

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, JANUARY 8, 2015**

**BOARD MEMBERS PRESENT:** Alan Hassler, Chairman; Dale Peck, Vice-Chairman;  
Doralyn Genova, Treasurer; Robert Burger, Secretary

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; Brian Sheley; Angie  
Beebe; Leslie Plett

**GUESTS:** Jamie Hamilton, Home Loan and Investment  
Melvin Diffendaffer  
Stan Sparks

**REGULAR MEETING**

Vice-Chairman Peck called the January 8, 2015 Regular Meeting to order at 5:06 p.m.

**NEW BUSINESS**

2015 Property Casualty and Liability Insurance Renewal and 2015 Workers Compensation Insurance Renewal – By Board consensus, the Insurance Renewal items were moved up on the agenda. Jamie Hamilton of Home Loan and Investment was present to summarize the District's insurance coverage (1/8/15 File, Insurance – 2015 Property, Casualty and Workers Comp). Mr. Hamilton explained that the District's insurance rates have increased 8.32%. He stated that this increase is a result of increased operational costs. He commented on the District's foresight to include cyber and identity theft in the insurance lines. He did note that once the MF/UF construction project is complete the District will see an additional insurance expense due to the increase of property owned by the District. He estimated that this mid-year expense will be approximately \$5,000 for 6 months. With respect to the Worker's Compensation policy, Mr. Hamilton reported that the District's Experience Modification is .71 which is superior. He stated the reasons for this include the District's commitment to safety and the plan deductible.

2015 Workers Compensation Insurance Renewal – Director Genova moved to approve the 2015 Workers Compensation Insurance with Colorado Special Districts Property and Liability Pool with the \$1,000 deductible and authorize payment in the amount of \$13,871.72. Director Burger seconded and the motion passed unanimously.

2015 Property Casualty and Liability Insurance Renewal – Director Genova moved to approve the 2015 Property Casualty and Liability Insurance Renewal with Colorado Special Districts Property and Liability Pool and authorize payment in the amount of \$59,020.39. Director Burger seconded and the motion passed unanimously.

- Mr. Hamilton exited the meeting at 5:29 p.m.

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Board Position Vacancy – Manager Tooker introduced Melvin Diffendaffer and Stan Sparks to the Board as individuals interested in filling the Board membership vacancy. The candidates provided their verbal resumes and then the Board members provided a brief overview of the duties and responsibilities of being a Clifton Water District Board member. The candidates accepted the Board’s invitation to stay for the remainder of the meeting. By Board consensus, the appointment decision was deferred to the February 5, 2015 meeting.

### **MINUTES OF THE DECEMBER 4, 2014 REGULAR MEETING**

Director Burger moved to approve the December 4, 2014 Regular Meeting Minutes as submitted. Director Genova seconded and the motion passed unanimously.

### **FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Director Genova moved to Accept the Financial Report and Approve Accounts Payable Regular Checks of **\$1,393,959.73** plus Benefits Checks of **\$21,226.17** plus Supplemental Checks of **\$26,639.06**, plus Special Checks of **\$72,892.11** for a total of **\$1,514,717.07**. Director Burger seconded the motion. Director Burger requested having expense and bond reimbursement related to the MF/UF project reported differently so that when reviewing financial statements the comparative year to date data would be clearer. Accounting Technician Beebe will provide additional notes in the Financial Notes to assist in this request. The motion passed unanimously.

Chairman Hassler joined the meeting at 6:08 p.m.

### **MANAGER’S REPORTS**

Manager Tooker presented the Manager’s Reports for November, 2014 (*1/8/15 File*). He highlighted the improvement of Plant Outflow as a percentage of Sales showing an increase of 2.3% over the prior year.

### **UNFINISHED BUSINESS**

Project 2008-02 MF/UF – Manager Tooker provided a status update on the project noting that the Contractor’s performance continues to be within one or two weeks of the overall project schedule. This status update was informational only with no Board action required at this time.

Colorado Mesa University Out-of-District Service Request Status – Assistant Manager Reinertsen presented a Staff Report (*1/8/15 File, 2015 Staff Reports, Out of District Service Requests*) regarding CMU’s request for Out-of-District Service. Director Genova noted that one of her family members is employed as a driving instructor at training center and further stated that she can render impartial decisions in this matter. Director Hassler moved to accept the Colorado Mesa University Out-of-District service request with the following conditions:

1. All installation and construction shall be in accordance with District Policy 310 – New Construction with all development costs the responsibility of Colorado Mesa University,

2. Water volume availability shall be limited to a maximum of 16,000 gallons per month for the classroom/office facility and 30,000 gallons per day for fire training exercises with a booster pump station capacity of 40 to 60 gallons per minute,
3. Water rates will be billed at the published base and tier rates for Out-of-District customers for the classroom/office facility and at the bulk water rate for Out-of-District users for fire training exercises,
4. Final approval of granting Out-of-District water service will be contingent upon written concurrence by Mesa County to provide water service above the 4,800 foot contour level as per the tenants of the IGA, and,
5. No additional development requiring added water service or capacity, either inside or beyond the current boundaries of the Training Center, is approved other than that identified in Mr. Marsh's service letter request, dated December 19, 2014.

Director Genova seconded the motion and it passed unanimously.

### **NEW BUSINESS**

FY 2014 Audit Services – Chadwick, Steinkirchner, Davis & Co., P.C. – A letter of understanding of services (1/8/15 File, 2014 Audit) was presented from Chadwick, Steinkirchner, Davis & Co. P.C. for the provision of 2014 Audit services. Director Genova recused herself from this agenda item due to a family member being affiliated with the auditing firm. Director Burger moved to appoint Chadwick, Steinkirchner Davis & Co., P.C. to complete the District's FY2014 Audit at a maximum cost of \$9,100 and authorize the Chairman to sign the letter. Director Hassler seconded and the motion passed unanimously with Director Genova abstaining.

Resolution 2015-01 Designating Time, Location and Posting of Meetings – Director Genova moved to adopt Resolution 2015-01(1/8/15 File, Resolutions), A Resolution Designating Time, Location and Posting of Meetings for 2015. Director Burger seconded and the motion passed unanimously. Resolution Text is as follows:

**RESOLUTION 2015-01  
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 Mesa County Clerk and Recorders Office Clifton Branch; 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 8th day of January 2015.*

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Resolution 2015-02 Adopting Availability of Service Charge for 2015 – Manager Tooker presented a Staff Report (1/8/15 File, 2015 Staff Reports) summarizing 2014 average customer billing amounts that are used to calculate the 2015 Availability of Service Charge. Director Burger moved to adopt Resolution 2015-02 (Resolutions), A Resolution For the Availability of Service Charge for 2015 and set the In-District Availability of Service rate at \$15.46 per month and the Out-of-District Availability of Service rate at \$23.19 per month. Director Hassler seconded and the motion passed unanimously. Resolution Text is as follows:

**RESOLUTION 2015-02**  
**RESOLUTION FOR THE AVAILABILITY OF SERVICE CHARGE FOR 2015**

*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 toward 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 2015 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 2014 the average water usage charge for a Clifton Water District In-District customer was \$30.93/month per unit; and*

*WHEREAS, in 2014 the average water usage charge for a Clifton Water District Out-of-District customer was \$49.46/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 2015 Fiscal Year at 50% of the In-District average water bill in 2014, which equals \$15.46 per month per unit and the Out-of-District Availability of Service Charge for the 2015 Fiscal Year at 47% of the Out-of-District average water bill in 2014, which equals \$23.19/month per unit.*

*BE IT FURTHER RESOLVED, that this Resolution be adopted this 8th day of January 2015 and is effective January 8, 2015.*

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Emergency Rate Annual Review – The Board reviewed the Staff Report (1/8/15 File, 2015 Staff Reports) regarding the 2009 Resolution establishing an Emergency Rate, and the 2015 calculation of rates. Director Hassler moved to adopt Exhibit A (Water Rates) to the 2009 Resolution Establishing an Emergency Rate, for the 2015 Emergency Rates. Director Genova seconded and the motion passed unanimously.

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

Personnel Policy Revisions – Manager Tooker reported on proposed revisions to District Policies regarding Compensatory Time (Comp Time) and Sick Leave. By consensus of the Board, this agenda item was passed to the Personnel Committee for further consideration and recommendations.

Former Board Member Recognition – By consensus the Board requested a Resolution be generated to honor the service of former Director Robert Norman for his participation, input, service and contributions to the District during his term of service.

Yellow Billed Cuckoo Critical Habitat – Manager Tooker reported to the Board that the Colorado River from Palisade to the confluence of the Gunnison River has been designated as a Critical Habitat for the Yellow Billed Cuckoo. The District's facilities and property located at 510 34 Road, is included in the designated habitat and as a result could have a significant impact on future use. Information only, no Board action required at this time.

## EXECUTIVE SESSION

Guests Stan Sparks and Melvin Diffendaffer, along with staff members Beebe, Reinertsen and Plett exited the meeting at 6:55 p.m.

At 6:58 pm, Director Peck moved to go into Executive Session, as per C.R.S. 24-6-402 (4)(f) for the purposes of conducting the Manager's Evaluation. Director Genova seconded and the motion passed unanimously. Directors Hassler, Genova, Peck and Burger were present, along with Manager Dale Tooker. The Executive Session was convened at 6:58 p.m. Manager Tooker exited the Executive Session at 6:58 p.m. Manager Tooker returned to the Executive Session at 7:24 p.m.

The Board adjourned the Executive Session at 7:55 p.m. Directors Hassler, Genova, Peck and Burger and Manager Tooker were present.

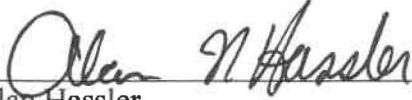
Manager's Evaluation – The Managers evaluation was completed and it was Board consensus to increase Manager Tooker's annual salary by 3%.

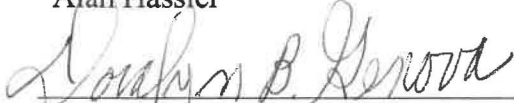
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**ADJOURNMENT**

Director Peck moved to adjourn the meeting at 8:01 p.m. Director Genova seconded and the motion passed unanimously.

**ATTEST:**

  
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Alan Hassler

  
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Doralyn Genova

  
\_\_\_\_\_  
Dale Peck

  
\_\_\_\_\_  
Robert K. Burger

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, FEBRUARY 5, 2015**

**BOARD MEMBERS PRESENT:** Alan Hassler, Chairman; Dale Peck, Vice-Chairman;  
Doralyn Genova, Treasurer; Robert Burger, Secretary

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; Brian Sheley; Angie  
Beebe; Leslie Plett

**GUESTS:** Chris Johnson, United Capital Financial Advisers (formerly  
Capital Investment Counsel), Melvin Diffendaffer and Stan  
Sparks.

**REGULAR MEETING**

Chairman Hassler called the February 5, 2015 Regular Meeting to order at 5:01 p.m.

**MINUTES OF THE JANUARY 8, 2015 REGULAR MEETING**

Director Genova moved to approve the January 8, 2015 Regular Meeting Minutes as submitted.  
Director Burger seconded and the motion passed unanimously.

Director Peck moved to move the Semi-Annual Economic and Investment Update from Chris  
Johnson and the Unfinished Business item Recognizing Robert Norman up on the agenda.  
Director Genova seconded and the motion passed unanimously.

**SEMI-ANNUAL ECONOMIC AND INVESTMENT UPDATE FROM UCFA**

Chris Johnson of United Capital Financial Advisers (UCFA) provided a semi-annual report of  
the District's current Investments and reported the name change from Capital Investment  
Counsel to United Capital Financial Advisers (*File 2/5/2015*).

Mr. Johnson exited the meeting at 5:18 p.m.

**RECOGNITION OF ROBERT NORMAN**

Director Peck moved to Recognize the service of former Board Member Robert Norman through  
Resolution 2015-03 Resolution in Honor of Robert Norman (*File 2/5/2015, Resolutions*). Chairman  
Hassler read the Resolution aloud. Director Genova seconded the motion which passed  
unanimously. Chairman Hassler signed the Resolution and then provided a copy of the  
Resolution along with a gift to Mr. Norman, thanking him for the years of service to the Board of  
Directors.

Text of Resolution:

Resolution 2015-03  
Resolution in Honor of Robert Norman

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***WHEREAS, Robert Norman served as a member of the Clifton Water District Board of Directors from October 7, 2010 to November 6, 2014; and***

***WHEREAS, Robert Norman provided respected engineering insight and guidance that was valuable during the planning, design, bidding and construction of the District's Microfiltration/Ultrafiltration Water Treatment Project; and***

***WHEREAS, Robert Norman's leadership was instrumental in the preparation of the annual budget, evaluation of Cost-of-Service Analysis and promoting Scenario Testing in establishing effective water rates; and***

***WHEREAS, Robert Norman's ideas and principles were incorporated into the decisions and policies of the Water District; and***

***NOW THEREFORE BE IT RESOLVED that the Clifton Water District and Board of Directors express their gratitude for Robert Norman's commitment;***

***BE IT FURTHER RESOLVED that this Resolution is presented to Robert Norman in appreciation of his dedication and service to the Clifton Water District.***

At 5:23 p.m. the Board recessed in order to tour the progress of the MF/UF Project. Guests Norman, Diffendaffer and Sparks along with staff members Tooker, Reinertsen, Sheley and Plett toured the facility as well.

The meeting was reconvened at 5:50 p.m. Mr. Norman exited the meeting at this time.

### **FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Director Genova moved to Accept the Financial Report and Approve Accounts Payable Regular Checks of **\$57,704.06**, plus Benefits Checks of **\$20,051.19**, plus Supplemental Checks of **\$808,387.21**, plus Special Checks of **\$9,828.00** for a total of **\$895,970.46**. Director Peck seconded and the motion passed unanimously.

