

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, FEBRUARY 5, 2015**

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

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

**GUESTS:** Chris Johnson, United Capital Financial Advisers (formerly  
Capital Investment Counsel), Melvin Diffendaffer and Stan  
Sparks.

**REGULAR MEETING**

Chairman Hassler called the February 5, 2015 Regular Meeting to order at 5:01 p.m.

**MINUTES OF THE JANUARY 8, 2015 REGULAR MEETING**

Director Genova moved to approve the January 8, 2015 Regular Meeting Minutes as submitted.  
Director Burger seconded and the motion passed unanimously.

Director Peck moved to move the Semi-Annual Economic and Investment Update from Chris  
Johnson and the Unfinished Business item Recognizing Robert Norman up on the agenda.  
Director Genova seconded and the motion passed unanimously.

**SEMI-ANNUAL ECONOMIC AND INVESTMENT UPDATE FROM UCFA**

Chris Johnson of United Capital Financial Advisers (UCFA) provided a semi-annual report of  
the District's current Investments and reported the name change from Capital Investment  
Counsel to United Capital Financial Advisers (*File 2/5/2015*).

Mr. Johnson exited the meeting at 5:18 p.m.

**RECOGNITION OF ROBERT NORMAN**

Director Peck moved to Recognize the service of former Board Member Robert Norman through  
Resolution 2015-03 Resolution in Honor of Robert Norman (*File 2/5/2015, Resolutions*). Chairman  
Hassler read the Resolution aloud. Director Genova seconded the motion which passed  
unanimously. Chairman Hassler signed the Resolution and then provided a copy of the  
Resolution along with a gift to Mr. Norman, thanking him for the years of service to the Board of  
Directors.

Text of Resolution:

Resolution 2015-03  
Resolution in Honor of Robert Norman

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***WHEREAS, Robert Norman served as a member of the Clifton Water District Board of Directors from October 7, 2010 to November 6, 2014; and***

***WHEREAS, Robert Norman provided respected engineering insight and guidance that was valuable during the planning, design, bidding and construction of the District's Microfiltration/Ultrafiltration Water Treatment Project; and***

***WHEREAS, Robert Norman's leadership was instrumental in the preparation of the annual budget, evaluation of Cost-of-Service Analysis and promoting Scenario Testing in establishing effective water rates; and***

***WHEREAS, Robert Norman's ideas and principles were incorporated into the decisions and policies of the Water District; and***

***NOW THEREFORE BE IT RESOLVED that the Clifton Water District and Board of Directors express their gratitude for Robert Norman's commitment;***

***BE IT FURTHER RESOLVED that this Resolution is presented to Robert Norman in appreciation of his dedication and service to the Clifton Water District.***

At 5:23 p.m. the Board recessed in order to tour the progress of the MF/UF Project. Guests Norman, Diffendaffer and Sparks along with staff members Tooker, Reinertsen, Sheley and Plett toured the facility as well.

The meeting was reconvened at 5:50 p.m. Mr. Norman exited the meeting at this time.

### **FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Director Genova moved to Accept the Financial Report and Approve Accounts Payable Regular Checks of **\$57,704.06**, plus Benefits Checks of **\$20,051.19**, plus Supplemental Checks of **\$808,387.21**, plus Special Checks of **\$9,828.00** for a total of **\$895,970.46**. Director Peck seconded and the motion passed unanimously.

### **MANAGER'S REPORTS**

Manager Tooker presented the Manager's Report for December 2014 (*File 2/5/2015*). He highlighted the year end data specifically that Water Sales for the year were down by 2.6% from the prior year. Additionally, water loss from % of Sales/Plant Outflow is at 13.5% which is down considerably from years prior. He also pointed out that the decrease in Dissolved Solids (ppm) requires less use of the Nanofiltration system because the quality of river water was better in 2014.

### **INFORMATIONAL REPORTS**

Lockbox 2014 Annual Report – Manager Tooker presented an Informational Report regarding 2014 Annual Report on Lockbox Activity (*File 2/5/2015, 2015 Informational Reports*). He reported that the move to Lockbox for payment processing has been positive, with more than 4,000 payments

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on average being processed each month with a remarkably low exception rate. More payments are processed through the Lockbox than any other payment type each month. Electronic payments now account for more than 70% of all payments processed. This is allowing time for the Customer Service Representatives to take a more proactive approach to customer needs.

Colorado Mesa University Out-of-District Project and Timeline – Assistant Manager Reinertsen presented an Informational Report outlining the project and timeline (*File 2/5/2015, 2015 Informational Reports*) associated with the building of Colorado Law Enforcement Training Center. Further updates will be provided as the project moves forward.

Commercial Water Use Evaluations – Assistant Manager Reinertsen presented an Informational Report (*File 2/5/2015, 2015 Informational Reports*) outlining the results of The Brendle Group's Water Conservation Audits of Central High School and Dos Hombres Restaurant. Staff believes this was a valuable opportunity for the District to consider for other commercial customers in the future.

Website Review – Staff member Plett presented an Informational Report and visual presentation (*File 2/5/2015, 2015 Informational Reports*) outlining updates to the website.

