

RECORD OF PROCEEDINGS

**MINUTES OF A REGULAR SESSION
MEETING OF THE BOARD OF DIRECTORS OF
THE FOREST VIEW ACRES WATER DISTRICT
AND THE BOARD OF DIRECTORS OF THE
WATER ACTIVITY ENTERPRISE
HELD
August 27, 2009**

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, August 27, 2009, at 6:00 p.m., at the Tri-Lakes Fire Station No. 1, 18650 Highway 105, Monument, Colorado. This meeting was open to the public.

ATTENDANCE

In attendance were Directors:

Anne Bevis
Eckehart Zimmermann
Eugene Ashe
Steven Keefer

Absent was Richard Crocker, whose absence was excused.

Also in attendance were:

Joel Meggers; Community Resource Services ("CRS")
Erik Tameler; Southwest Water Company

ADMINISTRATIVE
MATTERS

Director Bevis called the meeting to order at 6:00 p.m. Mr. Meggers distributed for the Board's approval the proposed agenda. Following discussion, upon motion duly made by Director Ashe and seconded by Director Keefer, vote was taken and the agenda was approved unanimously. Director Bevis noted to the Board that she would not be attending September's meeting.

MINUTES

The Board reviewed the minutes of the July 23, 2009 Regular Board meeting. Director Zimmerman moved the minutes be approved as presented. Upon a second by Director Ashe, vote was taken and motion carried unanimously.

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LEGAL ITEMS

Wilde Property Update – Director Bevis reported that Mr. Rufien will be submitting a brief to the judge by the end of the month. The District should have a report on the judge’s findings by the next board meeting.

Fiala Property Update – Director Ashe reported that settlement with Fiala was reached and has been finalized.

Potential Unauthorized Taps – Mr. Meggers distributed the summary of potential unauthorized taps. The Board reviewed the list and directed staff to perform the following tasks. Report the properties on the list that have potential water rights violations to the State of Colorado. The remaining properties on the list need to be provided notice of the potential violations and that district staff needs to enter their property to investigate potential violations. A draft notice will be available for review at the next board meeting.

Potential Change to Rules and Regulations Regarding Responsibility to Pay for Tap Failures – Director Keefer distributed and presented a draft policy to address the new insurance benefit of No-Fault water line coverage. The Board reviewed the draft policy and agreed upon the following language.

In the event of a water line break that is not on the homeowner’s property, but is in the area between the homeowner’s property line and the water main, including the coupling (saddle tap) to the water main, the following regulations apply.

- The cost of repairs will be covered as follows:
 - o The homeowner must submit the bill for repairs to their homeowner insurance company.
 - o If the homeowner’s insurance policy includes coverage for the repairs, the homeowner is responsible for their deductible.
 - o Any remainder, not covered by the homeowner’s policy must then be submitted to the FVAWD insurance for payment.
 - o Any remainder after the homeowner’s deductible, the homeowner’s insurance coverage, and the FVAWD insurance coverage will be covered by FVAWD.

Director Ashe moved that the Board approve the policy as presented. Upon second by Director Keefer, vote was taken and carried unanimously.

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OPERATIONS REPORT

Mr. Tameler presented the July/August operations report for the Board's review, a copy of which is attached to these minutes and incorporated herein.

Monthly Production Report – Mr. Meggers presented and reviewed the Monthly Production Report with the Board.

Update on Water Line Repair at 4315 Sandstone Drive – Mr. Tameler reported that this repair is complete. Mr. Meggers reported that the property owners were given notice to fix the line themselves but they refused. He reported that the District will pursue reimbursement for fixing the line.

Update on Design and Installation of Extension of Main Line, New Connection Points, New Meters and Service Lines for McKenzie and Nevins Properties – Mr. Tameler reported that the new service line and meter has been installed for the Nevins. In addition, he reported that the Nevins agreed to pay all of the costs associated with the upgrade above the District's standard residential tap size of $\frac{3}{4}$ inch.

Evaluation and Option Analysis of SWTP by RG Engineers – Dimitry Tepo with RG Engineers presented and answered questions asked by the board regarding the RG Engineers Memorandum that evaluated the pressure fluctuations at the SWTP and contained alternatives to improve plant operations. The Board directed RG Engineers to provide a follow-up report at the next board meeting that addresses the installation of a granular filter, slower rate of opening and closing of valves to reduce pressure variations, further evaluate the installation of a PRV at the plant intake pipe and the addition of booster pumps.

Proposal from Aqueous Solutions for Removal and Replacement of SWTP Filters – This item was deferred until additional research can be complete by RG Engineers regarding the operation of the SWTP.

Southwest Operators Measure Well Depth on a Quarterly Basis – Southwest will perform this task on a quarterly basis and report the results to the board.

Maintenance and Installation of Valves and Flows Meters This item was deferred until the fall.