### **MANAGER'S REPORTS**

Manager Tooker presented the Manager's Report for December 2014 (*File 2/5/2015*). He highlighted the year end data specifically that Water Sales for the year were down by 2.6% from the prior year. Additionally, water loss from % of Sales/Plant Outflow is at 13.5% which is down considerably from years prior. He also pointed out that the decrease in Dissolved Solids (ppm) requires less use of the Nanofiltration system because the quality of river water was better in 2014.

### **INFORMATIONAL REPORTS**

Lockbox 2014 Annual Report – Manager Tooker presented an Informational Report regarding 2014 Annual Report on Lockbox Activity (*File 2/5/2015, 2015 Informational Reports*). He reported that the move to Lockbox for payment processing has been positive, with more than 4,000 payments



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on average being processed each month with a remarkably low exception rate. More payments are processed through the Lockbox than any other payment type each month. Electronic payments now account for more than 70% of all payments processed. This is allowing time for the Customer Service Representatives to take a more proactive approach to customer needs.

Colorado Mesa University Out-of-District Project and Timeline – Assistant Manager Reinertsen presented an Informational Report outlining the project and timeline (*File 2/5/2015, 2015 Informational Reports*) associated with the building of Colorado Law Enforcement Training Center. Further updates will be provided as the project moves forward.

Commercial Water Use Evaluations – Assistant Manager Reinertsen presented an Informational Report (*File 2/5/2015, 2015 Informational Reports*) outlining the results of The Brendle Group's Water Conservation Audits of Central High School and Dos Hombres Restaurant. Staff believes this was a valuable opportunity for the District to consider for other commercial customers in the future.

Website Review – Staff member Plett presented an Informational Report and visual presentation (*File 2/5/2015, 2015 Informational Reports*) outlining updates to the website.

### **EXPRESS AGENDA**

Director Burger moved to approve the Express Agenda items. Director Genova seconded the motion which passed unanimously approving the Express Agenda items as follows:

Water Rates Implemented – 2015 Water Rates (*File 2/5/2015*) have been implemented based on the approval by the Board of Directors on December 5, 2014. Customers have been notified of the rate change with Billing Inserts and a Customer Message on billing statements. Customer Service Representatives report only a few customers have had any questions or concerns about the increase in rates.

Availability of Service Implemented – The 2015 Availability of Service Charge (*File 2/5/2015*) has been implemented beginning with billings after January 8, 2015. One Billing Group of approximately 3,000 Customers was billed prior to the January 8, 2015 implementation date. This Billing Group has 108 Availability of Service Customers which is the fewest of the four billing group and will be billed correctly with the February 2015 billing.

### **UNFINISHED BUSINESS**

Board Position Vacancy – The Board inquired about the interest of Mr. Diffendaffer and Mr. Sparks to join the Board of Directors. Both expressed interest. The Board began discussions at 6:47 p.m. when Mr. Diffendaffer and Mr. Sparks voluntarily left the meeting so that the Board could speak candidly. Staff members Beebe and Sheley exited the meeting at the same time.

Following a brief discussion, all parties returned to the meeting at 6:58 p.m. Director Peck made a motion to accept Mr. Diffendaffer's application as a Board Member. At this time Chairman Hassler called to question Mr. Diffendaffer's interest in accepting the appointment

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through the end of the term ending after the election in 2016. Mr. Diffendaffer affirmed his interest in the position. Director Burger seconded the motion which passed unanimously.

Mr. Diffendaffer took the Oath of Office (*File 2/5/2015*), which was administered by Chairman Hassler. The Oath of Office was signed and notarized for the Record.

Text of the Oath of Office:

*OATH OF OFFICE  
32-1-901, C.R.S.  
STATE OF COLORADO,  
MESA COUNTY*

*CLIFTON WATER DISTRICT*

*I, Melvin Diffendaffer, will faithfully support the Constitution of the United States and of the State of Colorado, and the laws made pursuant thereto, and will faithfully perform the duties of the office of Director of the Clifton Water District upon which I am about to enter.*

The Board expressed its appreciation to Mr. Sparks for his interest in applying to serve the District as an appointed Board member.

Personnel Policy Revisions – Committee Meeting – A verbal report of the Personnel Committee was provided by Chairman Hassler and Director Burger. The committee has initially met and is awaiting the consultation of Attorney Santo regarding proposed changes to Policy #8 Compensation (specifically Compensatory Time) and to Policy #12 Sick Leave/Disability Leave (specifically Sick Leave). The committee has proposed a reduction Compensatory Time accrual maximum to 7 hours and requiring that employees use or be paid all accrued hours by December 31<sup>st</sup> annually to ensure that the District does not have the liability of Comp Time at year end. Additionally the committee is recommending a reduction in Sick Leave to 6 days per year, accrued monthly with stronger language to ease in the administration of Sick Leave. The Personnel Committee will meet again before the next Board Meeting after receiving feedback from Attorney Santo. This status update was informational only with no Board action required at this time.

**NEW BUSINESS**

Wal-Mart Neighborhood Market Service Request – Assistant Manager Reinertsen reported that Wal-Mart has withdrawn its initial request for Board consideration of formal inclusion of its project property into the District's service boundaries. Until the property sale and transfer is finalized (expected to be sometime in April 2015) Wal-Mart will not proceed any further with the Inclusion request (*File 2/5/2015*). This status update was informational only with no Board action required at this time.

Project 2014-01 Phase 2, F 5/8 Road Main Line Upgrade/Replacement – Staff requested Board authorization to proceed with a Construction Bid Package for this budgeted FY2015 non-

operational construction expense (File 2/5/2015). Director Peck moved to authorize staff to begin the construction procurement process for Project 2014-01 Phase 2, F 5/8 Road Main Line Upgrade/Replacement. Director Genova seconded the motion which passed unanimously.

Derek Beagley Out-of-District Service Request – 33099 Willow Bend Road Whitewater – Mr. Beagley is requesting Out-of-District service for his 40-acre property located at 33099 Willow Bend Road, Whitewater (File 2/5/2015). Director Genova moved to accept Mr. Beagley's Out-of-District Service Request for water service for the parcel known as Tax Parcel #2967-111-00-155 described as SE4 NE4 SEC 11 2S 1E, 40.61 AC with the condition to provide a 20-foot wide exclusive Clifton Water District waterline easement from Willow Bend Road along the eastern property line to the north for use in the eventual tie-in of the existing 8" waterline in Willow Bend Road and Mesa County's planned future road alignment between Highway 50 and Dyer Road to the East. Director Peck seconded the motion which passed unanimously.

Potential Customer Claim – Assistant Manager Reinertsen presented a Staff Report (File 2/5/2015) regarding a potential claim which has been forwarded to the District's Property and Liability Insurance agent. This status update was informational only with no Board action required at this time.

### EXECUTIVE SESSION

By Board consensus, finalization of the Written Manager's Review was postponed until the March 5, 2015 meeting.

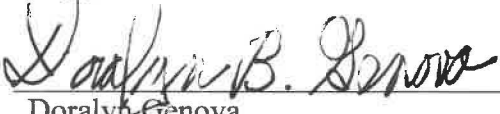
### ADJOURNMENT

Director Burger moved to adjourn the meeting at 7:54 p.m. Director Genova seconded and the motion passed unanimously.

### ATTEST:

  
Alan Hassler

  
Dale Peck

  
Doralyh Genova

*excused*  
Robert K. Burger

  
Melvin Diffendaffer

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, MARCH 5, 2015**

**BOARD MEMBERS PRESENT:** Alan Hassler, Chairman; Dale Peck, Vice-Chairman;  
Doralyn Genova, Treasurer; Melvin Diffendaffer, Director

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; Brian Sheley; Angie  
Beebe; Leslie Plett

**REGULAR MEETING**

Chairman Hassler called the March 5, 2015 Regular Meeting to order at 5:07 p.m.

Director Burger was excused from this meeting.

**MINUTES OF THE FEBRUARY 5, 2015 REGULAR MEETING**

Director Genova moved to approve the February 5, 2015 Regular Meeting Minutes as submitted.  
Director Peck seconded and the motion passed unanimously.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Director Genova to Accept the Financial Report and Approve Accounts Payable Regular Checks  
of **\$93,246.14**, plus Benefits Checks of **\$21,987.76**, plus Supplemental Checks of  
**\$1,546,466.75** for a total of **\$1,661,700.65**. Director Peck seconded and the motion passed  
unanimously.

**MANAGER'S REPORTS**

Manager Tooker presented the Manager's Reports for January 2015 (*File 3/15/15*). He highlighted  
to the Board that the Manager's Report only has one month of data which needs to be taken into  
consideration when looking at the comparison of Year to Year data.

**INFORMATIONAL REPORTS**

Project Status – 2008-02 MF/UF Value Engineering – Manager Tooker provided an  
Informational Report regarding project 2008-02 (*File 3/15/15, 2015 Informational Reports*). Manager  
Tooker highlighted the approved Change Orders and Value Engineering Savings. Director  
Hassler requested in the future, approval dates of change orders should be included. The status  
update was informational only with no Board action required at this time.

**EXPRESS AGENDA**

Director Genova moved to approve the Express Agenda (*File 3/15/15*) items. Chairman Hassler  
added that he had been contacted by Justin Davis from Chadwick, Steinkirchner, Davis & Co.,  
P.C. regarding Express Agenda Item #5 (FY 2014 - District Audit). He reported that he had  
responded, on behalf of the Board, to the Auditors standard questions regarding Board

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involvement, potential risks, fraud, non-compliance or abuses. He provided his written response to be included with the Audit files. Director Peck seconded the motion which passed unanimously approving the Express Agenda items as follows:

1. Annual Children's Water Festival – The 22<sup>nd</sup> annual Children's Water Festival is scheduled to take place on May 18<sup>th</sup> and 19<sup>th</sup> at Colorado Mesa University. District Staff will once again present three classroom sessions and help out in various areas of this annual event that provides area 5<sup>th</sup> grade students informative exposure to water related themes and concepts.
2. Website Revisions – As noted in the Informational Report delivered at the February 5, 2015 Board Meeting, the website now has a working "How to Read My Bill" section for visitors to the District's website, [www.cliftonwaterdistrict.org](http://www.cliftonwaterdistrict.org).
3. Colorado Mesa University Law Enforcement Training Center Project – Staff continues to work with Mr. Bret Guillory, City of Grand Junction Utility Engineer, on the development of the preliminary design. The preliminary design is expected to be delivered for District review and comment the week of March 9<sup>th</sup>. One item currently being negotiated is the exclusive water line easement required from Mesa County so final design alignment of the transmission line and location of the booster pump station can be determined.
4. Project 2014-01 Phase 2, F 5/8 Road Main Line Upgrade/Replacement – The project design engineer, Austin Civil Group is updating the original design to reflect the Phase 2 portion of this construction project. Contractor Bid Packages will be available for interested firms on Friday, March 27, 2015. The Bid Opening will be Thursday, April 30, 2015 with Bid Award recommendations presented at the Regular Board Meeting scheduled for Thursday, May 7, 2015.
5. FY 2014 District Financial Audit – Representatives from Chadwick, Steinkirchner, Davis and Co., P.C. will be onsite the week of March 2<sup>nd</sup> to perform field work for the District's annual audit.

### **UNFINISHED BUSINESS**

Personnel Policy Revisions – Director Genova moved to continue this agenda item to the April 2, 2015 meeting, allowing the committee to meet before making any decisions. Director Peck seconded this motion and it passed unanimously.

Potential Customer Claim – Assistant Manager Reinertsen verbally reported to the Board of Director that the claim initially brought up at the February 15, 2015 Board Meeting, has been passed along to the insurance carrier for evaluation and processing. This status update was informational only with no Board action required at this time.

### **NEW BUSINESS**

Board Member Committee Assignments – Director Genova moved to continue this Agenda Item to the April 2, 2015 meeting when all Board Members are expected to be present. Director Peck seconded this motion and it passed unanimously.

Cloud Seeding – Manager Tooker presented a Staff Report (*File 3/5/15, 2015 Staff Reports*) concerning the Cloud Seeding operations through the Water Enhancement Authority. Director Genova moved to fund an Intergovernmental Transfer to fund the Water Enhancement Authority

with \$1,500 of budgeted funds from Community Outreach. Director Peck seconded this motion and it passed unanimously.

Generators for Emergency Power at Water Treatment Plant – Manager Tooker identified the 2015 Budget included the purchase of an emergency generator at the Water Treatment Plant. He requested authorization to proceed to seek bids for the equipment. Director Peck moved for Staff to procure bids for the backup power generators. Director Hassler inquired if any additional input was needed to ensure that the generators purchased would adequately support the needs of the Water Treatment Plant. Manager Tooker reported that Carollo Engineering Design Build Group and EC Electric have both provided input into the required design parameters. Director Genova seconded this motion and it passed unanimously.

### EXECUTIVE SESSION

At 6:10 p.m. Staff members Beebe, Sheley and Reinertsen exited the meeting.

At 6:11 p.m., Director Genova moved to go into Executive Session, as per C.R.S. 24-6-402 (4)(f) for the purposes of conducting the Manager's Review. Director Peck seconded and the motion passed unanimously. Directors Hassler, Peck, Diffendaffer and Genova were present along with Manager Tooker and Staff member Plett. The Executive Session was convened at 6:11 p.m. Manager Tooker and Staff member Plett exited the Executive Session at 6:12 p.m.

Manager Tooker and Staff member Plett returned to the Executive Session at 6:17 p.m.

The Board adjourned the Executive Session at 6:17 p.m.

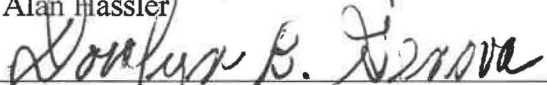
Chairman Hassler reported that the Board had developed a goal setting statement for the District and Manager Tooker. Manager Tooker was provided with a hard copy of his goals for the upcoming year. Director Genova moved that the 2015 Manager's Goals be maintained as a Board Record and added to the personnel file of the Manager. Director Diffendaffer seconded this motion and it passed unanimously.

