

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 AUGUST 26, 2010

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 26, 2010, 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:

Eugene Ashe
Anne Bevis
Steven Keefer
Eckehart Zimmermann
Karla Allen

Also in attendance were:

Joel Meggers; Community Resource Services ("CRS")
Erik Taneler; Southwest Water Company
Rick Goncalves and Gary Welp; RG Engineers
Dawn Schilling; Schilling & Company, Inc.
Brandon & Richard with Kempton
Candice Hitt; Our Community News

ADMINISTRATIVE MATTERS

Director Bevis called the meeting to order at 6:05p.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 amended, adding the item of graffiti on the water tank.

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MINUTES -The Board reviewed the minutes of the July 22, 2010 regular board meeting. Director Ashe moved the minutes be approved as presented. Upon a second by Director Keefer, vote was taken and motion carried unanimously.

LEGAL ITEMS

1985 Agreement and 2004 Amendment – Director Zimmermann reported on the new proposal from Gary Nevins.

OPERATIONS

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

- Staff was directed to consolidate water leak fixes when possible.
- Graffiti on the water tank was reported to law enforcement. El Paso County Sheriff's officer came to the site, filled out a report and took pictures. The Board directed staff to have the graffiti painted over as soon as possible.

Monthly Production Report and ATP Well Depth – Mr. Meggers presented the report for the Board's review.

CAPITAL ITEMS

Update on Design and Implementation of Infrastructure Repairs/Upgrades -

Storage Tank Improvement Project – Mr. Goncalves presented and distributed an updated progress report. He pointed out that there will be two temporary tanks installed to perform back washing of the filters while the main tank is off-line. Directed Zimmerman requested that a hook-up be installed so the district can interconnect with Palmer Lake in an emergency water situation. The Board directed staff to make sure that the 10,000 gallon tanks are insured and Mr. Goncalves confirmed that they will be located at the Surface Water Treatment Plant.

Transmission Line Realignment – Mr. Meggers reviewed the Wetland Permit. Mr. Welp reported on the realignment regarding Mr. Nevins request. Director Zimmerman presented and discussed a survey and legal access to the Arapahoe Treatment Plant. RG Engineering distributed and reviewed the 4 month construction timeline. The Board approved starting the project based on final review of the construction contract by board members, manager and attorney. Director Zimmerman motioned to award the contract and notice to proceed to Kempton Construction LLC, contingent upon final review of contract. Motion was seconded by Director Allen, vote was taken and motion carried unanimously.

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Booster Pump Station Modification – Several bids were solicited however only one bid was received from Renegade for \$7,080 to perform the pipe modifications to the booster pump station. The material costs were an additional \$7,400 for valves, piping and fittings. RG Engineers presented an expanded scope of service of a not to exceed amount of \$3,000 to provide the additional services of Construction Management and Inspection. Director Allen moved that Renegade's bid be approved, the ordering of \$7,400 in parts occur and RG Engineers scope of services be expanded to include Construction Management and Inspection with an increased not to exceed amount of \$3,000, upon a second by Director Keefer, vote was taken and motion carried unanimously.

Surface Water Treatment Plant Improvements – RG Engineers presented an expanded scope of service of a not to exceed amount of \$8,500 to provide the additional services of Construction Management and Inspection. Director Zimmermann moved that the proposal be approved, upon a second by Director Keefer, vote was taken and motion carried unanimously.

Preliminary SCADA Plan – Mr. Goncalves distributed and presented a conceptual SCADA plan. Discussion ensued; the Board determined that the next step was to establish a priority level of improvements with the operators and research costs. In addition, Director Ashe recommended developing a priority matrix and a phasing plan over the next few months.

ATP Well Rehabilitation – The Board discussed the pros and cons of starting the project before or after the lining of the storage tank. The board also discussed pursuing a larger pump and the lowering of the well head. The board requested that Devin Cary of Applied Ingenuity, LLC attend the next board meeting to answer their questions and finalize his proposal.

Work Session Follow-Up - Director Bevis presented the draft CIP to the Board and went over adding additional narrative and discussion of the current project list. She will be following up with board members and staff on further additions and revisions over the next few months.

