

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
MAY 24, 2012**

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, April 26, 2012, 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:

Anne Bevis
Karla Thompson
Gene Ashe
Tim Sobik

Absent was Eckehart Zimmermann whose absence was excused.

Also in attendance were:

Joel Meggers; Community Resource Services ("CRS")
Gabrielle Begeman; ORC, LLC Water Company
Dawne Schilling; Schilling & Company, Inc

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 Thompson, vote was taken and the agenda was approved as presented.

MINUTES - The Board reviewed the minutes of the April 26, 2012 regular board meeting. Director Thompson moved the minutes be approved as presented. Upon a second by Director Ashe, vote was taken and motion carried unanimously.

Public Comments – There were none.

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Appointment of Board Officers – Director Ashe nominated Director Bevis for President, upon second by Director Sobik, vote was taken and motion carried unanimously. Director Sobik nominated Director Ashe for Treasurer, upon second by Director Thompson, vote was taken and motion carried unanimously.

Review of Assignment of Primary Invoices – Director Thompson was appointed to review the ORC invoices; Director Sobik will review the CRS invoices.

Emergency Response Plan (ERP) – Director Bevis recommended that the ERP be distributed for review and comment in a workable format to the Board and Ms. Begeman to be considered at the next meeting.

New Board Member Orientation – The audit was the focus of the orientation.

CAPITAL ITEMS

Update on 0% Interest Loan from the Colorado Water Resource and Power Development Authority- Mr. Meggers reported that the existing bonds will be redeemed by the end of the month and the loan closing is tentatively set for either the 2nd or 3rd week in June.

SWTP Improvements – Ms. Begeman reported that the parts are on order and she anticipates starting the work as soon as the parts arrive.

Review of Short List Master Plan Proposals - The Master Plan proposals were reviewed and discussed. The Board indicated that it would allow the bidders additional time to ask questions and that a short list would be developed of finalists to be interviewed by late June or early July.

Update on Improvements to Raw Water Line Intake – Mr. Meggers informed the Board that the District had received a proposal to improve the raw water line intake. The Board directed Gabby to pursue additional bids to be considered at a future board meeting.

OPERATIONS & MAINTENANCE

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

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Ms. Begeman presented the proposal from Down to Earth Excavation Inc. for a not to exceed amount of \$1,890 to provide maintenance on the roadway to the water tank. Director Thompson moved the proposal be approved as presented. Upon a second by Director Sobik, vote was taken and motion carried unanimously

Ms. Begeman presented the proposal from Golder and Associates to perform work on the Arapahoe Well HME for a not to exceed amount of \$2,375. Director Thompson moved the proposal be approved as presented. Upon a second by Director Sobik, vote was taken and motion carried unanimously.

Update on Research of Potential Unauthorized Water Usage – Ms. Begeman distributed and presented the letter. The Board expressed their support for the letter to be used to research and pursue potential unauthorized use.

FINANCIAL MATTERS

Payment of Claims

Mr. Meggers requested that the Board consider payment of the claims represented by check numbers 2995 – 3012 totaling \$39,795.16. Check number 3000 was void due to Director Zimmermann's absence. Director Ashe moved that the Board approve the payment of claims as presented. Upon second by Director Thompson, vote was taken and motion carried unanimously.

Monthly Cash Position and Unaudited Financial Statements

The Board reviewed the monthly cash position and unaudited financial statements.

2011 Draft Audit –

Ms. Schilling of Schilling & Company presented the audit along with the management representation letters. The Board motioned and approved that the District accepts the audit and directed that it be filed with the State based upon final review and approval by a 2nd auditor. Director Ashe moved to approve. Upon second by Director Sobik, vote was taken and motion carried unanimously. Director Ashe moved to approve payment to the auditor. Upon second by Director Thompson, vote was taken and motion carried unanimously.

OTHER BUSINESS

Public Comments – There were none.

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LEGAL ITEMS

1985 Agreement and 2004 Amendment – This item was deferred to a future meeting.

Update on Letter to Nevins – Mr. Meggers reported that the letter had been sent.

ADJOURNMENT

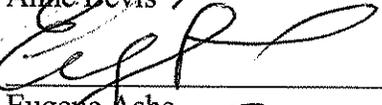
There being no further business to come before the Board, upon motion duly made by Director Ashe, seconded by Director Thompson, the meeting was adjourned at 8:45 p.m.

Respectfully submitted,

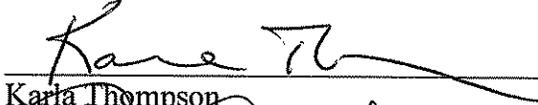

Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL MAY 24, 2012 MINUTES OF THE FOREST VIEW ACRES WATER DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW.


Anne Bevis


Eugene Ashe


Eckehart Zimmermann


Karla Thompson


Tim Sobik

Forest View Acres Water District

Operations Report –April/May 2012

Prepared by Gabrielle Begeman
ORC LLC

Treatment Plants:

Arapahoe Water Plant:

- We had some faults on the VFD for the booster pump at the AWP that resulted in a loss of approximately 35,000 gallons of water from the well to waste.
- We also had a fault at the booster station which may have caused or been linked to the fault at the AWP, leading to a failure of ability to pump for a short period.
- Please see the attached quote for the purchase and installation of a HMI (screen monitor) for the AWP to ensure that we can assess faults and adjust parameters for automatic restart, tank level, chlorine alarms etc... I highly recommend the addition of this unit.

Surface Water Plant:

- We had the auto-dialer fail due to corrosion in April. We were able to get it fixed by the manufacturer for under \$200.
- The SWTP is back to normal as conditions indicate that spring runoff and high turbidities are over for this year.
- Work will begin on the SWTP for installation of the booster pumps, PLC and associated components this week. We will have minimal down time during the installation.

Distribution system

Tank Road

- We have obtained a second quote (see attached) for rehabilitating the tank road.

Unauthorized Usage

- Attached is the revised letter that residents will receive prior to scheduling for an inspection. Please review and edit as you see fit.