

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE FOREST VIEW ACRES WATER DISTRICT AND THE BOARD OF DIRECTORS OF THE WATER ACTIVITY ENTERPRISE HELD DECEMBER 2, 2010

A special 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, December 2, 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
Karla Allen
Eckehart Zimmermann

Also in attendance were:

Joel Meggers; Community Resource Services ("CRS")
Gabrielle Begeman; Southwest Water Company
Rick Goncalves; RG and Associates, LLC

ADMINISTRATIVE MATTERS

Director Bevis called the meeting to order at 6:10 p.m. Mr. Meggers distributed for the Board's approval the proposed agenda. Following discussion, upon motion duly made by Director Allen and seconded by Director Zimmermann, vote was taken and the agenda was approved unanimously.

MINUTES -The Board reviewed the minutes of the October 28, 2010 regular board meeting. Approval of the minutes was deferred.

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CAPITAL ITEMS Update on Design and Implementation of Infrastructure Repairs/Upgrades -

Storage Tank Improvement Project– Mr. Goncalves reported that the project has started and that the contractor will start lining the tank next week. The paint then needs to cure so the entire project would take approximately 3 to 4 weeks to complete. Mr. Goncalves recommended that the district purchase controls from Golder Associates Inc. to monitor the tank level and operate the booster pump and the well for a not to exceed amount of \$1,560. Director Allen moved that the Board approve. Upon second by Director Zimmermann, vote was taken and motion carried unanimously.

Transmission Line Installation – Mr. Goncalves provided the construction update. He reported that the project is 70% complete and that the project should be completed by the end of January.

- Change Order “G” to Install Vista View Road Loop – Mr. Goncalves presented the change order. The Board deferred this item for a future meeting.
- ATP Boundary Line Adjustment – Director Zimmermann reported that the District is working with the County on the approval process. Data has been collected and he is in the process of scheduling a meeting with the County. He anticipates the review and approval process may take 6 to 8 weeks.
- Approve 3 Easements for Water Line Crossing the following properties -
 - Clovenhoof Lot 4 on Vista View (where the Dawson well is located), owned by Gary and Penny Nevins
 - The portion of the Nevins meadow owned by Gary and Penny Nevins
 - The portion of the Nevins meadow owned by RRR (Mary Nevins)

Motion was made to pursue all of the easements. Director Allen moved that the Board approve. Upon second by Director Ashe, vote was taken and motion carried unanimously.

SWTP Improvements – CDPHE Letter regarding request for information, plans, review and submittal – Mr. Goncalves reported that the District has provided a response to CDPHE’s request for additional information. The District is still waiting for approval from CDPHE to initiate the improvements to the plant.

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Work Session Follow Up - Development of Capital Improvement Plant – This item was deferred.

OPERATIONS

& MAINTENANCE

Review and Discuss Videotape Operations of District Facilities
Mr. Goncalves reported that he anticipates having the video completed and a list of recommended improvements for the board to review and discuss by January.

SWTP Electrical Panel Replacement – Approval was given for a new breaker box / electrical panel with a not to exceed amount of \$1,800. Director Zimmermann moved that the Board approve. Upon second by Director Allen, vote was taken, Director Keefer abstained.

Monthly Operations Report – Ms. Begeman presented the October/November operations report for the Board's review, a copy of which is attached to these minutes and incorporated herein.

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

FINANCIAL

MATTERS

Payment of Claims

Mr. Meggers requested that the Board consider payment of the claims represented by check numbers 2605 - 2627, totaling \$158,377.21. Director Ashe moved that the Board approve the payment of claims as presented. Upon second by Director Allen, vote was taken and motion carried unanimously.

Cash Position Statement and Unaudited Financial Statements

The Board reviewed the monthly cash position and unaudited financial statements for the period ending October 31, 2010. The Board accepted them as presented.

Capital Project Summary – Mr. Meggers presented the project summary to the Board.

2011 Budget Adoption – Mr. Meggers reported that proper publication had been made to allow the Board to conduct a public hearing to adopt the District's 2011 budget. Mr. Meggers reviewed the proposed budget options with the Board. Director Ashe moved Director Allen seconded and the Board voted unanimously to adopt the budget as presented.

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2010 Audit Engagement Letter – The Board considered the engagement letter of Schilling and Company to perform the District’s 2010 audit. Director Zimmermann moved that the Board approve the engagement letter with Schilling and Company. Upon second by Director Ashe, vote was taken and motion was carried unanimously.

OTHER
BUSINESS

Statewide Internet Portal Authority (SIPA) Micro-Grant Opportunity – The Board directed Mr. Meggers to apply for the grant with assistance from Directors Bevis and Allen.

Structure of Next Meeting – Mr. Meggers recommended discussion regarding the completion of several capital projects at the next Board meeting:

LEGAL ITEMS

1985 Agreement and 2004 Amendment – The Board discussed that they will continue to pursue matters related to this item.

Update on Wilde Litigation - Director Bevis reported that the District is waiting on a ruling from the judge.

