

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, OCTOBER 2, 2014**

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

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

GUESTS PRESENT: Vincent Hart: Carollo Design Build Group

REGULAR MEETING

Chairman Hassler called the Regular Meeting to order at 5:15 p.m. Director Hassler moved Project 2008-02 MF/UF from Unfinished Business to the beginning of the meeting to accommodate Mr. Vincent Hart of Carollo Design Build Group.

Project 2008-02 MF/UF – Manager Tooker briefed the Board regarding the construction and demolition activities underway. He reported that Carollo Design Build Group has experienced difficulty in securing local subcontractors to perform various components of the project and will move forward to ‘self-perform’ the work activities. This item was information only, no Board action was required.

Construction Inspection Services / Contract – Manager Tooker presented an Agreement (*10/02/14 File, Project 2008-02 File*) to secure a Design Build Project Representative through Carollo Design Build Group for a “not to exceed” amount of \$305,200. The Board discussed the importance of insuring the construction activities result in a project that is built to the standards identified by Carollo Engineering. The Board discussed whether or not a representative from Carollo Design Build Group could effectively oversee the construction activity in an unbiased manner and protect the District’s interest. Vincent Hart from Carollo Design Build Group was questioned concerning the Agreement and obligation to provide inspection services. Director Peck moved to approve the Design Build Project Representative Agreement with Carollo Design Build Group for a not to exceed amount of \$305,200 and further authorizing the Agreement as Change Order 01 to the Final Design Build and Construction Contract dated June 5, 2014 and authorizing Manager Tooker to sign. Director Norman seconded the motion. The Board discussed the purpose of including the Agreement as a Change Order to the original Contract and the importance of the inspection services. The motion passed unanimously.

MINUTES OF THE SEPTEMBER 4, 2014 REGULAR MEETING

Director Norman moved to approve the September 4, 2014 Regular Meeting Minutes as corrected. Director Peck seconded the motion. The motion to approve passed unanimously.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to Approve Accounts Payable Regular Checks of \$76,404.65 plus Benefits Checks of \$18,957.99 plus Supplemental Checks of \$642,669.34 for a total of \$738,031.98. Director Peck seconded the motion. The Board asked for clarification of the Profit and Loss Statement reporting an increased G & A Insurance and Bonds Expense. Staff clarified that the Expense was related to the Bond Issuance Cost and the District's Auditor confirmed the Expense must be shown as an Operating Expense and cannot be capitalized to the MF/UF Project. The motion passed unanimously.

MANAGER'S REPORT

Manager Tooker presented the Manager's Report (*9/4/14 File*) for August 2014. Continued increase of overtime to repair after hours' service line leaks and main line repairs were discussed by the Manager and the Board. Manager Tooker identified that the District has stepped up efforts with the Valve Exercising and Hydrant Flushing Program. As a result, over 60 valves have recently been identified in the closed position when they should have been open. It is believed that opening the valves has restored water pressure and increased flow in areas that have been previously restricted. This may be an underlying cause of the increased system leaks. Additionally, the District's activity of opening and closing valves and fire hydrants during the procedure could also contribute to the increase in waterline breaks by creating pressure surges. Information will continue to be evaluated and reported.

EXPRESS AGENDA

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

466 32 1/8 Road (Account #016532000) – Customer Complaint/Water Damage to Rental Unit – Staff was notified by the District's liability insurance carrier, Colorado Technical Services, Inc. (CTSI) will complete the process involving the District's customer.

Customer Refund Request for 4199 Highway 50 (Account 020434-000) and 493 Bing Street (Account 009198-000) – Staff processed both customer refund requests for overpayments made through their financial institutions' automated Bill Pay process. The refunds were processed through the District's Checkfree electronic remit vendor, Fiserv. The requested refund for 493 Bing had a District refund check in the amount of \$966.40 approved and signed at the September 4 Board Meeting. Staff has voided that check and will present the voided check for destruction at the October 2 Board Meeting. Both customers have been notified by phone and mail as of 09-26-14, of the refund status. The payment refund Standard Operating Procedure was reviewed with Staff in the event that similar situations arise in the future.

