

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE FOREST VIEW ACRES WATER DISTRICT AND THE BOARD OF DIRECTORS OF THE WATER ACTIVITY ENTERPRISE HELD December 8, 2016

A special 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, December 8, 2016, at 5:00 p.m., at the Monument Sanitation District, 130 2nd Street, Monument, Colorado. This meeting was open to the public.

ATTENDANCE

In attendance were Directors:

Anne Bevis

Timothy Sobik

Brad Hogan

Hans Zimmermann

President Ashe was unable to attend and his absence was excused

Also in attendance were:

Jim McGrady; Community Resource Services (“CRS”)

Clyde Penn; ORC, LLC

Mr. McGinn; JDS Hydro, by telephone

ADMINISTRATIVE MATTERS

Director Sobik called the meeting to order at around 5:01 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 October 27, 2016 Regular Board meeting. Director Hogan moved the minutes be approved as presented. Upon a second by Director Zimmermann, vote was taken and motion carried unanimously.

Conduct a Public Hearing for the 2017 Budget –

The Public Hearing on the 2017 Budget was opened at 5:04 pm. There was no public was present. The Public Hearing was closed at 5:09 pm.

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Conduct a Public Hearing for the 2017 Water Rates and Fees – The Public Hearing on the 2017 Water Rates and Fees was opened at 5:07 pm. There was no public present. The Public Hearing was closed at 5:09pm.

OPERATIONS & MAINTENANCE

Operations Report – Mr. Penn presented the October/November Operations Report. Mr. Penn recommended that the District repair a hydrant near the booster pump that has been out of service for quite some time. The Cost to repair the Hydrant is a not to exceed amount of \$1,000.00. Mr. Penn also presented estimates to raise four fire hydrants throughout the District and discussed the need to evaluate all of the District's hydrants to ensure they are all operational. The Board agreed with Mr. Penn that the hydrant near the booster pump should be repaired and awarded the work to Shamrock Water Services in a not to exceed amount of \$1,000. A motion was made by Director Sobik and was seconded by Director Zimmerman to repair the hydrant in a not to exceed amount of \$1,000. The motion passed unanimously. The Board decided not to raise the hydrants but would like to have the District's fire hydrants evaluated this spring and after that has been completed consider raising the hydrants along with other possible repairs. The pump at Arapahoe Plant was not functioning properly. Devin at Applied Ingenuity came out to trouble shoot the pump. For the Month of November 17% of the District raw water supply came through the Arapahoe Plant and 83% was through Surface Water Plant. The District's surface water inlet was cleaned by Ms. Begeman.

Meters were read on November 28th and 29th. Five houses were not being read. 4 have new meters. 1 has the lid cemented in. Leak at 18775 Rockbrook was inside the home. Mr. Penn did few locates during the month related to the construction project. The Board discussed connecting to Palmer Lake's Distribution system utilizing the District's new booster pump station. Mr. McGrady will ask Mr. McGinn to prepare a drawing detailing where the connecting point is and JDS Hydro, working with ORC, will design a connection at the booster pump for a temporary connection. Mr. Penn is inventorying fire hoses

Status of Emergency Action Plan – Send it out for final review. Finalize in January 2017.

Update from ORC Regarding Surface Water Treatment Plant Enhancements and suggested improvements to the Surface Water as Plant as discussed at the September 28, 2016 meeting - Not available.

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Water Level Reports from measurements taken at the Arapahoe Well – Ms. Begeman will provide this report every quarter. The first report will be done in January.

18775 Rockbrook- Was a service line issue.

CAPITAL ITEMS

Monthly Report prepared by JDS Hydro –

Update on J.J. O'Donnell work at Booster Pump Station, specifically new stoop, work on transformer pad, release of retainage – Transformer pad has been done and the stoops are done.

Update on Phase 4 Water Improvements – Mr. McGinn discussed his memo on the rock encountered during construction. Schmueser asked for a significant change order which Mr. McGinn thought was excessive. Given the difficulty excavating the rock Schmueser brought in a rock trencher/excavator. Need to work out a possible change order amount but this cannot be done at this time given the fact they have a new excavating technique. Schmueser's latest pay application is being held until JDS receives proof that American Steel has been used on all components of the project. Ms. Dall now has all Davis Bacon forms. Mr. McGrady will hold the District's payment check and will submit the requisition to the State as soon as all Davis Bacon and American Steel forms have been provided to Ms. Dall and she has accepted them.

FINANCIAL MATTERS

Payment of Claims - Mr. McGrady requested that the Board approve payment of claims represented by check numbers 04209 – 04218 totaling \$71,089.73. Also, ratify payment of claims represented by check numbers 04109 – 04208 totaling \$41,157.01. 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.

2017 Annual Budget – Director Sobik moved to approve the 2017 Budget. Upon a second by Director Zimmermann, vote was taken and motion carried unanimously.

Approval of 2016-05 2017 Record of Proceedings and Establishment of 2017 Mill Levy – Director Sobik moved to approve the 2017 Record of Proceedings. Upon a second by Director Zimmermann, vote was taken and motion carried unanimously.

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Approval of 2016-04 2017 Connection Fees – Director Zimmermann moved to approve the 2017 Connection Fees. Upon a second by Director Sobik, vote was taken and motion carried unanimously.

FURTHER BUSINESS

Review and Discuss Look Ahead Report – Mr. McGrady reviewed the report with the Board. The Board discussed how to roll out Policy Implementation. It was decided this is a 2017 task.

Contact New Home – A new home is being built on a lot that is not in the District but is close to District facilities. It was suggested that perhaps Mr. McGrady should contact the builder to see if they want to include in the District. Mr. McGrady asked members of the Board to provide an address and the builders name so he could follow up.

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.

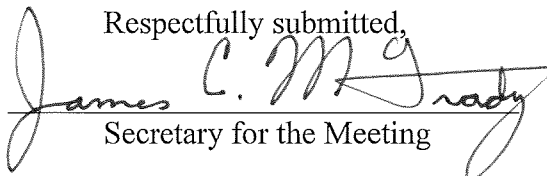
The following items were discussed:

- 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 6:35 p.m. and exited at approximately 6:54 p.m.

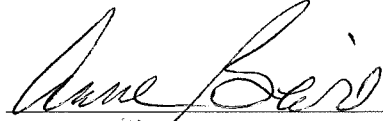
The Board returned to open session and Director Hogan moved to have Director Bevis direct attorneys to begin finalizing a contract restating the 1985 Agreement. Upon second by Director Sobik, a vote was taken and the motion carried unanimously.

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 6:55 p.m.

Respectfully submitted,

Secretary for the Meeting

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THESE MINUTES ARE APPROVED AS THE OFFICIAL
DECEMBER 8, 2016 MINUTES OF THE FOREST VIEW
ACRES WATER DISTRICT BY THE BOARD OF DIRECTORS
SIGNING BELOW:



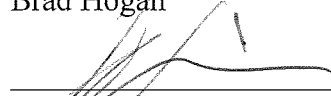
Anne Bévis



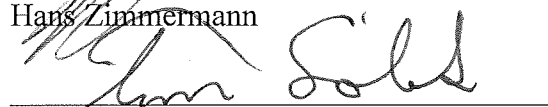
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Brad Hogan



Hans Zimmermann



Tim Sobik