

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, NOVEMBER 2, 2017**

BOARD MEMBERS PRESENT: Dale Peck, Chairman; Stan Sparks: Vice-Chair; Melvin Diffendaffer, Secretary; Dan McElley, Director

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen; Angie Beebe; Brian Sheley; Melissa Lemke, Jacob Lenihan and Isaac Brown

REGULAR MEETING

Chairman Peck called the November 2, 2017 Regular Meeting to order at 5:00 p.m. The Chairman noted that Director Doralyn Genova had an excused absence from this meeting.

MINUTES OF THE OCTOBER 5, 2017 REGULAR MEETING

Director Sparks moved to approve the October 5, 2017 Regular Meeting Minutes. Director Diffendaffer seconded and the motion passed unanimously.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Diffendaffer moved to accept the Financial Report and Approve Accounts Payable Regular Checks of \$108,805.95, plus Supplemental Checks of \$10,920.02 plus Benefits Checks of \$18,487.55 plus HRA Disbursements of \$17,376.02 for a total of \$155,589.54. Manager Tooker reviewed the Statement of Cash Flow and the increase of the Reserves of the District at the end of the month compared to 2016. Director McElley seconded and the motion passed unanimously.

MANAGER'S REPORT

Manager Tooker reviewed the September 2017 Manager's Report.

INFORMATIONAL REPORT

None presented.

EXPRESS AGENDA

Director Diffendaffer moved to approve the Express Agenda item as presented. Director McElley seconded the motion which passed unanimously. The Express Agenda (*File 10/26/17*) item is as follows:

2017 Preemptive Poly Service Line Replacement Program Update – Distribution crews on Thursday, October 26, 2017 completed the eighty (80) budgeted and planned Preemptive Poly

Service Line Replacements. The final completion will include additional asphalt and concrete. Once these follow-up items are finished, Final Costs will be provided in an Informational Report.

The Grand Valley Irrigation Company Notice of 2017 Annual Shareholders Meeting – The 2017 Annual Shareholders Meeting of the Grand Valley Irrigation Company will be held at 1:00 pm on December 2, 2017 at the Ute Water Conservancy District office located at 2190 H ½ Road, Grand Junction, CO. The Annual Grand Valley Irrigation Company Auction will be held at 10:00 a.m. on Thursday, December 14, 2017 in the Grand Valley Irrigation Company business office, located at 688 26 Road, Grand Junction, CO.

UNFINISHED BUSINESS

FY 2018 Budget – Manager Tooker presented and reviewed the Draft 2018 Budget (*File 10-26-17, 2018 Budget*). The Budget Committee and Staff identified a number of Budget items that had significant changes from the 2017 Budget. After the Board discussion, Director Diffendaffer moved to set the Budget Hearing regarding the District's FY 2018 Budget for Thursday, December 7, 2017 at 5:00 p.m. and have Staff secure the necessary postings and advertisement. Director Sparks seconded and the motion passed. The Budget Committee will continue to refine the Budget for final presentation and adoption at the December 7, 2017 Board of Directors Meeting.

2018 Health Insurance – Manager Tooker reviewed the Board Memorandum (*File 10-26-17, 17 Confidential Board Memorandum*) concerning Employee Health Insurance. Manager Tooker presented to the Board an option to renew employee health insurance for the month December 2017 at an increased cost of \$5,200. Renewing for December would take advantage of reduced premiums offered beginning in January 2018. The initial premium increase delivered was 33%. By taking advantage of the one month December renewal, the January renewal would reduce the overall premium increase down to 26%.

Director Sparks moved to renew the Employee Health Insurance for December 2017 for one month only at a premium cost increase of \$5,200. Director McElley seconded and the motion passed unanimously. Director Sparks moved to change the 2018 Health Insurance Policy Plan renewal date to January 1, 2018, to take advantage of the reduced premiums for 2018. Director McElley seconded and the motion passed unanimously.

Personnel Manual Section 2- General – Manager Tooker reported that the Personnel Manual Section 2 – General remained on Agenda and no action was needed. It is expected that Attorney Santo will have a draft version for December Board Meeting consideration and approval.

NEW BUSINESS

2017 Audit Services - Chadwick Steinkirchner, Davis & Co., P.C. – Manager Tooker presented the standard letter of Engagement for FY 2017 Audit Services to be provided by Chadwick, Steinkirchner, Davis & Co. The cost of the FY 2017 Audit is not to exceed \$9,100 (*File 10-26-17 2018 Audit*). Director Diffendaffer moved to accept the letter of engagement by Chadwick, Steinkirchner, Davis & Co., P.C. and further authorized the Board President and District

Manager to sign the engagement letter. Director McElley seconded and the motion passed unanimously.

2018 Water Rates and Plant Investment Fee – Manager Tooker reviewed the Plant Investment Fee Structure Memo (*File 10-26-17, 17 Board Memorandum*) recommending an increase of the Plant Investment Fee for the standard 3/4" x 5/8" water service to \$6,500. This increase is based upon a System Equity Evaluation per Active Tap. The current System Equity per Active tap is \$6,744 and the proposed \$6,500 is less than this value. Director Diffendaffer moved to increase the Plant Investment Fee for the standard 3/4" x 5/8" water service \$500 to a total of \$6,500, effective January 1, 2018. Director Sparks seconded the motion which passed unanimously.

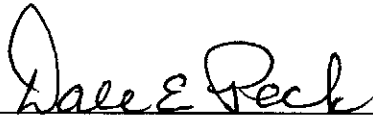
Operating Policy #420 – Review of Section 10 – Leak Adjustment – Manager Tooker reviewed the Operating Policy #420, Calculation of the Leak Adjustment, Section 10.3.3.1. The Board discussed the Policy and referred the item to the Policy Committee to review and to bring to Board at future date.

Holiday Turkey or Ham – Director Diffendaffer 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 Thanksgiving or Christmas. Director Sparks seconded and the motion passed.

ADJOURNMENT

The Regular Meeting was adjourned at 7:30 p.m. by the Chairman.

ATTEST:



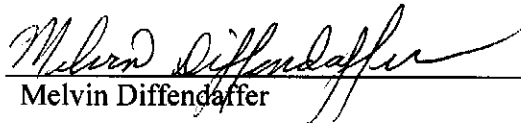
Dale Peck



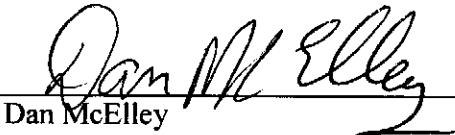
Stan Sparks

~~-Excused-~~

Doralyn Genova



Melvin Diffendaffer



Dan McElley