

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
January 24, 2018**

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 Wednesday, January 24, 2018, at 4:00 p.m., at the Monument Sanitation District, 130 2nd Street, Monument, Colorado. This meeting was open to the public.

ATTENDANCE

In attendance were Directors:

Gene Ashe
Hans Zimmermann
Anne Bevis
Brad Hogan
Eck Zimmermann

Also in attendance were:

Jim McGrady; Community Resource Services ("CRS")
Clyde Penn; ORC, LLC
John McGinn; JDS Hydro

ADMINISTRATIVE
MATTERS

Director Ashe called the meeting to order at 4:00 p.m.

Agenda - Mr. McGrady distributed for the Board's approval the proposed agenda. Director Hans Zimmermann moved to approve the agenda as amended. Upon a second by Director Eck Zimmermann vote was taken and motion carried unanimously.

Minutes - The Board reviewed the minutes of the December 6, 2017 Regular meeting. Director Bevis moved the minutes be approved as presented. Upon a second by Director Hogan, vote was taken and motion carried unanimously.

Public Comment - In attendance was Kevin Walker from Walker Schooler who was observing.

Review Action Item Management Report for December 6, 2017

- i. Working to contact J&K to do some work. Mr. Penn will follow up on J&K regarding possible invoice.

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- ii. Leave Capital Improvement Plan
- iii. Mr. Penn will contact the homeowner regarding the culvert across the street from Surface Plant
- iv. Mr. McGrady will revise the cash position to show total outstanding loan balance along with 3 month operating reserve amount.
- v. Meter calibration was done on January 31, 2018
- vi. Sand for pressure filters will be in in about 4-6 weeks. Mr. Penn will change it out.
- vii. Close out check to Red Rock Ranch/Ryan Nevins. Item complete.

OPERATIONS & MAINTENANCE

Operations Report – Mr. Penn presented the December 2017 /January 2018 Operations report for the Board’s review, a copy of which is attached to these minutes and incorporated herein.

Status of ORC Contract – ORC needs to submit an annual contract to the Board for approval.

CAPITAL ITEMS

Monthly Report prepared by JDS Hydro – Mr. McGinn reviewed their report for the Board.

- Construction standards will be done in February.
- The Drop Box contains the updated maps.
- Final payment from CWRPDA has been received by the District.

Mr. McGinn also discussed several potential capital projects that he believes are items the District should consider as part of their long-term capital project plan. Those items include:

- Surface Water Plant is very old and may need to be replaced at some point in time;
- Surface Water Plant pipeline replacement;
- Arapahoe Well rehabilitation;
- Director Eck Zimmermann suggested a filter or some other device to remove turbidity at the Surface Plant

The Board suggested that Mr. McGinn or Mr. McGrady schedule another megger test for Spring 2018.

FINANCIAL MATTERS

Payment of Claims - Mr. McGrady requested the Board ratify payment of claims for December represented by check numbers 04456 – 04466 totaling \$32,163.35. Director Hans Zimmermann moved to approve the payables as presented. Upon a second by Director Eck Zimmermann, vote was taken and motion carried unanimously.

Mr. McGrady requested the Board approve the payment of claims for January represented by check numbers 04467 – 04486 totaling

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\$29,424.11. Check number #04483 for \$647.00 to Vranesh and Raisch, LLC was voided. The Board believes they have a credit due coming. Director Hans Zimmerman moved to approve the payables as amended. Upon a second by Director Hogan, vote was taken and motion carried unanimously.

Monthly Cash Position and Unaudited Financial Statements - Mr. McGrady and Director Hans Zimmerman reviewed the monthly cash position and unaudited financial statements.

Approve Schilling and Company Engagement Letter to Conduct 2017 Audit – Director Eck Zimmermann made a motion to request an Audit Exemption be filed for 2017 rather than a full-fledged audit. Upon a second by Director Hans Zimmermann, vote was taken and motion carried unanimously.

OTHER BUSINESS

A. Review and Consider Calling an Election Resolution – This item was tabled in December so Paragraph 6 could be added to the resolution. Director's Ashe and Bevis are termed limited. Director Bevis has two people that may be good candidates. Director Eck Zimmermann submitted his self-nomination form. Mr. McGrady asked the Board to submit names to Sue Blair, DEO so she can send them self-nomination forms. The Board requested a notice be added to the bottom of the utility bills regarding the openings. Director Bevis made a motion to approve the Election Resolution. Upon a second by Director Eck Zimmermann, vote was taken and motion carried unanimously.

B. Work Session Meeting – Schedule a kick-off meeting with Leonard Rice Engineers.

C. Look Ahead Report

- i. Add policy discussion to agenda. Director Hogan will review CRS invoices, Director Hans Zimmermann will review ORC invoices and Director Eck Zimmermann will review JDS invoices monthly. Check on Audit requirements.
- ii. Support for ORC National Meter. Director Bevis' (Director Items)
- iii. Clyde Penn to get bonus of \$500.
- iv. Copy of documents to Drop Box. Director Bevis will work with staff.
- v. Water use report. Change to Red Rock's Ranch.
- vi. Update Capital Improvement Plan with projects project definitions not necessarily costs. Try to finalize in April. Director Bevis will update.
- vii. Update tap fees public hearing for tap fees in March.

