

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, April 7, 2016**

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

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

**GUESTS:** Nate Kever – Dufford, Waldeck, Milburn & Krohn, LLP

**REGULAR MEETING**

Chairman Peck called the April 7, 2016 Regular Meeting to order at 5:05 p.m.  
Chairman Peck

**MINUTES OF THE March 3, 2016 REGULAR MEETING**

Director Sparks moved to approve the March 3, 2016 Regular Meeting Minutes as submitted. Director Diffendaffer seconded. Director Genova abstained 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 \$104,838.73 plus Benefits Checks of \$19,217.31 plus Supplemental Checks of \$3,049.22 for a total of \$127,105.26. Director Diffendaffer seconded and the motion passed unanimously.

**MANAGER'S REPORTS**

On Page 4, Attorney's Fees, the Board questioned the \$812.50 Attorney's Fees for the Colorado State Parks and inquired if this expense could be paid by the State. Reporting on another issue, Assistant Manager Reinertsen stated that Walmart has reimbursed the District for their Attorney Fees and that this project is complete.

**INFORMATIONAL REPORTS**

2015 Year End Health Reimbursement Arrangement (HRA) Status Report – (File 04/07/16, 2016 Informational Reports) Manager Tooker presented the Utilization Report for the 2015 HRA Plan Year. Manager Tooker reported that the 2015 HRA budget item had a 39% underutilization representing a savings of \$104,606 savings. The HRA has been effective in reducing the District's Health Insurance Premium expense and has provided an extremely positive employee

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benefit. Manager Tooker further identified that over the past five years, the District has observed a cost savings of over \$549,893 in benefit costs.

Customer Payment Methods – (File 04/07/16, 2016 Informational Reports) Manager Tooker presented an Informational Report on the trending of customer payment methods over the last five years. Manager Tooker explained the process of payment methods, cost of each method and the decrease in workload for Staff to process payments. The Board questioned what efficiencies had been observed with the decreased work load. Manager Tooker referred to the data showing a 3 year reduction of discontinuation of service as a result of Customer Service Representatives contacting customers by telephone. Additionally, this reduces Distribution Staff from having after hour callouts.

### **EXPRESS AGENDA**

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

1. Generator Project – On March 3, 2016 Carollo Engineering, Cummins, EC Electric performed successful start-up and power generation tests. Emergency power from the Generators is now available.
2. Children’s Water Festival Participation – The 2016 Festival is scheduled for May 16 – 17, 2016 from 9:30 am – 2:00 pm each day at Colorado Mesa University. Distribution Supervisor Mark Dalley is serving on the Water Festival Committee for this important community outreach event. District Staff has presented classroom sessions in the past and has been asked to do so this year as well. 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. There is a VIP Luncheon for Board Members; as soon as invitations are received they will be distributed.
3. Project 2016-01 – F ½ Road Main Line Upgrade/Replacement Project – Austin Civil Group has been selected as the Design Engineer for this project. Design efforts are underway with a preliminary design to be presented for Staff review by April 1, 2016, with the final design documents due by April 15, 2016.
4. Project 2016-02 – 34 Road Main Line Upgrade/Replacement Project – Rolland Consulting Engineers has been selected as the Design Engineer for this project. Design efforts are underway with a preliminary design to be presented for Staff review by April 8, 2016, with the final design documents due by April 22, 2016.
5. 2015 FY Audit – Chadwick, Steinkirchner, Davis & Co., were onsite February 29, 2016 through March 2, 2016 to perform the 2015 FY Audit.

### **UNFINISHED BUSINESS**

Colorado State Parks – Manager Tooker explained that he did not receive the Lease Agreement revisions in time to present at the Board Meeting. The Board suggested that Staff negotiate the \$812.50 attorney fees be reimbursed in the lease from Colorado State Parks. Manager Tooker stated he will negotiate this amount with Colorado State Parks.

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2016 District Election – Resolution 2016-04 – Assistant Manager Reinertsen presented a Resolution to Cancel the 2016 Election due to there being only two candidates for the Four-year term as of the deadline for candidacy. Stan Sparks and Mel Diffendaffer were deemed elected. Director Burger moved to adopt the Resolution for Cancellation of Election and Declaration Deeming Candidates Elected. Director Sparks seconded and the motion passed unanimously. Chairman Peck signed the Resolution. The Resolution text is inserted below:

**RESOLUTION 2016-04  
CANCELLATION OF ELECTION  
DECLARATION DEEMING CANDIDATES ELECTED**

***Clifton Water District, Mesa County, Colorado***

***WHEREAS***, the Designated Election Official of the District has been duly authorized by the Board of Directors to cancel and declare candidates elected at the close of business on the sixty-third day before the election to be conducted on May 3, 2016,

***AND WHEREAS***, there were not more candidates for director than offices to be filled, including candidates filing affidavits of intent to be write-in candidates,

***NOW THEREFORE***, pursuant to 1-13.5-513 & 1-11-103(3), C.R.S., the Designated Election Official ***HEREBY CANCELS*** the regular election to be conducted on May 3, 2016.

