

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, March 3, 2016**

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

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

GUESTS: Jaime Hamilton, Home Loan and Investment Company

REGULAR MEETING

Chairman Peck called the March 3, 2016 Regular Meeting to order at 5:00 p.m. Chairman Peck acknowledged Mr. Jaime Hamilton of Home Loan and Investment Company as a Guest. Mr. Hamilton presented a reimbursement check in the amount of \$2,903.30 from the Workers Compensation audit and the District's workplace safety program. Mr. Hamilton continued by discussing the District's general liability insurance and that the 2016 premiums increase is primarily caused by the increase in assets associated with the new MF/UF project. He also explained to the Board the challenges of the Special Districts Insurance Pool in regards to flood claims from the Eastern Slope. Mr. Hamilton explained that the District's effort to resolve customer damage situations has been positive in keeping claims limited. Mr. Hamilton exited the meeting at 5:25 pm.

Chairman Peck noted that Director Genova had excused absence from this meeting.

MINUTES OF THE FEBRUARY 4, 2016 REGULAR MEETING

Director Diffendaffer moved to approve the February 4, 2016 Regular Meeting Minutes as submitted. Director Sparks seconded. Director Burger abstained and the motion passed unanimously.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Sparks moved to accept the previous Board Meeting Financial Report and approve Benefit Checks of \$18,988.13 plus Supplemental Checks of \$6,644.92 for a total of \$25,633.05. Director Diffendaffer seconded and the motion passed unanimously. Manager Tooker noted that these checks were generated after the last Board Meeting due to unforeseen staffing issues.

Director Diffendaffer moved to accept the Financial Report and Approve Accounts Payable Regular Checks of \$96,107.65 plus Benefits Checks of \$19,196.99 plus Supplemental Checks of \$187,635.57, for a total of \$302,940.21. Director Sparks seconded and the motion passed unanimously.

MANAGER'S REPORTS

Manager Tooker reported that the Total Dissolved Solids (TDS) in the Colorado River has been greater than the previous year resulting in a 36% increase in NanoFiltration (NF) production. Manager Tooker also pointed out that the District overtime hours worked was mostly the Water Treatment Plant and Distribution hours.

EXPRESS AGENDA

Director Burger moved to approve the Express Agenda item. Director Diffendaffer seconded the motion which passed unanimously. The Express Agenda item is as follows:

1. Out of District Service Request – Mesa County Tax Parcel 2967-133-00-218; Lot 4 Meserve Fruit Tracts, Whitewater – The property owner, Mr. Tony Scott paid the Out-of-District Plant Investment Fees and the CDOT Utility Permit has approved. Mr. Scott's contractor is scheduled to install the new water service the Week of March 7, 2016.

UNFINISHED BUSINESS

2016 Property Casualty and Liability Insurance Renewal – Mr. Hamilton discussed insurance with the Board earlier in the meeting. No Board action was required.

Colorado State Parks – Chairman Peck explained that comments received from adjacent property owners was generally in favor of the District partnering with the State Parks and felt more comfortable with the area being patrolled. Manager Tooker stated the Board had previously been provided a Confidential proposed Lease Agreement with Legal Counsel's comments. Manager Tooker stated that if the District were to move forward, the Lease would need approved by the Board and recommended identifying the Conditions of Use previously discussed and postpone their approval for the Lease Agreement until he can negotiate the terms and conditions of the lease. Director Diffendaffer made a motion to direct Manager Tooker to negotiate the lease with the Colorado State Parks and define the Conditions of Use for presentation to the Board at a later meeting. Director Sparks seconded and the motion passed unanimously.

2016 District Election – Status Update – Assistant Manager Reinertsen stated that the May 3, 2016 Election has been cancelled and as provided by approved Resolution declares Mel Diffendaffer and Stan Sparks elected. Assistant Manager Reinertsen reported he received two Self- Nomination forms for the two four-year terms from Mel Diffendaffer and Stan Sparks. No nominations were received for the two- year term. Notice of cancellation will be published and posted in accordance with the Code. It was discussed that in June 2016 the Board will begin considerations for appointment for the two-year term.

NEW BUSINESS

Project 2008-02 MFUF – Substantial Completion – Manager Tooker presented a Memorandum and letter from Carollo Design Build Group (*File 03/03/2016, Project 2008-02 MF/UF*) requesting determination of Substantial Completion and approval of the release of Retainage in securities to a balance of \$30,000.00. The Board asked Staff for their recommendation and the overall performance of Carollo Design Build Group and PCL Construction. Manager Tooker reinforced

that the project has moved along efficiently with non-adversarial project administration and swift action to address problem and warranty items. This has contributed to Staff's decision to recommend releasing funds. Director Sparks made a motion to approve The Substantial Completion request and release Retainage in securities to a balance of \$30,000.00. Director Burger seconded and the motion passed unanimously.

Project 2016-01 – F ½ Road Main Line Upgrade/Replacement Project – Assistant Manager Reinertsen requested authorization from the Board to proceed with bid package and construction for this project. Director Burger made a motion to authorize Assistant Manager Reinertsen to proceed with the bid package for Project 2016-01. Director Diffendaffer seconded and the motion passed unanimously.

Project 2016-02 - 34 Road Main Line Upgrade/Replacement Project – Assistant Manager Reinertsen requested authorization from the Board to proceed with bid package and construction for this project. Director Burger made a motion to authorize Assistant Manager Reinertsen to proceed with the bid package for Project 2016-02. Director Sparks seconded and the motion passed unanimously.

Shoshone Common Interest Agreement (CIA) – Manager Tooker handed out an informational packet pertaining to the efforts of the Shoshone Common Interest Agreement and the funding breakdown for the effort. This effort has been on-going involving the Western Slope and developing a plan involving the operation/ownership of the Shoshone Power Plant and preserving the water rights on the Colorado River. The Colorado River Water Conservation District has taken the lead to identify a consultant and meetings are now underway. The District's \$6,000 portion of the funding has been completed. Chairman Peck will be attending a future scoping meeting. Directors Diffendaffer and Sparks expressed an interest in attending as well.

ADJOURNMENT

Director Peck moved to adjourn the meeting at 6:30 p.m. The motion passed unanimously.

ATTEST:

Dale Peck

-Excused-

Doralyn Genova

Melvin Diffendaffer

Stan Sparks

Robert K. Burger