

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, JANUARY 3, 2013**

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

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen; Kelly McLaughlin; Brian Sheley

REGULAR MEETING

Chairman Hassler called the Regular Meeting to order at 5:05 p.m.

MINUTES OF THE DECEMBER 6, 2012 PUBLIC HEARING AND REGULAR MEETING

Director Peck moved to approve the December 6, 2012 Public Hearing and 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 \$78,540.95 plus Benefits Checks of \$16,719.13 plus Supplemental Checks of \$75,866.65 for a total of \$171,126.73. Director Burger seconded the motion. Manager Tooker reported that he will work with Colorado National Bank to close the District's remaining accounts and move the funds to ANB. The payment transaction types were discussed, with customers continuing to increase their use of electronic payment methods. The motion passed unanimously.

- Accounting Technician Beebe left the meeting at 5:20 p.m.

MANAGER'S REPORTS

Manager Tooker presented the Manager's Reports for November, 2012. Water quality continues to be affected by low flows in the Colorado River and results in more costs for nanofiltration and reverse osmosis treatment. Overtime hours through November were over 1200 hours, for staff time in all three departments. Assistant Manager Reinertsen reported on project costs. Revising the project cost tables to include both contract and in-house costs was discussed.

INFORMATIONAL REPORTS

GVIC Water Share Auction Results – Assistant Manager Reinertsen presented an Informational Report (*1-3-13 File, 2013 Staff Reports*) regarding the District’s acquisition of 23 GVIC Water Shares, for a total expenditure within budget of \$9,775, at the December 13, 2013 GVIC Annual Auction.

Customer Comments Regarding 2013 Water Rates – Manager Tooker presented an Informational Report (*1-3-13 File, 2013 Staff Reports*) summarizing the thirteen customer comments received to date regarding the District’s announcement of 2013 Water Rates.

EXPRESS AGENDA

Director Burger moved to approve the Express Agenda items as presented. Director Genova seconded and the motion passed unanimously. The approved Express Agenda items are as follows:

- 1) District Christmas Party – The District Christmas Party was held the afternoon of Friday, December 21, 2012. District staff and Board member Dale Peck enjoyed good food, recognized Mark Dalley for 15 years of service and Cameron Deppe for 10 years of service, and recognized Karen Renner, Bryce Emerson and Brennen Graff as the Safety Awardees for their departments for 2012.
- 2) New Year’s Office Closure – The District Office will be closed on Tuesday, January 1, 2013 for the New Year’s Day Holiday.
- 3) Holiday Family Baskets – On December 20, 2012, District staff delivered food and gift baskets to two local families as part of the annual tradition for staff to “adopt” local families and provide them with a complete Christmas dinner along with toys and clothing.

UNFINISHED BUSINESS

Project 2012-03, 16” North Tank Waterline Construction Project – Bid Award – Assistant Manager Reinertsen presented a Staff Report (*1-3-13 File, 2013 Staff Reports, Project File 2012-03*) summarizing the six submitted Bids received for Project 2012-03, 16” North Tank Waterline Construction Project. The Engineer’s Estimate was \$210,700. The six received Bids ranged from \$111,605.35 to \$134,300.00 in cost. The Board stated concern with the large variance between the Engineer’s Estimate and the bid costs and requested additional review by the Engineer of the project scope and bid submittals. Director Genova moved to award the Bid for Project 2012-03, 16” North Tank Waterline Construction, to Ben Dowd Excavating, Inc., contingent upon additional review by the engineer of the original estimate, project scope, and areas that may need additional oversight and intensive inspection during the project, and Staff’s approval of that review. Director Peck seconded and the motion passed unanimously.

Solar Farm Proposal – Manager Tooker reported that, regarding the Solar Farm Proposal discussed at the December 6, 2012 Board Meeting, the contractor has notified the District that their project is not currently moving forward.

Project 2009-04 Colorado River Intake Structure – Warranty Concerns – Assistant Manager Reinertsen presented a Staff Report (*1-3-13 File, 2013 Staff Reports, Project 2009-04 File*) itemizing five areas of unresolved issues with the completion of Project 2009-04 Colorado River Intake Structure. The contractor has thus far not completed the necessary warranty work. A Performance Bond remains in effect for the project. Staff will proceed send a Notice to contractor of a potential claim against the Performance Bond. Staff will proceed to obtain an evaluation of the unresolved issues from a qualified engineer. No action is required by the Board at this time.

