

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
JANUARY 26, 2006

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, the 26th day of January, 2006, at 5:30 P.M. at Station No. 1, Tri Lakes Fire Department, 18650 Highway 105, Monument, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Barbara Reed-Polatty, Chairman
Eckehart Zimmermann
Kajetan Nowacki

Upon motion duly made and seconded and, upon vote, unanimously carried, the absence of Brian Cross was excused.

Also In Attendance Were:

Kammy K. Tinney; Special District Management Services, Inc.

Dan LaFontaine; Operations Manager

Paul C. Rufien, Esq.; Paul C. Rufien, P.C.

See attached list for others in attendance

ADMINISTRATIVE MATTERS

Agenda: Director Reed-Polatty reviewed the proposed agenda for the District's Regular Board Meeting. Following discussion, upon motion duly made by Director Nowacki, seconded by Director Reed-Polatty, and upon vote, unanimously carried, the agenda was approved, as amended.

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Minutes: The Board considered the Minutes of the December 7, 2005 regular meeting. Following discussion, upon motion duly made by Director Nowacki, seconded by Director Reed-Polatty and, upon vote, unanimously carried, the Minutes of the December 7, 2005 meeting were approved.

Resolution No. 2006-01-1 regarding 24-hour posting place: The Board next considered Resolution 2006-01-1 designating the place at which notice will be posted at least 24 hours prior to each meeting. Action was deferred.

Resignation of Director: The Board accepted the resignation of John Anderson.

Appointment of Director to fill vacancy: Discussion was deferred to the February meeting.

The Downstream Flow-Winter 2005/2006: The Board directed staff to distribute the newsletter as soon as possible to provide information regarding the upcoming rate increase.

FINANCIAL MATTERS

Claims: A revised claims list for the period ending January 26, 2006 was distributed. The Board considered approval of payment of claims through the period ending January 26, 2006, totaling \$25,633.14.

Following discussion, upon motion duly made by Director Nowacki, seconded by Director Zimmermann and, upon vote, unanimously carried, the claims through the period ending January 26, 2006 were approved.

Director Reed-Polatty reported that Henkle Drilling & Supply has offered to forgive \$2,200 of interest if the full amount due of \$4,700 is paid by February 28th.

Following discussion, upon motion duly made by Director Zimmermann, seconded by Director Nowacki and, upon vote, unanimously carried, the Board approved making payment of \$4,700 by February 28, 2006.

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Financial Report: Ms. Tinney reviewed the unaudited financial statements and the Schedule of Cash Position for the period ending December 31, 2005.

Following discussion, upon motion duly made by Director Zimmermann, seconded by Director Nowacki and, upon vote, unanimously carried, the unaudited financial statements and the Schedule of Cash Position for the period ending December 31, 2005 were approved.

US Bank line of credit: Discussion was deferred to the February meeting.

BILLING MATTERS

Billing Report: The Board reviewed the Balances Due Report as of January 20, 2006.

Wilde property water service. The Board reviewed the correspondence regarding this account. Ms. Penny Nevins offered to provide a copy of the original agreement between Mr. Wilde and the Nevins family. It was noted that the agreement does not run with the property.

Schmidt property. Mr. LaFontaine addressed the Board regarding the meter readings for the Schmidt property, noting the meter had not been read since mid-October. Staff recommended the charges be pro-rated for each month to avoid charges for excessive usage. The Board directed that the bill be adjusted as recommended.

Late fee waivers. Following discussion, upon motion duly made by Director Zimmermann, seconded by Director Nowacki and, upon vote, unanimously carried, the Board approved the waiver of late fees for account A-990.

Administrative Fee Increase: Upon motion duly made by Director Zimmermann, seconded by Director Nowacki and, upon vote, unanimously carried, the Board ratified approval of the administrative fee increase by \$25 per user, effective February 1, 2006.

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LEGAL MATTERS

Agreement for Operation, Maintenance & Capital Improvement Services-2006 with Independent Water Services: The revised draft was distributed via email today. Mr. LaFontaine would like more time to review the document. The Board and Mr. LaFontaine agreed to extend the current contract through February. Directors Reed-Polatty and Cross will meet with Mr. LaFontaine to review the revised contract prior to the February meeting.

Raspberry Ridge/Red Rocks Reserve development: Director Reed-Polatty reported that the El Paso County Planning Commission deferred review to February 15th.

Pike National Forest inclusion: Mr. Marc Staley addressed the Board regarding water service from the District to the Forest Service training facility. The Board requested that a proposal for service be submitted for review at the February meeting.

OPERATIONS REPORT

Water Operator report: Mr. LaFontaine distributed and reviewed the Operational Report and Production Report for December 2005. He discussed the tank drain on January 2nd, noting that 100,000 gallons were lost. He has been unable to determine the cause. All lines and the transmission system have been reviewed.

Variable Frequency Drive ("VFD"). Ms. Tinney reported that staff has held off on ordering due to funds available. The order will be placed in March/April.

COMMUNITY BUSINESS

Community comments: Ms. Nevins addressed the Board regarding the District's need to obtain an easement for the Arapahoe Well location.

EXECUTIVE SESSION MATTERS

Unger civil case and Wells Fargo: EXECUTIVE SESSION: Pursuant to §24-6-402(4)(b) and (e), C.R.S., Director Zimmermann moved that the regular public meeting of the Board adjourn and, upon an affirmative vote of at least two-thirds of the quorum present, that the Board reconvene in Executive Session for the sole purpose of receiving from the Board's attorney legal advice on specific legal questions as authorized by § 24-6-402(4)(b).

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Furthermore, pursuant to §24-6-402(2)(d.5)(II)(B), C.R.S., no record will be kept of those portions of the executive session that, in the opinion of the District's counsel, constitutes privileged attorney-client communication pursuant to §24-6-402(4)(b), C.R.S.

The Board reconvened in regular session at 8:20 p.m. No action was taken.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made and seconded and, upon vote, unanimously carried the meeting was adjourned.

Respectfully submitted,

By Kammy K. Turner, Esq.
Secretary for the Meeting

THESE MINUTES APPROVED AS THE OFFICIAL JANUARY 26, 2006 MINUTES OF THE FOREST VIEW ACRES WATER DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

Barbara Reed-Polatty
Barbara Reed-Polatty

Brian Cross
Brian Cross

* WAS NOT AT JAN 26 MTK

Eckehart Zimmermann
Kajetan Nowacki
Kajetan Nowacki

Please print your name, address and phone number and the issue(s) you are interested in addressing at this meeting.

NAME	ADDRESS	TELEPHONE	ISSUE(S) TO BE ADDRESSED
Jelly Spiegelberg	18230 Sunburst DR	487-1994	
Jeff Walker	4835 Albo Lane	481-9128	
T. Kelecy	3840 Sierra Vista	488-2065	
J. Hesser	Pan Community News PO Box 1742 Phoenix AZ	488-3458	
Richard Crocker	3885 Sunrise Dr	481-2313	
Penny Novins	18890 Spring Valley Rd	649-9540	
SOSAN PERMUT	4655 LUNGSBROS	353 9878546	
Nicole Chara		719-481-3423	
Jonathan Eberly	2615 El Rancho Way	719-481-1808	
Michaela Duncan	31680 El Rancho Way	719-488-4303	
Pat Taylor	3715 Rancho Verde Rd	488-8272	

01.26.00

Please **print** your name, address and phone number and the issue(s) you are interested in addressing at this meeting.

NAME	ADDRESS	TELEPHONE	ISSUE(S) TO BE ADDRESSED
Bob Baeten	18435 Sumburth Dr	491 4547	