

# RECORD OF PROCEEDINGS

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## 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 February 23, 2017

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, February 23, 2017, at 6:00 p.m., at the Monument Sanitation District, 130 2<sup>nd</sup> Street, Monument, Colorado. This meeting was open to the public.

### ATTENDANCE

#### In attendance were Directors:

Gene Ashe  
Anne Bevis  
Timothy Sobik  
Brad Hogan  
Hans Zimmermann

#### Also in attendance were:

Jim McGrady; Community Resource Services (“CRS”)  
Clyde Penn; ORC, LLC  
John McGinn; JDS Hydro  
Eck Eckert  
Mike McGrady  
Kristen McGrady

### 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 Hogan to approve as presented, vote was taken and the agenda was approved.

Minutes - The Board reviewed the minutes of the January 26, 2017 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.

Review Action Item Management Report for January 26, 2017 – Director Ashe reviewed the list prepared by Mr. McGrady.

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Discuss Policy Review & Implementation Timeline – Director Ashe wants this to be a regular discussion item. After discussing this item the Board agreed that this topic should be a standing item on the agenda.

### OPERATIONS & MAINTENANCE

Operations Report – Mr. Penn presented the January 2017/February 2017 Operations Report. No water complaints during the month. The Arapahoe Plant produced 5% of demand. This will be higher in March as the Surface Water Plant has been out of service due to higher turbidity. Golder came in and corrected multiple backwash issues. Golder also looked at the Booster Station and provided Mr. Penn with some training. The scope of work for filter to waste improvements was discussed. There may not be a need to do many piping changes. Mr. Penn would like to avoid piping changes, and therefore, most of the revisions are going to be controls. Ms. Begeman will make final decision as to whether or not piping modifications are needed. Mr. Penn will hold off on purchasing the hoses until the Booster Station has been modified and the BOC and SOC tests that have to be done. Mr. Penn estimated the cost of the BOC and SOC tests will be approximately \$2,600.00. The Board concurred with Mr. Penn's recommendation.

Update from ORC regarding Surface Water Treatment Plant Enhancements - Reviewed proposal from ORC to complete recommended improvements. Director Zimmermann moved to approve the proposal. Upon second by Director Sobik, vote was taken and motion carried unanimously.

Update on Rekeying of District Facilities – A locksmith is coming onsite on February 24, 2017.

Review Proposal from Shamrock Water Services: Shamrock will perform fire hydrant inspections on approximate 65 fire hydrants throughout the District. They will develop a complete report of their findings and create a prioritized list of hydrants to be repaired along with an estimated cost to repair deficient hydrants. Director Sobik moved to approve the contract with today's date and commence work at when the weather warms up. A final start date will be established by the Board at their upcoming capital workshop. Upon second by Director Hogan, with revisions to paragraph 12, as suggested by Director Bevis, that the report would be the property of the Forest View Acres Water District, vote was taken and motion carried four in favor and one against. Mr. Penn would like to be onsite when Shamrock is working and requests that he be notified prior to work beginning.

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### CAPITAL ITEMS    Monthly Report prepared by JDS Hydro –

Update on J.J. O'Donnell's Work at Booster Station & Associated Retainage – O'Donnell has done further work and his work has not improved the situation around the transformer at the Booster Station.

Site Cleanup and Revegetation of Booster Station – This will include access road.

#### Update Board on Phase 4 Water Improvement

- Contractor achieved substantial completion this month. The project is online and is being used. Final completion and punch list items still exist. The Punch List is about 2 pages long. Big completion item outstanding is asphalt. County provided direction to Schmueser that paving cannot be completed until April 2017. In the meantime, Schmueser has to maintain the asphalt patches. Mr. McGinn reported that one of the services got plugged as a result of dirt in the strainer of the PRV located on the service line. Schmueser was able to replace the PRV. The entire piece of pipe was replaced that was cracked during the tapping process.
- Mr. McGinn walked through proposed change order and informed the Board that the amount being requested is greater than \$45,000. JDS will continue to work with Schmueser on this change order with the hope of arriving at a satisfactory amount.

Approval of Pay Application 3 from Schmueser & Associates – Director Sobik moved to approve Pay Application 3 for \$32,994.03. Upon second by Director Bevis, vote was taken and motion carried unanimously.