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Review and Approve Contract Renewal for Preventive Maintenance Services with HACH – Mr. Tamerler presented the HACH proposal to the Board. Director Ashe moved that the Board approve the proposal as presented. Upon second by Director Zimmerman, vote was taken and carried unanimously.

Review and Approve Proposals to Install Insulation in the SWTP - The Board decided to no longer pursue this project.

DIRECTOR'S ITEMS

Mount Herman Natural Gas Drilling – Director Bevis reported that she had no update at this time

CAPITAL ITEMS

Storage Tank Improvement Project – Mr. Gary Welp with RG Engineering distributed and reviewed a project time line with the Board.

Transmission Line Realignment – Mr. Gary Welp with RG Engineering presented the alignment of Phase I and II of the project to the board. He distributed and reviewed a time line. He presented a revised proposal by RG Engineers that included both Phase I and Phase II of the project. The Board directed RG Engineers to revise their proposal to include a delineation of their work between the two phases of the project and to delete the grant administration of \$1,500.

Director Zimmerman moved that the Board approve the proposal as presented, pending the revisions stated above, for a not to exceed amount of \$74,500. Upon second by Director Ashe, vote was taken and carried unanimously. The Board directed staff to continue to proceed with the design of both phases.

Small System Training & Technical Assistance Grant – Grant acceptance forms were reviewed, accepted and signed.

Development of Master Plan – Mr. Meggers reported that the District's Drinking Water Eligibility Survey application was renewed and unchanged from the prior year's submittal. The rest of the items were deferred.

Revised Application for Water Tap Permit – The board reviewed the revised version of the permit. The Board accepted the new version with the following changes:

- Add that all fees and deposits will be forfeited in item #3

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- Add an item # 7 that states that all water service installations have to conform with the Rules and Regulations and Specifications of the District.
- All fees and deposits will be reviewed as part of this year's budget review and adoption process.

OTHER BUSINESS None

FINANCIAL MATTERS

Review & Approve 2008 Audit – Mr. Schilling presented the audit and auditors letter to the Board for their consideration. Upon a motion by Director Ashe and a second by Director Zimmermann, the Board voted unanimously to accept the 2008 audit as presented.

Payment of Claims

Mr. Meggers requested that the Board consider payment of the claims represented by check numbers 2334 - 2353 totaling \$77,278.92. Director Ashe moved that the Board approve the payment of claims as presented. Upon second by Director Zimmerman, vote was taken and motion carried unanimously.

Financial Statements

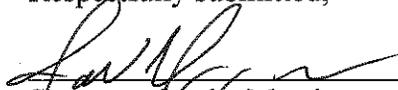
The Board reviewed the financial statements for the period ending July 31, 2009. The Board accepted the unaudited financial statements as presented.

Tap Fee Status for 0 Rock Brook Lane – Mr. Yarborough attended and spoke at the meeting. He represented to the board that he pays the Availability of Service Charge for his lot and he thought that this entitled him to water service from the district. The Board informed him that in addition to paying the ongoing AOS charge, he still needed to purchase a water tap for his lot, in order to receive water service from the district.

ADJOURNMENT There being no further business to come before the Board, upon motion duly made by Director Ashe, seconded by Director Zimmerman, the meeting was adjourned at 8:00 p.m.

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Respectfully submitted,

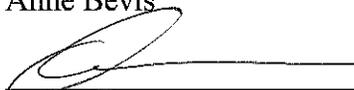

Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL JULY 23, 2009 MINUTES OF THE FOREST VIEW ACRES WATER DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

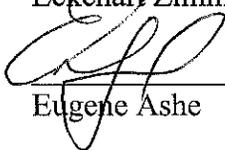


Richard T. Crocker

Anne Bevis



Eckehart Zimmermann



Eugene Ashe

Steven Keefer

Forest View Acres Water District

Operations Report – August, 2009

Prepared by Erik Tamer, Southwest Water Co.

Sampling:

- The required samples were collected for LT2ESWTR, Routine Coliform, and quarterly Disinfection Byproducts. Results are inside the yellow folder in the Arapahoe treatment plant.

Treatment Plants:

Arapahoe Water Plant:

- Normal operation.
- The well was pressure tested on Aug. 20th with a result of 51' of water above the pump during pumping.

Transmission Line/Booster Station:

- A power supply problem was preventing the booster station from running. On Aug. 10th, Cross Diamond Electric was called to investigate. The station is now ok and operating normally.

Surface Water Plant:

- On Aug. 4th, a meeting w/ R&G Engineering was held regarding SWTP improvements.

Distribution system:

- A box of 12 meters was purchased from National Meter.
- Two meter pit tubes sufficient to meet district depth requirements was purchased from Kepner Co. These are now available for contractor purchase.
- Supplies were purchased for repairing the 1.5" poly "main" on Rockbrook Rd.
- On Aug. 10th, the Nevins meter was installed.
- On Aug. 11th, the leaking curb stop at 4315 Sandstone Rd was repaired.
- Several Work Orders regarding meter issues were completed.