

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

**BOARD MEMBERS PRESENT:** Dale Peck, Chairman; Stan Sparks, Vice-Chairman;  
Doralyn Genova, Treasurer; Robert K. Burger, Secretary;  
Melvin Diffendaffer, Director

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; Angie Beebe

**REGULAR MEETING**

Chairman Peck called the October 1, 2015 Regular Meeting to order at 5:08 p.m.

**MINUTES OF THE OCTOBER 1, 2015 REGULAR MEETING**

Director Genova moved to approve the October 1, 2015 Regular Meeting Minutes. Director Sparks 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 \$132,835.93 plus Benefits Checks of \$21,045.59 plus Supplemental Checks of \$294,867.55, plus Special Checks of \$35,496.00 for a total of \$484,245.07. Manager Tooker reviewed and discussed the debits and credits as shown on the monthly check register. Director Diffendaffer seconded and the motion passed unanimously.

**MANAGER'S REPORT**

Manager Tooker reviewed the items identified on the list of Outstanding Issues. Information only, no Board action identified or taken.

**INFORMATIONAL REPORT**

Project 2008-02 MF/UF Status Report – Manager Tooker stated that the Contractor continues working on completing the Chlorine Contact Basin. The disinfection and testing of the Chlorine Contact Chamber is progressing. Staff projects the Chlorine Contact Chamber will be operational the week of November 9, 2015, once the new SCADA controls are completed. PCL continues working on completing remaining project items that were listed on the final completion ‘punch’ list.

Effluent Manifold Emergency Action Update – Manager Tooker provided a status update regarding progress towards performing the emergency repairs to the effluent manifold. PCL has initiated the installation of the manifold. A plant shutdown was performed to install the 24-inch isolation valve and work is progressing on the remaining components of the manifold.

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## **EXPRESS AGENDA**

Director Burger moved to approve the Express Agenda items. Director Genova seconded the motion which passed unanimously. The Express Agenda (*File 11/05/2015*) items are as follows:

Whitewater Hill Training Facility – Waterline Construction – The City of Grand Junction’s contractor, Sorter Construction, began installation of the water facilities needed to serve the Training Facility. The contractor has completed installation of approximately 7,000 feet of new 6-inch waterline and is scheduled to begin installation of the pump station and fiberglass storage tanks the second week of November.

3.7 Million Gallon Storage Tank Cleaning and Inspection – Marine Diving Solutions performed tank cleaning and inspection of the 3.7 Million Gallon Finished Water Storage Tank, located north of the Interstate, on October 24 and 25, 2015. They removed an approximate 1/8 inch thick layer of sediment from the floor of the tank and then performed a video inspection of the interior tank condition. Several areas of the floor and support columns were identified that will need to be painted with the approved coating materials. The tank was taken out of service during the dive activities and was placed back in service on Monday, October 19, 2015.

## **UNFINISHED BUSINESS**

2016 Budget – Manager Tooker identified the statutory requirement of the Board to set the Budget Hearing for the 2016 Budget. Director Genova moved to set the Budget Hearing regarding the District’s FY2016 Budget for Thursday, December 3, 2015 at 5:00 p.m. Director Burger seconded and the motion passed. Manager Tooker then presented the Proposed 2016 District Budget, highlighting those areas of increases and decreases when compared to the 2015 budget numbers. The Board discussed areas of the Budget including the increased Operating Expense associated with depreciation and replacement expenses associated with the existing infrastructure and the MF/UF Facility. The FY 2016 Budget will be considered for formal adoption on December 3, 2015 after the Budget Hearing is completed.

Project 2015-01 F ½ Waterline Upgrade – Assistant Manager Reinertsen discussed the Project Staff Report (*File 11/05/2015, 2015 Staff Reports*). Assistant Manager Reinertsen identified and addressed several changed condition items encountered during construction. As a result of the changed conditions Assistant Manager Reinertsen requested an additional \$46,250 to be added to the approved Contract. Director Genova moved to authorize an increase in the construction contract value by \$46,250 due to the encountered changed conditions during construction. Director Diffendaffer seconded and the motion passed unanimously.