### ADJOURNMENT

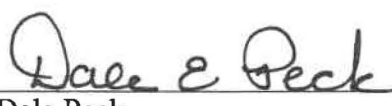
Director Genova moved to adjourn the meeting at 6:24 p.m. Director Peck seconded and the motion passed unanimously.

ATTEST:

  
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Alan Hassler

  
\_\_\_\_\_  
Doralyn Genova

  
\_\_\_\_\_  
Melvin Diffendaffer

  
\_\_\_\_\_  
Dale Peck

*Excused*  
\_\_\_\_\_  
Robert K. Burger

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, APRIL 2, 2015**

**BOARD MEMBERS PRESENT:** Dale Peck, Vice-Chairman; Robert Burger, Secretary;  
Melvin Diffendaffer, Director

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; Brian Sheley; Angie Beebe

**REGULAR MEETING**

Vice-Chairman Peck called the April 2, 2015 Regular Meeting to order at 5:10 p.m.

Directors Hassler and Genova were excused from this meeting.

**MINUTES OF THE MARCH 5, 2015 REGULAR MEETING**

Because Directors Hassler and Genova were excused from this meeting, a quorum of members who were present at the March 5, 2015 was not present and therefore unable to approve the minutes. Director Peck moved to table the March 5, 2015 Regular Meeting Minutes until the next Board Meeting scheduled for May 7, 2015. Director Burger seconded and the motion to table passed unanimously.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Director Burger moved to Accept the Financial Report and Approve Accounts Payable Regular Checks of \$69,835.13, plus Benefits Checks of \$21,339.64, plus Supplemental Checks of \$2,397,388.09 for a total of \$2,488,562.86. Director Diffendaffer seconded. The Board questioned what appeared to be a duplicate payable. The payable was for two transactions of the same amount, with the same vendor, but not a duplicate billing. Manager Tooker outlined the District's purchasing and payables process to the Board and answered questions to ensure that appropriate checks and balances are in place to avoid duplicate payments and/or unauthorized purchasing. After Board discussion, the motion passed unanimously.

**MANAGER'S REPORTS**

Manager Tooker presented the Manager's Reports for February 2015 (*File 04/02/15*). He highlighted to the Board that the water quality values indicated that annual runoff had already begun during the February reporting period. During the discussion it was identified by the Board that the total number of taps sold for the month of February 2015 was incorrectly recorded as 6 when the actual total taps sold for the month was 8.

**INFORMATIONAL REPORTS**

2014 Year End Health Reimbursement Arrangement (HRA) Status Report -- (*File 04/02/15, 2015 Informational Reports*) Manager Tooker presented the Utilization Report for the 2014 HRA Plan Year. Manager Tooker reported that the 2014 HRA budget item had a 42% underutilization representing a savings of \$114,147 savings. Manager Tooker identified that the HRA has been

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effective in reducing the District's Health Insurance Premium expense and has provided an extremely positive employee benefit. Manager Tooker further identified that over the past four years, the District has observed a cost savings of over \$445,000 in benefit costs. Manager Tooker requested the addition of an additional New Business Agenda Item, 2015 Employee Wellness Award. It was consensus of the Board to add this item to the April 2, 2015 Agenda.

### **EXPRESS AGENDA**

Director Burger moved to approve the Express Agenda (*File 04/02/15*) items. Director Diffendaffer seconded the motion which passed unanimously approving the Express Agenda items as follows:

FY 2014 Audit – Chadwick, Steinkirchner, Davis & Co., P.C. completed the onsite field work for the Audit and Staff has received the preliminary draft. Staff will review the draft and the FY 2014 Audit will be presented at the May meeting.

Grand Junction Gravel Pit Reclamation – Staff has been working with Grand Junction Pipe personnel and District Counsel on the requirements for Grand Junction Pipe to close their active Gravel Mining Permit (M-1997-053) on District property. Grand Junction Pipe submitted the Request for Technical Revision to the Colorado Division of Reclamation, Mining and Safety on March 26, 2015 to begin the closeout process. District Counsel is identifying available options for District consideration regarding future use of the gravel pond area once the mining permit is closed.

Grand River Diversion Dam - 100 Year Celebration – Included in the Board Packet is an invitation to the 100 year anniversary celebration of the Grand River Diversion Dam (Grand Valley Water Users), Saturday, June 27 2015.

Report from Colorado Water Plan Public Meeting – The Board Packet includes the Colorado Water Plan New & Updates Newsletter Number 5/March 2015 which was provided at the March 17, 2015 the Colorado Water Plan Public Meeting. Full information about the project can be found at [www.coloradowaterplan.com](http://www.coloradowaterplan.com) and [www.coloradomesa.edu/WaterCenter](http://www.coloradomesa.edu/WaterCenter).

Project 2014-01 Phase 2, F 5/8 Road Main Line Upgrade/Replacement – The bid process is underway with the mandatory Pre-Bid Tour scheduled for Wednesday - April 15, Bid Opening on Thursday - April 30, and Bid Recommendations/Contract Award on Thursday - May 7.

### **UNFINISHED BUSINESS**

Personnel Policy Revisions – (*File 04/02/15*) The Board reviewed and discussed Personnel Policy #8 Compensatory Time. Director Diffendaffer moved to table this Agenda Item to the May 7, 2015 meeting, to allow full Board discussion of both policies and review prior to adopting any changes to the Personnel Policy. Director Burger seconded this motion and it passed unanimously.

Board Member Committee Assignments – (*File 04/02/15*) Director Burger moved to table this Agenda Item to the May 7, 2015 meeting when all Board Members are expected to be present. Director Diffendaffer seconded this motion and it passed unanimously.



**NEW BUSINESS**

Budget Transfer – Single Audit for MF/UF Project – (File 04/02/15) Manager Tooker identified that a Single Audit of the MF/UF Project loan was identified by the Colorado Water Resources and Power Development Authority as a condition of the Loan for the MF/UF Project. Director Burger moved to approve a Budget Transfer of \$2,500 from Contingency to Audit Service for the expense of a Single Audit of the Drinking Water Revolving Loan. The Board questioned the cost of the single audit and knowledge of the single audit during the budget process. Director Diffendaffer seconded the motion and it passed unanimously. Director Burger then moved to accept and authorize signature of the Engagement Letter for the Single Audit for the MF/UF Project with Chadwick, Steinkirchner Davis & Co., P.C. Director Diffendaffer the seconded the motion and it passed unanimously.

2015 Employee Wellness Award – (File 04/02/15, 2015 Staff Reports) Director Diffendaffer moved to table this item until the next Board Meeting, May 7, 2015, to allow for full Board consideration of this item. Director Burger seconded the motion and it passed unanimously.

**ADJOURNMENT**

Director Burger moved to adjourn the meeting at 6:13 p.m. The motion passed unanimously.

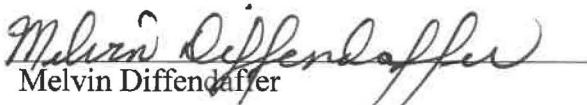
**ATTEST:**

*Excused*

Alan Hassler

*Excused*

Doralyn Genova

  
Melvin Diffendaffer



Dale Peck



Robert K. Burger

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, MAY 7, 2015**

**BOARD MEMBERS PRESENT:** Alan Hassler, Chairman; Dale Peck, Vice-Chairman;  
Doralyn Genova, Treasurer; Robert Burger, Secretary;  
Melvin Diffendaffer, Director

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; Brian Sheley; Angie  
Beebe; Leslie Plett

**REGULAR MEETING**

Chairman Hassler called the May 7, 2015 Regular Meeting to order at 5:03 p.m.

**MINUTES OF THE MARCH 5, 2015 AND APRIL 2, 2015 REGULAR MEETING**

Director Genova moved to approve the March 5, 2015 Regular Meeting Minutes as submitted. Director Peck seconded and the motion passed with Director Burger abstaining.

Director Diffendaffer moved to approve the April 2, 2015 Regular Meeting Minutes as submitted. Director Peck seconded and the motion passed with Director Genova and Chairman Hassler abstaining.

**TOUR MF/UF FACILITY**

By consensus of the Board, the Tour of the MF/UF Facility was postponed to a future Board Meeting.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Director Genova moved to Accept the Financial Report and Approve Accounts Payable Regular Checks of \$114,241.08, plus Benefits Checks of \$21,339.64, plus Supplemental Checks of \$1,957,573.62, for a total of \$2,093,154.34. Director Peck seconded and after a discussion requesting clarification of \$436,000 in restricted cash of long-term investments the motion passed unanimously.

**MANAGER'S REPORTS**

Manager Tooker presented the Manager's Reports for March 2015 (*File 05-08-15*). He highlighted the reduction of available water service tap inventory (Installed Not Purchased) that will lead to additional new subdivision development with the recent increased demand for new residential service accounts. With respect to overtime compensation, it was noted that an error in historical overtime data going back to 2012 was discovered and corrected on this report. Legal fees incurred during March 2015 included research regarding stipulations for reclamation of permitting of the Grand Junction Pipe Gravel Pit and exploratory research regarding how the District could benefit from the pit or use it in the future.

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## **INFORMATIONAL REPORTS**

Colorado Special Districts Property and Liability Pool Insurance Loss Ratios – Staff member Plett provided an Informational Report regarding the loss ratios experienced by the District during the period where coverage was provided by the Pool (*File 05-08-15, 2015 Informational Reports*). Loss ratios are low, with an overall loss ratio for Workers Compensation at 33.97%, with a significant decrease noted during the current rating period to 5% and an overall loss ratio on Business Insurance products at 8.07%.

Trespassing at Plant 1 Whitewater Hill – Staff member Plett provided an Informational Report regarding a trespassing incident at Plant 1 on Whitewater Hill. A police report was filed with Mesa County Sheriff's Department. The case is inactivated pending contact with suspect(s) (*File 05-08-15, 2015 Informational Reports*).

## **EXPRESS AGENDA**

Director Genova moved to approve the Express Agenda items. Director Peck seconded the motion which passed unanimously approving the Express Agenda items as follows:

Children's Water Festival Participation – The 2015 Festival is scheduled for May 18 – 19, 2015 from 9:30 am – 2:00 pm each day at Colorado Mesa University. There is typically a VIP luncheon which board members are invited to; as soon as invitations are received they will be distributed (*File 05-08-15*).

Mesa County D Road Reconstruction Project – 10" Main Line Upgrade – The second phase of this Mesa County Project is complete. This phase is a continuation of the work completed in November 2014. The District secured the services of MA Concrete Construction Company to replace the remaining 800 feet of existing 10" AC water line with new 10" PVC water line within this section of the Mesa County project (*File 05-08-15*).

## **UNFINISHED BUSINESS**

Personnel Policy Revisions – Manager Tooker presented a Staff Report and the Board reviewed recommendations made by the Personnel Committee for Personnel Policy #8 – Compensatory Time and Personnel Policy #12 – Sick Leave (*File 05-07-15, 2015 Staff Reports*). The Board discussed the advantages and disadvantages of the policy changes and ensured that the Personnel Committee had thoroughly reviewed alternatives.

Personnel Policy #8 - Director Genova moved to accept the revisions of Personnel Policy #8 – Compensatory Time as presented by the Personnel Committee. Director Peck seconded the motion, which passed unanimously.

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Personnel Policy #12 - Director Genova moved to accept the revisions of Personnel Policy #12 – Sick Leave as presented by the Personnel Committee. Director Diffendaffer seconded the motion, which passed unanimously.

Director Genova moved to have a review of Personnel Policy #12 – Sick Leave in twelve (12) months. Director Diffendaffer seconded the motion, which passed unanimously.

Board Member Committee Assignments – Due to the resignation of Director Norman and the appointment of Director Diffendaffer, vacancies existed on Board Committees. Chairman Hassler appointed committee assignments as follows: *(File 05-07-15)*.

Budget Committee:	Directors Peck and Diffendaffer
Construction Committee:	Directors Hassler and Peck
Personnel Committee:	Directors Burger and Hassler
Policy and Standards:	Directors Burger and Genova
Water Rights:	Directors Hassler and Diffendaffer

Employee Wellness Incentive – Manager Tooker reviewed the Employee Wellness Award Staff Report. Over the past four years, the District has realized an Insurance cost savings in excess of \$445,000 *(File 05-07-2015, 2015 Staff Reports)*. Director Peck moved to approve the Employee Wellness Incentive out of the 2015 Budget in recognition of employee wellness and a reduction of District benefit costs. The Board confirmed that the Wellness Incentive is not an HRA expense, is a taxable event, and is for current active employees. Director Genova seconded the motion which passed unanimously.

Project 2014-01, Phase 2, F 5/8 Road Main Line Upgrade/Replacement – Assistant Manager Reinertsen reviewed the Staff Report regarding bid opening and results for Project 2014-01, Phase 2 with the Board *(File 05-07-15, 2015 Staff Reports)*. Five (5) general contractors submitted bids. The Engineer’s estimate for the project was \$192,000. Bids presented ranged from \$172,676 to \$212,366. Director Genova moved to award the construction contract to Dirtworks Construction, LLC in the amount of \$172,676.00 and authorized Staff proceed with preparing construction agreement documents for final signatures as required. Director Peck seconded the motion which passed unanimously.

Inclusion Request 541 Warrior Way, Grand Junction – Assistant Manager Reinertsen presented a Staff Report regarding the Inclusion Request for Tax Parcel #2943-103-00-148, also known as 541 Warrior Way *(File 05-07-15)*. Director Diffendaffer moved to authorize Staff to proceed with public notice of a Public Hearing to consider the Inclusion Request for Tax Parcel #2943-103-00-148 as required under C.R.S. 32-1-501 at 5:00 pm on June 4, 2015. Director Peck seconded the motion which passed unanimously.