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- viii. Beaver ponds in stream close to pipeline crossing creek. Penny Nevins needs approval by CORP of Engineers. Director Eck Zimmermann will send an email that the Board approves the removal.

LEGAL

Director Bevis moved that the Board enter Executive Session pursuant to Section 24-6-402(4) (e), C.R.S. Upon a second by Director Eck Zimmermann, a vote was taken and the motion carried unanimously.

The following items were discussed:

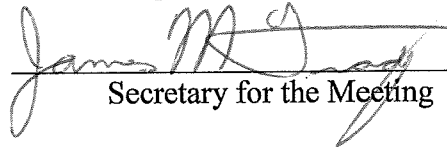
- Close out items regarding Revised 1985 Agreement.
- Update on items associated with 40 Acre Land Swap with U. S. Forest Service. We may need an operation agreement with John Cressman.

The Executive Session was entered at approximately 5:35 p.m. and exited at approximately 5:47 p.m. Director Bevis moved that the Board adjourn the Executive Session. Upon second by Director Eck Zimmermann, a vote was taken and the motion carried unanimously.

CONTINUATION OF OPEN MEETING The Board then returned to regular session where a vote was taken on the District's Management Contract. Director Eck Zimmermann moved to award CRS the management contract. Upon second by Hans Zimmermann, a vote was taken and the motion carried unanimously

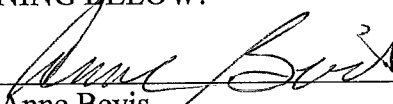
ADJOURNMENT There being no further business to come before the Board, upon motion duly made by Director Bevis, seconded by Director Hogan, the meeting was adjourned at approximately 5:48 p.m.

Respectfully submitted,

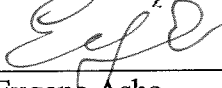

Secretary for the Meeting

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THESE MINUTES ARE APPROVED AS THE OFFICIAL JANUARY 24, 2018
MINUTES OF THE FOREST VIEW ACRES WATER DISTRICT BY THE BOARD
OF DIRECTORS SIGNING BELOW:




Anne Bevis



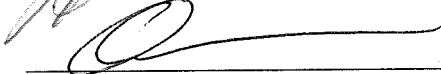
Eugene Ashe



Brad Hogan



Hans Zimmermann



Eck Zimmermann

Forest View Acres Water District

Operations Report – December 2017 / January 2018

Prepared by Gabrielle Begeman and Clyde Penn

ORC Water Professionals

Arapahoe Water Plant

- The plant produced 5% of demand
- Purged Chlorine Analyzer as Needed
- Ran plant occasionally
- Plant Checks, Mixed Chemicals

Booster Pump Station

- Checked Booster Station

Distribution

- Meters Read on 28 / 29 December
- Monthly BACTI's
- PRV Inspection completed – Working on getting a 2nd estimate for tubing replacement and small PRV installation on Shiloh Pines.

Surface Water Plant

- The plant produced 95% of demand
- Plant stayed online most of the month, flow rate; running at 35 gpm, inlet pressure holding around 90 - 95 psi. Getting 400 + Hour Runtimes between Backwashes.
- Completed monthly MOR report for state
- Pulled Raw Water BACT Samples – Two Times
- Pulled VOC's / Fluoride / Inorganics
- Plant Checks, Mixed Chemicals

Locates

- Completed 2 Locates for the Month
 - o Pixie Park – Bury Electrical Cables
 - o Rockbrook Dr. – Sewar Relocation / Water Service (New)

Meters

- Installed Three Meters – Rockbrook (New Meter)/Mesa Verde (New Meter) / Red Forest
- Have 15 Meters Left – 6 known new construction projects scheduled/on going
- 2016 Total Meters 309 / Smart Meters 51
- 2017 Total Meters 314 / Smart Meters 90

Projects

- Shelving AWP

Production for the Month of December

Year	Month	SWTP Production - BW	% of Total	AWP Production	% of Total	Total Production	Total Water Sold	Percentage Discrepancy
2017	Jan	1,476,520	95%	82,837	5%	1,559,357	1,130,141	27.53%
	Feb	843,516	55%	694,339	45%	1,537,855	1,197,399	22.14%
	Mar	933,106	64%	525,826	36%	1,458,932	1,153,797	20.91%
	Apr	-61,641	-3%	1,938,146	103%	1,876,505	1,125,505	40.02%
	May	-1,704	0%	1,882,925	100%	1,881,221	1,460,368	22.37%
	Jun	510,292	22%	1,791,321	78%	2,301,613	1,838,738	20.11%
	Jul	1,485,905	71%	612,294	29%	2,098,199	1,759,007	16.17%
	Aug	1,547,716	81%	365,535	19%	1,913,251	1,496,262	21.79%
	Sep	1,970,185	92%	181,321	8%	2,151,506	1,682,121	21.82%
	Oct	1,144,748	87%	172,706	13%	1,317,454	1,084,275	17.70%
	Nov	1,538,997	97%	40,476	3%	1,579,473	1,241,390	21.40%
	Dec	1,406,281	95%	72,983	5%	1,479,264	1,169,688	20.93%
Total		12,793,921	63%	8,360,709	37%	21,154,630	16,338,691	22.77%

*No known Leaks this Month,