

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, JUNE 6, 2013**

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

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen; Kelly McLaughlin; Angie
Beebe

GUESTS: Joe Drew (via phone)

REGULAR MEETING

Vice Chairman Peck called the June 6, 2013 Regular Meeting to order at 5:14 p.m. Chairman Hassler was excused from the meeting.

MINUTES OF THE MAY 2, 2013 REGULAR MEETING

Director Genova moved to approve the May 2, 2013 Regular Meeting Minutes (*6/6/13 File, 2013 Minutes*) as submitted. Director Norman seconded and the motion passed. Director Burger abstained as he had not been present at that meeting.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to accept the Financial Report and Approve Accounts Payable Regular Checks of \$144,446.48 plus Benefits Checks of \$16,789.93 plus Supplemental Checks of \$3,981.50 for a total of \$165,217.91. Director Norman seconded the motion. Director Burger noted the year-to-date revenue amounts in Other Income on the Profit and Loss Statement and requested documentation summarizing the insurance payment and court restitution amounts received by the District to complete the legal proceedings against a former employee. The motion passed unanimously.

MANAGER'S REPORTS

Manager Tooker summarized the April, 2013 Manager's Reports. There were no items of significant discussion.

INFORMATIONAL REPORTS

27" Effluent Waterline from Water Treatment Plant – Manager Tooker reported on the waterline break that occurred on the 27" effluent line exiting the Water Treatment Plant on May 17, 2013. This break required the District to shut down the Plant and drain the 27" effluent line to complete repairs. Due to the time required to do so and the water demand within the system, the District obtained water from Ute Water until the repair was complete. Two agenda items are scheduled under New Business to address overtime associated with this repair, and engineering services needed to address the infrastructure.

EXPRESS AGENDA

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

- 1) Children's Water Festival – The 20th Annual Children's Water Festival was held on May 20 – 21. District Staff that conducted classroom presentations were Allison Dederick, Brennen Graff, and Cameron Deppe. Mark Dalley served on the Planning Committee for the event. Additional District Staff that attended and assisted with activities included Dale Tooker, David Reinertsen, Kelly McLaughlin, Michelle Huff, Karen Renner, Eric Pennal, Brian Sheley, Rachel Roten, and Tino Villarreal. A copy of the "Flamingo Pink" Children's Water Festival program is included in the Board Packet.
- 2) Clifton Fire Department Training – On May 28, 2013 the Clifton Fire Department conducted their monthly training session at the Water Treatment Plant Training Room and District staff provided them with a tour of the facility and the hazards for the Fire Department to be aware of should they need to respond to the facility.
- 3) Project 2013-01 31 Road Main Line Upgrade/Replacement – The construction bid package is on the street with the mandatory pre-bid tour scheduled for Tuesday, June 4, 2013. Public Bid Opening is scheduled for Thursday, June 27, 2013 at 4:00 pm. Bid award recommendations will be presented at the July 11, 2013 Regular Board Meeting.
- 4) Special District Association Board Member & District Manager Training – The Special District Association is offering a training called "Real Life Problems and Real Solutions for District Board Members and Managers" on Tuesday, June 18th at the Mesa County Courthouse. Please let Kelly know by Friday, June 14 if you would like to attend. A one-page training announcement is provided for the Board's reference.

UNFINISHED BUSINESS

Project 2008-02 MF/UF Project Financing – Joe Drew was present via speakerphone, beginning at 6:05 p.m., to summarize the District's financing options for Project 2008-02 MF/UF through Colorado Water Resources and Power Development Authority (CWRPDA). Manager Tooker submitted a Staff Report for Board review. *(6/6/13 File, 2013 Staff Reports)* The estimated project cost is \$15,000,000. He recommends that the District also refinance its existing 2003 Bond debt to reduce the annual repayment cost. District water rate increases in the previous two years have

placed the District in a strong position as a prequalified borrower for financing. Interest rates, terms, and loan reporting requirements were discussed.

Director Norman moved to direct Staff to obtain the additional information needed for the District to apply for refunding (refinancing) the 2003 Revenue Bond, and to further evaluate the two Colorado Water Resources and Power Development Authority funding options for financing Project 2008-02 MF/UF. Director Burger seconded and the motion passed.