Notice of Intent to Sue – Staff Plett presented a Staff Report updating the Board on an customer injury that was first reported at the February 2015 Board Meeting *(File 05-07-15, 2015 Staff Reports)*. This status update was informational only with no Board action required at this time.

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## NEW BUSINESS

ANB Signature Cards – Due to a change in Board Members ANB Bank required new banking signature cards for removing Robert Norman and adding Director Diffendaffer. Signature cards were signed by all Board Members and Manager Tooker. These cards will be presented to ANB Bank for processing prior to the next Regular Board Meeting.

FY 2014 Draft Audit – The FY 2014 Draft Audit was presented to the Board (*File 05-07-15*). Manager Tooker inquired if the Board had any questions at this time, none were noted. Manager Tooker informed the Board that Mike Nelson, CPA for Chadwick, Steinkirchner, Davis & Co., P.C. would present a formal presentation of the audit at the June 4, 2015 Regular Board Meeting. Informational only, not Board action required at this time..

Project 2015 – 01, 32 Road and F ½ Road Main Line Upgrade Replacement – Assistant Manager Reinertsen presented a Staff Report requesting authorization to proceed for the non-operational, budgeted construction expense for Project 2015-01, 32 Road and F ½ Road Main Line Upgrade Replacement (*File 05-07-15, 2015 Staff Reports*). Director Genova moved to direct Staff to proceed with the Construction Bid Package for Project 2015-01. Director Peck seconded the motion which passed unanimously.

Fire Line Request 395 31 5/8 Road – Assistant Manager Reinertsen presented a Staff Report addressing a Fire Line Request for Tax Parcel #2943-221-14-951 (*File 05-07-15, 2015 Staff Reports*). Director Genova moved to authorize a 4” Fire Line Tap for Tax Parcel #2943-221-14-951 at the identified Fire Line Plant Investment Fee of \$2,300 plus the Meter of \$2,000, and, further, that all other Policies currently approved by the Board shall be applicable. The Fire Line shall not be allowed for any domestic use, and misuse of this Fire Line service shall be fined to the maximum extent allowable under Policy. Director Peck seconded and the motion passed unanimously.

Correspondence – Grand Valley Irrigation Company Colorado River Basin Salinity Control Program – The Board received correspondence from Grand Valley Irrigation Company stating that this correspondence is an official notice of GVIC’s relocation of Canal Improvement Grant 2010 520 Section 6 (33 ¼ Road to 34 Road, GVIC Upper Mainline Canal) (*File 05-07-15*). Informational only, no Board action required at this time.

Correspondence – Candlewood Manufactured Home Community - Grievance – Manager Tooker presented a Staff Report (*File 05-07-15, 2015 Staff Reports*) addressing a grievance submitted by the Managers of Candlewood Manufactured Home Community regarding water rates for a compound meter (*File 05-07-15*). The Board reviewed the grievance and directed Staff to inform the Candlewood representatives that the grievance was noted and the Board is taking no action at this time.

SDA Spring Conference – The SDA Regional Spring Conference will be held in Grand Junction on June 16, 2015. The Conference topic is Law & Order: Special Districts (*File 05-07-15*). Manager Tooker encouraged all Board Members to attend this session and requested that interested Board Members contact him so that Staff could coordinate registration. Information only, no Board action required.

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**ADJOURNMENT**

Director Burger moved to adjourn the meeting at 7:29 p.m. Director Genova seconded and the motion passed unanimously.

**ATTEST:**


*Excused*

Alan Hassler

  
Doralyn Genova

  
Melvin Diffendaffer

  
Dale Peck

  
Robert K. Burger

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, June 4, 2015**

**BOARD MEMBERS PRESENT:** Dale Peck, Vice-Chairman; Doralyn Genova, Treasurer;  
Robert Burger, Secretary; Melvin Diffendaffer, Director

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; Brian Sheley; Angie  
Beebe; Leslie Plett

**GUESTS:** Mike Nelson, CPA for Chadwick, Steinkirchner, Davis & Co., P.C.

Chairman Hassler was excused from the meeting.

**PUBLIC HEARING**

Vice Chairman Peck called to order the Public Hearing at 5:04 p.m. regarding the consideration of inclusion of one parcel of land within the Clifton Water District boundaries as required by C.R.S. 32-1-05. The purpose of the Public Hearing is to hear public comment regarding the inclusion request. The Public Hearing Notice was published in the Grand Junction Daily Sentinel on May 13, 20, and 27, 2015. No citizens were present. Manager Tooker reported that no citizens requested information regarding the inclusion. No other citizens provided comments, written or verbal.

The Public Hearing was closed at 5:05 p.m.

**REGULAR MEETING**

Vice Chairman Peck called the June 4, 2015 Regular Meeting to order at 5:05 p.m.

By consensus of the Board, Mike Nelson was moved forward on the agenda to present the findings of the FY 2014 Audit.

**2014 AUDIT**

Mike Nelson of Chadwick, Steinkirchner, Davis & Co., P.C. reviewed the FY 2014 Audited Financial Statements with the Board. Mr. Nelson reported that for FY 2014, the District was required to undergo two audits, the traditional annual audit of all District financial transactions and a Single Audit with specific regard to funding for Project 2008-02, the MF/UF Project. Mr. Nelson's findings were provided in the form of a 35 page document (File 06/04/15, 2014Audit).

The Single Audit is required due to Federal Funding by the United States Environmental Protection Agency. The Single Audit produced no deficiencies and disclosed no instances of non-compliance according to Government Auditing Standards.

Mr. Nelson highlighted several items from the traditional Audit. This included a significant change in current assets as a receivable for Project 2008-02. This is a single year anomaly that resulted from unused portions of the loan at year end. In 2015, this amount is expected to move from a current asset to a capital asset. The overall Net Position of the organization is good, with a

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24% increase in cash. Operating Income has increased significantly, predominately due to changes in water sales and system investment fees. This has resulted in a significant change in net position from 2013 to 2014. Net Cash has seen an overall increase to \$1,306,265 from a loss of \$98,315 in 2013. There was a large decrease in assets due to the demolition of existing equipment in 2014 with commencement of the 2008-02 MF/UF Construction Project. Cash Investments were reviewed and the District was found to have a very low risk portfolio with increased diversification.

Mr. Nelson reported the District's overall financial position as good.

The Board inquired about the need of any potential restructuring in the future for audit or bonding purposes. He was able to confirm that this was not expected. The Board stated their appreciation and commended Mr. Nelson and the District on a positive financial audit.

Mr. Nelson exited the meeting at 5:30 pm.

### **MINUTES OF THE MAY 7, 2015 REGULAR MEETING**

Director Genova moved to approve the May 7, 2015 Regular Meeting Minutes as submitted. Director Burger seconded and the motion passed unanimously.

### **FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Director Genova moved to Accept the Financial Report and Approve Accounts Payable Regular Checks of \$88,996.56 plus Benefits Checks of \$21,426.64 plus Supplemental Checks of \$1,143,027.01 for a total of \$1,253,450.21. Director Burger seconded and the motion passed unanimously.

### **MANAGER'S REPORTS**

Manager Tooker presented the Manager's Reports for April 2015 (*File06/04/15*). He highlighted increased tap sales, decreased availability of service taps, increased hardness, and an overall minimal decrease in TDS over the previous year. Director Burger requested that Manager Tooker informally discuss his presentation at the Kiwanis Breakfast. Manager Tooker explained that Kiwanis members were very interested in the Membrane Technology and that this item will show in the May 2015 Managers Report. At this time the Board also inquired about a formal press release announcing the operational status of the MF/UF Facility. Manager Tooker explained that we will be doing this soon, but want to wait until construction is further completed.

### **EXPRESS AGENDA**

Director Burger moved to approve the Express Agenda items. Director Genova seconded the motion which passed unanimously approving the Express Agenda items as follows:

1. Project 2014-01, Phase 2 – F 5/8 Road Main Line Upgrade/Replacement – Status Update – Dirtworks Construction, LLC was issued the Notice to Proceed on June 1, 2015. Customer



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construction project notifications were completed the week of May 18<sup>th</sup>. The Contractor is scheduled to start construction activities Wednesday, June 3<sup>rd</sup> with all work to be completed by July 30, 2015 as identified in the Contract requirements.

2. Children's Water Festival Participation – Nearly 2,500 area fifth grade students participated in the 22<sup>nd</sup> Annual Western Colorado Children's Water Festival held on May 18 and 19 at Colorado Mesa University. Staff members Deppe, Graff, Dederick, Dalley, Reinertsen, and Board member Peck attended as 'presenters' for five different instructional events and activities.
3. Fire Line Request – 395 31 5/8 Road – Representatives of the Emmanuel Baptist Church paid the fire line fees as identified by Board action at the May 7, 2015 Regular Meeting. Required City Utility Permits have been applied for and installation will be scheduled once permits are issued.

### **UNFINISHED BUSINESS**

Inclusion Request – Tax Parcel #2943-103-00-148 commonly known as 541 Warrior Way, Grand Junction, CO – The Board has been presented with a Petition for Inclusion into the District's boundaries by the property owners of Tax Parcel #2943-103-00-148 (*File 06/04/2015, Inclusion Requests, 2015 Staff Reports*). Director Genova moved to approve the Petition for Inclusion of Tax Parcel #2943-103-00-148. Director Diffendaffer seconded the motion passed unanimously.

Director Genova moved to adopt Resolution 2015-04 – Resolution to Include Private Property as submitted and authorize staff to process the necessary paperwork for the District's Legal Counsel to complete the inclusion process with the District Court. Director Burger seconded and the motion passed unanimously. The text of Resolution 2015-04 is as follows:

*Resolution 2015-04*  
**RESOLUTION TO INCLUDE PRIVATE PROPERTY**

*WHEREAS on June 4, 2015, Walmart Real Estate Business Trust, petitioned the Clifton Water District Board of Directors to include property within the boundaries of the Clifton Water District generally described as follows:*

*Recorded in Book 5716 Page 727 of the Mesa County Clerk and Recorder on April 28, 2015, more particularly described as follows:*

*PARCEL NO. 1 – Tax Schedule No.: 2943-103-00-148*

*A parcel of land situated in the N1/2 of the SW1/4 of Section 10, Township 1 South, Range 1 East of the Ute Meridian, City of Grand Junction, County of Mesa, State of Colorado, more particularly described as follows:  
Commencing at West 1/4 corner of said Section 10; thence N 89°59'33" East along the North line of the SW 1/4 of said Section 10 as distance of 890.62 feet; thence S 00°01'19" E a distance of 49 feet to the Southerly Right-of-Way line E 1/2 Road, said point being the point of beginning;*

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*thence along the Southerly Right-of-Way line and the Westerly Right-of-Way line of Warrior Way (31 1/2 Road) as described in Book 3566 at Page 554, Mesa County, Colorado records the following seven (7) courses:*

- 1. thence N 89°59'33" E a distance of 386.35 feet;*
- 2. thence S 44°53'18" E a distance of 54.59 feet;*
- 3. thence S 00°11'37" W a distance of 207.31 feet to a point of a curve;*
- 4. thence along a curve to the left whose chord bears S 08°24'56" E a distance of 146.70 feet, said curve having a central angle of 17°13'06", a radius of 490.000 feet, an arc length of 147.25 feet to a point of tangent;*
- 5. thence S 17°01'29" E along said tangent a distance of 49.95 feet;*
- 6. thence S 72°58'31" W a distance of 20.00 feet;*
- 7. thence S 17°01 '29" W a distance of 9.98 feet to the Northerly Right-of-Way line of Interstate 70 Business;*

*thence S 73°01'13" W along said Northerly R.O.W. line a distance of 464.07 feet;  
thence N 00°01'19" W a distance of 589.75 feet to the point of beginning.*

*County of Mesa, State of Colorado*

*WHEREAS said owner desires domestic water service from the Clifton Water District,  
and,*

*WHEREAS the Board of Directors of the Clifton Water District has determined that it is  
in the District's best interest to include the stated property within the District's  
boundaries; and*

*WHEREAS the District has previously included other Orchard Mesa properties into the  
District's the service boundaries.*

*NOW THEREFORE BE IT RESOLVED that the Clifton Water District Board of  
Directors approve the inclusion of the said property as described above, adopt the Order  
dated June 4, 2015 and authorize the Secretary and President of the Board to sign the  
Certificate of Inclusion and Order dated June 4, 2015.*

FY 2014 Audit – The Board received a copy of the final audit and a presentation by Mike Nelson, CPA regarding the District's FY 2014 audits earlier in the evening (*File 06/04/15, 214 Audit*). Director Genova moved to accept, approve and distribute to the proper authorities the District's FY 2015 Financial Audit as submitted. Director Diffendaffer seconded the motion which passed unanimously.

An informational only agenda item was added to provide an update on Project 2008-02.

Design Build Contract for Project – 2008-02 – Manager Tooker reported that the substantial completion date for the construction project was June 1, 2015. The project is close to substantial completion, but has not yet met all of the contracted specifications. When substantial completion

is not met, there is a clause in the contract for liquidated damages. Manager Tooker reported that the reason for this clause had primarily to do with the high probability that the District would have to buy water from another source if there was not substantial completion. Manager Tooker reported that construction of substantial completion is at approximately 75%, but that we are able to produce water and it doesn't appear that we will need to purchase water. Manager Tooker will be submitting a letter to Carollo Design Build Group outlining that substantial completion has not yet been met and that the District is not yet waiving its right to collect liquidated damages. Once substantial completion is finalized, Manager Tooker will bring this matter to the Board to determine if the District wishes to seek payment of or waive rights to liquidated damages. This status update was informational only with no Board action required at this time.

