

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR
MEETING OF THE BOARD OF DIRECTORS OF
THE FOREST VIEW ACRES WATER DISTRICT
AND THE BOARD OF DIRECTORS OF THE
WATER ACTIVITY ENTERPRISE
HELD
APRIL 22, 2020

ATTENDANCE

In attendance were Directors:

Brad Hogan
Hans Zimmermann (via speakerphone)
Eckehart Zimmermann
Nancy Wilkins (via speakerphone)
Victor McBride (via speakerphone)

Also in attendance were:

Lisa A. Jacoby; Community Resource Services, LLC (“CRS”)
Clyde Penn; ORC Water Professionals (“ORC”) (for a portion of the meeting)
John McGinn; JDS-Hydro Consultants, Inc. (“JDS”) (via speakerphone for a portion of the meeting)
Peter Johnson, Esq.; Vranesh and Raisch, LLP (via speakerphone)
Cindy Maluschka (via speakerphone for a portion of the meeting)

**ADMINISTRATIVE
ITEMS**

The meeting was called to order at 6:00 p.m. at the Monument Sanitation District offices; 130 2nd Street, Monument, CO 80132.

Agenda – Ms. Jacoby distributed for the Board’s approval the proposed Agenda. Following discussion, upon motion duly made by Director Eckehart Zimmermann, seconded by Director McBride and, upon vote, unanimously carried, the Agenda was approved, as amended.

**PUBLIC
COMMENT**

Property Owned by Raspberry Mtn Investments, LLC (aka Frank Chuba Property) Parcel #7117005028 - Realtor Cindy Maluschka addressed the Board regarding a list of due diligence matters on behalf of her client. It was noted that pursuant to the District’s Rules and Regulations, should water service be applied for, additional tap fees would be required to be paid due to expiration of the original tap permit(s) for that property. Ms. Maluschka left the meeting following receipt of answers to her questions.

**ADMINISTRATIVE
ITEMS CONT’D**

Minutes - The Board reviewed the Minutes of the March 25, 2020 Regular Board meeting.

Following discussion, upon motion duly made by Director Wilkins, seconded by Director Hogan and, upon vote, unanimously carried, the

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Minutes were amended to add “Peter Johnson (via speakerphone)” as an attendee. Then, following discussion, upon motion duly made by Director Wilkins, seconded by Director Eckehart Zimmerman and upon vote, with Director Wilkins voting “Yes” and Directors Hogan, Eckehart Zimmermann, Hans Zimmermann and McBride voting “No” the following paragraph remained as written: “Locating Services - Director Wilkins addressed the Board regarding the ability of the District to defer providing utility locating services. The Board requested Director Wilkins provide the information via email and deferred further discussion to the next Board meeting”.

OPERATIONS AND MAINTENANCE ITEMS

ORC Water Professional’s March 2020 Operations Report – Mr. Penn presented his report to the Board.

Status of Water Operations and of “Resiliency Check-Up” Action Items – Mr. Penn discussed with the Board the 2 obsolete LMI pumps for the surface water treatment plant and requested approval for purchase of same for an amount of approximately \$2,000. Following discussion, upon motion duly made by Director McBride, seconded by Director Eckehart Zimmermann and, upon vote, unanimously carried, the Board approved the purchase of the 2 pumps for an approximate amount of \$2,000.

Waterline Repair - Mr. Penn discussed waterline repairs required at Red Rocks Dr. and Abo Ln. Following discussion, upon motion duly made by Director Hans Zimmermann, seconded by Director Eckehart Zimmermann and, upon vote, unanimously carried, the Board approved the waterline repair for an approximate amount of \$800.

Variance for 4909 Redstone Ridge Road – Mr. Penn discussed having received a request from the property owner of the subject property for an increase in meter size from ¾-inch to 1-inch to allow for an increase in water pressure. Following discussion, upon motion duly made by Director Eckehart Zimmermann, seconded by Director Hans Zimmermann and, upon vote, unanimously carried, the Board approved the variance to the meter size.

CAPITAL/ ENGINEERING ITEMS

JSD-Hydro Consultants, Inc. (“JDS”) Monthly Report - Mr. McGinn presented his report.

Status of Disinfection Outreach Verification Effort (“DOVE”) Project
There was no update.

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Dawson Well Project - Mr. McGinn reported that JDS continues working on the design report for the Dawson Well that will be submitted to CDPHE.

Inlet Equalization Tank for the SWTP (previously known as “Additional Raw Water Storage at Treatment Plant”) Mr. McGinn distributed a memo outlining recommendations for the additional inlet equalization tank for the SWTP, noting that for future capital project planning, information has been expanded to include a cost estimate and further details on the proposed design.

Collaboration with Palmer Lake Sewer District (“PLSD”) – Mr. McGinn noted that PLSD is moving forward with surveying to allow for collection of data to determine project cost projections.

