

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 April 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, April 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 was Directors:

Tim Sobik
Hans Zimmermann
Eckhart Zimmermann

Absent were Anne Bevis and Eugene Ashe whose absence was excused.

Also in attendance were:

Jim McGrady; Community Resource Services ("CRS")
John McGinn; JDS Hydro Consultants, Inc.
Mike Kielma; ORC, LLC Water Operator
Brad Hogan Resident
Mr. Eben Clark Attorney for Higgins Inclusion

ADMINISTRATIVE MATTERS

Director Sobik called the meeting to order at around 6:02 p.m., Mr. McGrady distributed for the Board's approval the proposed agenda. Following discussion, upon a motion duly made by Director Eck Zimmermann and seconded by Director Hans Zimmermann, vote was taken and the agenda was approved as presented.

Minutes - The Board reviewed the minutes of the March 24, 2016 Regular Board meeting. Director Hans Zimmermann moved the minutes be approved as presented. Upon a second by Director Eck Zimmermann, vote was taken and motion carried unanimously.

Public Hearing on Petition for Inclusion of Higgins Property - The Public Hearing on the Petition for Inclusion of the Higgins property opened at 6:07 pm. with a motion by Director Eck

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Zimmermann and a second by Director Hans Zimmermann. No Public was present and the Public Hearing was closed at 6:08 pm. with the motion to close the Public Hearing being made by Director Sobik and seconded by Director Hans Zimmermann. A vote was taken to close the Public Hearing on the Higgins Property Inclusion Petition and the motion carried unanimously.

Public Comments – none.

OPERATIONS & MAINTENANCE

Operations Report – Mr. Kielma presented the March/April Operations report to the Board. The Arapahoe plant is online; however, the surface water plant remains off line as a result of the damage to the plant that was caused by the recycle pump not shutting off. Golder is going to look at recycle pump to determine what happened. Mr. Keilma stated that some of the glue joints are poorly done and ORC is going to install some pressure relief valves. At the next meeting ORC will report to the Board why the recycle pump did not shut off and what can be done to prevent this from happening in the future. Mr. Keilma reported meter reads have been recently completed. During the month ORC responded to a few pressure issues that were caused by faulty pressure regulators inside the homes of customers. A homeowner on Aspen Way had a chlorine complaint stating that they could smell chlorine. ORC responded to this complaint and the complaint was resolved.

CAPITAL ITEMS

Update on New Booster Station Construction – Mr. McGinn reported on the Booster Station construction project. There was a walk through on April 28, 2016. Mr. O'Donnell was present along with representatives from ORC, JDS Hydro, Directors Eck and Hans Zimmermann, and Mr. McGrady. The mechanical subcontractor has completed the work ahead of schedule. The control panels are installed; they need to wire the pumps. J.J. O'Donnell has completed the building. A final punch list has been developed and will be given to Mr. O'Donnell. Mr. McGinn reported that the original bid to build the Booster Pump Station was \$487,000. As of today, Mr. McGinn is projecting the cost of the Booster Pump Station to be approximately \$365,000. Mr. McGinn stated that the building looks good and the pump station is about a month away from start-up. Mr. McGinn presented a pay application from J.J. O'Donnell in the amount of \$38,643.55 and recommended approval. A motion to approve the pay application in the amount of \$38,643.55 was made by Director Eck Zimmermann. The motion was seconded by Director Hans Zimmermann. A vote was taken and the motion carried unanimously. Mr. McGinn was directed by the Board to get a price for demolition of the existing Booster Pump Station. Mr. McGinn then presented his calculation of liquidated damages which

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amounted to 16 days. Based on observed weather days in the Monument area and a review of the contract between J.J. O'Donnell and the Forest View Acres Water District, Mr. McGinn calculated the liquidated damages to be approximately \$5,100.

Mr. McGinn reported to the Board that the District received a Categorical Exclusion from the Colorado Department of Health and Environment for the next phase of pipeline improvements. The District also received approval to use the existing engineering report. JDS has updated the maps based on comments received from Director Bevis. Mr. McGinn noted that there are three issues on Change Order 5 that need to be resolved. The first issue is at 18130 Forest View Road. The service line is located in the center of the driveway. Mr. McGinn suggested moving the service line to the side and then installing a 90 degree bend in order to tie into the existing service line. 18145 Forest View Rd. has a similar issue. The cost to cut the driveway and re-patch is \$1,500 each. The third issue is at 4475 Sandstone. This home is served off of Forest View Road. There is a 2" PVC service line that extends across private property with no easement serving this home. The Board agreed to expend \$7,500 to correct this situation and abandon the existing 2" PVC pipe. A motion to accept a change order to correct these three issues for \$10,500 was made by Director Hans Zimmermann. The motion was seconded by Director Eck Zimmermann. A vote was taken and the motion carried unanimously.

