

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 September 28, 2016

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 (referred to hereafter as "Board") was held on Thursday, September 28, 2016, at 6:00 p.m., at the Monument Sanitation District, 130 2nd Street, Monument, Colorado. This meeting was open to the public.

ATTENDANCE

In attendance were Directors:

Eugene Ashe
Anne Bevis
Timothy Sobik
Brad Hogan
Hans Zimmermann

Also in attendance were:

Jim McGrady; Community Resource Services ("CRS")
Gabby Begeman; ORC, LLC
John McGinn; JDS Hydro Consultants, Inc.
Eckhart Zimmermann; Resident

ADMINISTRATIVE MATTERS

Director Ashe called the meeting to order at around 6:00 p.m.

Agenda - Mr. McGrady distributed for the Board's approval the proposed agenda. Motion was made by Director Sobik and seconded by Director Zimmermann, vote was taken and the agenda was approved.

Minutes - The Board reviewed the minutes of the August 25, 2016 Regular Board meeting. Total bid should be included as \$349,999 and said change should be shown in the final paragraph on page two. Amend the discussion on 2017 rates to describe the future action as a review of a possible rate increase based upon the 2017 budget. Director Bevis moved the minutes be approved as amended. Upon a second by Director Zimmermann, vote was taken and motion carried unanimously.

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OPERATIONS & MAINTENANCE

Operations Report – Ms. Begeman presented the August/September Operations Report.

Discuss Timeline for Updating Emergency Action Plan –There is certain information that is proprietary and as such should be placed in a section of the plan that is not distributed publically. Ms. Begeman will add her comments with track change and will do a comparison of the plans. Director Bevis and Mr. McGrady will then incorporate Director Bevis' changes and split the plan with a public section and a confidential section.

Staffing Changes for ORC - Clyde Penn will be moving into the position of Operator in October.

Discuss Improvements to Surface Water Plant - The Surface Water plant produced 49% of water. ORC was able to salvage two old pumps out of the booster pump station before it was torn down. The Surface Water Plant inlet has been cleaned. Improvements could be made at the Surface Water Plant to improve efficiencies. Filters are being backwashed with treated tank water. After the filters have been backwashed raw water comes down, goes through filters and they become clogged. At that point it has to be backwashed again. There is a portion of the backwash process that does not need clean tank water. Ms. Begeman suggested that a few components could be added that would allow the filters to be backwashed with raw water. The District would need a different valve, and make some control modifications. Ms. Begeman thought these items could be added for under \$5,000. The District will see improvement to the process and it will be smoother. Not using strictly clean tank water will eliminate back to back backwashes. Efficiency will increase. Director Bevis wants to make sure one of our fixes does not conflict with other initiatives. The Board asked Ms. Begeman if we will have to redo this if the State requires improvements or if vibration issues are addressed. Ms. Begeman believes that this will not be a throw away improvement. This is standard practice and Ms. Begeman does not know of any systems that use filter to waste with treated water. Most plants start forward flow with untreated water. Ms. Begeman believes that the District should have done this when the PLC was installed. Ms. Begeman asked the Board if they are interested in the project. The Board wants to see what the cost would be. Ms. Begeman will look into that further and report next month.

Ms. Begeman also clarified a statement she made at the August Board meeting: We are not producing more water this year than last year.

The house at 18610 Clovenhoof, which was previously owned by the Peterhoff family, has buried a meter pit and shutoff valve. The

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new owner wants to fix the situation. During discussion it was noted that ORC has books of curb stops and that may be helpful in finding the curb stop for this home so that work can be done. The Board would like JDS to enter notes that the pit was filled in on the District's maps. After further discussion it was determined by the Board that the owner should pay for the digging and the District will supply the meter so that the owner can install it outside, and not in the home. CRS will estimate water use at this home based on last year's usage. ORC will give the homeowner J&K's phone number. Mr. Penn will call the owner tomorrow.

CAPITAL ITEMS

Provide Update on Booster Station Construction, Revegetation, and Demolition of Booster Pump –

Phase 4 Water Main Improvement Project - Pre construction meeting was held on September 16th. The contractor will break ground on October 12th. Materials will be stored at the booster pump site now that the old booster station has been removed. Mr. McGinn believes we should end up with some extra dirt which can be used to improve drainage at the site.

The Board authorized JDS to sign Davis Bacon related documents such as wage determinations and conduct wage interviews. JDS was also authorized to conduct American Iron and Steel inspections. The Board authorized Director Ashe to sign a letter providing JDS with said authorization. The letter was to give to Mr. McGinn for submittal to the State.