James M. Robb-Colorado River State Park – Manager Tooker reported that he had met with Mr. Firmin with the Colorado State Parks. Mr. Firmin has identified the Lease and access conditions and is finalizing for presentation to the District. Manager Tooker stated that he will have District legal counsel review the documents prior to formal presentation to the Board. Information only, no Board action required at this time.

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## **NEW BUSINESS**

2016 Water Rate – Cost of Service Analysis – Manager Tooker reviewed the 2016 Cost of Service Rate Analysis (*File 11/05/2015, Cost of Service Analysis*) and the 2016 Water Rate Recommendations Memorandum (*File 11/05/2015, 2015 Memorandum, 2016 Water Rates*). Based upon the Cost of Service Analysis and the Board’s direction to consider small annual increases to fund increased Operating Expense, Staff recommended to increase the Base Rate \$1.50 and each Tier by \$0.10/1,000 gallons. The rate will continue to fund increases in debt service and depreciation expense for future replacements. The proposed 2016 Water Rates are as follows:

|              | <b>Current Rate</b> | <b>Proposed Rate</b> | <b>Increase</b> |
|--------------|---------------------|----------------------|-----------------|
| Base: 0 - 3K | \$20.50             | <b>\$22.00</b>       | \$1.50          |
| 3 - 10K      | \$2.70              | <b>\$2.80</b>        | \$0.10          |
| 10 - 18K     | \$3.70              | <b>\$3.80</b>        | \$0.10          |
| +18K         | \$5.70              | <b>\$5.80</b>        | \$0.10          |

Director Genova moved to approve the 2016 Water Rates (*11/05/14 File, 2016 Budget*) as presented effective January 1, 2016. Director Diffendaffer seconded the motion. The Board discussed the implementation of the 2016 Water Rates and the importance to continue to fund increases in debt service and depreciation expense for future replacements. The motion passed unanimously. Manager Tooker will prepare a Press Release and customer notification with the December 2015 billing cycle.

Plant Investment Fee – The Board discussed the need to adjust the District’s Plant Investment Fee for the purchase of new water taps. Adjustments to the Plant Investment Fee have been deferred since 2004. Staff will provide a recommendation to the Board at the December meeting. No action was taken.

3.7 Million Gallon Middle Storage Tank Foundation Settling Investigation – Assistant Manager Reinertsen reviewed the Staff Report that identified actions taken by Staff to evaluate the status and conditions of the storage tank foundation. Representatives of Burns and McDonnell Engineering Company have performed an initial site investigation. Burns and McDonnell have recommended several actions to take to generate baseline data required to develop remedial options. Staff is proceeding with those baseline recommendations. Information only, no Board action required at this time. Staff will report on investigation results as they develop.

Holiday Turkey or Ham – Director Burger moved to continue the District’s long-standing tradition of providing each employee and Board member with their choice of a turkey or a ham for their choice at the Thanksgiving holiday or the Christmas holiday. Director Genova seconded and the motion passed.

Staff members Reinertsen and Beebe exited the meeting at 7:00 pm.

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**EXECUTIVE SESSION**

Manager's Evaluation – At 7:05pm, Director Genova 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 Burger seconded and the motion passed unanimously. Directors Peck, Burger, Sparks, Genova and Diffendaffer were present, along with Manager Dale Tooker. Manager Tooker exited the Executive Session at 7:05 pm and returned at 7:15pm.

The Board adjourned the Executive Session at 7:48 p.m. Directors Peck, Burger, Sparks, Genova and Diffendaffer were present, along with Manager Dale Tooker.

Manager's Evaluation – The Managers evaluation was completed and it was Board consensus to increase Manager Tooker's annual salary by 3.5%.

**ADJOURNMENT**

Director Burger moved to adjourn the meeting at 7:55 p.m. Director Sparks seconded and the motion passed unanimously

**ATTEST:**

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Dale Peck

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Stan Sparks

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Doralyn Genova

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Robert K. Burger

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Melvin Diffendaffer