***THE ELECTION IS CANCELED BY FORMAL RESOLUTION AND THE FOLLOWING CANDIDATES ARE DECLARED ELECTED FOR THE FOLLOWING TERMS OF OFFICE:***

*Melvin Diffendaffer  
544 33 ¼ Road  
Clifton, CO 81520  
(Four year term May 2016 - May 2020)*

*Stan D. Sparks  
672 North Saddle Rock Drive  
Grand Junction, CO 81504  
(Four year term May 2016 - May 2020)*

Signed by: \_\_\_\_\_  
*Chairman, Board of Directors of the District*

Contact Person for the District: *David A. Reinertsen*  
Telephone Number of the District: *(970) 434-7328*  
Address of the District: *501 34 Road, Clifton, CO 81520*

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## **NEW BUSINESS**

Project 2008-02 MFUF – Substantial Completion – Manager Tooker provided an update of the Project stating new punch list items still remain to be corrected. There are also warranty items that are being addressed that do not affect Final Completion. No Board action needed.

Scheduling of Open House for MF/UF Project – Manager Tooker suggested June 3, 2016 to hold a Dedication Ceremony. Board agreed with this date. Board suggested having VIP Ceremonies and then a Public Open House. The Board requested to send invitations to past Board Members.

Employee Wellness Incentive – Manager Tooker reviewed the Employee Wellness Award Staff Report. Over the past five years, the District has realized a cost savings in excess of \$549,893 (*File 04-07-2016, 2016 Staff Reports*). Director Peck moved to approve the Employee Wellness Award as outlined in the Staff Report and recommended by Manager Tooker. The Board confirmed that the Wellness Incentive is not an HRA expense, is a taxable event, and is for current active employees. Director Sparks seconded the motion which passed unanimously.

Prescott Request for Time Payment Plan for Multiple Unit Plant Investment Fees - Assistant Manager, Reinertsen presented a Staff Report for consideration of Mr. Prescott's time payment plan for Multiple Unit Plant Investment Fees (*File 04/07/2016, Staff Reports 2016*). The Board mentioned the interest rate was too low at 1.2% and there was no late charge that would be assessed. The Board discussed other options for Mr. Prescott to pay these fees. Director Diffendaffer made a motion to generate an agreement with a 21% interest rate and an 18 month repayment plan. Director Sparks seconded the motion. Director Burger made a motion to establish a \$10.00 late fee charge in the agreement. Director Genova seconded the motion, which passed unanimously.

Project 2016-03 – Highway 50 Crossing – Assistant Manager, Reinertsen presented a Staff Report requesting to secure the services of an engineering design firm to complete final design plans for submittal to the United States Bureau of Land Management (*File 04/07/2016, Staff Reports 2016*). Assistant Manager, Reinertsen stated due to workload the District needs to seek an alternative Engineering Firm. Director Genova moved to direct Staff to proceed with securing the services of a new Engineering Firm for this project. Director Burger seconded the motion, which passed unanimously.

## **ADJOURNMENT**

Director Genova moved to adjourn the Public meeting at 6:25 p.m. Director Burger seconded and the motion passed unanimously.

Staff members Sheley, and Beebe exited the meeting at 6:25 pm.

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**EXECUTIVE SESSION**

At 6:50 pm, Director Genova moved to go into Executive Session, as per C.R.S. 24-6-402 (4)(e) for the purposes of Negotiations and per C.R.S. 24-6-402 (4)(f) Personnel Matters. Director Burger seconded and the motion passed unanimously. Directors Peck, Genova, Burger, Sparks, and Diffendaffer were present, along with Manager Dale Tooker, Assistant Manager Dave Reinertsen, HR Coordinator Karen Zimmerman and Guest Nate Kever. Nate Kever exited the meeting at 6:50 p.m.

The Board adjourned the Executive Session at 7:32 p.m.

Director Genova made a motion to move forward with a Succession Plan developed by Manager Tooker. Director Burger seconded, and the motion passed unanimously.

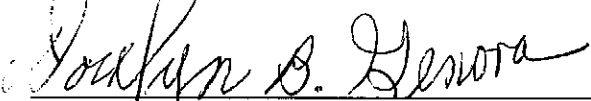
**ADJOURNMENT**

Director Burger moved to adjourn the meeting at 7:34 p.m. Director Genova seconded and the motion passed unanimously.


**ATTEST:**

  
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Dale Peck

  
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Stan Sparks

  
\_\_\_\_\_  
Doralyn Genova

  
\_\_\_\_\_  
Robert K. Burger

  
\_\_\_\_\_  
Melvin Diffendaffer