Punch list Phase 1-3. Mr. McGinn informed the Board that Global did not complete one of the asphalt items. Also the grass has not germinated at Director Sobik's lot and the revegetation will have to be redone

The Booster Station was knocked down and rough grading was done by the demolition contractor.

Close out for Jim O'Donnell was discussed. The Board agreed to let Mr. O'Donnell do the stoop at the entrance to the new Booster Pump Station and pour a box around the existing transformer pad. This will close out the contract with J.J. O'Donnell so that retainage can be returned. Mr. McGinn will inform Mr. O'Donnell of the Board's decision.

Mapping changes will be done every three months. Ms. Dall will track map sheet corrections and then go out and the GPS changes. JDS will GPS Phase 4 as it goes in. JDS will E-mail drop box instructions to Gabby and Clyde so that they have access to the District's updated GIS maps. JDS will wait for the next phase to

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be done and then get a large set of maps to ORC to perhaps be hung at the Arapahoe Plant. The Board discussed Asset Management Tools. Ms. Begeman and Mr. Penn both think that it would be useful provided that data can be entered easily and efficiently. President Ashe supports this if it helps maintenance and helps with response times. Mr. McGinn will get a price for ARC Viewer and Mr. McGrady will look for other tools that provide asset management.

FINANCIAL MATTERS

Payment of Claims - Mr. McGrady requested that the Board approve payment of claims represented by check numbers 04146 – 04166 totaling \$45,118.85. Director Zimmermann moved to approve the payables. Upon a second by Director Hogan, vote was taken and motion carried unanimously.

Monthly Cash Position and Unaudited Financial Statements - Mr. McGrady presented the monthly cash position and unaudited financial statements for review by the Board which were accepted by the Board. The Board would like to know what has been obligated from the \$500,000 loan which to date is only the Schmueser and Associates contract and some design and project administrative costs. The Board wondered why website maintenance is so high this year. Mr. McGrady will research this line item for the next meeting. The Board also discussed how retainage is being shown and wondered if this should be shown in the ColoTrust column.

Present 2017 Budget– The board will review the Budget in more detail over the next month but did ask if we need to show a transfer out of the Operations Fund to the Capital Fund.

The Budget hearing will be December 8th meeting at 5:00pm.

FURTHER BUSINESS

Review and Discuss Look Ahead Report – Mr. McGrady reviewed the report with the Board.

Remove meeting on 23rd of November. Change the October meeting date to be October 27th. Show construction starting for Phase 4 improvements on October 12th.

Review Proposed Tap Fee Schedule - Add two columns to the proposed schedule of fees and show the tap fee as \$15,000. Revise by adding an Administration column of \$500.00 for a single family home plus an inspection fee of \$500.00 for a single family home. Add a \$500 inspection and administrative fee for both Multi Family and Townhomes.

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LEGAL

Director Sobik moved that the Board enter into Executive Session pursuant to Section 24-6-402(4) (e), C.R.S. Upon a second by Director Bevis, a vote was taken and the motion carried unanimously.

Mr. Eck Zimmermann was asked to attend.

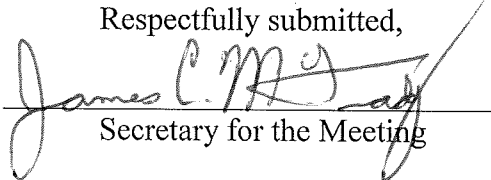
The following items were discussed:

- Review and Discuss 1985 Agreement Negotiations
- Provide Update on Items Associated with 40Acre Land Swap with U.S. Forest Service
- Discuss ORC Contract for 2017 Services

The Executive session was entered into at approximately 8:19 p.m. and exited at approximately 8:45 p.m.

ADJOURNMENT There being no further business to come before the Board, upon motion duly made by Director Sobik, seconded by Director Zimmermann, the meeting was adjourned at approximately 8:46 p.m.

Respectfully submitted,


Secretary for the Meeting

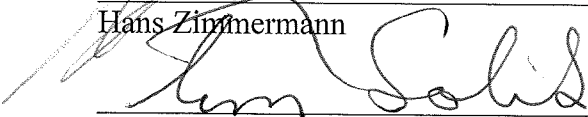
THESE MINUTES ARE APPROVED AS THE OFFICIAL SEPTEMBER 28, 2016 MINUTES OF THE FOREST VIEW ACRES WATER DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:


Anne Bevis


Eugene Ashe


Brad Hogan


Hans Zimmermann


Tim Sobik