

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

April 7, 2020 at 5:30 P.M.

Via Telephone Conference Call

In attendance were Directors:

Edith Coffman, President

Lanny Hoel, Treasurer

Lucas Ortivez, Secretary

Allan Brown, Assistant Secretary

Stan Claassen, Assistant Secretary

Also in attendance were:

Adam Sommers, AquaWorks

Kevin Walker, WSDM

1. ADMINISTRATIVE MATTERS

- a. Call to Order & Declaration of Quorum: President Coffman called the meeting to order at **5:34 p.m.** and confirmed all Board members were present.
- b. Confirm any Potential Conflicts of Interest: The Board confirmed there were no conflicts of interest.
- c. Consider adoption of Resolution 2020–4-1 Declaration of Emergency Procedures and Authorized Telephonic Meetings – Due to statewide and local health concerns, Declaration will allow meeting to be held via telephone call at the number above. Public will be able to attend telephonically: Director Claassen moved to adopt Resolution 2020-4-1 Declaration of Emergency Procedures and Authorized Telephonic Meetings; seconded by Director Brown. Motion passed unanimously.
- d. Discussion and Approval of the Agenda: Director Claassen asked about the approval of the February meeting minutes. Mr. Walker explained he left the approval of the minutes off the Agenda for this meeting so the Board could discuss them in more detail at the next meeting.

2. Continued public comment on the Proposed Capital Construction Project

- a. Close Public Meeting upon conclusion: Mr. Walker explained he wanted to give everyone the chance to discuss before officially closing the Public Meeting. There was no public comment. Director Ortivez moved to close the Public Meeting; seconded by Director Claassen. Motion passed unanimously.

3. FINANCIAL MATTERS

- a. Review of billing and collection status: Mr. Walker explained the billing and collections reflected are as of the beginning of March. He noted the one turn-off did make a payment, so they have been turned back on. The Board discussed that the individual who had removed their water meter has made payments including their \$750 fine and they have a scheduled court date for their violations of up to \$1,500 for the District’s damages. Mr. Walker explained that he does not have a report on the meters today due to being unable to access the office and noted meter reads will

be done next month. Director Brown requested that Mr. Walker get an update from Mr. Willow on if the meters are all working.

- b. Review and approve the Payment of Claims – Authorize payment to Recall Election canvassers: Mr. Walker requested to pay the two canvassers a \$100 payment for their time and mileage. Director Claassen asked about Mr. Feidler’s invoice and the request to make payment made out to him instead of the name of the business on the invoice. Director Claassen moved to approve the Payment of Claims. Director Brown said he would like to review the details of Mr. Feidler’s invoice. After discussion, the Board agreed to pay Mr. Feidler and Mr. Walker will get with him regarding making payment out to the company. The motion was seconded by Director Claassen. Motion passed unanimously.
- c. Review and accept the February 29, 2020 Unaudited Financial Status: Mr. Walker noted the financials are a month behind and he will have the new financials to the Board in the next week or so.
- d. Discussion of potential delay in property tax collection: Mr. Walker explained he doesn’t know whether or not this is going to happen, but a lot of the Treasurer’s around the State are delaying due dates for payment of property. Mr. Walker explained that in Arabian Acres MD, most of the property taxes are paid for by escrow agreements with the mortgage companies, so he assumes the mortgage companies will make the payments. Mr. Walker said he should know more by the middle of May whether there might be a crunch that might occur from the property taxes, and the income received from taxes go primarily to paying the bonds. There is an interest payment due in June, but the large payment is not due until December, so he thinks the District should be okay

4. OLD BUSINESS

- a. Status update on the Proposed Water System Upgrade project
 - i. Loan application status: Mr. Walker reported he has been working on the loan application with the State and they have a meeting on April 17th. He noted the \$1.5 Million loan has now become a \$1.1 Million loan with a \$400,000 forgivable grant. The recommendation is 0.5% interest for 30 years and the amortization of that is projected to be \$57,000 per year payment down from a projected \$89,000, so the District is saving roughly \$30,000 on the annual payment based on Mr. Walker’s finance plan. Director Brown asked if there is an option to change the payoff period to 20 or 25 years. Mr. Walker said he will check, but he thinks the documents say there is no prepayment penalty.
 - ii. Plan review status: Mr. Sommers reported that the plan was designed so that everything comes together at the end, and we are starting to see all the different tasks that they have been working on for the past few years all wrapping up within the same week or two. One of the issues outstanding is the approval of the engineering design. Mr. Sommers explained he received a comment letter from the CDPHE a week ago, and he responded affirmatively to all their comments so he thinks they should be receiving the approval soon. The other outstanding item is

the Environmental Assessment which is 90% done and they just need to get the wetlands mapped. Mr. Sommers said he anticipates that on April 17th, the authority will approve the loan and then the contract should be issued 4 to 6 weeks after that for the Board to sign. Until then, the District is not committed to the loan. Mr. Sommers explained they need to publish in the newspaper 30 days before they can receive the bids. The Board discussed bidding the project during the Coronavirus. Director Claassen said he thinks the base bid should only be for the 2 buildings and associated pumps and piping, and maybe the SCADA system. Then having an alternate bid for the 100,000-gallon tank and then a deduct alternate bid for a 60,000-gallon tank. Mr. Sommers explained he tried to follow the Board's direction from the last meeting and create a menu of options which is included in the Bid Form in the Project Manual. Mr. Sommers noted that Velocity is interested in the treatment project as well as the distribution project which is welcome since the District has had a positive experience with them in the past. Director Claassen noted he has thoughts on some items and concerns with quality controls and inspections that he will email to Mr. Walker and Mr. Sommers. Mr. Sommers suggested the Board make a Resolution that once Director Claassen is satisfied with his concerns, the District can move forward and advertise the two projects. Mr. Walker said he thinks that is appropriate and it would be an advantage for the Board to have as much information as possible and advertise the bid. He confirmed that he does not think it would hurt the District by doing so.

