MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, JANUARY 3, 2019

BOARD MEMBERS PRESENT: Dale Peck, Chairman; Stan Sparks, Vice-Chair; Melvin Diffendaffer; Secretary, and Michael Slauson, Director

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen; Angie Beebe; Brian Sheley, Melissa Lemke, and Amanda Fleming

REGULAR MEETING

Chairman Peck called the January 3, 2019 Regular Meeting to order at 5:00 p.m. He noted that Dan McElley; Treasurer was absent and excused from the meeting.

MINUTES OF THE DECEMBER 6, 2018 REGULAR MEETING

Director Diffendaffer moved to approve the December 6, 2018 Regular Meeting Minutes. Director Sparks seconded and the motion passed unanimously.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Diffendaffer moved to accept the Financial Report and Approve Accounts Payable Regular Checks of $172,227.09, plus Supplemental Checks of $148,585.44, plus Benefits Checks of $25,671.36, plus HRA Disbursements of $19,114.17 for a total of $365,598.06. Director Sparks seconded and the motion passed unanimously.

MANAGER'S REPORT

Manager Tooker reviewed the November 2018 Manager’s Report. He noted the District had sold 131 Water Taps through November. This is a notable increase of 72.4% compared to 2017. The Board questioned the discrepancy of Water Treatment Plant Outflow verses Water Sales. Manager Tooker explained that the Manager’s Report does appear to indicate more water was sold compared to what was produced by the Water Treatment Plant. Manager Tooker explained this is a result of errors discovered in the meter accuracy which was addressed in December and should show better results in December’s Manager Report.

INFORMATIONAL REPORT

None presented.

EXPRESS AGENDA

Director Diffendaffer moved to approve the Express Agenda items as presented. Director Slauson seconded the motion which passed unanimously. The Express Agenda (File 1/3/19) items are as follows:
Project 2018-03 – 3.0 MG Storage Tank Painting – The District’s contractor, Worldwide Industries, is scheduled to mobilize equipment to the tank site on Wednesday, January 2, 2019. The work is scheduled to start Friday, January 4th, weather permitting. The contractor plans to work seven day weeks for the first 1/2 of the planned work scope. District staff worked with the Grand Valley Water Users Association to drain the water from the 3.0 MG Storage Tank into the US Government Highline Canal in preparation for the contractor’s project start-up.

Halliburton 8” Water Main Extension Project – Skyline Contracting has completed installation of a new 8” water main upgrade along 32 Road. This 8” upgrade was a project done in a cost share arrangement with Halliburton Energy Services to provide for additional fire flows to new and existing fire hydrants related to a planned building expansion at the south end of their facilities. The work included upgrading approximately 740 feet of 4” water line.

UNFINISHED BUSINESS

James M. Robb Colorado State Parks Project – Lease Term Request – Manager Tooker stated the Colorado State Parks one-year lease for parking area between the State of Colorado acting through the Department of Natural Resources and the District lease renewal is approaching. He reported that he has received a request from their representative, Pete Firmin requesting a five-year lease agreement with the District. Board Chairman Peck moved to approve a three-lease. Director Diffendaffer seconded and the motion passed unanimously.

District Facilities Tour – Manager Tooker gave a virtual tour of the District’s infrastructure serving the Whitewater area south of the Colorado River along 32 Road/CO Hwy 141 up to the Whitewater pump station, and the South and North Whitewater Tanks. The tour provided a visual of a portion of Whitewater’s infrastructure to familiarize the Board. These virtual tours will continue through the year.

3288 F Road – Unauthorized Water Use Penalty/Status – Assistant Manager Reinertsen provided an update to the Board that the property owner had removed all of the plumbing fixtures within the metal pole barn building, and he confirmed the plumbing fixtures were removed. The property owner fulfilled the conditions placed on the property owner from the October 4, 2018 Board Meeting (File 10/4/18, Minutes) including paying the one-time Unauthorized Water Use Penalty of $50.00, and bringing the account current. This is informational to the Board and no further action is required.

NEW BUSINESS

FY 2018 Audit Services – Chadwick Steinkirchner, Davis & Co., P.C. – Manager Tooker presented the Letter of Engagement for FY 2018 Audit Services to be provided by Chadwick, Steinkirchner, Davis & Co. The cost of the FY 2018 Audit is not to exceed $9,100 (File 1-3-19, 2018 Audit). Director Sparks moved to accept the Letter of Engagement by Chadwick, Steinkirchner, Davis & Co., P.C. and further authorized the Board President and District Manager to sign the engagement letter. Director Diffendaffer seconded and the motion passed unanimously.
Designating Time, Location and Postings of Meetings – Resolution 2019-01 – Director Slauson moved to adopt Resolution 2019-01 (1/3/19 File, Resolutions), A Resolution Designating Time, Location and Posting of Meetings for 2019. Director Sparks seconded and the motion passed unanimously. Resolution Text is as follows:

RESOLUTION 2019-01
RESOLUTION DESIGNATING MEETING TIME, PLACE
AND 24-HOUR POSTING LOCATION

WHEREAS, the Clifton Water District designates that all Regular Board of Directors Meetings will be held the first Thursday of each month at 5:00 p.m. located at the Clifton Water District Office, 510 34 Road, Clifton Colorado; and

WHEREAS, the Clifton Water District designates that the posting places for all Board of Directors meetings are the Clifton Water District Office and the following three additional locations; Clifton Sanitation District Office, Clifton Fire Department, and the United Postal Service, Clifton Branch Facility; and

WHEREAS, the Clifton Water District designates that the 24-hour Agenda Notice will be posted at the Clifton Water District Office; and

BE IT FURTHER RESOLVED, that this Resolution be adopted this 3rd day of January 2019.

