

# RECORD OF PROCEEDINGS

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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 25, 2007

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 25th day of January, 2007, at 6:00 P.M. at the Tri Lakes Fire Department, Station No. 1, 18650 Highway 105, Monument, Colorado. The meeting was open to the public.

## ATTENDANCE

Directors In Attendance Were:  
Barbara Reed-Polatty, Chairman  
Eckehart Zimmermann  
Anr~~e~~ Bevis  
Richard Crocker  
Chris Monsen

Also In Attendance Were:  
Lisa Johnson; Special District Management Services, Inc.

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

Mike Bacon; Community Solutions, Inc.

See attached list for others in attendance

## ADMINISTRATIVE MATTERS

Agenda: Ms. Johnson distributed for the Board's review and approval a proposed Agenda for the District's regular meeting. Following discussion, upon motion duly made by Director Zimmerman, seconded by Director Crocker and, upon vote, unanimously carried, the Agenda was approved, as amended.

Minutes: The Board reviewed the minutes of the January 9~~10~~, 200~~6~~7 special meeting. Following discussion, upon motion duly made by Director Crocker, seconded by Director Bevis and, upon vote, unanimously carried, the Board approved the minutes of the January 9~~10~~, 2007 special meeting.

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Public comments on agenda items: No comments were made.

Authorization of Manager to give direction to District counsel: Director Zimmermann has concerns that the management budget may go over the projections at the current rate of work performed. The Board will discuss this issue further at the work session.

Resolution No. 2007-01-01 regarding 24-hour posting place: The Board considered Resolution No. 2007-01-01 designating the place at which notice will be posted at least 24 hours prior to each meeting. Following review, upon motion duly made by Director Crocker, seconded by Director Zimmermann, and upon vote, unanimously carried, the Board adopted Resolution 2007-01-01 as presented. A copy of the Resolution is attached hereto and incorporated herein by this reference.

### FINANCIAL MATTERS

Claims: The Board considered approval of the payment of claims for the period ending January 25, 2007, totaling \$57,973.01.

Following discussion, upon motion duly made by Director Crocker, seconded by Director Zimmermann and, upon vote, unanimously carried, the Board approved payment of claims for the period ending January 25, 2007, totaling \$57,973.01.

Financial Statements: The Board reviewed the unaudited financial statements of the District setting forth the cash deposits, investments, budget analysis, and accounts payable vouchers for the period ending December 31, 2006. Following review, upon motion duly made by Director Zimmermann, seconded by Director Crocker and, upon vote, carried with Directors Reed-Polatty, Zimmermann, Crocker and Monsen voting "Yes" and Director Bevis abstaining, the unaudited financial statements were accepted as presented.

### BILLING MATTERS

Address Audit: Ms. Johnson reported that the verification process has been completed. The results will be presented at the work session.

Billing system conversion: Discussion was deferred to the work session.

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### LEGAL MATTERS

Termination of Schmidt Inclusion: Attorney Zilis prepared a Water Right Bargain and Sale Deed to re-convey the water rights back to Mr. Schmidt.

Following discussion, upon motion duly made by Director Zimmermann, seconded by Director Bevis and, upon vote, unanimously carried, the Board approved the execution of the Water Right Bargain and Sale Deed, as presented. The Board asked staff to notify Mr. Schmidt prior to severing service and then cut and cap the service line.

Higgins inclusion: Attorney Zilis is continuing to work on verifying the water rights that Mr. Higgins is conveying.

Resolution amending the Rules and Regulations to establish fee structure for 2007: Attorney Rufien reviewed the changes to the Resolution.

Following discussion, upon motion duly made by Director Crocker, seconded by Director Zimmermann and, upon vote, carried with Directors Reed-Polatty, Crocker and Zimmermann voting "Yes" and Directors Bevis and Monsen abstaining, the Board ratified the adoption of the Resolution amending the Rules and Regulations to establish the fee structure for 2007. A copy of the Resolution is attached hereto and incorporated herein by this reference.

Inclusions: Attorney Rufien reported that ~~she~~<sup>he</sup> has received inquiries from two owners of commercial-use zoned properties about inclusion into the District. Petitions for inclusion have not been received yet.

### OPERATIONS REPORT

Water Operator report: Mr. Bacon reviewed the January Operation's Report and the Production Report through December 2006.

Mr. Bacon reported on an additional waterline break that occurred today at Pike and Sierra Vista, the line should be repaired Friday. The Board discussed the recent water breaks and directed staff to determine the pressure in the system and prepare a plan to address the issues. Mr. Bacon will present a maintenance plan for 2007 at the work session.

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The Board directed Mr. Bacon to purchase an additional air compressor for use at the water treatment plants.

Red Rocks Reserve development: There was nothing to report.

Raw water cross connection resolution: The State was notified. A verbal response approving the plan of action was received and staff is waiting for the written response. A cost proposal for the work will be obtained.

Dawson Well testing: The testing has been completed and the final report is being prepared.

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### LEGAL MATTERS CONTINUED

Stiltner claim: EXECUTIVE SESSION: Pursuant to §24-6-402(4), C.R.S., Director Bevis 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), C.R.S.

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 9:00 p.m.

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### OTHER BUSINESS

Public comments: There were no public comments.

