

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
OCTOBER 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 October, 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:

Richard Theodore Crocker, Chairman
Barbara Reed-Polatty
Eckehart "Eck" Zimmermann
Anne Bevis
Chris Monsen

Also In Attendance Were:

Lisa Johnson; Special District Management Services, Inc.

Paul Rufien, Esq.

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 Reed-Polatty, seconded by Director Bevis and, upon vote, unanimously carried, the Agenda was approved, as amended.

Minutes: The Board reviewed the minutes of the September 27, 2007 regular meeting, the October 5, 2007 reconvened regular meeting and the October 12, 2007 and October 19, 2007 special meetings. Following discussion, upon motion duly made by Director Bevis, seconded by Director Reed-Polatty and, upon vote, unanimously carried, the Board approved the minutes of the September 27, 2007 regular meeting, the October 5, 2007 reconvened regular meeting and the October 12, 2007 and October 19, 2007 special meetings, as amended.

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Public comments on agenda items: There were no public comments on the agenda items.

Billing issues: The Board asked Ms. Johnson to explain the time on the Community Solutions, Inc. bill for research related to Sobik and Campbell. The Board also requested that the delinquent account list be sent to all Board members. Ms. Johnson will reply via email to all Board members.

FINANCIAL MATTERS

Claims: The Board considered approval of the payment of claims through the period ending October 25, 2007 as follows:

General Fund	\$	4,981.98
Enterprise Fund		<u>33,952.80</u>
Total	\$	<u>38,934.78</u>

Following discussion, upon motion duly made by Director Reed-Polatty, seconded by Director Bevis and, upon vote, unanimously carried, the Board approved the payment of claims for the period ending October 25, 2007.

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 September 30, 2007.

The Board asked Ms. Johnson to check on the amount showing for accounts receivable and provide an explanation to the Board.

The Board deferred approval of the unaudited financial statements for the period ending September 30, 2007.

2008 Budget: Director Bevis reported that she has prepared a preliminary draft 2008 budget based on the year to date actuals. She noted that the 2007 budget will need to be amended.

The Board will review the draft 2008 budget and a work session will be scheduled to discuss final changes prior to the budget hearing which is scheduled for November 29, 2007.

Review of budget to actual expenses, 3rd quarter 2007: The review was deferred to the work session scheduled for November 9, 2007.

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LEGAL MATTERS

Longshore account and payment for saddle repairs: Attorney Rufien reported that his research regarding the Rules and Regulations and their application to this situation shows that the Board has interpreted the Rules and Regulations as allowing the resident to be charged for repairs made by the District when a saddle tap fails.

Mr. Longshore restated his case, he feels that the cost of the repairs for the failed saddle tap are not his responsibility. The Board deferred further discussion to the next meeting.

Agreement for Professional General Engineering Services-2008 with RG Consulting Engineers, Inc.: Attorney Rufien presented the Agreement for the Board's consideration. The Board asked staff to circulate a copy of Exhibit A. The Board deferred further discussion at this time.

Nevins 1985 Agreement: Director Reed-Polatty will circulate the proposed amended agreement to the Board for comments and will then schedule a meeting with Attorney Rufien to review all comments.

Well Permit No. 40214-FR, Nevins Well No. 1: Ms. Johnson distributed information received from Attorney Zilis regarding the well permit. The Board determined to let the well permit expire.

OPERATIONS REPORT

Water Operator report: September and October 2007 Water Operations Report. Director Crocker presented the report. The Board asked Mr. Bacon to provide additional information regarding the Failure to Monitor notice received from the State.

Backcharges for the repairs to the transmission line near the booster station. The Board reviewed the proposal from Mr. Herebic. The Board expressed concern about the cost of the installation of the line. The Board directed Attorney Rufien to review the contract and report to the Board on his findings.

Master System Map. Ms. Johnson reported that RG Consulting Engineers will provide a draft to Mr. Bacon within the next week for his review and comment.

Nevins service line and meter installation. The work has begun.

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Floor jacking. The work is scheduled for October 30th.

Water Tank inspection. The inspection has been completed. The Board discussed the maintenance issues and determined to hold further discussions at the work session.

Polanco curb stop and re-plumb of water line to barn. Staff will locate the valves for the property and then the owner will complete the repairs.

Purchases. The two pen recorder and chlorine analyzer for the Arapahoe Water Treatment Plant has been installed.

There was no report on the installation of a 4" discharge pipe from the secondary filters to the effluent discharge piping for the Surface Water Treatment Plant.

Rebuilding the primary filters medium. The project was approved by the Board at the October 19, 2007 meeting. There was no report.

Backwash controller. The new backwash controller has been installed.

Fire Hydrant Requirements/Responsibilities: Director Crocker reported that there has been no action.

18795 Rockbrook Road: Ms. Johnson reported that a letter was sent to the resident.

Technical, Managerial and Financial ("TMF") Evaluation: Ms. Johnson and Director Crocker have attempted to contact Stantec to begin the process but have received no response.

OTHER BUSINESS

District website: The Board directed staff to arrange for the 2006 audit to be added to the website.

Public comments: Members of the public addressed the Board. The following are notes taken by the Secretary regarding the statements made by the public.

SPEAKER-Genelle Devenport

Ms. Devenport stated that she was aware of a resident that had water tested and the test results indicated high lead levels.

Response-The Board was unaware of the report and will follow-up with the operator on any reports.

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Ms. Devenport questioned the maintenance of the water supply intake.

Work session schedule: The next work session will be held on November 9, 2007 at 10 a.m. at the Monument Sanitation District meeting room, 130 Second Street, Monument, Colorado.

LEGAL MATTERS CONTINUED

Water Operations and District Management contracts and Wilde property update: EXECUTIVE SESSION: Pursuant to section 24-6-402(4) of the Colorado Revised Statutes, upon motion duly made by Director Bevis, seconded by Director Reed-Polatty and, upon an affirmative vote of at least two-thirds of the quorum present, the Board convened in executive session at 7:30 p.m. for the sole purpose of receiving from the Board's attorney legal advice on specific legal questions as authorized by section 24-6-402(4)(b) regarding the negotiations for contracts for water operations and district management and to receive an update on the Wilde property negotiations.

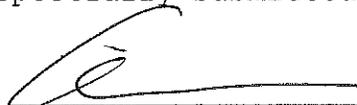
Furthermore, pursuant to section 24-6-402(2)(d.5)(II)(B), no record will be kept of those portions of the executive session that, in the opinion of the Board's attorney, constitutes privileged attorney-client communication pursuant to section 24-6-402(4)(b).

The Board reconvened in regular session.

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.

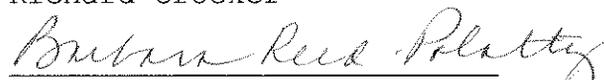
Respectfully submitted,

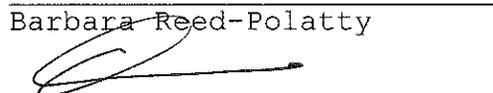
By  Secretary for the Meeting

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


Richard Crocker


Barbara Reed-Polatty


Eckehart Zimmermann

Anne Bevis

Chris Monsen