

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 February 25, 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, February 25, 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 was Directors:

Tim Sobik
Anne Bevis
Eugene Ashe
Hans Zimmermann
Eckhart Zimmermann

Also in attendance were:

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 6:03 p.m., Mr. McGrady distributed for the Board's approval the proposed agenda. Following discussion, upon a motion duly made by Director Sobik and seconded by Director Han Zimmermann, vote was taken and the agenda was approved as presented.

Minutes - The Board reviewed the minutes of the January 28, 2016 Regular Board meeting. Approval of the draft minutes was tabled and recommendations were presented regarding changes.

Update on Election Process Self Nomination Forms – Mr. McGrady informed the Board he had received Tim Sobik's self-nomination form. To Mr. McGrady's knowledge no other self-nomination forms have been received, however, President Ashe and Mr. McGrady will double check this and let the Board know if any other self-nomination forms have been received.

Public Comments – none.

RECORD OF PROCEEDINGS

OPERATIONS & MAINTENANCE

Operations Report – Ms. Begeman presented the January/February Operations report to the Board. The heater at the treatment plant has been replaced. The yearly report was well received. The Board suggested that we put this report on the District’s website.

Review and Discuss Contract Extension and Renewal with ORC – Ms. Begeman pointed out that Addendum B is a new Addendum to the ORC Professional Services Agreement. She also pointed out that The Scope of Services added additional services and changed reimbursable expenses to exclude testing and chemicals.

Approve 2016 Operations Contract between ORC and Forest View Acres Water District - Director Eck Zimmermann moved to approve the contract as presented. Director Sobik seconded the motion. The motion carried unanimously.

CAPITAL ITEMS

Update on New Booster Station Construction

Provide Update on Improvement Schedules A,B,C, CO#5

- Complaint Regarding Street Conditions – Global will make the needed repairs.
- Dedication of Construction Easement – Director Bevis moved to approve the easement. Director Hans Zimmermann seconded the motion. The motion carried unanimously.
- Director Sobik moved to approve Global pay application #12 for \$17,377.88, giving authorization for President Ashe to sign. Director Bevis seconded the motion. The motion carried unanimously.
- Booster Station – Booster Pump Station progress is slow. There are Liquidated Damages that will begin on February 29th. It is rather unlikely that the booster pump will be finished in four days. Mr. McGinn has reminded Mr. O’Donnell that there are Liquidated Damages contained within the contract on numerous occasions. Mr. McGinn believes that the substantial completion date is February 29th and as such, Liquidated Damages could be charged at \$150.00 per work week day. Mr. McGinn stated that he believes many of the delays were caused by the Pipeline Subcontractor and Concrete Subcontractor.
- Golder invoice. JDS Hydro is okay with the Golder invoice.

RECORD OF PROCEEDINGS

- Mr. McGrady discussed the tank that was damaged in the wind storm and informed the Board that the District will be receiving an insurance settlement for the tank. He also stated that the insurance company is working with the adjacent homeowner to pay for any damages to the home caused by the tank.

FINANCIAL MATTERS

Review and Approve Letter of Engagement between Forest View Acres Water District and Mr. Larry Berkowitz of Spencer Fane to review loan documents prepared by the Colorado Water Resources Power Development Authority – Director Bevis moved to approve the Letter of Engagement. Director Eck Zimmermann seconded the motion. The motion carried unanimously.

Payment of Claims - Mr. McGrady requested that the Board approve payment of claims represented by check numbers 03975 – 03997 totaling \$117,949.17. Director Hans Zimmermann moved to approve the payables. Director Sobik seconded the motion. The 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.

Review & Consider Approval of 2016 Fee Resolution – Mr. McGrady will update the Rules and Regulations. When the Fees are updated the Board would like to see a fee added for “Misrepresentation” and the fee for such an act will result in the forfeiture of money paid. This will be considered when the Board reviews the final draft of the fees at the March Board Meeting.

OTHER BUSINESS

Update on Source Water Protection Plan/Grant – Director Sobik provided the update. Ms. Begeman will get a price to install signs and Mr. McGrady will contact Mr. McGinn to get a price to map septic tanks and leach field near streams located within the District.

New Tap Procedures and Financial Accounting for Tap Fees Received – The plumber installs a tap and ORC inspects the installation. No usage is allowed until the water meter is set. Tap is only good for one year and is nonrefundable.

Review and Discuss Look Ahead Report – Mr. McGrady reviewed the look ahead.

LEGAL

Director Bevis moved that the Board enter into Executive Session pursuant to Section 24-6-402(4) (b), C.R.S. Upon a second by

RECORD OF PROCEEDINGS

Director Sobik, a vote was taken and the motion carried unanimously.

The following items were discussed:

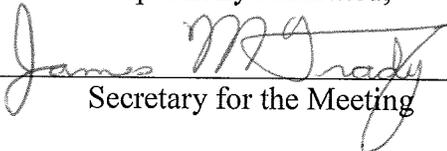
- Review and Discuss 1985 Agreement Negotiations
- Review and Discuss Higgins Inclusions Agreement

The session was entered into at approximately 7:48 p.m. and exited at approximately 8:07 p.m.

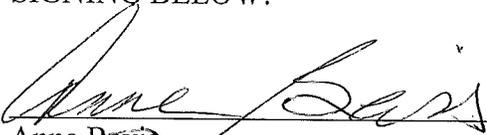
ADJOURNMENT

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 p.m.

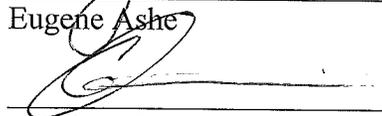
Respectfully submitted,


Secretary for the Meeting

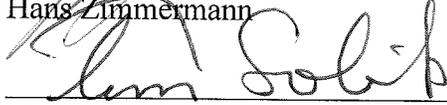
THESE MINUTES ARE APPROVED AS THE OFFICIAL FEBRUARY 25, 2016 MINUTES OF THE FOREST VIEW ACRES WATER DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:


Anne Bevis


Eugene Ashe


Eckehart Zimmermann


Hans Zimmermann


Tim Sobik