Resolution 2019-02 Adopting Availability of Service Charge for 2019 – Manager Tooker presented a Staff Report (1/3/19 File, 2019 Staff Reports, Availability of Service) summarizing the 2018 average customer billing amounts used to calculate the 2019 Availability of Service Charge. Director Diffendaffer moved to adopt Resolution 2019-02 Resolution For the Availability of Service Charge for 2019 (1/3/19 File, Resolutions) setting the In-District Availability of Service rate at $17.24 per month and the Out-of-District Availability of Service rate at $25.86 per month. Director Sparks seconded and the motion passed unanimously. Resolution Text is as follows:

RESOLUTION 2019-02
RESOLUTION FOR THE AVAILABILITY OF SERVICE CHARGE FOR 2019

WHEREAS, the District has reviewed the Availability of Service Charge Policy; and

WHEREAS, the Availability of Service Charges are considered to be an equitable revenue contribution toward the repayment of debt incurred by the Clifton Water District; and

WHEREAS, the Availability of Service Charge Policy is for those customers who benefit from the immediate availability of water service even though they are currently not receiving water; and

WHEREAS, all revenue generated by the Availability of Service Charge shall be used to repay the principal and interest on bonds and other outstanding indebtedness; and

WHEREAS, in the 2019 Fiscal Year the District has indebtedness for Water Revenue Bonds; and
WHEREAS, the said percentage of the Availability of Service Charge shall be determined by the Board; and

WHEREAS, in 2018 the average water usage charge for a Clifton Water District In-District customer was $34.48 /month per unit; and

WHEREAS, in 2018 the average water usage charge for a Clifton Water District Out-of-District customer was $60.94 /month per unit.

NOW THEREFORE BE IT RESOLVED, that the Clifton Water District Board of Directors establish the In-District Availability of Service Charge for the 2019 Fiscal Year at 50% of the In-District average water bill in 2018, which equals $17.24 per month per unit and the Out-of-District Availability of Service Charge for the 2019 Fiscal Year at 42% of the Out-of-District average water bill in 2018, which equals $25.86 /month per unit.

BE IT FURTHER RESOLVED, that this Resolution be adopted this 3rd day of January 2019 and is effective January 4, 2019.

Emergency Rate Annual Review – The Board reviewed the Staff Report (1/3/19 File, 2019 Staff Reports, Water Rates) regarding the 2009 Resolution establishing an Emergency Rate, using the current 2018 rates as the basis for the calculation of the 2018 Emergency Rates. Director Diffendaffer moved to reaffirm the 2009 Resolution Establishing an Emergency Rate and adopt the 2019 Exhibit A to Policy #420 (1/3/19 File, 2019 Staff Reports, Policy #420 Water Usage Fees). Director Slauson seconded and the motion passed unanimously.

Director Diffendaffer then moved to place the Emergency Rate on hold until further Board action is taken. Director Slauson seconded and the motion passed unanimously.

Policy Review and Update – Manager Tooker reported that the Employee Manual was last updated in May of 2015 and is in need of review by the Personnel Committee to address updating policies. By consensus of the Board, this agenda item was passed to the Personnel Committee for further consideration and recommendations.

District Logo – Manager Tooker presented the current blue logo and the color logo that was introduced in 2012; the District uses the color logo on its Website and Facebook page. The District continues to use the Blue Logo on its formal letterhead, other documentation, and on District vehicles. Manager Tooker requested approval to begin to transition to the color logo. The Board gave consensus to adopt the color logo on all District documentation and vehicles.

2019 Construction Project Authorizations – Manager Tooker requested approval to advertise and seek Request for Proposal (RFP) for the following 2019 Budgeted Projects:
1. Project 2019-01 Expansion/Renovation Administration Building
Director Diffendaffer moved to direct Staff to advertise Request for Proposals on Projects 2019-01 and 2019-02. Director Sparks seconded and the motion passed.
EXECUTIVE SESSION

At 6:42 p.m., Director Peck moved to go into Executive Session, as per C.R.S. 24-06-402 (4)(f) for the purposes of discussing personnel matters. Director Diffendaffer seconded and the motion passed unanimously.

ADJOURNMENT

The Regular Meeting was adjourned at 6:51 p.m. by Chairman Peck.

ATTEST:

Dale Peck

Stan Sparks

Melvin Diffendaffer

--Excused--

Dan McElley

Michael Slauson