

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 July 23, 2015

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, July 23, 2015, 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 was Directors:

Tim Sobik
Anne Bevis
Hans Zimmermann
Eugene Ashe

Absent was Eckhart Zimmermann whose absence was excused.

Also in attendance were:

Joel Meggers; Community Resource Services ("CRS")
Jim McGrady; Community Resource Services ("CRS")
Gabby Begeman; ORC, LLC Water Company
John McGinn; JDS Hydro Consultants, Inc.

ADMINISTRATIVE MATTERS

Director Ashe called the meeting to order at around 6:01 p.m., Mr. Meggers distributed for the Board's approval the proposed agenda. Following discussion, upon motion duly made by Director Bevis and seconded by Director Hans Zimmermann, vote was taken and the agenda was approved as presented.

Minutes - The Board reviewed the minutes of the June 25, 2015 Regular Board meeting. Director Bevis moved the minutes be approved as presented. Upon a second by Director Sobik, vote was taken and motion carried unanimously.

Public Comments – None

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OPERATIONS & MAINTENANCE

Operations Report – Ms. Begeman with ORC presented the June/July Operations report to the Board. During the Month of June production amounted to 1.6 million gallons, of which 98% came from the Arapahoe Aquifer. American Leak Detection did a leak survey on several pipe segments including one section on Pikeview. No leaks were found. Ms. Begeman noted that a Hewlett Packard laptop was purchased for a \$1,000 and data was uploaded. Ms. Begeman presented a quote from JTS Pool and Spa to dredge the backwash pond with a not to exceed amount of \$1,350. Director Bevis moved that the proposal be approved as presented. Upon a second by Director Hans Zimmermann, vote was taken and motion carried unanimously.

Provide Update on SWTP Facility and Site Improvements – Mr. McGinn with JDS presented the design. He reported that JDS was going to check to assure the work that was performed matches the design. Director Hans Zimmermann reported that he performed a site visit and had comments regarding additional drainage improvements at the back wash pond.

Coordination of Tour of District Facilities - Director Bevis discussed coordinating a tour of improvements to include ORC, JDS and Global underground. Mr. Meggers agreed to add this to the Look Ahead schedule for October.

CAPITAL ITEMS

Review Bids and Consider Award of Contract for New Booster Station- Mr. McGinn presented and distributed four documents associated with the informal bidding process conducted by JDS Hydro. Bids came in from \$80,000 to over \$100,000 for the structure, piping under the building, and moving the tank inside. Mr. Meggers stated that he believes that the District can afford to spend approximately \$250,000 this year on phase one of the project. If the building is completed by the end of the year at a price similar to what was bid during the informal bid process, the District could spend approximately \$150,000 pre-purchasing long lead items such as pumps and electrical equipment. JDS was instructed by the Board to re-publish for bids with the hope of completing bidding and awarding the contact at the Board meeting on the 27th of August. The Board agreed with this and directed staff to move ahead.

JDS presented their increased scope of services for the project. Director Bevis had several questions regarding the exact amount of the increase from JDS's previous bid. After discussion, Mr. McGinn agreed to furnish the requested information and the Board tabled final approval of the professional services agreement until Mr. McGinn could clarify the increase in cost from the original

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proposal which was for construction oversight to the proposal which is for construction management.

Update on Improvement Schedules A, B & C – Mr. McGinn recommended approval of Pay App #7 in the amount of \$228,349.18. The Board concurred that President Ashe should sign and authorize payment of Pay Application #7 from Global Underground.

JDS reported that work on El Rancho Way is complete. The Board was also pleased with the reseeded work that was done at the treatment plant.

Back Wash Pond Drainage Improvements – It was reported that J&K has done quite a bit of work at the back wash pond. Members of the Board agreed that they would like Ms. Gulliver to take some extra survey points to make sure the drainage improvements flow in the proper direction. Mr. McGinn reported that he would like to see the downstream slope on the pond stabilized.

FINANCIAL MATTERS

Payment of Claims

Mr. Meggers requested that the Board approve payment of claims represented by check numbers 03824 – 03848 totaling \$291,959.23. Director Hans Zimmermann moved that the Board approve the payment of claims. Upon second by Director Bevis, vote was taken and motion carried unanimously.

Monthly Cash Position and Unaudited Financial Statements - Mr. Meggers presented the monthly cash position and unaudited financial statements for review by the Board which were accepted by the Board.

Review and Consider Approval of 2014 Draft Audit – Mr. Schilling presented the audit to the Board and stated that he was issuing an Unmodified Opinion. President Ashe noted that operating costs are down, management costs are dropping and repair and maintenance costs are down as a result of the improvements that have been made. Director Hans Zimmermann moved that the Board accept the audit as presented. Upon second by Director Sobik, vote was taken and motion carried unanimously.

OTHER BUSINESS Update on Source Water Protection Plan/Grant – Director Sobik reported the need to cap the bollards and add reflective tape.

The Board mentioned that they would like to purchase seven signs for source water protection. Ms. Begeman also mentioned that she

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would like two signs in the canyon near the existing signs and the other signs installed further up the canyon. In addition, she mentioned that she would like to give two signs to the Town of Palmer Lake. The Board agreed with these suggestions.

Review and Discuss Look Ahead Report – Mr. Meggers reviewed and discussed the Look Ahead Report with the Board. Mr. Meggers and Mr. McGrady will meet with Director / Treasurer Hans Zimmermann the week of September 14th to begin work on the 2016 Budget.

LEGAL

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

The following items were discussed:

- Review and discuss 1985 Agreement Negotiations
- Review and Discuss Higgins Inclusions
- Review and Discuss Draft Water Asset Report
- Table of Water Rights
- Map of RRR

The session was entered into at approximately 7:52 pm. and exited at approximately 8:05 p.m.

ADJOURNMENT

There being no further business to come before the Board, upon motion duly made by Director Bevis, seconded by Director Sobik, the meeting was adjourned at approximately 8:08 pm.

Respectfully submitted,


Secretary for the Meeting

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THESE MINUTES ARE APPROVED AS THE OFFICIAL JULY 23, 2015 MINUTES OF THE FOREST VIEW ACRES WATER DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:



Anne Bevis



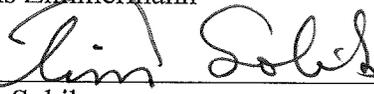
Eugene Ashe



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Hans Zimmermann



Tim Sobik