- Joe Drew completed his participation in the meeting at 6:50 p.m.

Project 2008-02 MF/UF Project Request for Proposal for Final Design and Construction – This agenda item was moved to later in the meeting.

Grand Valley DRIP Update – Assistant Manager Reinertsen summarized the new Drought Response Information Project (DRIP) marketing campaign “Join the Flock”, including opportunities for citizens to sign up to make a commitment to conserve outdoor water this summer. Board members commented on additional items to consider in this valley-wide effort to encourage water conservation to domestic water customers. Assistant Manger Reinertsen will present Board comments at the next DRIP committee meeting.

NEW BUSINESS

Request for Relief from Unauthorized Use Penalties – Collenette Corson, 3176 North Torrey’s Peak #A - Assistant Manager Reinertsen presented a Staff Report (*6/6/13 File, 2013 Staff Reports, Customer File*) and letter from customer Collenette Corson regarding her request for relief from Unauthorized Use Penalties assessed to Account #017648-000 in the amount of \$3,450. This was due to a frozen service line at 3176 North Torrey’s Peak #A going unrepaired from February 12, 2013 until April 22, 2013, during which time water service was provided to Unit #A from a temporary line extended, without District knowledge, from 3176 North Torrey’s Peak #B. The Unauthorized Use Penalty was calculated at \$50 per day for 69 days. The Board discussed the length of time which passed before the service line was repaired, and the lack of notification to the District regarding the temporary water line connection. Director Genova moved that the Unauthorized Use Penalty be reduced to 22 days, for the time period April 1, 2013 to April 22, 2013, at \$50 per day for a total of \$1,100, based on the repair being feasible by April due to stabilized weather conditions. Director Norman seconded and the motion passed,

Budget Transfer for Emergency Overtime – A Staff Report (*6/6/13 File, 2013 Staff Reports*) requesting a Budget Transfer to fund Emergency Overtime associated with the 27” Effluent Waterline Break May 17, 2013, and the 32 Road Waterline Break on May 21, 2013 was reviewed by the Board. Director Norman moved to authorize a Budget Transfer of \$6,200 from Contingency, to be split as \$4,700 to Overtime Wages – Distribution and \$1,500 to Overtime Wages – Water Treatment Plant. Director Genova seconded and the motion passed.

Effluent Pipe and Manifold Engineering Services – Manager Tooker reported that the break of the 27” Effluent Line from the Water Treatment Plant illuminated the need to obtain engineering services to develop a rehabilitation plan for that critical line. This is an unbudgeted need and funds are required from Contingency. Director Genova moved to authorize a Budget Transfer

from Contingency to Engineering Services in the amount of \$20,000. Director Burger seconded and the motion passed.

Project 2008-02 MF/UF Project Request for Proposal for Final Design and Construction – Manager Tooker stated that he obtained an opinion from legal counsel regarding requirements for obtaining proposals for Final Design and Construction for Project 2008-02 MF/UF. A Confidential Memo from attorney Chris McNany was provided to the Board.

Director Genova moved that the Board go into Executive Session as per C.R.S. 24-6-402(4)(b) to discuss legal advice contained in a Confidential Memo from legal counsel regarding Project 2008-02 MF/UF Final Design and Construction. Director Burger seconded and the motion passed.

The Executive Session commenced at 7:53 p.m. with the following persons present: Directors Peck, Norman, Genova and Burger; and staff members Tooker, Reinertsen, and McLaughlin.

The Board came out of Executive Session at 8:12 p.m. and called the Regular Meeting back to order.

Director Genova moved to authorize staff to initiate the Request for Proposal contracting process for a Final Design/Build construction contract for Project 2008-02 MF/UF. Director Burger seconded and the motion passed.

ADJOURNMENT

Director Genova moved to adjourn the June 6, 2013 Regular Meeting. Director Burger seconded and the motion passed. The Meeting was adjourned at 8:15 p.m.

ATTEST:

Excused

Alan Hassler

Dale Peck

Doralyn Genova

Robert Norman

Robert K. Burger