

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, MAY 2, 2013**

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

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen; Kelly McLaughlin; Brian Sheley; Angie Beebe; Brennen Graff

REGULAR MEETING

Chairman Hassler called the meeting to order at 5:05 p.m. Director Burger was excused from the meeting.

MINUTES OF THE APRIL 4, 2013 REGULAR MEETING

Director Genova moved to approve the April 4, 2013 Regular Meeting Minutes as presented. Director Peck 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 \$224,863.97 plus Benefits Checks of \$18,532.63 plus Supplemental Checks of \$6,260.16 for a total of \$249,656.76. Director Peck seconded the motion. Manager Tooker noted that Other Income is over budget due to receipt of a restitution amount owed the District. Treatment Plant Electricity is over budget due to this being the first year of operating the new River Pump Station, and running Nanofiltration more than usual for this time of year. The timing of Interest payments was discussed. Two checks to Ben Dowd Excavating were held out for review during Unfinished Business. The motion passed.

MANAGER'S REPORTS

Manager Tooker presented the Manager's Report for March, 2013. Water Tap Sales through March are 8 compared to 15 through March, 2012. Plant outflow and water sales are also down. Water treated by Nanofiltration was 75% of plant effluent in March, compared with 67% in 2012. This affected the electricity expense referenced during Financial Reports review. Assistant Manager Reinertsen summarized the Project Costs through March, 2013.

INFORMATIONAL REPORTS

AWWA Membrane Conference – Water Treatment Plant Operator Brennen Graff provided a PowerPoint presentation of the fundamentals of water treatment utilizing membranes based on what he learned at the American Water Works Association (AWWA) conference he attended in San Antonio in February, 2013. The presentation was informative and useful as the Board moves through decision-making regarding Microfiltration/Ultrafiltration plant upgrades.

- Brennen Graff left the meeting at 6:00 p.m.

First Quarter Water Revenue Comparison – An Informational Report (5/2/13 File, 2013 Staff Reports) was reviewed summarizing Water Revenue increases in 2011, 2012 and 2013 of approximately 20% each year. The increase in revenue is primarily driven by the increase in water rates since first quarter water consumption has remained relatively constant.

Purchase of Loader Backhoe – An Informational Report (5/2/13 File, 2013 Staff Reports) was reviewed summarizing the bid review process resulting in the purchase of 2013 Caterpillar 416F Loader Backhoe at a price of \$79,289. The 1994 Case Backhoe was traded in for a \$12,100 credit, resulting in a final price to the District of \$67,189 for the new Loader Backhoe.

EXPRESS AGENDA

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

1. Grand Valley DRIP Update – The Grand Valley DRIP committee sponsored a water give-away booth at the City of Grand Junction's Southwest Arborfest held on April 20, 2013 at Lincoln Park. The water give-away was in conjunction with free collapsible water bottle give-away by the City Forestry Department. Staff members Reinertsen, Sheley, and Talley interacted with well over 1,000 attendees in getting the drought status and water conservation message out. The participation was well received by attendees based on comments received. A DRIP Committee Press Release was held on April 26th at the Junior Service League Park's Colorado River Boat Launch which provided a community update regarding the current water supply and Drought Response actions being taken and recommendations at this time. The community was cautioned that Stage 2 Drought designation may still occur this year depending on water supply status later in the summer.
2. Children's Water Festival – The annual Children's Water Festival for Grand Valley fifth graders is scheduled at Colorado Mesa University on May 20 and 21. Distribution Supervisor Mark Dalley is serving on the Water Festival Committee for this important community outreach event. District staff are scheduled to present three classroom session and to help out in various areas of the event. If any Board member would like to participate, there are opportunities for assisting at the DRIP booth or feel free to just stop by CMU on either day and enjoy the fun learning.
3. 2013 Lower Colorado Basin Tour – The Colorado Foundation for Water Education's 2013 Lower Colorado Basin Tour is scheduled from May 30 – 31, 2013 originating from Palisade. The Draft Itinerary and registration information is included in the Board Packet. Board members should let Kelly McLaughlin know, before May 1 if possible, if you would like to attend or at the Board meeting.

4. AWWA Annual Conference and Exposition (ACE) in Denver, Colorado – The American Water Works Association Annual Conference is being held in Denver June 9 – June 13, 2013. Manager Tooker and Director Peck are attending as paid registrants. Distribution Supervisor Dalley and Water Treatment Plant Operator Roten are assisting at the Conference and their attendance is at no charge.