NEW BUSINESS

Resolution Designating Time, Location and Posting of Meetings – Director Genova moved to adopt the Resolution Designating Time, Location and Posting of Meetings for 2013 (*1-3-13 File, Resolutions File*). Director Burger seconded and the motion passed unanimously. The text of the Resolution is as follows:

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 Records 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 3rd day of January 2013.

Resolution Adopting Availability of Service Charge for 2013 – Manager Tooker presented the Staff Report (*1-3-13 File, 2013 Staff Reports*) and billing data from 2012 that was used to calculate the Availability of Service Charge for 2013. Director Genova moved to adopt the Resolution Adopting Availability of Service Charge for 2013, effective January 4, 2013. Director Burger seconded and the motion passed unanimously. The In-District Availability of Service Charge

for 2013 is \$12.81 per month per unit. The Out of District Availability of Service Charge for 2013 is \$19.22 per month per unit. The text of the Resolution is as follows:

RESOLUTION FOR THE AVAILABILITY OF SERVICE CHARGE FOR 2013

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 2013 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 2012 the average water usage charge for a Clifton Water District In-District customer was \$25.62/month per unit; and

WHEREAS, in 2012 the average water usage charge for a Clifton Water District Out-of-District customer was \$45.40/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 2013 Fiscal Year at 50% of the In-District average water bill in 2012, which equals \$12.81 per month per unit and the Out-of-District Availability of Service Charge for the 2013 Fiscal Year at 42% of the Out-of-District average water bill in 2012, which equals \$19.22/month per unit.

BE IT FURTHER RESOLVED, that this Resolution be adopted this 3rd day of January 2013 and is effective January 4, 2013.

2013 Property Casualty and Liability Insurance Renewal – Manager Tooker reported that the District’s Property, Casualty and Liability Insurance for 2013 will again be with Colorado Special District’s Property and Liability Pool. The only change from 2012 coverage is the addition of the new River Pump Station. Director Burger moved to approve the 2013 Property, Casualty and Liability insurance as presented and authorize payment of that premium in the amount of \$51,369.33. Director Genova seconded and the motion passed unanimously.

2013 Workers Compensation Insurance Renewal – Assistant Manager Reinertsen presented a Staff Report (1-3-13 File, 2013 Staff Reports) regarding the District’s Workers Compensation coverage with the Colorado Special District’s Property and Liability Pool. The District has utilized a \$500 deductible program for the past two years and this has proven to be a cost-effective choice. Staff recommends utilizing a \$1,000 deductible program for 2013 for additional premium savings. Director Burger moved to approve the 2013 Workers Compensation with the \$1,000 deductible as presented, and authorize payment of that premium in the amount of \$15,566.23. Director Peck seconded and the motion passed unanimously.

Emergency Rate Annual Review – Manager Tooker presented the 2013 Exhibit A for the District’s Emergency Rate at 500% of the normal rate. Director Burger moved to adopt Exhibit A to the 2009 Resolution to Establish an Emergency Rate. Director Genova seconded and the

motion passed unanimously. Director Norman moved to continue to place the 2009 Resolution to Establish an Emergency Rate on holiday until further action of the Board. Director Genova seconded and the motion passed unanimously.

- Reinertsen, McLaughlin and Sheley exited the meeting at 8:05 p.m.

EXECUTIVE SESSION – MANAGER’S EVALUATION

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 Norman seconded and the motion passed unanimously. Directors Hassler, Genova, Norman, Peck and Burger were present, along with Manager Dale Tooker. The Executive Session was convened at 7:05 p.m.

- Manager Tooker exited the meeting at 8:08 p.m.

The Board adjourned the Executive Session at 8:10 p.m. Directors Hassler, Genova, Norman, Peck and Burger were present. No action was taken.

ADJOURNMENT

Director Burger moved to adjourn the meeting. Director Genova seconded and the motion passed unanimously. The January 3, 2013 Regular Meeting was adjourned at 8:11 p.m.

ATTEST:

Alan Hassler

Dale Peck

Doralyn Genova

Robert Norman

Robert K. Burger