

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, DECEMBER 1, 2016**

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

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

**PUBLIC HEARING**

Chairman Peck called to order the Public Hearing at 5:00 p.m. regarding the District's Proposed FY2017 Budget, in accordance with C.R.S. 29-1-106 *Et.Seq.* The Notice of Public Hearing (12/1/16 File, 2017 Budget File, Daily Sentinel Legal Notices file) was confirmed as published in the Grand Junction Daily Sentinel in accordance with C.R.S. 29-1-106(3)(a). Manager Tooker reported that no comments have been received regarding the Proposed Budget from members of the public. No members of the public were present. Chairman Peck closed the Public Hearing at 5:01 p.m.

**REGULAR MEETING**

Chairman Peck called the December 1, 2016 Regular Meeting to order at 5:01 p.m.

**MINUTES OF THE NOVEMBER 10, 2016 REGULAR MEETING**

Director Genova moved to approve the November 10, 2016 Regular Meeting Minutes as submitted. Director McElley 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 \$171,726.41, plus Supplemental Checks of \$92,771.97, plus Benefits Checks of \$18,077.25, plus HRA Disbursements of \$8,885.63, for a total of \$291,461.26. Chairman Peck led a discussion on the underspent Non-Operating 2016 budgeted funds. Manager Tooker identified that several Non-Operational pipeline upgrade projects are currently underway with fund expenditures anticipated for approval and payment at the next Board Meeting. Accounting Technician Beebe identified to the Board that as of October 31, 2016, the District has over \$10 million in Cash Reserves. Director Sparks seconded and the motion passed unanimously.

**MANAGER'S REPORT**

Manager Tooker identified the numerical value differences between monthly treatment plant production rates and metered water sales. The Board and Staff reviewed and discussed the outstanding Pending Item action list.

## **INFORMATIONAL REPORT**

Manager Tooker presented copies of the recent presentation made by Mr. Jacob Kuijper, the Executive Director of CCOERA, the District's retirement plan administrator. The presentation provided an overview of the services provided by CCOERA and the current account values and participant activity of the District's staff members.

## **EXPRESS AGENDA**

Director Genova made a motion to move the Project 2016-02 – 34 Road main Line Upgrade/Replacement Project to Unfinished Business and approve the remaining Express Agenda item. Director Diffendaffer seconded the motion which passed unanimously. The Express Agenda item is as follows:

Project 2016-01 – F ½ Road Main Line Upgrade/Replacement Project – All new 6" PVC main line has been installed and put into service. The contractor is working this week to connect services to the new 6" line. Work on this project is expected to be complete by the week of December 12, 2016.

## **UNFINISHED BUSINESS**

2017 Plant Investment Fee – Manager Tooker reviewed the Plant Investment Fee Structure Memo (*File 12-01-16*) and recommended the continued incremental increase that was approved by the Board in December 2016. An increase of the Plant Investment Fee for the standard 3/4" x 5/8" water service to \$6,000 was recommended. Director Sparks moved to increase the Plant Investment Fee for the standard 3/4" x 5/8" water service \$500 to a total of \$6,000, effective January 1, 2017. Director Genova seconded the motion which passed unanimously.

Adoption of 2017 FY District Budget – Manager Tooker distributed copies of the Final 2017 Budget documents. Manager Tooker clarified the changes made to the Non-Operating portion reflecting changes discussed by the Board at the last Board Meeting. Chairman Peck identified those areas in the 2017 Budget where critical activities are addressed for completion.

Director McElley moved to approve the 2017 Budget and adopt the Appropriation Resolution (*Resolutions, 2017 Budget, 12/01/16 File*) of the Clifton Water District Board of Directors Acting By and Through Its Water Activity Enterprise For the 2017 Budget Year; and further resolve that there is appropriated from funds of the District Acting By and Through its Water Activity Enterprise, Sixteen Million Eight Hundred Ninety Six Thousand One Hundred and Eighty Four Dollars (\$16,896,184) for the general expenses of the DISTRICT, and that this appropriation be a continuing appropriation whether said funds be expended during 2017 or thereafter. Director Sparks seconded and the motion passed unanimously.

Resolution Text inserted as follows:

**APPROPRIATION RESOLUTION OF THE CLIFTON WATER DISTRICT BOARD OF DIRECTORS  
ACTING BY AND THROUGH ITS WATER ACTIVITY ENTERPRISE FOR THE  
2017 BUDGET YEAR**

A resolution appropriating sums of money to the various accounts, in the amounts and for the purposes as set forth below, for the Clifton Water District Acting By and Through its Water Activity Enterprise, Mesa County, Colorado, for the 2017 Budget Year.

WHEREAS, the Directors have adopted the annual Budget for 2017 in accordance with the Local Government Budget Law, on the 1st day of December, 2016, and;

WHEREAS, the Directors have made provision therein to use a combination of revenues and reserves in an amount equal to, or greater than, the total proposed expenditures as set forth in said Budget, and;

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the Budget to and for the purposes described below, so as to not impair the operations of the District or its Water Activity Enterprise.

