-on and turn-off if residents are going on vacation or will be out of home for a period time. She

added that if there are any questions for Mr. Willow, feel free to email him directly.

- b. 50 Gerka - Report on excavation – President Waller explained that a new resident is building, and the Contractor for the resident had said if we provide materials, they would provide 200 feet of excavation for free. The Contractor has since reneged on that agreement. They had approved the cost and fees in the past, but there is 220 feet installed and ready for connection to main line in Spring. Right now, the temporary meter is hooked up to original curb stop that was put in 1996 and it is metered, and that curb stop will be abandoned once they connect to main line. They are not opening up the main line right now due to cold temperatures.

President Waller said she listens to what the public says and tries to make changes based on what she feels is best for the District. She explained the current procedure is that all board members are on the bank account, and Directors Ortivez and Hoel will be added tomorrow. She added that the District requires two signatures on checks although the Bank only requires one. President Waller discussed how the Secretary position will no longer include taking the meeting minutes since Mrs. Kulick with Walker Schooler District Managers would be doing it. She added that she would like the Treasurer and Secretary to be the ones to sign checks. President Waller requested amending the Agenda to add item 5.c, Secretary Nomination under Other Business. Director Hoel moved to amend the Agenda; seconded by Director Coffman. Motion passed unanimously.

### **3. Financial Manager's Report:**

Manager's Report: Ms. VonFeldt presented and explained they were unable to download the company data system into their own, so they created a new Quickbooks data file for them with the help of the Auditor. Ms. VonFeldt discussed the draw sheet and invoices in the packet that need to be paid, and noted there is nothing out of the ordinary. Director Coffman brought up that the IERA that was not included. Ms. VonFeldt requested more information on how the money flows to better understand the current system. Treasurer Waller said that Ms. Bertrand handled it in the past and did not share that information with the Board.

### **4. Financial Matters:**

- a. Review and approve the payment of claims for period ending December 2018: Director Coffman moved to approve the payment of claims with the approval of the IERA accounts; seconded by Director Ortivez. Motion passed unanimously.

- b. Review and accept the December 2018 Financial Statements: Treasurer Waller moved to accept the December 2018 Financials; seconded by Director Hoel. Motion passed unanimously.
- c. Review Outstanding Debt and Liabilities

**5. Other Business:**

- a. New website – Treasurer Waller said the website is up and running and they are working on scanning documents. Treasurer Waller asked the Board if they want to keep the website payments monthly or change it to quarterly or annual billing. President Waller discussed a free website option, but they would still have to pay for the emails separately. The cost for website and emails is not much more than just paying for emails because there is a discount with the bundle. Treasurer Waller recommended the monthly billing and waiting to see if there are discounts and sales available. Treasurer Waller discussed the District email addresses that can be customized for the Directors and Officers. He suggested having a generic email address for the residents to ask questions. President Waller said Mr. Sommers suggested putting a handout on the website as well as a page on the website for him to update the District and a place to have interaction with Mr. Sommers and to receive information on the capital improvement projects. Treasurer Waller said he could create another tab on the website for him. Director Ortivez agreed that it would be a good way for him to give updates on the project. President Waller suggested giving Mr. Sommers a District email as well. Treasurer Waller said it would be good to have that information available to the District and noted the cost of getting him an email would be very minimal. Director Hoel said he thinks that people will want to know what is going on and that way they could log in from anywhere to check in for updates. Treasurer Waller said he will coordinate with Mr. Sommers to get this done. Treasurer Waller noted they will continue to update the website with photos of the District as well.
- b. Moving meetings to Divide Fire Station – President Waller discussed that the meetings will be moved to the Divide Fire Station starting in January. She noted that they have been paying \$70 for the Lodge and the Divide Fire Station will be at no cost to the District. President Waller said that moving forward there will be no food allowed during the meeting, but drinks are okay. Treasurer Waller added that the only time we could not have a meeting at the fire station is if there is a fire event or catastrophe and they need the room for staging area. In that case, the Board would reschedule the meeting or hold it at the Lodge or golf course.
- c. Secretary Nomination – President Waller passed out a description of officer positions to the board members to review. Director Coffman clarified that it basically says what everyone is responsible for on the Board with specific tasks



addressed. President Waller explained that the Secretary will no longer be required to take the meeting minutes but there is an email responsibility and they would be a signer on the bank account. She asked the Board if anyone was interested in being the Secretary. Director Hoel said that he does not have a decent computer. President Waller noted that WSDM wants access to the reports to reconcile the checkbook, but it is their policy to not be on the bank account as a signer. Treasurer Waller said in the past, Ms. Bertrand would move money without approval and the Board would have to retro-approve it. President Waller clarified that everyone is on the account so if for some reason the Secretary is not able to sign, someone else could sign it, but she would like to make it practice to have the Secretary and Treasurer sign checks. Director Ortivez asked for clarification on sending out emails. President Waller said she can continue to do the emails as well. Mr. Walker noted as they get more involved, they will take over the email task and strongly encourages the Board letting the Manager do those email discussions. In terms of sending out information it would just be distributing agendas or minutes which really the Manager does on behalf of the Secretary. President Waller explained that a group email discussion could constitute a meeting, so a Director should not reply all on an email and only email the person directly. President Waller said that Treasurer Waller will be handling the task of putting the meeting minutes and agendas on the website. Mr. Walker explained the Secretary will also function as a notary at the meeting if needed. He also explained that Directors without official officer titles will be Assistant Secretary or Treasurer so they can do the tasks as well. President Waller nominated Director Ortivez as Secretary of the Board; seconded by Treasurer Waller. Motion passed unanimously. Treasurer Waller nominated Director Hoel and Director Coffman as Assistant Secretary; seconded by Director Ortivez. Motion passed unanimously.

Mr. Walker said he will work with AmCoBi to get the transfer completed, and he will create a monthly report on late payments and turn-offs, and a Manager's Report to keep the Board informed.

**6. Adjournment:**

The meeting was adjourned at 7:21 p.m.

THE NEXT REGULARLY SCHEDULED MEETING WILL BE HELD ON  
WEDNESDAY, JANUARY 16, 2019 at 5:30 p.m. at the NEW LOCATION,  
DIVIDE FIRE STATION, 103 CEDAR MOUNTAIN ROAD, DIVIDE,  
COLORADO 80814

Respectfully Submitted,

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By: Kevin Walker, District Manager

THESE MINUTES ARE APPROVED AS THE OFFICIAL DECEMBER 19, 2018  
MINUTES OF THE ARABIAN ACRES METROPOLITAN DISTRICT BY THE  
BOARD OF DIRECTORS SIGNING BELOW:

(Signed copy in possession of the District Manager)

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Jennifer J. Waller, President

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Craig Waller, Treasurer

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Lucas Ortivez, Secretary

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Edith Coffman, Assistant Secretary

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Lanny Hoel, Assistant Secretary