**NEW BUSINESS**

Additional Personnel Policy Revisions – Manager Tooker presented a Staff Report re: Staff Report regarding additional needed changes to Personnel Policies (*File 6/4/2015, 2015 Staff Reports*). By consensus of the Board, this will be passed along to the Personnel Committee for discussion, review and presentation at a future Board Meeting.

Next Regular Board Meeting Date July 2, 2015 – Due to the July 4<sup>th</sup> Holiday, a brief discussion occurred to ensure a Quorum would be present at the next Regular Board Meeting or if rescheduling was required. At this time it appears a Quorum will be available and the next Regular Board Meeting will continue as scheduled for 5:00 p.m. on Thursday, July 2, 2015. No Board action was required.

At 6:00 p.m. Staff Members Beebe and Plett left the meeting.

At 6:00 p.m. all Board Members and remaining staff members toured the MF/UF System which is producing water. Staff from H2O were on hand to demonstrate the capabilities of the system and answer any Board Member questions about how the system operates.

**ADJOURNMENT**

Director Peck moved to adjourn the meeting at 7:03 p.m. Director Genova seconded and the motion passed unanimously.

**ATTEST:**

*Excused*

Alan Hassler

*Doralyn B. Genova*  
Doralyn Genova

*Melvin Diffendaffer*  
Melvin Diffendaffer

*Dale E Peck*

Dale Peck

*Robert K. Burger*  
Robert K. Burger

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, JULY 2, 2015**

**BOARD MEMBERS PRESENT:** Alan Hassler, Chairman; Dale Peck, Vice-Chairman;  
Doralyn Genova, Treasurer; Robert Burger, Secretary;  
Melvin Diffendaffer, Director

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; Brian Sheley; Angie  
Beebe; Leslie Plett

**GUESTS:** Vincent Hart, Carollo Design Build Group

**REGULAR MEETING**

Chairman Hassler called the July 2, 2015 Regular Meeting to order at 5:04 p.m.

Mr. Vincent Hart of Carollo Design Build Group was introduced and presented the Board of Directors and Staff of Clifton Water District with a Recognition Award for the assistance provided by Staff in installing the new membranes. The text of the Award reads:

*“In Recognition of Assembling Three Membrane Racks in One Day and Demonstrated Dedication and Commitment to the Success of the Membrane Project. Clifton Water District Mary 18, 2015 Carollo Design Build Group h2o innovation”*

**MINUTES OF THE JUNE 4, 2015 REGULAR MEETING**

Director Genova moved to approve the June 4, 2015 Regular Meeting Minutes with the following corrections: a) Director Melvin Diffendaffer was present and b) a typographical error in the first page of page 4 should read “is not met,...”. Director Peck seconded, Chairman Hassler abstained and the motion passed.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Director Genova moved to Accept the Financial Report and Approve Accounts Payable Regular Checks of \$154,261.04, plus Benefits Checks of \$21,339.64 plus Supplemental Checks of \$1,058,197.57 for a total of \$1,233,798.25. The Board noted its appreciation of the notes presented regarding the replacement check and accompanying stop payment for a vendor. Staff explained the internal procedures used in circumstances similar to these. It was noted that misplaced checks happen very rarely and that procedures are in place to ensure the District’s assets are protected. Director Peck seconded and the motion passed unanimously.

**MANAGER’S REPORTS**

Manager Tooker presented the Manager’s Reports for May 2015 (*File 07/02/2015*). A revised Page 2 was distributed at the Board Meeting correcting a typographical error on Page 2. Manager Tooker highlighted the steady growth of tap sales and that cooler temperatures and rainy weather in May resulted in lower water sales. Additionally, that due to the weather, peak run off did not

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occur until June, about three weeks later than normal and, therefore, water quality in the river was not what has been typically seen for this time of year. Staff overtime utilization has increased, due in part to having to cover the water treatment plant operations, 24-hours a day while the new MF/UF filters are brought on line and tested. The Board inquired about the MF/UF Project's substantial completion deadline. This item was addressed later in the meeting by Manager Tooker with a presented Staff Report and project update.

### **INFORMATIONAL REPORTS**

**Preemptive Poly Replacements** – Staff presented an Informational Report (*File 07/02/2015, 2015 Informational Reports*) regarding Preemptive Poly Service Line Replacements. The Board inquired why these repairs were under Repair and Maintenance instead of Construction expense. Manager Tooker explained that these replacements are an upgrade of existing infrastructure and therefore considered a Repair and Maintenance expense item. The Board further inquired if a budget transfer was needed or anticipated for this work. Manager Tooker explained that a Budget Transfer for this effort it is not anticipated as the noted decrease in leak repairs in 2015 has resulted in less funding being expended than budgeted for leak repairs in the first six months of the year.

### **EXPRESS AGENDA**

Director Burger moved to approve the Express Agenda items. Director Genova seconded the motion which passed unanimously approving the Express Agenda (*File 07/02/2015*) items as follows:

1. **Inclusion Tax Parcel #2943-103-00-148** – Wal-Mart Real Estate Business Trust has begun construction and purchased taps for the parcel. The inclusion paperwork has been forwarded to Dufford, Waldeck, Milburn & Krohn, LLP for processing with the District Court.
2. **Project 2014-01, Phase 2 (F 5/8 Road)** – The Contractor has completed the installation of the new 6" water line and is beginning installation of the new customer water service lines and meter pits. The sub surface soils have been extremely wet and required importation of additional pit run for the trench backfill. The project is still on schedule with final completion due by July 30<sup>th</sup>.
3. **FY 2014 Consumer Confidence Report (Drinking Water Quality Report)** – Included is the FY 2014 Consumer Confidence Report. The report has been distributed by the Colorado Drinking Water Regulations by being published to the District's website and notification in consumer billing statements beginning June 12, 2015.
4. **CSD Water Share Rental Agreement** – Included in the Board Packet is an Informational Report regarding Water Share Rental to Clifton Sanitation District (CSD). Staff has received a request from CSD to rent 35 shares of water and determined that there are adequate shares available without jeopardizing District Operations. Staff will proceed with administering the CSD Rental Agreement. Revenue generated to offset the District's expense is \$392.70.
5. **Colorado Parks and Wildlife Visit** – Colorado Parks and Wildlife (CPW) has applied for a grant to develop a "by reservation only" waterfowl hunting area adjacent to the NE boundary of District property. As part of the grant, CPW will be removing non-native plants including Russian olive and tamarisk. The District will partner with CPW by allowing site access to the CPW property through District property so that CPW may begin site improvements.

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## UNFINISHED BUSINESS

Project 2015-01 Project Bid (F ½ Road) – Assistant Manager Reinertsen provided an update to the Board regarding the bidding status of project. The bid process is in the advertisement stage with a mandatory Pre-Bid Tour scheduled for Thursday, July 16<sup>th</sup>, with the public bid opening scheduled for 4:00 pm, local time, on July 30, 2015. This status update was informational only with no Board action required at this time.

Project 2008-02 Update (MF/UF Project) – Manager Tooker provided a Staff Report (*File 07/02/2015, 2015 Staff Reports*) and presented current project information to the Board. Substantial Completion of Phase 1 has not yet been reached, however, all major operational items are complete. The District is capable of producing good water with the new equipment. Staff reported that Carollo Design Build Group has been notified that the District is not yet waiving the right to collect liquidated damages. This status update was informational only with no Board action required at this time.

Bylaws Revision Telephonic Meetings, Policy #7, Section 6.e – A Staff Report regarding the Policy Committee's suggested amendment to the District's Bylaws to accommodate Telephonic Meetings was presented (*File 07/02/2015, Bylaws*). Director Burger moved that Policy #7 of the Bylaws be changed to include the addition of Section 6, sub-item e as follows:

*"Telephonic Meetings. Members of the Board of Directors or any Committee designated by the board may participate in any Regular or Special Meeting of the Board or Committee by means of a conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other at the same time. Such participation shall constitute a presence in person at the meeting. A quorum must be physically present for any meeting and that on occasion if a Board Member is unable to attend the meeting they could participate by Telephonic means."*

Director Genova seconded the motion, which passed unanimously.

## NEW BUSINESS

Project 2015-02 Project Bid – Painting of the 3 Million Gallon Finished Water Storage Tank. Staff requested authorization (*File 07/02/2015, 2015 Staff Reports*) to proceed with the bidding process for obtaining services to paint the interior of the 3 Million Gallon Finished Water Storage Tank. Painting will not occur until District-wide water demand is lower. Director Peck moved to authorize staff to proceed with the process of obtaining bids for Project 2015-02. This is a budgeted Repair and Maintenance expense. Director Burger seconded the motion which passed unanimously.

Effluent Manifold Emergency Action – A Staff Report was presented outlining the need for an emergency repair to the effluent manifold (*File 07/02/2015, 2015 Staff Reports*). Director Burger moved to recognize the Effluent Manifold's condition as an emergent developing problem that could result in catastrophic failure of the Plant and compromise the water supply including

public health, welfare and safety. This situation needs immediate attention and the Board authorizes Staff to act swiftly in obtaining materials and contract services necessary to perform the repairs of the Effluent Manifold per CRS 24-92-104. Director Genova seconded the motion, which passed unanimously.

Director Hassler Resignation – Due to a change in employment and a physical relocation to Grand County, Director Hassler resigned from the Board of Directors effective immediately. Director Hassler provided Manager Tooker a letter of resignation (*File 07/02/2015*). By consensus, the Board accepted Mr. Hassler’s resignation and thanked him for his years of continued service to the Clifton Water District. In response to Director Hassler’s resignation, the Board inquired about previous Board Candidate, Mr. Stan Sparks. The Board requested that Manager Tooker contact Mr. Sparks and inquire if he still has interest in serving on the District’s Board of Directors.

**ADJOURNMENT**

Director Peck moved to adjourn the meeting at 6:49 p.m. Director Burger seconded and the motion passed unanimously.

**ATTEST:**

*-- Resigned --*  
\_\_\_\_\_  
Alan Hassler

*Doralyn B. Genova*  
\_\_\_\_\_  
Doralyn Genova

*Melvin Diffendaffer*  
\_\_\_\_\_  
Melvin Diffendaffer

*Dale E. Peck*  
\_\_\_\_\_  
Dale Peck

*Robert K. Burger*  
\_\_\_\_\_  
Robert K. Burger

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, AUGUST 6, 2015**

**BOARD MEMBERS PRESENT:** Dale Peck, Vice-Chairman; Doralyn Genova, Treasurer;  
Robert Burger, Secretary; Melvin Diffendaffer, Director

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; Brian Sheley; Angie Beebe

**GUESTS:** Stan Sparks, Customer / Board Vacancy Candidate

**REGULAR MEETING**

Vice-Chairman Peck called the August 6, 2015 Regular Meeting to order at 5:02 p.m.

Vice-Chairman Peck recognized the attendance of the Guest, District customer Mr. Stan Sparks, who has expressed an interest in filling the vacancy on the District's Board of Directors.

**MINUTES OF THE JULY 2, 2015 REGULAR MEETING**

Director Genova moved to approve the July 2, 2015 Regular Meeting Minutes. Director Diffendaffer seconded, and the motion passed.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Director Genova moved to accept the Financial Report and approve Accounts Payable Regular Checks of \$203,275.09 plus Benefits Checks of \$21,339.64 plus Special Payroll Check of \$554.10 plus Supplemental Checks of \$637,773.60 plus Special Checks of \$55,238.00, for a total of \$918,180.43. Director Burger asked for clarification of District expenditures for the DRIP Drought Awareness Program. Director Burger seconded and the motion passed unanimously.

**MANAGER'S REPORT**

Manager Tooker presented the Manager's Report for June 2015 (*File 08/06/2015*). Manager Tooker highlighted the water quality and water production numbers. Director Diffendaffer asked for clarification of the reported sulfate monitoring results. Manager Tooker explained that as part of the treatment process, aluminum sulfate is added which results in a higher sulfate concentration in the effluent water compared to the influent. He also pointed out that overall water production is down approximately 6% compared to last year.

**INFORMATIONAL REPORTS**

Project 2008-02 Update (MF/UF) – Manager Tooker briefed the Board with an update of the current status of the project. Substantial completion still has not been approved due to ongoing SCADA system conflicts and incomplete status of the membrane cleaning system. The new plant components have reached 95% functionality. Water Treatment Plant staff continues to physically operate the Treatment Plant 24 hours a day, 7 days a week. Until the SCADA alarm conflicts and operational parameters are corrected 24 hour staffing will continue. Manager



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Tooker stated that Liquidated Damages may be sought to recover the overtime labor expense resulting from operation of the Treatment Plant on a 24 hour basis.

The Board asked for clarification of the Plant operation with regards to cyber security as it pertains to the offsite monitoring being performed by H2O Innovations. Manager Tooker identified that the system works on a secure connection for the offsite monitoring which, in turn, is monitored by the District's computer and communications support vendor, Sequent Information Systems.

Effluent Manifold Emergency Action Update – Manager Tooker stated that he has been working with Carollo Engineering and a pipe and valve manufacturer to secure the appropriate equipment. Valve components have the longest delivery time. Updates will be provided to the Board as they develop.

### **EXPRESS AGENDA**

Director Burger moved to approve the Express Agenda items. Director Genova seconded the motion which passed unanimously, approving the Express Agenda (*File 08/06/2015*) items as follows:

Inclusion Tax Parcel #2943-103-00-148 Update (Walmart) – The Walmart contractor began new water main line extension work on July 16, 2015 for Tax Parcel #2943-103-00-148. Dufford, Waldeck, Milburn & Krohn, LLP has been provided with all of the information to facilitate the filing in District Court which will culminate the Inclusion Process.

Bylaws Revision Telephonic Meetings, Policy #7 – Included in the Board Packet is a finalized revision of Policy #7 using the language directed at the July 2, 2015 Board Meeting.