Vista View Fire Hydrant – Director Eck Zimmermann wants to move the hydrant as far as possible to optimize its location and cover the home on Vista View Road. Director Eck Zimmermann would also like to have the hydrant installed in the dirt road in order to minimize cost. A motion to install a new hydrant on Vista View Road for \$6,500 was made by Director Eck Zimmermann. The motion was seconded by Director Hans Zimmermann. A vote was taken and the motion carried unanimously. Director Sobik signed all of the change orders.

Mr. McGinn presented Global Underground's pay application totaling \$58,038.35. Most of the work has been completed and what remains are final punch list items. A motion to approve the pay application as presented was made by Director Eck Zimmermann. The motion was seconded by Director Hans Zimmermann. A vote was taken and motion carried unanimously. Director Tim Sobik signed the pay application.

Mr. McGinn informed the Board that substantial completion on the Booster Station was April 4, 2016 which is the date Barnhart Construction could begin to do their work. Director Sobik was given permission to sign a certificate of substantial completion on the Booster Pump Station.

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Director Eck Zimmermann suggested the District tear down the Dawson Well House as it is in poor repair. When the old Booster Pump Station is torn down, Mr. McGinn thought that would be the time to also tear down the existing well house. Mr. McGinn will get a price to demolish both structures.

FINANCIAL MATTERS

Payment of Claims - Mr. McGrady requested that the Board approve payment of claims represented by check numbers 04024 – 04043 totaling \$60,710.09. Director Hans Zimmermann moved to approve the payables. Upon a second by Director Eck Zimmermann, vote was taken and motion carried unanimously.

Director Hans Zimmermann made a financial report and stated the District reserves are being spent down on the various projects. Mr. McGrady reported that the District currently has \$557,226 cash located in various funds.

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.

OTHER BUSINESS

Update on Source Water Protection Plan/Grant – Mr. McGrady and Mr. Sobik reported that the cost to map the septic systems in the District was very expensive as most of the data was not readily available and would require a substantial amount of field investigation and surveying. The Board agreed that this effort should not be undertaken. The Board instructed Mr. McGrady to focus on having signs installed near the water intake. Mr. McGrady reported that ORC has obtained bids to install the signs and the work to install the signs will begin as soon as the weather permits

Review & Approve Resolution 2016-02 Acceptance of Petition for Inclusion of Higgins Property – Motion to approve the Resolution 2016-02 Petition for Inclusion of Higgins Property was made by Director Eck Zimmermann. The motion was seconded by Director Hans Zimmermann. A vote was taken and motion carried unanimously.

Review and Discuss Look Ahead Report – Mr. McGrady reviewed the look ahead. Director Sobik and Brad Hogan will be gone on May 26th. The May 26th meeting will be moved to May 25th. Swearing in of the Board members will be done at this meeting.

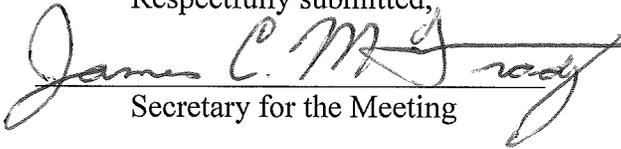
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The Board will do a tour of the District's capital improvements with the tour beginning at the Arapahoe Treatment Plant on June 16th at 12:30 pm. Mr. McGrady will send out a calendar invite. Mr. McGrady will also send an email to Ms. Begeman reminding her to take a well depth reading.

ADJOURNMENT

There being no further business to come before the Board, upon motion duly made by Director Eck Zimmermann, seconded by Director Hans Zimmermann, the meeting was adjourned at approximately 7:29 p.m.

Respectfully submitted,


Secretary for the Meeting

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

Anne Bevis

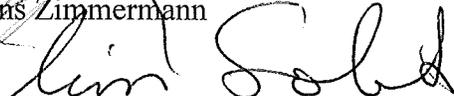
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Tim Sobik