Capital Projects - Discussion ensued regarding scheduling of a special meeting/work session to discuss capital project planning. Potential capital projects for consideration at this special meeting/work session may comprise of:

Inlet Equalization Tank for the SWTP
Raw Water Service Line
Dawson Well Upgrade
Palmer Lake Sewer Water Line (in collaboration with District associated project(s))
1500 Feet of Water Distribution Lines
PRV at Shiloh Pines

Following discussion, the Board determined to schedule a special meeting/work session for June 10, 2020 to be held at 6:00 p.m. at the regular meeting location.

Mr. McGinn and Mr. Penn left the meeting at 7:00 p.m.

FINANCIAL ITEMS

Treasurers Report / Bank Balances / Transactions - Director Wilkins reported that the Financial Statement cash balances and transactions reconciled with the bank statements.

March 31, 2020 Cash Position (adjusted as of April 15, 2020) and Unaudited Financial Statements for the period ending March 31, 20, 2020, ACH Report, Tap Report, A/R and Delinquency/Billing Report – The Board reviewed the above referenced financial statements.

Discussion ensued regarding \$9,000 in uncollected Inspection/Administrative Fees associated with Pre-paid Tap Fees

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collected. The Board deferred further discussion to the next Board Meeting.

Transfer of excess revenue from the Operations Fund to the Capital Projects Fund – Ms. Jacoby noted that per the Budget, \$50,000 had been transferred from the Operations Fund to the Capital Projects Fund. Ms. Jacoby inquired if the Board would like to make an additional transfer of funds. Following discussion, the Board deferred to Director Wilkin's to consider and provide further direction via email.

Billing Matters; Late Penalties and Delinquent Payments – Discussion ensued regarding the extraordinary reports requested by Director Wilkins. Further discussion was had under Other Business Items/Director's Items.

Claims – The Board reviewed the claims totaling \$20,659.20 represented by check numbers 04878 – 04890, plus auto payments totaling \$2,518.50 for a grand total of \$23,177.70.

Following review, upon motion duly made by Director Eckehart Zimmermann, seconded by Director Hans Zimmermann and, upon vote, unanimously carried, the claims were approved, as presented.

Development of Long-Term Financial Plan for Capital Expenditures - The Board determined to discuss this subject matter at the aforementioned special meeting/work session scheduled for June 10, 2020, at 6:00 p.m. at the regular meeting location.

LEGAL ITEMS

Declaration of Local Disaster – Discussion ensued regarding the merits of declaring a local disaster for the District. Following discussion, the Board determined to take no action.

Locating Services – There was no action on this matter.

EXECUTIVE SESSION - Development of Red Rock Acres (aka Ryan Nevin's property) – Inclusion Agreement – There was no Executive Session.

Status of Communication with Mr. Stiltner related to related to Red Rock Acres Inclusion and status of draft Inclusion Agreement – It was noted that there has been no further communication from Mr. Stiltner. The Board deferred further work on the Inclusion Agreement, pending reintroduction from Mr. Stiltner.

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OTHER BUSINESS/ DIRECTORS ITEMS

Look Ahead Schedule – A revision to the Look Ahead Schedule was noted.

Policy for Approval/Non Approval for Director's to Make Request for Services from Consultants/Vendors – Director Eckehart Zimmermann addressed the Board regarding amending the District's Policies limiting spending authority as provided in Section 4.

The following amendment to Section 4 the Policies was presented (in red):

4. Spending Authority

Goal: To provide the ability to address small or unscheduled requirements that will incur an expense.

Background: The Board of Directors meets once a month, whereas the District runs on a 24x7 basis. In cases of emergency or in cases where there is an opportunity to save money, authorized individuals should be empowered to act in the best interests of the District.

Policies:

- (a) The lead Operator will have a spending authority of \$500 per month.
- (b) The District Manager will have a spending authority of \$2,500 per month.
- (c) ~~Each individual Board Member will have a spending authority of \$500 per month.~~ Additionally, individual Board Members will have spending authority of \$2,500, limited to cases where the Board Member is on-site and the expenditure is needed to address an emergency.
- (d) Emergency situations that may require spending in excess of individual spending authorizations will require majority approval by a quorum of the Board of Directors, will be documented via e-mail and ratified and the next Board meeting.
- (e) The Board of Directors may revoke this authorization at any time, and may revoke this authorization for any individual at any time.

Discussion ensued regarding the Board's desire to limit expenditures. Following discussion, upon motion duly made by Director Eckehart Zimmermann, seconded by Director Hans Zimmermann and upon vote, with Directors Eckehart Zimmermann, Hans Zimmermann, McBride and Hogan voting "Yes" and Director Wilkins voting "No", the above amendment to the District Policies was approved, effective immediately.

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ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 7:55 p.m.

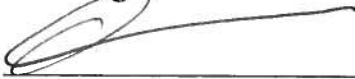
Respectfully submitted,


Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL APRIL 22, 2020 MINUTES OF THE FOREST VIEW ACRES WATER DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:



Brad Hogan



Eckehart Zimmermann

Hans Zimmermann

Nancy Wilkins

Victor McBride