ADJOURNMENT

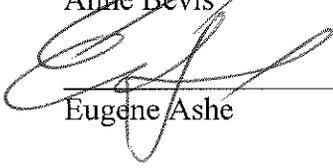
There being no further business to come before the Board, upon motion duly made by Director Zimmermann, seconded by Director Allen, the meeting was adjourned at 8:42 p.m.

Respectfully submitted,


Secretary for the Meeting

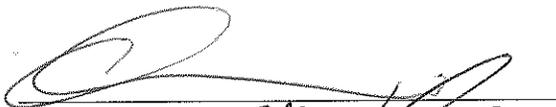
THESE MINUTES ARE APPROVED AS THE OFFICIAL
DECEMBER 2, 2010 MINUTES OF THE FOREST VIEW
ACRES WATER DISTRICT BY THE BOARD OF DIRECTORS
SIGNING BELOW:



Anne Bevis


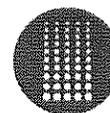
Eugene Ashe

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Eckehart Zimmermann


Steven Keefer


Karla Allen



Forest View Acres Water District

Operations Report – November, 2010
Prepared by Gabrielle Begeman

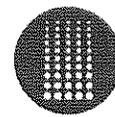
Treatment Plants:

Arapahoe Water Plant:

- Work has started per RG engineers to put the well in automatic mode based on tank level. Ran into a snag when it was determined that the well would not continue operation through a backwash if the tank level warranted an automatic shutdown. We do not feel comfortable that the treatment process will continue normally if this is not remedied and the plant is put into automatic mode. This can be remedied by installing a relay to continue well operation if a backwash is initiated and the tank calls for the well to shut off.
- To prevent an over feed of chemicals to the water if the well production dramatically declines, we have connected the chlorine analyzer to the PLC and if a high chlorine alarm is detected, the PLC will automatically shut the well off, and the auto dialer will call out, alerting the operators of the problem.
- When the well shuts off, the filters are draining back into the well. This may be due to a faulty check valve in the well, or check valves/ cla-valves within the plant piping. This is causing a buildup of air in the filters and associated piping when the well is turned on. The air relief valves (ARV's) are not working properly to clear the air from the piping and filters. I have cleaned the ARV's and will continue to monitor their effectiveness in relieving the filters and associated piping of air. If the cleaning does not ultimately solve the problem, I recommend that we replace the ARV's with a model that is adequate for the type of pressure the vessels are experiencing.
- There is a noticeable amount of gas (oxygen, CO₂, sulfur compounds or a combination thereof) present in the water coming from the aquifer. This also heightens the necessity of functioning ARV's.
- See the attached production spreadsheet for depth to water (DTW) readings for the well.

Transmission Line/Booster Station

- Booster station has been working properly in automatic mode.
- The recycle function has not been put into operation yet.



- Transmission line has been holding pressure when the AWP is off.

Surface Water Plant:

- See attached production spreadsheet for particulars on water production.
- Backwashes are initiated when the pressure differential exceeds 11 psi.
- Slow and Steady vs. Fast/Slow
During reduced flow operation via feathered incoming and outgoing valves, the secondary filters will get "clogged" to a point where production declines, even though flow through the feathered valves is increased. A slow and steady rate for the filters seems to work well, given the many factors at play and parameters the plant must comply with. I have reviewed charts from previous months/years when the slow steady rate was not applied, and production will begin at 50+ gpm at the start of a filter run, then rapidly decline to <20 gpm at the end of the run. A typical filter run during this type of operation was 12-24 hours. With the slow and steady approach, we are getting filter run times of 3-7 days. Each backwash uses approximately 4500 gallons of treated water. Given some time, a full production analysis of each approach will become clear which one is more efficient.
- The breaker box was not replaced. Upon arrival, the electrician determined that his bid would not cover the costs associated with the full replacement. Instead, the breaker was removed and reinstalled in a different location along the bus within the panel. This did not "solve" the problem as the breaker did trip again after the reinstallation. However, it has not been tripping as frequently as it had before. A proper fix would be to install bolt in type bus and breaker combination to withstand the climate in the SWTP.
- We have been relying on the constant operation of the SWTP to continuously feed the tank and curb demand from the AWP. We lose valuable production days to a simple problem (control breaker) due to the inability to see if the plant is on remotely. Many trips are made to the District just to determine if the plant is on. An autodialer will allow for some comfort in knowing if the plant is #1 operating and #2 operating correctly.

Action Items:

1. SWWC is requesting that the relay be installed at the AWP for the automatic operation of the well during a backwash.
2. SWWC is requesting that the bid for replacing the breaker box at the SWTP be accepted or an amount "not to exceed \$X" be established
3. SWWC is requesting that the district obtain telephone service at the SWTP for the reconnection and/or replacement of the autodialer.

4. SWWC is requesting some leeway when determining that required preventative maintenance items

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