## **EXPRESS AGENDA**

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

Water Rates Implemented – 2015 Water Rates (*File 2/5/2015*) have been implemented based on the approval by the Board of Directors on December 5, 2014. Customers have been notified of the rate change with Billing Inserts and a Customer Message on billing statements. Customer Service Representatives report only a few customers have had any questions or concerns about the increase in rates.

Availability of Service Implemented – The 2015 Availability of Service Charge (*File 2/5/2015*) has been implemented beginning with billings after January 8, 2015. One Billing Group of approximately 3,000 Customers was billed prior to the January 8, 2015 implementation date. This Billing Group has 108 Availability of Service Customers which is the fewest of the four billing group and will be billed correctly with the February 2015 billing.

## **UNFINISHED BUSINESS**

Board Position Vacancy – The Board inquired about the interest of Mr. Diffendaffer and Mr. Sparks to join the Board of Directors. Both expressed interest. The Board began discussions at 6:47 p.m. when Mr. Diffendaffer and Mr. Sparks voluntarily left the meeting so that the Board could speak candidly. Staff members Beebe and Sheley exited the meeting at the same time.

Following a brief discussion, all parties returned to the meeting at 6: 58 p.m. Director Peck made a motion to accept Mr. Diffendaffer's application as a Board Member. At this time Chairman Hassler called to question Mr. Diffendaffer's interest in accepting the appointment

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through the end of the term ending after the election in 2016. Mr. Diffendaffer affirmed his interest in the position. Director Burger seconded the motion which passed unanimously.

Mr. Diffendaffer took the Oath of Office (*File 2/5/2015*), which was administered by Chairman Hassler. The Oath of Office was signed and notarized for the Record.

Text of the Oath of Office:

*OATH OF OFFICE  
32-1-901, C.R.S.  
STATE OF COLORADO,  
MESA COUNTY*

*CLIFTON WATER DISTRICT*

*I, Melvin Diffendaffer, will faithfully support the Constitution of the United States and of the State of Colorado, and the laws made pursuant thereto, and will faithfully perform the duties of the office of Director of the Clifton Water District upon which I am about to enter.*

The Board expressed its appreciation to Mr. Sparks for his interest in applying to serve the District as an appointed Board member.

Personnel Policy Revisions – Committee Meeting – A verbal report of the Personnel Committee was provided by Chairman Hassler and Director Burger. The committee has initially met and is awaiting the consultation of Attorney Santo regarding proposed changes to Policy #8 Compensation (specifically Compensatory Time) and to Policy #12 12 Sick Leave/Disability Leave (specifically Sick Leave). The committee has proposed a reduction Compensatory Time accrual maximum to 7 hours and requiring that employees use or be paid all accrued hours by December 31<sup>st</sup> annually to ensure that the District does not have the liability of Comp Time at year end. Additionally the committee is recommending a reduction in Sick Leave to 6 days per year, accrued monthly with stronger language to ease in the administration of Sick Leave. The Personnel Committee will meet again before the next Board Meeting after receiving feedback from Attorney Santo. This status update was informational only with no Board action required at this time.

**NEW BUSINESS**

Wal-Mart Neighborhood Market Service Request – Assistant Manager Reinertsen reported that Wal-Mart has withdrawn its initial request for Board consideration of formal inclusion of its project property into the District’s service boundaries. Until the property sale and transfer is finalized (expected to be sometime in April 2015) Wal-Mart will not proceed any further with the Inclusion request (*File 2/5/2015*). This status update was informational only with no Board action required at this time.

Project 2014-01 Phase 2, F 5/8 Road Main Line Upgrade/Replacement – Staff requested Board authorization to proceed with a Construction Bid Package for this budgeted FY2015 non-

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operational construction expense (*File 2/5/2015*). Director Peck moved to authorize staff to begin the construction procurement process for Project 2014-01 Phase 2, F 5/8 Road Main Line Upgrade/Replacement. Director Genova seconded the motion which passed unanimously.

Derek Beagley Out-of-District Service Request – 33099 Willow Bend Road Whitewater – Mr. Beagley is requesting Out-of-District service for his 40-acre property located at 33099 Willow Bend Road, Whitewater (*File 2/5/2015*). Director Genova moved to accept Mr. Beagley’s Out-of-District Service Request for water service for the parcel known as Tax Parcel #2967-111-00-155 described as SE4 NE4 SEC 11 2S 1E, 40.61 AC with the condition to provide a 20-foot wide exclusive Clifton Water District waterline easement from Willow Bend Road along the eastern property line to the north for use in the eventual tie-in of the existing 8” waterline in Willow Bend Road and Mesa County’s planned future road alignment between Highway 50 and Dyer Road to the East. Director Peck seconded the motion which passed unanimously.

Potential Customer Claim – Assistant Manager Reinertsen presented a Staff Report (*File 2/5/2015*) regarding a potential claim which has been forwarded to the District’s Property and Liability Insurance agent. This status update was informational only with no Board action required at this time.

**EXECUTIVE SESSION**

By Board consensus, finalization of the Written Manager’s Review was postponed until the March 5, 2015 meeting.

**ADJOURNMENT**

Director Burger moved to adjourn the meeting at 7:54 p.m. Director Genova seconded and the motion passed unanimously.

**ATTEST:**

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Alan Hassler

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Dale Peck

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Doralyn Genova

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Robert K. Burger

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Melvin Diffendaffer