Colorado Water Plan (Update) – Any Public Comments to be included in the latest revision of the State Water Plan are due by September 17, 2015. Included in the Board Packet is the Water Plan status update provided by the Colorado Water Conservation Board.

### **UNFINISHED BUSINESS**

Recognition of Service for Alan Hassler – By consensus, the Board directed Manager Tooker to obtain a gift card for presentation to Alan Hassler in appreciation of the many years of service he provided the District in his various roles as Director.

Project 2014-01, Phase 2 (F 5/8) – Final Completion – Assistant Manager Reinertsen identified that construction is 100% complete with five minor variances to be completed by August 15, 2015. Director Genova moved to authorize Staff to advertise for Final Payment at the September 3, 2015 Board Meeting once all construction has been completed. Director Burger seconded the motion which carried unanimously.

Project 2015-01 Project Bid (F½ Road) – Assistant Manager Reinertsen reviewed the Staff Report regarding bid opening and results for Project 2015-01 with the Board (*File 08/06/15, 2015 Staff Reports*). Three general contractors submitted bids. The Engineer's estimate for the project

was \$152,000. Bids presented ranged from \$150,674.75 to \$379,989.46. Director Genova moved to award the construction contract to CW Construction, LLC in the amount of \$150,674.75 and authorized Staff to proceed with preparing construction agreement documents for final signatures as required. Director Diffendaffer seconded the motion which passed unanimously.

### NEW BUSINESS

FY 2015 Audit Services – Director Burger moved to execute the Engagement Letter with Chadwick, Steinkirchner, Davis & Co., P.C. to perform the District's 2015 financial audit. Director Genova seconded the motion which passed unanimously.

Designate Person to Prepare 2016 Budget – By statute the Board must appoint an individual to prepare the 2016 Budget. Director Burger moved to designate Manager Tooker as the person to prepare the 2016 District Budget. Director Genova seconded the motion which passed unanimously.

Board Vacancy – Vice-Chairman Peck asked Mr. Sparks if he still had interest in filling the current vacancy on the District's Board of Directors. Mr. Sparks stated that he would like to serve in that position. Director Burger moved to appoint Mr. Stan Sparks to the vacant Board position until the next regularly scheduled District election to be held in May 2016. Director Genova seconded the motion which passed unanimously. The Oath of Office will be administered at the start of the September 3, 2015 Regular Board Meeting.

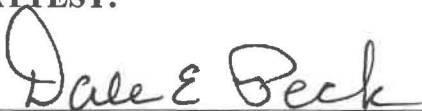
Reorganization of Board of Directors and Committees – It was the consensus of the Board to table this agenda item until the September 3, 2015 Regular Board Meeting.

Disposal of District Vehicles – The District has identified three vehicles as excess and as no longer needed for District operations. After discussion it was the consensus of the Board for the Manager to proceed with selling the vehicles on consignment through one of the local car dealerships.

### ADJOURNMENT

Director Diffendaffer moved to adjourn the meeting at 6:40 p.m. Director Burger seconded and the motion passed unanimously.

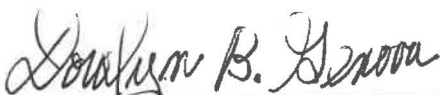
### **ATTEST:**



Dale Peck



Robert K. Burger



Doralyn Genova



Melvin Diffendaffer

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, SEPTEMBER 3, 2015**

**BOARD MEMBERS PRESENT:** Dale Peck, Vice-Chairman; Doralyn Genova, Treasurer;  
Melvin Diffendaffer, Director

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; Angie Beebe

**GUESTS:** Stan Sparks, Board Vacancy Candidate  
Pete Firmin, Park Manager James M. Robb-Colorado River State  
Park

**REGULAR MEETING**

Vice-Chairman Peck called the September 3, 2015 Regular Meeting to order at 5:10 p.m.

Vice-Chairman Peck noted that Director Burger was excused from this meeting.

**MINUTES OF THE AUGUST 6, 2015 REGULAR MEETING**

Director Genova moved to approve the August 6, 2015 Regular Meeting Minutes. Director Diffendaffer seconded, and the motion passed.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Director Genova moved to accept the Financial Report and approve Accounts Payable Regular Checks of \$205,240.26 plus Benefits Checks of \$21,207.44 plus Supplemental Checks of \$378,267.35, for a total of \$604,715.05. Director Diffendaffer seconded and the motion passed unanimously.

**OATH OF OFFICE FOR DISTRICT DIRECTOR**

Vice-Chairman Peck administered the Oath of Office (*File 9/3/2015*) to Stan Sparks. The Oath of Office was signed and notarized for the Record.

Text of the Oath of Office:

*OATH OF OFFICE  
32-1-901, C.R.S.  
STATE OF COLORADO,  
MESA COUNTY*

*CLIFTON WATER DISTRICT*

*I, Stan Sparks , will faithfully support the Constitution of the United States and of the State of Colorado, and the laws made pursuant thereto, and will faithfully perform the duties of the office of Director of the Clifton Water District upon which I am about to enter.*

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## **GUEST PRESENTATION**

Pete Fermin, Park Manager of the James Robb Colorado River State Park presented information to the Board of the proposed Habitat Restoration and Water Fowl Hunting area that would adjoin the District's North property heading east of the driveway to the Colorado River. Mr. Fermin was seeking Board feedback and feasibility of establishing an access point and small parking area east of the District Administration Office. Mr. Fermin informed the Board that working with the District to identify certain conditions of use, such as; reservations only, youth hunting area, Saturday and Sunday use only, fencing, signage, porta-toilet, property damage, safety, officer patrols, and, contract review, could be worked into the official plan.

Mr. Fermin exited the meeting at 6:05 p.m.

## **REORGANIZATION OF THE BOARD**

With the recent resignation of Director (Board Chairman) Hassler and the appointment of Director Sparks, the Board discussed assignment of the organization's slate of officers. Director Genova moved to nominate Director Peck as the Board's President and Chairman along with the following slate of Officers:

Vice-President / Vice-Chairman:	Director Sparks
Treasurer:	Director Genova
Secretary:	Director Burger
Director:	Director Diffendaffer

Director Sparks seconded, and the motion passed unanimously. *(File 9/3/2015):*

After a brief discussion, it was the Board's consensus for the following committee assignments *(File 9/3/2015):*

Budget Committee:	Directors Peck and Diffendaffer
Construction Committee:	Directors Peck and Sparks
Personnel Committee:	Directors Burger and Sparks
Policy and Standards:	Directors Burger and Genova
Water Rights:	Directors Peck and Diffendaffer

## **MANAGER'S REPORT**

Manager Tooker presented the Manager's Report for July 2015 *(File 08/06/2015)*. Manager Tooker highlighted year-to-date water production and water sales. Through July, the District has experienced 6% lower water sales than the same time frame the previous year.

## **INFORMATIONAL REPORT**

Effluent Manifold Emergency Action Update – Manager Tooker provided a status update regarding progress towards performing the emergency repairs to the effluent manifold. The valves have been ordered and scheduling is underway to utilize the onsite PCL construction crew without affecting completion performance of the remaining MF/UF project items. Updates will be provided to the Board as they develop.

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## **EXPRESS AGENDA**

Director Genova moved to approve the Express Agenda items. Director Diffendaffer seconded the motion which passed unanimously. The Express Agenda (*File 09/03/2015*) items are as follows:

Project 2015-01 F ½ Waterline Upgrade Project – The contractor, CW Construction, LLC was issued the Notice to Proceed on August 26, 2015. The pre-construction meeting was held on August 28, 2015 with onsite work scheduled to begin Monday, August 31, 2015. By contract, all work must be complete by November 6. The contractor's schedule identifies all work to be complete by the first week of October.

Annual Colorado River District Water Seminar, September 10<sup>th</sup> – Included in the Board Packet is the agenda for the Colorado River District's Annual Water Seminar, to be held at the Two Rivers Convention Center, located in Grand Junction. If interested, please let Assistant Manager Reinertsen know so that reservations can be made. This year's topic theme is "Will What's Happening in California Stay in California?"

Colorado Mesa University Law Enforcement Training Center Project – The City of Grand Junction accepted bids for the construction of the Training Center water infrastructure on August 18, 2015. Sorter Construction was the apparent low bidder at a price of \$266,308.00. The City of Grand Junction plans to award the contract on September 2, 2015 with construction scheduled to start by the September 14, 2015, with completion slated for mid-November. Total value of the water infrastructure improvements will be \$519,629.00.

## **UNFINISHED BUSINESS**

Project 2008-02 Update (MF/UF) – Manager Tooker briefed the Board with an update of the current status of the project. Substantial completion still has not been approved due to ongoing SCADA system conflicts and incomplete status of the membrane cleaning system. The new plant components have reached 95% functionality. Water Treatment Plant staff continues to physically operate the Treatment Plant 24 hours a day, 7 days a week. Until the SCADA alarm conflicts and operational parameters are corrected 24 hour staffing will continue. Manager Tooker stated that Liquidated Damages may be sought to recover the overtime labor expense resulting from operation of the Treatment Plant on a 24 hour basis.

Project 2014-01, Phase 2 (F 5/8) – Final Completion – Assistant Manager Reinertsen reviewed the Final Cost Summary Staff Report with the Board. Final project costs were identified and construction is 100% complete, totaling \$223,696.28. Final Payment has been advertised and no payment contest notices were received. The Project is now considered final and complete. Director Genova moved to authorize Final Payment of the withheld retainage of \$20,672.02 at this time. Director Diffendaffer seconded and the motion passed.

2016 FY Budget – Manager Tooker presented the preliminary 2016 Budget Worksheet. The Budget Committee will begin to work on the Budget and no action was requested.

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**NEW BUSINESS**

Board Member Committee Assignments – This item was addressed earlier in the meeting. No further action was taken.


James M. Robb-Colorado River State Park Informational Report – It was the consensus of the Board that the District would be receptive to allowing an access point to the proposed Water Fowl Hunting Area as proposed by Mr. Fermin on the condition that the District could identify use conditions that would protect the safety of the District customers and employees and prevent property damage. The Board directed Manager Tooker to work with Mr. Fermin to develop a detailed proposal and parking area easement/lease that would meet the conditions of the District.

Manager's Evaluation – Chairman Peck distributed copies of a proposed format for performing the Manager's Evaluation. Board members were asked to review and consider beginning the process at the next Regular Board Meeting (October 1, 2015).

**ADJOURNMENT**

Director Diffendaffer moved to adjourn the meeting at 7:15 p.m. The motion passed unanimously.

**ATTEST:**

  
\_\_\_\_\_  
Dale Peck

  
\_\_\_\_\_  
Stan Sparks

  
\_\_\_\_\_  
Dorakyn Genova

*Excused*  
\_\_\_\_\_  
Robert K. Burger

  
\_\_\_\_\_  
Melvin Diffendaffer

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, OCTOBER 1, 2015**

**BOARD MEMBERS PRESENT:** Dale Peck, Chairman; Stan Sparks, Vice-Chairman;  
Doralyn Genova, Treasurer; Robert K. Burger, Secretary;  
Melvin Diffendaffer, Director

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; Angie Beebe; Brian Sheley

**REGULAR MEETING**

Chairman Peck called the October 1, 2015 Regular Meeting to order at 5:05 p.m.

**MINUTES OF THE SEPTEMBER 3, 2015 REGULAR MEETING**

Director Genova moved to approve the September 3, 2015 Regular Meeting Minutes. Director Diffendaffer seconded, and the motion passed.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Director Genova moved to accept the Financial Report and approve Accounts Payable Regular Checks of \$94,490.56 plus Benefits Checks of \$19,961.96 plus Supplemental Checks of \$213,069.44, plus Special Checks of \$20,672.02 for a total of \$348,193.98. The Board inquired about the payment to Century Equipment Company and if the expense was for the loader jointly owned with the Clifton Sanitation District. Manager Tooker identified the payment was for repair and service costs for one of the District's backhoes and not the loader. Director Burger seconded and the motion passed unanimously.

**MANAGER'S REPORT**

Manager Tooker presented the Manager's Report for August 2015 (*File 08/06/2015*). Manager Tooker highlighted year-to-date water production and water sales. Through August 2015, the District has experienced 6% lower water sales than the same time frame the previous year.

**INFORMATIONAL REPORT**

Effluent Manifold Emergency Action Update – Manager Tooker provided a status update regarding progress towards performing the emergency repairs to the effluent manifold. The piping, valves, and pipe supports have been ordered. Scheduling is underway to utilize the onsite PCL construction crew on a Time and Materials basis without affecting completion performance of the remaining MF/UF project items. Updates will be provided to the Board as they develop.

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## **EXPRESS AGENDA**

Director Burger moved to approve the Express Agenda items. Director Genova seconded the motion which passed unanimously. The Express Agenda (*File 10/01/2015*) items are as follows:

Project 2014-01 Phase 2 (F 5/8) Final Payment – Final payment (*File Project 2014-01*) was made on September 24, 2015 to Dirtworks Construction, LLC. Project 2014-01 Phase 2 is complete and closed out.

Project 2015-01 F ½ Water Line Upgrade – The Contractor has completed the installation of the 6” water line upgrade and customer service change-outs on the 32 Road portion of the project. The new 6” water line has been installed on the F ½ Road portion of the project. Customer service change-outs are in progress on that project portion. Contractor is on schedule and completion prior to the contractual end date of November 6, 2015 is anticipated.

## **UNFINISHED BUSINESS**

Project 2008-02 Update (MF/UF) – Manager Tooker briefed the Board with an update of the current status of the project. As reported in the Financials by the end of September the District will have utilized 100% of the 2014 CWPDA Loan and will begin using District Reserves to pay the remaining contact value. Staff is recommending a delay of the Open House until all activities of the Project are complete. A date in 2016 will be selected. No action was requested.