UNFINISHED BUSINESS

Project 2008-02 MF/UF Project – Manager Tooker reported that Burns and McDonnell Engineering have delivered the Draft 30% Design for Project 2008-02 MF/UF, which Staff will review prior to presentation to the Board. Burns and McDonnell also submitted a 3D Mock up of the two membrane vendor options being considered. The 3-D Mock-up video was presented to the Board showing the amount of space that would be utilized within the existing building when installing Siemens and Pall membrane systems.

Current Drought Conditions – Assistant Manager Reinertsen provided current hydrographs of Colorado River flows and Upper Colorado Basin snowpack. On Friday, April 26, 2013 a Press Conference was held by The Drought Response Information Project announcing that Clifton Water, the City of Grand Junction, and Ute Water will maintain the Stage 1 Drought designation at this time.

Joint Meeting with City of Grand Junction and Ute Water – On Monday, April 15, 2013 Directors Hassler, Peck and Norman attended the Joint Meeting with the City of Grand Junction and Ute Water along with Staff members Tooker, Reinertsen and Sheley when each entity presented what they are doing related to drought planning.

Joint Fluoride Statement – Manager Tooker referenced the Informational Report (5/2/13 File, 2013 Staff Reports) regarding the Joint Fluoride Statement the District, Ute Water and the City of Grand Junction developed to inform the public of each entities' commitment to practice community water fluoridation. Director Genova moved that on May 2, 2013 the Clifton Water District Board of Directors affirmed the continued use of fluoridation in the water treatment process, and, further, adopted the "Drinking Water Providers – Community Water Fluoridation Statement" as identified in bold lettering on the Informational Report dated March 28, 2013. Director Peck seconded and the motion passed.

Project 2012-03, 16" North Tank Waterline – Final Payment – Assistant Manager Reinertsen presented a Staff Report – Project 2012-03 16" North Tank Waterline Final Project Cost Summary (5/2/13 File, 2013 Staff Reports, Project 2012-03 File) itemizing contractual and project cost changes amounts. He also reported that Final Payment for Project 2012-03, 16" North Tank Waterline was advertised twice in The Daily Sentinel, and no inquiries were received. Director Genova moved to increase the contract value for Project 2012-03 by \$1,089.25 to pay for the added change order work performed by the contractor. Director Norman seconded and the motion passed. Director Peck moved to authorize Final Payment of retained funds in the amount of \$11,269.46. Director Genova seconded and the motion passed. Final Payment to Ben Dowd was approved.

- Angie Beebe left the meeting at 7:15 p.m.

NEW BUSINESS

Employee Wellness Program – Unspent HRA – Manager Tooker presented a Staff Report (5/2/13 File, 2013 Staff Reports) outlining an incentive award for Employee Wellness as the result of underutilization of the Health Reimbursement Arrangement (HRA) of approximately \$100,000 annually in 2011 and 2012. The proposed Wellness Award recognizes employee wellness and their efforts to reduce District Benefit costs, and will be funded from the Wages Budgetary line item. Director Genova moved to approve the Employee Wellness Award out of the 2013 Budget, in recognition of employee wellness and reduction of District Health Insurance and Benefits costs. Director Norman seconded and the motion passed.

Project 2013-01 31 Road Main Line Upgrade/Replacement – Assistant Manager Reinertsen reported that Project 2013-01, 31 Road Main Line Upgrade/Replacement, has been designed and budgeted for 2013. The preliminary construction cost is \$150,000. He requested authorization to advertise for bids for this project, with award scheduled for July, 2013. Director Genova moved to authorize staff to advertise the Bid Package for Project 2013-01, 31 Road Main Line Upgrade/Replacement, to be scheduled for Bid Award at the Board Meeting scheduled for July 11, 2013. Motion passed.

Partnership for Safe Water 5 Year Directors Award – Manager Tooker reported that the District will receive the Partnership for Safe Water Five Year Director’s Award at the American Water Works Association (AWWA) Annual Conference in Denver on June 10, 2013. This Award places the District among an elite group of top performing facilities, and the District is the only water utility being recognized for Five Years at this year’s Conference. Staff members Tooker, Dalley and Roten will attend along with Director Peck.

ADJOURNMENT

The May 2, 2013 Regular Board Meeting was adjourned at 7:35 p.m.

ATTEST:

Alan Hassler

Dale Peck

Doralyn Genova

Robert Norman

Excused

Robert K. Burger