

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
March 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, March 23, 2017, 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 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

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. There were several changes to the agenda that changed the order in which items were discussed but no items were added or deleted from the original agenda. Director Bevis moved to approve the agenda as amended. Upon a second by Director Sobik vote was taken and motion carried unanimously.

Minutes - The Board reviewed the minutes of the February 23, 2017 Regular Board meeting. Director Bevis moved the minutes be approved as presented. Upon a second by Director Zimmermann, vote was taken and motion carried unanimously.

The Board reviewed the minutes of the March 8, 2017 Work Session meeting. Director Bevis moved the minutes be approved as presented. Upon a second by Director Sobik, vote was taken and motion carried unanimously.

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Review Action Item Management Report for February 23, 2017 – Director Ashe reviewed the list prepared by Mr. McGrady with the Board. Several items were deleted from the Action Item Management Report. Mr. McGrady made note of the changes in his meeting notes and will reflect those changes following the meeting when a new Action Item Management Report is prepared.

Discuss Policy Review & Implementation Timeline – Director Ashe discussed the items related to financial reporting. The Board asked that two changes be implemented. The first is to send all Bank Statements to Director Zimmermann for his review. Secondly, the Board would like a footnote on the cash position indicating what the three month operating amount is so that they can compare this amount to the actual end of month operating fund balance.

OPERATIONS & MAINTENANCE

Operations Report – Mr. Penn presented the February 2017/March 2017 Operations Report.

Update from ORC regarding Surface Water Treatment Plant Enhancements - Golder came out on March 22, 2017, they are starting to do some work on the program. They are trying to avoid piping changes. There are issues with the chemical injection pump.

Update on Rekeying of District Facilities – Keep rekeying change on the Action Item Management Report but change the descriptor of this item to update.

Update Board Regarding Piping Modification at the Booster Pump

Review & Consider Proposal from Applied Ingenuity -

The Board reviewed this proposal and authorized Mr. McGrady to sign the document once signature blocks have been added to the proposal.

CAPITAL ITEMS

Monthly Report prepared by JDS Hydro –

Update on J.J. O'Donnell's Work at Booster Station & Associated Retainage – The Board moved to approve the final disbursement to pay J.J. O'Donnell in the amount of \$500.00. Director Bevis moved to approve the payment. Upon a second by Director Sobik, vote was taken and motion carried unanimously.

Site Cleanup and Revegetation of Booster Station – The Board approved the installation of trees at the Booster Station per the approved County plan. Mr. Penn will be responsible for watering

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the trees. JDS Hydro will obtain bids to landscape the area around the Booster Station,

Update Board on Phase 4 Water Improvement -

Schmueser and Associates have not begun paving due to adverse weather conditions and lack of materials. There are several punch list items that have yet to be completed. Paving should be completed in April, 2017.

PUBLIC HEARING 2017 Water Rates and Fees

Director Sobik motioned to open the Public Hearing on Rates and Fees at 7:17 pm. Upon second by Director Zimmerman, vote was taken and motion carried unanimously.

There was no public present.

The Board discussed various scenarios based on the financial model prepared by Mr. McGrady. Various changes to the model were made that included Operation and Maintenance, Operation and Maintenance contingencies and capital improvement reserves. The Board was then able to analyze the results. The Board also analyzed the District's cash flow to ensure all requirements contained within the loan documents were being met. At the end of the discussion Director Zimmerman motioned to raise the Capital Fee from \$47.00 per month to \$50.00 per month effective May 1, 2017. Upon second by Director Sobik, vote was taken and motion carried unanimously.

Director Sobik moved to close the Public Hearing at 8:16 pm. Upon second by Director Bevis, 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 04268 – 04292 totaling \$39,931.77. Director Zimmermann moved to approve the payables. Upon a second by Director Sobik, 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.

Discuss Lack of Payment from one of Forest View Acres Water District Customers – Director Sobik moved to approve the payment proposal. Upon a second by Director Hogan, vote was taken and motion carried unanimously.

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OTHER
BUSINESS

Review and Discuss Look Ahead Report – Mr. McGrady reviewed the report with 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 Hogan, a vote was taken and the motion carried unanimously.

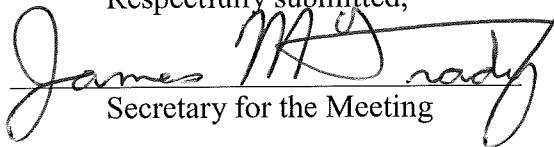
The following items were discussed:

- Review and Discuss 1985 Agreement Negotiations
- Provide Update on Items Associated with 40Acre Land Swap with U.S. Forest Service

The Executive session was entered into at approximately 8:34 p.m. and exited at approximately 8:41 p.m.

ADJOURNMENT There being no further business to come before the Board, upon motion duly made by Director Hogan, seconded by Director Zimmermann, the meeting was adjourned at approximately 8:42 p.m.


Respectfully submitted,


Secretary for the Meeting


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




Anne Bevis



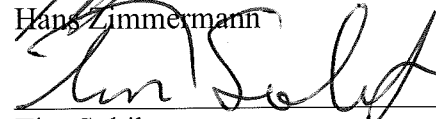
Eugene Ashe



Brad Hogan



Hans Zimmermann



Tim Sobik