Review and Consider Certificate of Substantial Completion for Phase 4 Water Improvements & Authorize the Board President to Sign – Director Hogan moved to accept Substantial Completion. Upon second by Director Zimmermann, vote was taken and motion carried unanimously.

### FINANCIAL MATTERS

Payment of Claims - Mr. McGrady requested that the Board approve payment of claims represented by check numbers 04244 – 4267 totaling \$66,751.68. Director Sobik questioned the Forest Service easement acquisition expenses as the legal services expense related to this, seemed high. Director Zimmermann moved to approve the payables. Upon a second by Director Bevis, vote was taken and motion carried unanimously.

Monthly Cash Position and Unaudited Financial Statements - Mr. McGrady presented the monthly cash position and unaudited

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financial statements for review by the Board which were accepted by the Board.

### Discuss Memo from El Paso County Assessor's Office Regarding the Residential Assessment Rate for 2017 and 2018

Mr. McGrady explained that the conversion from Market Value to Assessed Valuation is likely to drop from 7.96% to a lesser value. This reduction may reduce the District's income in the General Fund for 2018 but we will not know until August, when the preliminary valuation is published by El Paso County.

### Discuss 2017 Water Rates-

The Board tabled this discussion until after capital discussion has taken place. A Public Hearing is scheduled for March 23, 2017.

## OTHER BUSINESS

Review and Discuss Look Ahead Report – Mr. McGrady reviewed the report with the Board. Several suggested duplications need to be removed, items 3, 5, 6 in the Capital Project section of the report.

Review and Consider Approval of the Updated Emergency Action Plan- Director Bevis moved to approve the Updated Emergency Action Plan. Upon second by Director Sobik, vote was taken and motion carried unanimously.

Review and Consider Approval of Contract between ORC, Professionals and Forest View Acres Water District for Calendar Year 2017 – Director Hogan moved to approve the ORC, Professionals contract. Upon second by Director Zimmermann, vote was taken and motion carried unanimously.

March 8, 2017 Capital Improvement Master Planning Work Session – Mr. McGrady will forward suggested agenda topics to the Board.

## 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

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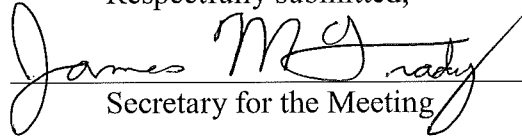
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- Provide Update on Items Associated with 40Acre Land Swap with U.S. Forest Service

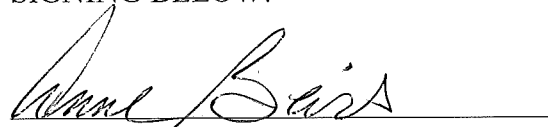
The Executive session was entered into at approximately 8:32 p.m. and exited at approximately 9:07 p.m.

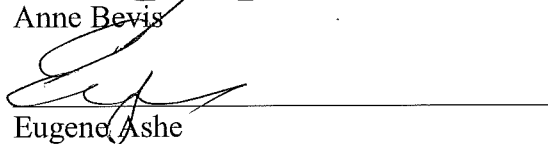
ADJOURNMENT There being no further business to come before the Board, upon motion duly made by Director Bevis, seconded by Director Zimmermann, the meeting was adjourned at approximately 9:08 p.m.

Respectfully submitted,

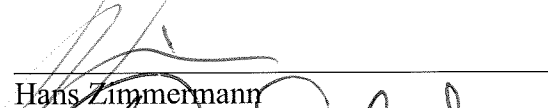
  
Secretary for the Meeting

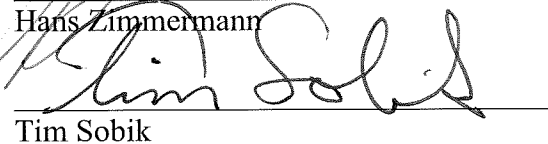
THESE MINUTES ARE APPROVED AS THE OFFICIAL FEBRUARY 23, 2017 MINUTES OF THE FOREST VIEW ACRES WATER DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

  
Anne Bevis

  
Eugene Ashe

  
Brad Hogan

  
Hans Zimmermann

  
Tim Sobik