Operator Graff's Abstract Selected for AWWA/American Membrane Technology Association Annual Conference – Class 'A' Operator Brennan Graff submitted an Abstract that was selected for presentation at the American Water Works Association/American Membrane Technology Association in Orlando, Florida on March 2nd through 6th, 2015. This is a great opportunity to

showcase the District's Nanofiltration and Reverse Osmosis Water Treatment Technology and Staff's efforts to improve the processes.

UNFINISHED BUSINESS

2015 Budget – A Draft of the 2015 Budget was presented to the Board. The Budget Committee met on September 25, 2014 to identify the overall strategy for arriving at 2015 Budget. Review discussion only, no Board action required at this time.

Project 2014-01 F 5/8 Road Main Line Upgrade – Assistant Manager Reinertsen presented a Staff Report (*10/02/14 File, 2014 Staff Reports, Project 2014-01 File*) summarizing the final costs associated with Project 2014-01, F 5/8 Road Main Line Upgrade, totaling \$318,452.87. Final Payment has been advertised and no payment contest notices were received. The Project is now considered final and complete. Director Peck moved to authorize Final Payment of \$6,767.67. Director Norman seconded and the motion passed.

Project 2014-02 - Design GVICo Check Structure – Manager Tooker and Assistant Manager Reinertsen met with GVICo Staff on Tuesday, August 26, 2014 to discuss the project. At that meeting, Staff requested clarification of a statement made by the GVICo Manager regarding a 20 cfs limitation of water delivery available through the canal. Until GVICo clarifies the stated diversion limitation, Manager Tooker did not approve a proposed Easement from GVICo to install a drain on District property for an upcoming canal lining project. Recent information indicates that GVICo will not be lining this portion of the canal and it was determined that the design and construction of a check structure would not be beneficial at this time. Staff will continue to pursue a headgate design and proceed to clarify delivery amounts. No Board action required at this time. Staff will provide project updates as they become available.

Colorado Mesa University Out-of-District Service Request Status – Director Genova identified that she has a family member employed by the Grand Junction Police Department. The Board did not believe Ms. Genova needed to recuse herself from the discussion. The Board discussed the Staff Report (*10/02/14 File, 2014 Staff Reports, Colorado Law Enforcement Training Center*) and Out-of-District water service for the Colorado Law Enforcement Training Center. Staff explained that Mesa County and the City of Grand Junction had teamed up and submitted a Grant Request to fund the construction of the Training Center including the water supply system. Staff recommended the installation of a water system should be accomplished with existing District Policy and handled like any other development. Under existing procedures, the water system is installed by the developer and upon completion is conveyed to the District. The District then owns, operates and maintains the system. Water taps would then be sold to serve buildings and units within the system. The Board clarified the area would be Out-of-District and the District had no intention of providing water through a single Master Meter to the entire development. Staff will continue to update the Board on the status of this Project.

SDA Annual Conference Briefing – The Special District Association (SDA) Annual Conference was held September 10 – 12, 2014 in Keystone, Colorado. Directors Hassler and Peck 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 Annual Water Seminar Briefing – Assistant Manager Reinertsen attended the Colorado River District Annual Seminar held on September 19, 2014, and provided a brief summary of the presentations of the event.

MANAGER’S EVALUATION

Chairman Hassler stated that he would distribute preliminary Manager’s Evaluation information to all Board Members to start the annual evaluation process. No Board action at this time.

ADJOURNMENT

Director Genova moved to adjourn the Regular Meeting at 7:37 pm. Director Norman seconded the motion which carried unanimously.

ATTEST:

Alan Hassler

Dale Peck

Doralyn Genova

Robert Norman

--Excused--

Robert K. Burger