Key issues: Discussion of the key issues for the new Board members will be held at the work session.

Work Session: The Board scheduled a work session to be held on Friday February 16, 2007 at 9:00 a.m. at the offices of the District, 141 Union Boulevard, Suite 150, Lakewood, Colorado.

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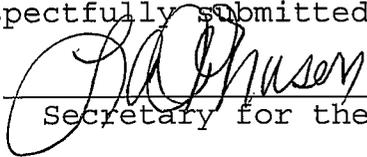
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### ADJOURNMENT

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

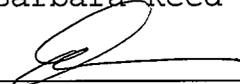
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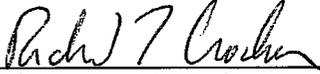
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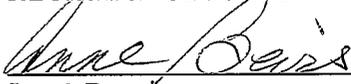
  
Secretary for the Meeting

THESE MINUTES APPROVED AS THE OFFICIAL JANUARY 25, 2007 MINUTES OF THE FOREST VIEW ACRES WATER DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

 02-22-07  
Barbara Reed-Polatty

  
Eckehart Zimmermann

  
Richard Crocker

  
Anne Bevis

  
Chris Monsen

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

NAME	ADDRESS	TELEPHONE/EMAIL	ISSUE(S) TO BE ADDRESSED
Phyllis N. Moore	3855 Sierra Vista Rd	488-0721	
Renay Newins	18890 Spring Valley	649-9540	

RESOLUTION NO. 2007-01-01  
RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE FOREST VIEW ACRES WATER DISTRICT  
REGARDING POSTING FOR MEETINGS

WHEREAS, Special Districts are required by Subsection 24-6-402(2)(c), C.R.S., to designate annually at the District Board's first regular meeting of each calendar year, the place at which notice will be posted at least 24 hours prior to each meeting.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FOREST VIEW ACRES WATER DISTRICT AS FOLLOWS:

1. Notices of meetings of the District Board required pursuant to Section 24-6-401, et seq., C.R.S., shall be posted within the boundaries of the District at least 24 hours prior to each meeting at the following location:

At <sup>e.i.</sup> ~~N~~evens Park at the corner of Pike View Way and Sunburst Drive

2. Notices of regular or special meetings required to be posted at three public places within the District and at the office of the County Clerk and Recorder at least three days prior to said meeting shall continue to be made pursuant to Section 32-1-903(2), C.R.S.

ADOPTED this 25th day of January, 2007.

FOREST VIEW ACRES WATER DISTRICT

  
Secretary

## RESOLUTION

The Board of Directors ("Board") of the Forest View Acres Water District ("District"), having considered the relevant issues, resolves as follows:

WHEREAS, Section 32-1-1001(1)(m), C.R.S. authorizes the Board to adopt, amend and enforce Rules and Regulations not in conflict with the constitution and laws of the State of Colorado for carrying on the business, objects and affairs of the Board and the District; and

WHEREAS, Section 32-1-1001(1)(j)(I), C.R.S. authorizes the Board to fix and from time to time increase or decrease fees, rates, tolls, penalties, or charges for services, programs, or facilities furnished by the District; and

WHEREAS, the Board has considered the costs to operate its water system in comparison to the fees presently charged for the provision of water service. The Board has also commissioned and reviewed a comprehensive engineering report regarding the capital needs of the District and its water facilities. In an effort to most efficiently pay for the District's operational, capital and maintenance needs, the District sought voter approval for general obligation bonds and the corresponding mill levy to satisfy the debt service on such bonds. That election failed; and

WHEREAS, the Board has also considered the administrative expenses associated with operation of the water system. In an effort to most efficiently pay for the District's administrative operational needs, the District sought voter approval for a general operating mill levy. That election passed; and

WHEREAS, the Board has determined that it is necessary to amend its Rules and Regulations in order to increase monthly fees for water service and capital development within the District in order to operate related facilities and services in a cost effective manner. In conjunction with that, the Board has determined that it is more efficient to charge one uniform rate for the usage of District water rather than the tiered rate structure currently in existence. The Board has further determined that it is necessary to amend its Rules and Regulations in order to decrease the monthly fees associated with administration and general operations. Debt service obligations of the District have not changed, so associated fees shall remain the same.

NOW, THEREFORE, it is unanimously resolved by the Board of Directors of the Forest View Acres Water District, as follows:

1. The monthly water enterprise service charge imposed by the District shall be decreased from \$43/month to \$29/month, effective upon the February 2007 billings of the District.

2. A monthly capital improvement charge shall be imposed by the District, effective upon the February 2007 billings of the District, in the amount of \$42/month.
3. The water usage charges imposed by the District shall be made uniform at a rate of \$8 per 1,000 gallons of water used, effective upon the February 2007 meter readings and associated billings of the District.
4. District's Rules and Regulations shall be amended to reflect the modification in the District's fees and charges, and District's management and legal counsel shall take the necessary steps to amend the Rules and Regulations accordingly.

Adoption of this resolution was moved by Director Crocker and seconded by Director Zimmerman.

Adopted by the Board of Directors of the Forest View Acres Water District at their regular meeting held January 25, 2007.

Barbara Reed-Polatty  
Barbara Reed-Polatty, President

Attest:

Lisa A. Johnson  
Lisa A. Johnson, Secretary