

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, JANUARY 5, 2017**

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

REGULAR MEETING

Chairman Peck called the January 5, 2017 Regular Meeting to order at 5:04 p.m.

MINUTES OF THE DECEMBER 1, 2016 REGULAR MEETING

Director Genova moved to approve the December 1, 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 \$406,080.22, plus Supplemental Checks of \$20,994.35, plus Special Check of \$8,804.64, plus Benefits Checks of \$16,606.76, plus HRA Disbursements of \$9,844.44, for a total of \$462,330.41. Director Sparks seconded and the motion passed unanimously.

MANAGER'S REPORT

Manager Tooker reviewed the corrective actions taken by Staff to address the problem of chemicals solidifying in the feed pumps for the MF/UF membrane cleaning process. He also reviewed the status and conditions of the Shoshone Water Right.

EXPRESS AGENDA

Director Genova made a motion to move the Project 2016-03 – Highway 50 Crossing Project to Unfinished Business. Director Diffendaffer seconded the motion which passed unanimously. There were no other items presented in the Express Agenda.

UNFINISHED BUSINESS

Project 2016-01 – F ½ Road Main Line Upgrade/Replacement Project – Assistant Manager Guillory reviewed the Staff Report *(1/5/17 File, 2017 Staff Reports)* for Project 2016-01. The Contractor, Dirtworks Construction, LLC has reached Substantial Completion of all work (except those items that cannot be completed at this time – asphalt repairs and sod replacement). Staff requested the Board suspend contract time until the Spring of 2017 to complete asphalt and sod repairs. Staff further requested that the Board authorize advertisement for Final Payment of those Contract items deemed Substantially Complete. Director Diffendaffer moved to suspend the contract time for Project 2016-01 issued to Dirtworks Construction LLC until which time asphalt and sod are available for installation, and to authorize Staff to advertise for Final Payment of those contract items deemed Substantially Complete as of December 16, 2016 at the February 2, 2017 Board Meeting. Director Genova seconded the motion which passed unanimously.

Project 2016-02 – 34 Road Main Line Upgrade/Replacement Project – Assistant Manager Guillory reviewed the Staff Report *(1/5/17 File, 2017 Staff Reports)* for Project 2016-02. He reported that all project work has been completed and is ready for final payment. Director Diffendaffer moved to authorize Staff to advertise for Final Payment at the February 2, 2017 Board Meeting, once the Contractor has submitted all required paperwork. Director Genova seconded the motion which carried unanimously.

Project 2016-03 – Highway 50 Crossing Bid Selection and Approval – Assistant Manager Guillory reviewed the informational Staff Report *(1/5/17 File, 2017 Staff Reports)* for Project 2016-03. He noted that the District received the amended United States Bureau of Land Management construction access permit. The Contractor plans to have the project completed by March 15, 2017. Information only no Board action requested nor required at this time.

NEW BUSINESS

2017 Property Casualty and Liability Insurance Renewal – Manager Tooker reviewed the 2017 Property Casualty and Liability Insurance Renewal Staff Report *(1/5/17 File, 2017 Staff Reports)* with the Board and identified that the quoted 2017 premium is \$1,309.94 greater than the 2017 Budget amount. Director Diffendaffer moved to transfer \$1,310 from the Contingency budget line item to the Insurance line item to fund the 2017 Property Casualty and Liability Insurance expense. Director Genova seconded and the motion passed unanimously.

Director Genova moved to approve the 2017 Property Casualty and Liability Insurance Renewal with Colorado Special Districts Property and Liability Pool and authorize payment in the amount of \$83,632.00. Director McElley seconded and the motion passed unanimously.

2017 Workers Compensation Insurance Renewal – Assistant Manager Reinertsen reviewed the 2017 Workers' Compensation Renewal Staff Report *(1/5/17 File, 2017 Staff Reports)* with the Board. Director Genova moved to approve the 2017 Workers Compensation Insurance with Colorado Special Districts Property and Liability Pool with the \$1,000 deductible and authorize payment

in the amount of \$10,980.63. Director Diffendaffer seconded and the motion passed unanimously.