James M. Robb-Colorado River State Park – Manager Tooker reported that Mr. Firmin with the Colorado State Parks had been out of the office and had not worked on the Agreement with the District. Manager Tooker has also had the opportunity to speak with Michael McGuire a bordering property owner, pertaining to the proposal the Board is considering. The discussion was productive and Mr. McGuire offered additional suggestions for conditions the District may consider.

FY 2016 Budget – The Budget Committee and Manager Tooker presented the Draft 2016 Budget. The information provided is preliminary while Staff completes the Departmental Budget Projections. The Budget Committee identified they were evaluating a number of Rate Scenarios and will be recommending a Water Rate increase for 2016 to recover the projected increases in Operational Expense due to the newly constructed MF/UF Facility. The Board discussed the possible Rate increases and asked the Budget Committee to refine the 2016 Budget and present Rate recommendations at the November Meeting. No action was taken.

## **NEW BUSINESS**

Project 2015-03 Generator Purchase – Manager Tooker presented a Staff Report for Project 2015-03 Water Treatment Plant Emergency Generator. Director Genova moved that Project 2015-03 be awarded to Cummins Rocky Mountain for one 750 kW Generator for the MF/UF Facility based upon Staff’s recommendations and the Bid Evaluation performed by Carollo Engineering and Staff that Bid Alternative 1 for a 750 kW generator meets an expanded District



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need for emergency power for the MF/UF Facility and Cummins Rocky Mountain was the lowest bidder for Alternate Bid 1 meeting all of the conditions of the Bid. In addition, because of the favorable bid climate and taking advantage of the reduced pricing, the District should purchase an additional 750 kW generator of the same make and model to replace the existing generator for the Pretreatment and Main Processing Facilities and that both purchases are fully funded by existing FY 2015 Budget appropriations.

SDA Conference Debrief – The 2015 Colorado Special District Association’s Annual Conference was held in Keystone, Colorado from September 23<sup>rd</sup> through September 25<sup>th</sup>. Directors Peck and Sparks were in attendance and stated the Conference was excellent, presentations were well attended and provided highlights and information obtained from the conference to the Board.

Colorado River District Water Seminar – This year’s annual water seminar was attended by Directors Peck and Diffendaffer and Assistant Manager Reinertsen. The attendees presented relevant information gained at the Seminar. Seminar topics covered weather model predictions concerning the upcoming snow season, Lakes Mead and Powell operational elevation concerns, and the status of California drought conditions and reactions.

3082 ½ Meadowvale Court Leak – Assistant Manager Reinertsen briefed the Board regarding a recent incident that occurred during a service line repair at 3082 ½ Meadowvale Court. During construction, the resident’s automobile was sprayed with water and mud as the leak was exposed. It was Board consensus for Staff to provide for cleaning of the vehicle.

Staff members Reinertsen, Sheley, and Beebe exited the meeting at 6:55 pm.

### **EXECUTIVE SESSION**

Manager’s Evaluation – At 7:05pm, Director Burger moved to go into Executive Session, as per C.R.S. 24-6-402 (4)(f) for the purposes of conducting the Manager’s Evaluation. Director Genova seconded and the motion passed unanimously. Directors Peck, Burger, Sparks, Genova and Diffendaffer were present, along with Manager Dale Tooker. After a brief discussion, Manager Tooker exited the Executive Session at 7:10 p.m. Manager Tooker returned to the Executive Session at 7:20 p.m. The Board requested that Manager Tooker provide to the Board a copy of his 2014 Performance Review, a 2015 Summary Report and his Goals for 2016.

The Board adjourned the Executive Session at 7:26 p.m. Directors Peck, Burger, Sparks, Genova and Diffendaffer were present, along with Manager Dale Tooker.

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**ADJOURNMENT**

Director Diffendaffer moved to adjourn the meeting at 7:28p.m. Director Genova seconded and the motion passed unanimously

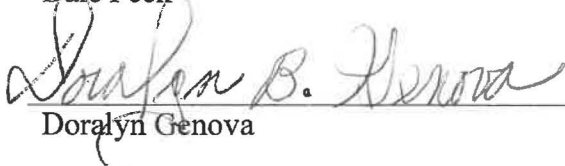
**ATTEST:**



Dale Peck



Stan Sparks



Doralyn Genova



Robert K. Burger



Melvin Diffendaffer

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, NOVEMBER 5, 2015**

**BOARD MEMBERS PRESENT:** Dale Peck, Chairman; Stan Sparks, Vice-Chairman;  
Doralyn Genova, Treasurer; Robert K. Burger, Secretary;  
Melvin Diffendaffer, Director

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; Angie Beebe

**REGULAR MEETING**

Chairman Peck called the October 1, 2015 Regular Meeting to order at 5:08 p.m.

**MINUTES OF THE OCTOBER 1, 2015 REGULAR MEETING**

Director Genova moved to approve the October 1, 2015 Regular Meeting Minutes. Director Sparks seconded, and the motion passed.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Director Genova moved to accept the Financial Report and approve Accounts Payable Regular Checks of \$132,835.93 plus Benefits Checks of \$21,045.59 plus Supplemental Checks of \$294,867.55, plus Special Checks of \$35,496.00 for a total of \$484,245.07. Manager Tooker reviewed and discussed the debits and credits as shown on the monthly check register. Director Diffendaffer seconded and the motion passed unanimously.

**MANAGER'S REPORT**

Manager Tooker reviewed the items identified on the list of Outstanding Issues. Information only, no Board action identified or taken.

**INFORMATIONAL REPORT**

Project 2008-02 MF/UF Status Report – Manager Tooker stated that the Contractor continues working on completing the Chlorine Contact Basin. The disinfection and testing of the Chlorine Contact Chamber is progressing. Staff projects the Chlorine Contact Chamber will be operational the week of November 9, 2015, once the new SCADA controls are completed. PCL continues working on completing remaining project items that were listed on the final completion ‘punch’ list.

Effluent Manifold Emergency Action Update – Manager Tooker provided a status update regarding progress towards performing the emergency repairs to the effluent manifold. PCL has initiated the installation of the manifold. A plant shutdown was performed to install the 24-inch isolation valve and work is progressing on the remaining components of the manifold.

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## **EXPRESS AGENDA**

Director Burger moved to approve the Express Agenda items. Director Genova seconded the motion which passed unanimously. The Express Agenda (*File 11/05/2015*) items are as follows:

Whitewater Hill Training Facility – Waterline Construction – The City of Grand Junction’s contractor, Sorter Construction, began installation of the water facilities needed to serve the Training Facility. The contractor has completed installation of approximately 7,000 feet of new 6-inch waterline and is scheduled to begin installation of the pump station and fiberglass storage tanks the second week of November.

3.7 Million Gallon Storage Tank Cleaning and Inspection – Marine Diving Solutions performed tank cleaning and inspection of the 3.7 Million Gallon Finished Water Storage Tank, located north of the Interstate, on October 24 and 25, 2015. They removed an approximate 1/8 inch thick layer of sediment from the floor of the tank and then performed a video inspection of the interior tank condition. Several areas of the floor and support columns were identified that will need to be painted with the approved coating materials. The tank was taken out of service during the dive activities and was placed back in service on Monday, October 19, 2015.

## **UNFINISHED BUSINESS**

2016 Budget – Manager Tooker identified the statutory requirement of the Board to set the Budget Hearing for the 2016 Budget. Director Genova moved to set the Budget Hearing regarding the District’s FY2016 Budget for Thursday, December 3, 2015 at 5:00 p.m. Director Burger seconded and the motion passed. Manager Tooker then presented the Proposed 2016 District Budget, highlighting those areas of increases and decreases when compared to the 2015 budget numbers. The Board discussed areas of the Budget including the increased Operating Expense associated with depreciation and replacement expenses associated with the existing infrastructure and the MF/UF Facility. The FY 2016 Budget will be considered for formal adoption on December 3, 2015 after the Budget Hearing is completed.

Project 2015-01 F ½ Waterline Upgrade – Assistant Manager Reinertsen discussed the Project Staff Report (*File 11/05/2015, 2015 Staff Reports*). Assistant Manager Reinertsen identified and addressed several changed condition items encountered during construction. As a result of the changed conditions Assistant Manager Reinertsen requested an additional \$46,250 to be added to the approved Contract. Director Genova moved to authorize an increase in the construction contract value by \$46,250 due to the encountered changed conditions during construction. Director Diffendaffer seconded and the motion passed unanimously.

James M. Robb-Colorado River State Park – Manager Tooker reported that he had met with Mr. Firmin with the Colorado State Parks. Mr. Firmin has identified the Lease and access conditions and is finalizing for presentation to the District. Manager Tooker stated that he will have District legal counsel review the documents prior to formal presentation to the Board. Information only, no Board action required at this time.

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**NEW BUSINESS**

2016 Water Rate – Cost of Service Analysis – Manager Tooker reviewed the 2016 Cost of Service Rate Analysis (*File 11/05/2015, Cost of Service Analysis*) and the 2016 Water Rate Recommendations Memorandum (*File 11/05/2015, 2015 Memorandum, 2016 Water Rates*). Based upon the Cost of Service Analysis and the Board’s direction to consider small annual increases to fund increased Operating Expense, Staff recommended to increase the Base Rate \$1.50 and each Tier by \$0.10/1,000 gallons. The rate will continue to fund increases in debt service and depreciation expense for future replacements. The proposed 2016 Water Rates are as follows:

	<b>Current Rate</b>	<b>Proposed Rate</b>	<b>Increase</b>
Base: 0 - 3K	\$20.50	<b>\$22.00</b>	\$1.50
3 - 10K	\$2.70	<b>\$2.80</b>	\$0.10
10 - 18K	\$3.70	<b>\$3.80</b>	\$0.10
+18K	\$5.70	<b>\$5.80</b>	\$0.10

Director Genova moved to approve the 2016 Water Rates (*11/05/14 File, 2016 Budget*) as presented effective January 1, 2016. Director Diffendaffer seconded the motion. The Board discussed the implementation of the 2016 Water Rates and the importance to continue to fund increases in debt service and depreciation expense for future replacements. The motion passed unanimously. Manager Tooker will prepare a Press Release and customer notification with the December 2015 billing cycle.

Plant Investment Fee – The Board discussed the need to adjust the District’s Plant Investment Fee for the purchase of new water taps. Adjustments to the Plant Investment Fee have been deferred since 2004. Staff will provide a recommendation to the Board at the December meeting. No action was taken.

3.7 Million Gallon Middle Storage Tank Foundation Settling Investigation – Assistant Manager Reinertsen reviewed the Staff Report that identified actions taken by Staff to evaluate the status and conditions of the storage tank foundation. Representatives of Burns and McDonnell Engineering Company have performed an initial site investigation. Burns and McDonnell have recommended several actions to take to generate baseline data required to develop remedial options. Staff is proceeding with those baseline recommendations. Information only, no Board action required at this time. Staff will report on investigation results as they develop.

Holiday Turkey or Ham – Director Burger moved to continue the District’s long-standing tradition of providing each employee and Board member with their choice of a turkey or a ham for their choice at the Thanksgiving holiday or the Christmas holiday. Director Genova seconded and the motion passed.

Staff members Reinertsen and Beebe exited the meeting at 7:00 pm.

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**EXECUTIVE SESSION**

Manager's Evaluation – At 7:05pm, Director Genova moved to go into Executive Session, as per C.R.S. 24-6-402 (4)(f) for the purposes of conducting the Manager's Evaluation. Director Burger seconded and the motion passed unanimously. Directors Peck, Burger, Sparks, Genova and Diffendaffer were present, along with Manager Dale Tooker. Manager Tooker exited the Executive Session at 7:05 pm and returned at 7:15pm.

The Board adjourned the Executive Session at 7:48 p.m. Directors Peck, Burger, Sparks, Genova and Diffendaffer were present, along with Manager Dale Tooker.

Manager's Evaluation – The Managers evaluation was completed and it was Board consensus to increase Manager Tooker's annual salary by 3.5%.

**ADJOURNMENT**

Director Burger moved to adjourn the meeting at 7:55 p.m. Director Sparks seconded and the motion passed unanimously

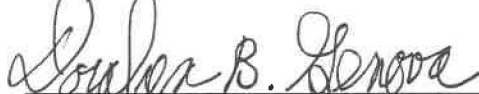
**ATTEST:**



Dale Peck



Stan Sparks

  
Doralyn Genova

  
Robert K. Burger

  
Melvin Diffendaffer

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, DECEMBER 3, 2015**

**BOARD MEMBERS PRESENT:** Dale Peck, Chairman; Doralyn Genova, Treasurer;  
Melvin Diffendaffer, Director

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; Angie Beebe

**PUBLIC HEARING**

Chairman Peck called to order the Public Hearing at 5:00 p.m. regarding the District's Proposed FY2016 Budget, in accordance with C.R.S. 29-1-106 *Et. Seq.* The Notice of Public Hearing (12/3/15 File, 2016 Budget File, Daily Sentinel Legal Notices file) was confirmed as published in the Grand Junction Daily Sentinel in accordance with C.R.S. 29-1-106(3)(a). Manager Tooker reported that no comments have been received regarding the Proposed Budget from members of the public. No members of the public were present. Chairman Peck closed the Public Hearing at 5:01 p.m.

**REGULAR MEETING**

Chairman Peck called the December 3, 2015 Regular Meeting to order at 5:02 p.m. He noted that Directors Burger and Sparks have excused absences from the Public Hearing and the Regular Board Meeting.

**MINUTES OF THE NOVEMBER 5, 2015 REGULAR MEETING**

Director Genova moved to approve the November 5, 2015 Regular Meeting Minutes. Director Diffendaffer seconded, and the motion passed.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Director Genova moved to accept the Financial Report and approve Accounts Payable Regular Checks of \$112,725.06 plus Benefits Checks of \$19,774.06 plus Supplemental Checks of \$44,157.24, plus Board Payroll Checks of \$4,679.25 for a total of \$181,335.61. Accounting Tech Beebe informed the Board that, due to Annual Leave taken by the Accounting Tech in November, Regular Accounts Payable checks were printed a little earlier than usual. This resulted in more than one Accounts Payable check being printed for certain vendors, in order that they be paid correctly and on time. Director Diffendaffer seconded and the motion passed unanimously.