NOW THEREFORE, BE IT RESOLVED by the Directors of the Clifton Water District Acting By and Through its Water Activity Enterprise, Mesa County, Colorado that the following sums are hereby appropriated from the revenue and reserves of the Water Activity Enterprise, for the purposes stated below:

ESTIMATED BEGINNING BALANCE	\$10,084,451
-----------------------------	--------------

**ESTIMATED EXPENDITURES**

Operating Expenses	
Source of Supply	\$30,911
Water Treatment	\$887,083
Transmission & Distribution	\$582,482
General & Administrative	\$395,213
Labor Expenses	\$2,236,491
<i>Total Operating Expenses</i>	<i>\$4,132,180</i>

Non-Operating Expenses	
Capital Expenses	\$2,804,740
Bond Principal & Interest	\$1,050,618
Emergency Fund	\$346,846
Reserve Fund	\$436,000
Contingency	\$8,125,800
<i>Total Non-Operating Expenses</i>	<i>\$12,764,004</i>

<b>TOTAL ESTIMATED EXPENDITURES</b>	<b>\$16,896,184</b>
-------------------------------------	---------------------

**ESTIMATED REVENUES**

Operating Revenue	
Sale of Water	\$5,624,045
System Fees	\$417,180
Sanitation District	\$37,620
Penalty and Fees	\$100,380
Turn Fees	\$90,840
<i>Total Operating Revenue</i>	<i>\$6,270,065</i>

Non-Operating Revenue	
Plant Investment Fees	\$385,0000
Main Line Extension Fees	\$8,000
Disposal of Assets	\$5,000
Availability of Service	\$49,700
Interest	\$71,0000
Bond/Grant Proceeds	\$0
Property Taxes	\$0

Lease Income	\$10,368
Construction Reimbursements	\$0
Tap Installation	\$1,600
Miscellaneous	\$11,000
<i>Total Non-Operating Revenue</i>	<i>\$541,668</i>
<b>TOTAL ESTIMATED REVENUE</b>	<b>\$6,811,733</b>
<b>Estimated From Reserves</b>	<b>\$10,084,451</b>
<b>TOTAL FUNDS AVAILABLE</b>	<b>\$16,896,184</b>
<b>ESTIMATED ENDING BALANCE</b>	<b>(\$0)</b>

IT IS FURTHER RESOLVED, that there is appropriated from the funds of the District Acting By and Through its Water Activity Enterprise, Sixteen Million Eight Hundred Ninety Six Thousand One Hundred and Eighty Four Dollars (\$16,896,184) for the general expenses of the DISTRICT, and that this appropriation be a continuing appropriation whether said funds be expended during 2017 or thereafter.

I hereby certify the forgoing is a true copy of a Resolution adopted by the Board of Directors of the Clifton Water District Acting By and Through its Water Activity Enterprise at the Regular Board of Directors Meeting held on December 1, 2016. Said Budget was displayed for inspection and notice of said display for inspection was duly published in accordance with C.R.S. § 29-1-106.

Director Diffendaffer then moved to direct Staff to process the 2017 Budget documents to the appropriate reporting entities. Director Genova seconded and the motion passed unanimously.

Project 2016-03 – Highway 50 Crossing Bid Selection and Approval – Assistant Manager Guillory reviewed the Staff Report (*File 12-01-16, 2016 Staff Reports*) concerning the results of the Public Bid Opening held on November 30, 2016. A total of five bids were received. The low responsive bid was submitted by MA Concrete Construction, Inc. for \$311,060.00. Prior to awarding the construction contract, Staff requested the Board transfer funds in the amount of \$110,000 from contingency to the Non-Operational General Construction Line Upgrades budget line item.

Director Diffendaffer moved to transfer \$110,000 from the 2016 Contingency Budget Line Item to the Non-Operational General Construction Line Upgrades. Director Genova seconded the motion, which passed unanimously.

Director Genova moved to award the construction contract to MA Concrete Construction, Inc. in the amount of \$311,060.00 and authorized Staff to proceed with preparing construction agreement documents for final signatures as required. Director Sparks seconded the motion which passed unanimously.

Project 2016-02 – 34 Road Main Line Upgrade/Replacement Project – Assistant Manager Guillory provided a project status update which identified several pending contract change orders due to existing utility conflicts and added asphalt paving removal and replacement. Director Genova moved to direct Staff to reallocate \$52,400 for this project within the Non-Operating General Construction Line Upgrade 2016 Budget line item. Director McElley seconded and the motion passed unanimously.

**NEW BUSINESS**

24Hr Flex-Third Party Administration of HRA Evaluation and 2017 Agreement – Manager Tooker reviewed the Staff Report (*File 12-01-16, 2016 Staff Reports*) with the Board. Staff recommended continuation with 24Hr Flex as the District’s Third Party Administrator for the 2017 Health Reimbursement Arrangement and Section 125 program. Director Genova moved to authorize the Manager to sign the Third Party Agreement for 2017. Director McElley seconded the motion which passed unanimously.

Board Meeting Posting Location – Due to the recent closure of the Mesa County Clerk’s Clifton Branch Office, one of the District’s required Public Notice posting sites is no longer available. Director Peck moved to establish the US Post Office’s Clifton Branch location as the replacement Public Notice posting location. Director McElley seconded and the motion passed unanimously.

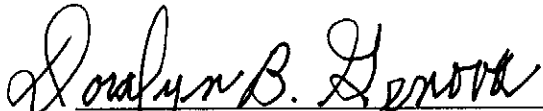
**ADJOURNMENT**


The meeting was adjourned at 6:32 p.m. by the Chairman.

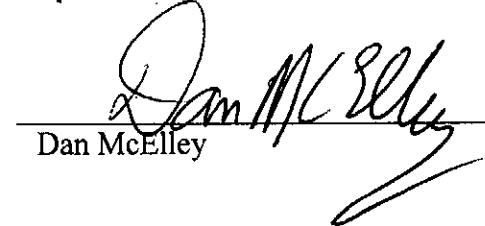
**ATTEST:**

  
\_\_\_\_\_  
Dale Peck

  
\_\_\_\_\_  
Stan Sparks

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

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

  
\_\_\_\_\_  
Dan McElley