

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, JANUARY 8, 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: Jamie Hamilton, Home Loan and Investment
Melvin Diffendaffer
Stan Sparks

REGULAR MEETING

Vice-Chairman Peck called the January 8, 2015 Regular Meeting to order at 5:06 p.m.

NEW BUSINESS

2015 Property Casualty and Liability Insurance Renewal and 2015 Workers Compensation Insurance Renewal – By Board consensus, the Insurance Renewal items were moved up on the agenda. Jamie Hamilton of Home Loan and Investment was present to summarize the District's insurance coverage (*1/8/15 File, Insurance – 2015 Property, Casualty and Workers Comp*). Mr. Hamilton explained that the District's insurance rates have increased 8.32%. He stated that this increase is a result of increased operational costs. He commented on the District's foresight to include cyber and identity theft in the insurance lines. He did note that once the MF/UF construction project is complete the District will see an additional insurance expense due to the increase of property owned by the District. He estimated that this mid-year expense will be approximately \$5,000 for 6 months. With respect to the Worker's Compensation policy, Mr. Hamilton reported that the District's Experience Modification is .71 which is superior. He stated the reasons for this include the District's commitment to safety and the plan deductible.

2015 Workers Compensation Insurance Renewal – Director Genova moved to approve the 2015 Workers Compensation Insurance with Colorado Special Districts Property and Liability Pool with the \$1,000 deductible and authorize payment in the amount of \$13,871.72. Director Burger seconded and the motion passed unanimously.

2015 Property Casualty and Liability Insurance Renewal – Director Genova moved to approve the 2015 Property Casualty and Liability Insurance Renewal with Colorado Special Districts Property and Liability Pool and authorize payment in the amount of \$59,020.39. Director Burger seconded and the motion passed unanimously.

- Mr. Hamilton exited the meeting at 5:29 p.m.

Board Position Vacancy – Manager Tooker introduced Melvin Diffendaffer and Stan Sparks to the Board as individuals interested in filling the Board membership vacancy. The candidates provided their verbal resumes and then the Board members provided a brief overview of the duties and responsibilities of being a Clifton Water District Board member. The candidates accepted the Board’s invitation to stay for the remainder of the meeting. By Board consensus, the appointment decision was deferred to the February 5, 2015 meeting.

MINUTES OF THE DECEMBER 4, 2014 REGULAR MEETING

Director Burger moved to approve the December 4, 2014 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 **\$1,393,959.73** plus Benefits Checks of **\$21,226.17** plus Supplemental Checks of **\$26,639.06**, plus Special Checks of **\$72,892.11** for a total of **\$1,514,717.07**. Director Burger seconded the motion. Director Burger requested having expense and bond reimbursement related to the MF/UF project reported differently so that when reviewing financial statements the comparative year to date data would be clearer. Accounting Technician Beebe will provide additional notes in the Financial Notes to assist in this request. The motion passed unanimously.

Chairman Hassler joined the meeting at 6:08 p.m.

MANAGER’S REPORTS

Manager Tooker presented the Manager’s Reports for November, 2014 (*1/8/15 File*). He highlighted the improvement of Plant Outflow as a percentage of Sales showing an increase of 2.3% over the prior year.

UNFINISHED BUSINESS

Project 2008-02 MF/UF – Manager Tooker provided a status update on the project noting that the Contractor’s performance continues to be within one or two weeks of the overall project schedule. This status update was informational only with no Board action required at this time.

Colorado Mesa University Out-of-District Service Request Status – Assistant Manager Reinertsen presented a Staff Report (*1/8/15 File, 2015 Staff Reports, Out of District Service Requests*) regarding CMU’s request for Out-of-District Service. Director Genova noted that one of her family members is employed as a driving instructor at training center and further stated that she can render impartial decisions in this matter. Director Hassler moved to accept the Colorado Mesa University Out-of-District service request with the following conditions:

1. All installation and construction shall be in accordance with District Policy 310 – New Construction with all development costs the responsibility of Colorado Mesa University,

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2. Water volume availability shall be limited to a maximum of 16,000 gallons per month for the classroom/office facility and 30,000 gallons per day for fire training exercises with a booster pump station capacity of 40 to 60 gallons per minute,
 3. Water rates will be billed at the published base and tier rates for Out-of-District customers for the classroom/office facility and at the bulk water rate for Out-of-District users for fire training exercises,
 4. Final approval of granting Out-of-District water service will be contingent upon written concurrence by Mesa County to provide water service above the 4,800 foot contour level as per the tenants of the IGA, and,
 5. No additional development requiring added water service or capacity, either inside or beyond the current boundaries of the Training Center, is approved other than that identified in Mr. Marsh's service letter request, dated December 19, 2014.