FY 2016 Audit Services – Chadwick, Steinkirchner, Davis & Co., P.C. – Manager Tooker presented a letter of understanding of services (1/5/17 File, 2016 Audit) from Chadwick, Steinkirchner, Davis & Co. P.C. for the provision of FY 2016 Audit services. Director Genova recused herself from this agenda item due to a family member being affiliated with the auditing firm. Director McElley moved to appoint Chadwick, Steinkirchner Davis & Co., P.C. to complete the District’s FY 2016 Audit and authorize the Board President to sign the letter. Director Diffendaffer seconded and the motion passed unanimously with Director Genova abstaining.

Resolution 2017-01 Designating Time, Location and Posting of Meetings – Director Genova moved to adopt Resolution 2017-01 (1/5/17 File, Resolutions), A Resolution Designating Time, Location and Posting of Meetings for 2017. Director McElley seconded and the motion passed unanimously. Resolution Text is as follows:

**RESOLUTION 2017-01
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 United Postal Service, Clifton Branch Facility; 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 5th day of January 2017.

Resolution 2017-02 Adopting Availability of Service Charge for 2017 – Manager Tooker presented a Staff Report (1/5/17 File, 2017 Staff Reports, Resolutions) summarizing the 2016 average customer billing amounts used to calculate the 2017 Availability of Service Charge. Director Genova moved to adopt Resolution 2017-02, A Resolution For the Availability of Service Charge for 2017 and set the In-District Availability of Service rate at \$16.83 per month and the Out-of-District Availability of Service rate at \$25.25 per month. Director Sparks seconded and the motion passed unanimously. Resolution Text is as follows:

RESOLUTION 2017-02
RESOLUTION FOR THE AVAILABILITY OF SERVICE CHARGE FOR 2017

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 2017 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 2016 the average water usage charge for a Clifton Water District In-District customer was \$33.66/month per unit; and

WHEREAS, in 2016 the average water usage charge for a Clifton Water District Out-of-District customer was \$54.14/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 2017 Fiscal Year at 50% of the In-District average water bill in 2016, which equals \$16.83 per month per unit and the Out-of-District Availability of Service Charge for the 2017 Fiscal Year at 47% of the Out-of-District average water bill in 2016, which equals \$25.25/month per unit.

BE IT FURTHER RESOLVED, that this Resolution be adopted this 5th day of January 2017 and is effective January 5, 2017.

Emergency Rate Annual Review – The Board reviewed the Staff Report (1/5/17 File, 2017 Staff Reports) regarding the 2009 Resolution establishing an Emergency Rate, and the 2016 calculation of rates (from the last time water rates were raised). Director Diffendaffer moved to adopt 2017 Exhibit A (Water Rates) to the 2009 Resolution Establishing an Emergency Rate. Director Genova seconded and the motion passed unanimously.

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

Budget Transfer – Contingency to Source of Supply – Manager Tooker reviewed the Staff Report regarding the LH Hurt Water Right Diversion through the Grand Valley Canal (1/5/17 File, 2017 Staff Reports). Director Genova moved to transfer \$4,670.00 from Contingency to the 2016 Water Assessment Budget Line Item to enable the use of the 4cfs LH Hurt Pump Right through the Grand Valley Canal for 2016. Director McElley seconded and the motion carried unanimously.

Staff member Beebe exited the meeting at 6:35 p.m.

EXECUTIVE SESSION

At 6:36 p.m., Director Peck moved to go into Executive Session, as per C.R.S. 24-6-402 (4)(e) for the purposes of discussing the District’s negotiation stance regarding a possible insurance claim. Director Genova seconded and the motion passed unanimously. Directors Peck, Diffendaffer, Genova, McElley, and Sparks along with Staff members Tooker, Reinertsen, and Guillory were present.

The Board adjourned the Executive Session at 6:49 p.m.

ADJOURNMENT

The meeting was adjourned at 6:49 p.m. by Chairman Peck.

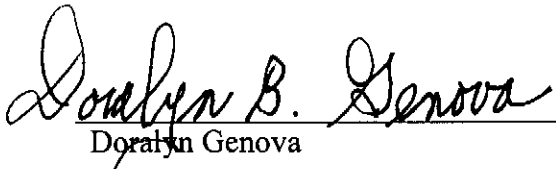
ATTEST:




Dale Peck




Stan Sparks



Doralyn Genova



Melvin Diffendaffer



Dan McElley