**MANAGER'S REPORT**

Manager Tooker reviewed the October and Year-To-Date water production/sales numbers. He identified lower water sales in 2015 compared to 2014 values and attributed a portion of the reduction to mild weather conditions of late September through October of this year. Information only, no Board action identified or taken.

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## **INFORMATIONAL REPORT**

Project 2008-02 MF/UF Status Report – Manager Tooker reported that the Contractor is finalizing remaining ‘punch list’ items. He also identified some items as manufacturer warranty items and not contract “punch list” items. Manufacturer warranty items are for those components that have been in operation since water production began in June.

Effluent Manifold Emergency Action Update – Manager Tooker reported that the manifold has been installed, however, additional stainless steel bolts have been ordered. As soon as they arrive and are installed, final pressure testing of the manifold can take place. Once the testing is completed satisfactorily, the manifold and pumps can be placed back in service.

Project 2015-03 Water Treatment Plant Emergency Generator – Manager Tooker reported that the new slab construction is complete and the electrical contractor will begin installation of new electric conduits portion of the project between the Phase II Building and the original treatment plant within the next few weeks. The new generators are scheduled for on-site delivery and placement after the first week of January 2016.

## **EXPRESS AGENDA**

Director Genova moved to approve the Express Agenda items. Director Diffendaffer seconded the motion which passed unanimously. The Express Agenda (*File 12/03/2015*) items are as follows:

Whitewater Hill Training Facility – Waterline Construction – The City of Grand Junction’s contractor, Sorter Construction, completed installation of the three (3) new fiberglass underground storage tanks. Work continues on the new booster pump station. All work is scheduled to be complete by the end of December, 2015.

## **UNFINISHED BUSINESS**

2016 Budget – Manager Tooker presented the Proposed 2016 District Budget. He reviewed the Final 2016 Budget Explanation with the Board, clarifying those identified items that show increases and decreases as compared to the 2015 budgeted expenditures. After discussion, it was Board consensus to set formal adoption of the 2016 District Budget at a Special Board Meeting once minor identified changes have been made to the documents.

2016 Plant Investment Fee – Manager Tooker reviewed the current Plant Investment Fee Structure and recommended Board consideration of increasing the Plant Investment Fee for the standard 3/4” x 5/8” water service to \$6,500. After discussion, the Board agreed with the recommendation, however, an incremental implementation of the increase was determined as Board preference. Director Genova moved to increase the Plant Investment Fee for the standard 3/4” x 5/8” water service \$500 to a total of \$5,500, effective January 1, 2016. Director Diffendaffer seconded the motion which passed unanimously.



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Project 2015-01 F ½ Waterline Upgrade – Assistant Manager Reinertsen reported that all project work has been completed and is ready for final payment. Staff and the Board discussed construction performance issues as they pertained to comments published in the local newspaper. Director Genova moved to authorize Staff to advertise for Final Payment at the January 7, 2016 Board Meeting. Director Diffendaffer seconded the motion which carried unanimously.

James M. Robb-Colorado River State Park – Manager Tooker reported that he received the Preliminary Lease documents and they are being reviewed. Information only, no Board action required at this time.

**NEW BUSINESS**

Special Meeting – December 17, 2015 to Adopt 2016 District Budget – Direct Genova moved to hold a Special Meeting at 5:00 pm on Thursday, December 17, 2015 to adopt and sign the required paperwork for the District’s 2016 Budget. Director Diffendaffer seconded the motion which passed unanimously.

**ADJOURNMENT**

Director Diffendaffer moved to adjourn the meeting at 7:20 p.m. The motion passed unanimously.

**ATTEST:**



Dale Peck

*-Excused-*

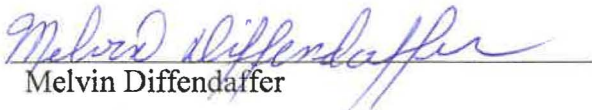
Stan Sparks

  
Dorothy B. Genova

Dorothy Genova

*-Excused-*

Robert K. Burger

  
Melvin Diffendaffer

Melvin Diffendaffer

**MINUTES OF BOARD OF DIRECTORS SPECIAL MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, DECEMBER 17, 2015**

**BOARD MEMBERS PRESENT:** Dale Peck, Chairman; Stan Sparks, Vice-Chairman;  
Doralyn Genova, Treasurer;  
Melvin Diffendaffer, Director

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen

**SPECIAL MEETING**

Chairman Peck called the December 17, 2015 Special Meeting to order at 5:00 p.m. He noted that Director Burger has an excused absence from this Special Meeting.

**ADOPTION OF 2016 DISTRICT BUDGET** – Manager Tooker distributed copies of the Final 2016 Budget documents. The Board reviewed the budget worksheet and Manager Tooker clarified the changes made to the Non-Operating portion reflecting changes to projected income resulting from the Plant Investment Fee increase approved at the last Board Meeting.

Director Diffendaffer moved to approve the 2016 Budget and adopt the Appropriation Resolution (*Resolutions, 2016 Budget, 12/17/15 File*) of the Clifton Water District Board of Directors Acting By and Through Its Water Activity Enterprise For the 2016 Budget Year; and further resolve that there is appropriated from funds of the District Acting By and Through its Water Activity Enterprise, Fifteen Million Seven Hundred Forty Thousand Six Hundred and Twenty Dollars (\$15,740,620) for the general expenses of the DISTRICT, and that this appropriation be a continuing appropriation whether said funds be expended during 2016 or thereafter. Director Genova seconded and the motion passed unanimously.

Resolution Text inserted as follows:

**APPROPRIATION RESOLUTION OF THE CLIFTON WATER DISTRICT BOARD OF DIRECTORS  
ACTING BY AND THROUGH ITS WATER ACTIVITY ENTERPRISE FOR THE  
2016 BUDGET YEAR**

A resolution appropriating sums of money to the various accounts, in the amounts and for the purposes as set forth below, for the Clifton Water District Acting By and Through its Water Activity Enterprise, Mesa County, Colorado, for the 2016 Budget Year.

WHEREAS, the Directors have adopted the annual Budget for 2016 in accordance with the Local Government Budget Law, on the 17th day of December, 2015, and;

WHEREAS, the Directors have made provision therein to use a combination of revenues and reserves in an amount equal to, or greater than, the total proposed expenditures as set forth in said Budget, and;

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the Budget to and for the purposes described below, so as to not impair the operations of the District or its Water Activity Enterprise.

NOW THEREFORE, BE IT RESOLVED by the Directors of the Clifton Water

District Acting By and Through its Water Activity Enterprise, Mesa County, Colorado that the following sums are hereby appropriated from the revenue and reserves of the Water Activity Enterprise, for the purposes stated below:

<b>ESTIMATED BEGINNING BALANCE</b>	<b>\$8,667,825</b>
<b><u>ESTIMATED EXPENDITURES</u></b>	
Operating Expenses	
Source of Supply	\$25,558
Water Treatment	\$851,421
Transmission & Distribution	\$708,493
General & Administrative	\$374,145
Labor Expenses	\$1,988,676
<i>Total Operating Expenses</i>	<i>\$3,948,293</i>
Non-Operating Expenses	
Capital Expenses	\$3,558,150
Bond Principal & Interest	\$1,050,119
Emergency Fund	\$375,324
Reserve Fund	\$436,000
Contingency	\$6,372,734
<i>Total Non-Operating Expenses</i>	<i>\$11,792,327</i>
<b>TOTAL ESTIMATED EXPENDITURES</b>	<b>\$15,740,620</b>
<b><u>ESTIMATED REVENUES</u></b>	
Operating Revenue	
Sale of Water	\$5,895,337
System Fees	\$415,380
Sanitation District	\$37,240
Penalty and Fees	\$90,870
Turn Fees	\$83,400
<i>Total Operating Revenue</i>	<i>\$6,522,227</i>
Non-Operating Revenue	
Plant Investment Fees	\$412,500
Main Line Extension Fees	\$8,000
Disposal of Assets	\$10,000
Availability of Service	\$46,380
Interest	\$57,720
Bond/Grant Proceeds	\$0
Property Taxes	\$0
Lease Income	\$10,368
Construction Reimbursements	\$0
Tap Installation	\$1,600
Miscellaneous	\$4,000
<i>Total Non-Operating Revenue</i>	<i>\$550,568</i>
<b>TOTAL ESTIMATED REVENUE</b>	<b>\$7,072,795</b>
<b>Estimated From Reserves</b>	<b>\$8,667,825</b>
<b>TOTAL FUNDS AVAILABLE</b>	<b>\$15,740,620</b>
<b>ESTIMATED ENDING BALANCE</b>	<b>(\$0)</b>

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Director Diffendaffer then moved to direct Staff to process the 2016 Budget documents to the appropriate reporting entities. Director Genova seconded and the motion passed unanimously.

**ADJOURNMENT**

Director Peck moved to adjourn the meeting at 5:07 p.m. The motion passed unanimously.

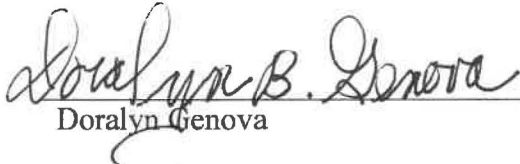
**ATTEST:**



Dale Peck



Stan Sparks



Doralyn Genova

*-Excused-*

Robert K. Burger



Melvin Diffendaffer

**APPROPRIATION RESOLUTION OF THE CLIFTON WATER DISTRICT BOARD OF DIRECTORS  
ACTING BY AND THROUGH ITS WATER ACTIVITY ENTERPRISE FOR THE  
2016 BUDGET YEAR**

A resolution appropriating sums of money to the various accounts, in the amounts and for the purposes as set forth below, for the Clifton Water District Acting By and Through its Water Activity Enterprise, Mesa County, Colorado, for the 2016 Budget Year.

WHEREAS, the Directors have adopted the annual Budget for 2016 in accordance with the Local Government Budget Law, on the 17th day of December, 2015, and;

WHEREAS, the Directors have made provision therein to use a combination of revenues and reserves in an amount equal to, or greater than, the total proposed expenditures as set forth in said Budget, and;

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the Budget to and for the purposes described below, so as to not impair the operations of the District or its Water Activity Enterprise.

NOW THEREFORE, BE IT RESOLVED by the Directors of the Clifton Water District Acting By and Through its Water Activity Enterprise, Mesa County, Colorado that the following sums are hereby appropriated from the revenue and reserves of the Water Activity Enterprise, for the purposes stated below:

ESTIMATED BEGINNING BALANCE	\$8,667,825
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**ESTIMATED EXPENDITURES**

Operating Expenses	
Source of Supply	\$25,558
Water Treatment	\$851,421
Transmission & Distribution	\$708,493
General & Administrative	\$374,145
Labor Expenses	\$1,988,676
<i>Total Operating Expenses</i>	<i>\$3,948,293</i>
Non-Operating Expenses	
Capital Expenses	\$3,558,150
Bond Principal & Interest	\$1,050,119
Emergency Fund	\$375,324
Reserve Fund	\$436,000
Contingency	\$6,372,734
<i>Total Non-Operating Expenses</i>	<i>\$11,792,327</i>

<b>TOTAL ESTIMATED EXPENDITURES</b>	<b>\$15,740,620</b>
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**ESTIMATED REVENUES**

Operating Revenue	
Sale of Water	\$5,895,337
System Fees	\$415,380
Sanitation District	\$37,240
Penalty and Fees	\$90,870
Turn Fees	\$83,400
<i>Total Operating Revenue</i>	<i>\$6,522,227</i>
Non-Operating Revenue	
Plant Investment Fees	\$412,500
Main Line Extension Fees	\$8,000
Disposal of Assets	\$10,000
Availability of Service	\$46,380
Interest	\$57,720
Bond/Grant Proceeds	\$0
Property Taxes	\$0
Lease Income	\$10,368
Construction Reimbursements	\$0
Tap Installation	\$1,600
Miscellaneous	\$4,000
<i>Total Non-Operating Revenue</i>	<i>\$550,568</i>

<b>TOTAL ESTIMATED REVENUE</b>	<b>\$7,072,795</b>
<b>Estimated From Reserves</b>	<b>\$8,667,825</b>

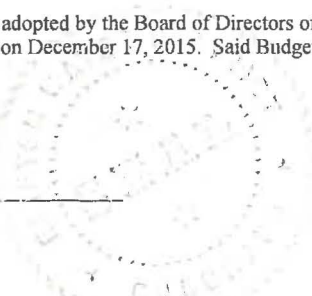
<b>TOTAL FUNDS AVAILABLE</b>	<b>\$15,740,620</b>
<b>ESTIMATED ENDING BALANCE</b>	<b>(\$0)</b>

IT IS FURTHER RESOLVED, that there is appropriated from the funds of the District Acting By and Through its Water Activity Enterprise, Fifteen Million Seven Hundred Forty Thousand Six Hundred and Twenty Dollars (\$15,740,620) for the general expenses of the DISTRICT, and that this appropriation be a continuing appropriation whether said funds be expended during 2016 or thereafter.

I hereby certify the forgoing is a true copy of a Resolution adopted by the Board of Directors of the Clifton Water District Acting By and Through its Water Activity Enterprise at the Regular Board of Directors Meeting held on December 17, 2015. Said Budget was displayed for inspection and notice of said display for inspection was duly published in accordance with C.R.S. § 29-1-106.

Dated December 17, 2015

By: Dale E. Peck  
Dale Peck, Board Chairman



ATTEST: Doralyne B. Genova  
Doralyne Genova, Treasurer