- iii. Wetlands study – consider approval of contract for wetlands study for Control Buildings A location. This item was not directly discussed.
 - iv. Consider authorizing project bid process: After discussion, Director Brown moved to authorize the bidding process with final documents still to be modified; seconded by Director Hoel. Motion passed unanimously.
 - v. Consider tank inspection contract: Mr. Walker explained the last time the tank was inspected was 4 years ago and it is due for a new inspection next year. After receiving a couple bids, the best price was \$1,100. Mr. Walker asked the Board if they wanted to go ahead and inspect the tank with the possibility that they will keep the tank, or they can wait to do the inspection. Mr. Walker recommends that the Board waits on the tank inspection to see the bids for constructing a new tank. The Board discussed the costs of coating the tank and that it could be \$10,000 to \$20,000. The Board agreed to defer the tank inspection to next meeting. Mr. Sommers thanked the Board and left the meeting.
- b. Election update: Mr. Walker reported that everything is moving forward with the Election. Mail ballots are printed and will be mailed out April 21st, 2020. Due to coronavirus, ballot counting and safety procedures may be modified. There have been discussions about getting a second P.O. Box for the ballots and leaving them in there until it is time to count them. There may also be postal service delays, but the District is managing their way through that. The Fire Station will be closed to the public on Election Day, but they will have a secure ballot drop-off box. We also will not have access to the Teller County Clerk and Recorder ballot box because they are using it for driver license renewals and other services. Ballots will have to be mailed in or dropped off on May 5th - Election Day at the secure ballot box at the Fire Station. Mr. Walker explained they hope to have the unofficial ballot results as soon as possible but noted the official results may be delayed

slightly due to the coronavirus.

- c. Update on Trout Haven Exclusion project: Mr. Walker explained he has not been able to find an outside counsel to go through the process with the District, but he has spoken to Mr. Downie about it and is willing to put together the process by which this could occur. Mr. Walker noted he was not able to get a price from him and Mr. Downie would not be able to start until after the Election. The Board discussed notifying the residents about the possibility of the Trout Haven Exclusion project.
- d. Update on website migration: Mr. Walker updated the Board that the State is not yet scheduled to migrate the website at this point, and they have not given a time frame.
- e. Director Claassen requested discussion on the maintenance sheets from Mr. Willow. Mr. Walker said he has sent the maintenance records and he can forward them to the Board.

5. OPERATOR'S REPORT

- a. ORC Report: Mr. Walker noted that Mr. Willow was required to attend an EPA meeting this evening, so he was unable to call in and give his report.

6. NEW BUSINESS

- b. Approve contract for ORC services with J. A. Excavating & Septic Services, LLC: Mr. Walker explained he drafted a contract with Mr. Feidler and Mr. Willow earlier in the year. They were both sent to the Board for review, and after significant progress in the last week with Director Claassen they are very close to a final draft. Mr. Walker noted they are not ready to be voted on today, but he hopes to have them done before the end of the month. Director Brown commented that he spoke to Mr. Willow last year and he said Mr. Feidler was basically a helper to the extent of a circuit breaker is tripped or another emergent matter and he was not a routine guy doing maintenance. Director Brown said he would expect that Mr. Feidler's hours would be minimal in general. President Coffman said she thinks that Mr. Willow has trained Mr. Feidler on more in the past year. She noted she is not sure on the exact details, but that Mr. Feidler plays a part when something is happening in the District. She also noted that after a meeting, she saw Mr. Feidler at the control tower checking on an alert for Mr. Willow. She thinks he is more help to Mr. Willow than in the past and added that he was helping with the meter project and performing bucket tests. Director Claassen noted that with Mr. Willow's contract he will have the ability to delegate certain smaller tasks which is great since Mr. Feidler's rate is lower than Mr. Willow's. Director Ortivez moved to accept putting the final contract approvals for Mr. Willow and Mr. Feidler on the next meeting Agenda; seconded by Director Brown. Motion passed unanimously.

7. OTHER BUSINESS: There was no discussion.

8. PUBLIC COMMENT: There was no public comment.

9. ADJOURNMENT: CONSIDER POSTPONEMENT OF THE NEXT REGULARLY SCHEDULED MEETING SCHEDULED FOR WEDNESDAY, APRIL 15, 2020 at 5:30 p.m.: After discussion, Director Claassen moved to schedule the next meeting for April 22, 2020

via video and telephone conference call; seconded by Director Brown. Motion passed unanimously. Director Brown moved to adjourn; seconded by Director Hoel. Motion passed unanimously at 7:07

Respectfully Submitted,
Walker Schooler District Managers

By: Recording Secretary

THESE MINUTES ARE APPROVED AS THE OFFICIAL APRIL 7, 2020 MINUTES OF THE ARABIAN ACRES METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

Edith Coffman, President

Lucas Ortivez, Secretary

Lanny Hoel, Treasurer

Allan Brown, Assistant Secretary

Stan Claassen, Assistant Secretary