Director Genova seconded the motion and it passed unanimously.

NEW BUSINESS

FY 2014 Audit Services – Chadwick, Steinkirchner, Davis & Co., P.C. – A letter of understanding of services (*1/8/15 File, 2014 Audit*) was presented from Chadwick, Steinkirchner, Davis & Co. P.C. for the provision of 2014 Audit services. Director Genova recused herself from this agenda item due to a family member being affiliated with the auditing firm. Director Burger moved to appoint Chadwick, Steinkirchner Davis & Co., P.C. to complete the District's FY2014 Audit at a maximum cost of \$9,100 and authorize the Chairman to sign the letter. Director Hassler seconded and the motion passed unanimously with Director Genova abstaining.

Resolution 2015-01 Designating Time, Location and Posting of Meetings – Director Genova moved to adopt Resolution 2015-01(*1/8/15 File, Resolutions*), A Resolution Designating Time, Location and Posting of Meetings for 2015. Director Burger seconded and the motion passed unanimously. Resolution Text is as follows:

**RESOLUTION 2015-01
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 8th day of January 2015.

Resolution 2015-02 Adopting Availability of Service Charge for 2015 – Manager Tooker presented a Staff Report (1/8/15 File, 2015 Staff Reports) summarizing 2014 average customer billing amounts that are used to calculate the 2015 Availability of Service Charge. Director Burger moved to adopt Resolution 2015-02 (Resolutions), A Resolution For the Availability of Service Charge for 2015 and set the In-District Availability of Service rate at \$15.46 per month and the Out-of-District Availability of Service rate at \$23.19 per month. Director Hassler seconded and the motion passed unanimously. Resolution Text is as follows:

RESOLUTION 2015-02
RESOLUTION FOR THE AVAILABILITY OF SERVICE CHARGE FOR 2015

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 2015 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 2014 the average water usage charge for a Clifton Water District In-District customer was \$30.93/month per unit; and

WHEREAS, in 2014 the average water usage charge for a Clifton Water District Out-of-District customer was \$49.46/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 2015 Fiscal Year at 50% of the In-District average water bill in 2014, which equals \$15.46 per month per unit and the Out-of-District Availability of Service Charge for the 2015 Fiscal Year at 47% of the Out-of-District average water bill in 2014, which equals \$23.19/month per unit.

BE IT FURTHER RESOLVED, that this Resolution be adopted this 8th day of January 2015 and is effective January 8, 2015.

Emergency Rate Annual Review – The Board reviewed the Staff Report (1/8/15 File, 2015 Staff Reports) regarding the 2009 Resolution establishing an Emergency Rate, and the 2015 calculation of rates. Director Hassler moved to adopt Exhibit A (Water Rates) to the 2009 Resolution Establishing an Emergency Rate, for the 2015 Emergency Rates. Director Genova seconded and the motion passed unanimously.

Director Hassler then moved to place the Emergency Rate on hold until further Board action is taken. Director Genova seconded and the motion passed unanimously.

Personnel Policy Revisions – Manager Tooker reported on proposed revisions to District Policies regarding Compensatory Time (Comp Time) and Sick Leave. By consensus of the Board, this agenda item was passed to the Personnel Committee for further consideration and recommendations.

Former Board Member Recognition – By consensus the Board requested a Resolution be generated to honor the service of former Director Robert Norman for his participation, input, service and contributions to the District during his term of service.

Yellow Billed Cuckoo Critical Habitat – Manager Tooker reported to the Board that the Colorado River from Palisade to the confluence of the Gunnison River has been designated as a Critical Habitat for the Yellow Billed Cuckoo. The District's facilities and property located at 510 34 Road, is included in the designated habitat and as a result could have a significant impact on future use. Information only, no Board action required at this time.

EXECUTIVE SESSION

Guests Stan Sparks and Melvin Diffendaffer, along with staff members Beebe, Reinertsen and Plett exited the meeting at 6:55 p.m.

At 6:58 pm, 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 Genova seconded and the motion passed unanimously. Directors Hassler, Genova, Peck and Burger were present, along with Manager Dale Tooker. The Executive Session was convened at 6:58 p.m. Manager Tooker exited the Executive Session at 6:58 p.m. Manager Tooker returned to the Executive Session at 7:24 p.m.

The Board adjourned the Executive Session at 7:55 p.m. Directors Hassler, Genova, Peck and Burger and Manager Tooker were present.

Manager's Evaluation – The Managers evaluation was completed and it was Board consensus to increase Manager Tooker's annual salary by 3%.

ADJOURNMENT

Director Peck moved to adjourn the meeting at 8:01 p.m. Director Genova seconded and the motion passed unanimously.

ATTEST:

Alan Hassler

Dale Peck

Doralyn Genova

Robert K. Burger