FINANCIAL MATTERS

Payment of Claims

Mr. Meggers requested that the Board consider payment of the claims represented by check numbers 2545 - 2564, totaling \$64,720.47. Director Zimmermann moved that the Board approve

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the payment of claims as amended. Upon second by Director Allen, vote was taken and motion carried unanimously.

Cash Position Statement

The Board reviewed the monthly cash position for the period ending July 31, 2010. The Board accepted the unaudited cash position statement as presented.

Capital Project Summary – Mr. Meggers presented the summary.

2009 Audit – Dawn Schilling reviewed the 2009 audit with the Board. Director Ashe moved that the Board accept the audit. Upon a second by Director Zimmermann, vote was taken and motion carried unanimously.

Preliminary Draft 2011 Budget – Mr. Meggers presented the draft budget to the Board. He reminded the Board that it is only a preliminary draft and that it would be revised and presented at future meetings.

OTHER BUSINESS

Potential Options for Cell Phone Service Site Leases – This item was deferred.

Impacts of Proposition 101, Amendments 60 & 61 – Mr. Meggers presented the district impacts of the fall election items to the Board.

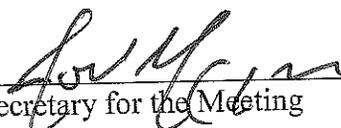
SDA Conference – The Board reported that none of them were planning on attending this year.

September Board Meeting – The board directed staff to move September's Board meeting from the 4th Thursday to the 5th Thursday. The board thought the focus of that board meeting would be on all of the current capital projects.

ADJOURNMENT

There being no further business to come before the Board, upon motion duly made by Director Ashe, seconded by Director Zimmermann, the meeting was adjourned at 9:04 p.m.

Respectfully submitted,

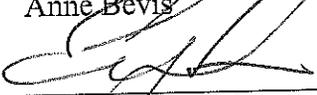

Secretary for the Meeting

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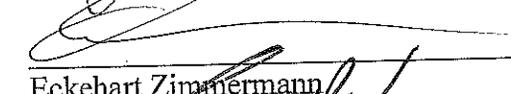
THESE MINUTES ARE APPROVED AS THE OFFICIAL
AUGUST 26, 2010 MINUTES OF THE FOREST VIEW ACRES
WATER DISTRICT BY THE BOARD OF DIRECTORS
SIGNING BELOW:



Anne Bevis



Eugene Ashe



Eckehart Zimmermann



Steven Keefer



Karla Allen

Forest View Acres Water District

Operations Report – August, 2010

Prepared by Erik Tamer, Southwest Water Co.

Sampling:

- The required samples were collected for Routine Coliform and TTHM's/HAA5's. Received results are inside the yellow folder in the Arapahoe treatment plant.

Treatment Plants:

Arapahoe Water Plant:

- Has been operating normally.
- Well level readings have been taken and are on file. The water level in the Arapahoe plant is becoming dangerously low, only several feet of water in the well during pumping after a day or so of operation. Prior to starting the plant after a day off, the well will have >50feet of water, often >100feet.

Transmission Line/Booster Station:

- Currently Normal Operation. Two leaks in the Nevins field adjacent to Vista View Dr. were repaired on Aug. 9th. Both of these were from blown out gaskets in the bell and spigot 4" pvc pipe.

Surface Water Plant:

- Frequent rains have required the plant to be off-line since July 31st. After repairing damage found in the plant on Aug. 11th, we intend to start running the plant again as much as possible. An inspection of the inlet on Aug. 19th revealed there is sufficient water of good quality in the creek.
- The dehumidifier is having a remarkable impact on the plant, on Aug. 19th, the percent humidity was at <40%.

Distribution system:

- A leak was repaired on Rockbrook Dr on Aug. 2nd. An associated valve in the "red barn meter pit" was replaced as a result of the outage.

Miscellaneous:

- A second meeting was held at the Booster pump station regarding booster station modifications. RGCE, SW Water, and two potential contractors were present.
- Seeding of the disturbed areas of the Nevins pasture was completed on Aug. 20th. Ten pounds of Blue gramma grass seed was purchased for this purpose. The left over seed is in the Arapahoe plant.

