

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, OCTOBER 4, 2018**

BOARD MEMBERS PRESENT: Dale Peck, Chairman; Stan Sparks, Vice Chairman; Mel Diffendaffer, Secretary; Dan McElley, Treasurer; and, Michael Slauson, Director

STAFF MEMBERS PRESENT: David Reinertsen; Brian Sheley; Angie Beebe; and Melissa Lemke

REGULAR MEETING

Chairman Peck called the October 4, 2018 Regular Meeting to order at 5:00 p.m.

MINUTES OF THE SEPTEMBER 6, 2018 REGULAR MEETING

Director Diffendaffer moved to approve the September 6, 2018 Regular Meeting Minutes as submitted. Director Sparks seconded and the motion passed unanimously.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director McElley moved to accept the Financial Report and Approve Accounts Payable Regular Checks of \$54,271.15, plus Supplemental Checks of \$6,198.59, plus Benefits Checks of \$23,998.40 plus HRA Disbursements of \$4,542.22, for a total of \$89,010.36. Director Diffendaffer referenced the loss taken on sale of an investment sold in July. Accounting Supervisor Beebe confirmed the loss and explained the investment sold carried a low interest rate of 1.36% and the proceeds of the sale were used to purchase a different investment with a 3.10% interest rate. Director Slauson seconded and the motion passed unanimously.

MANAGER'S REPORT

Assistant Manager Reinertsen presented the Manager's Report for August 2018. He reported that the new taps sold in August were less than previous months but that trend reversed for September. He also reported that there are two new subdivisions starting development construction that will add over 60 residential units to the tap inventory.

INFORMATIONAL REPORT

None presented.

EXPRESS AGENDA

Director Diffendaffer moved to approve the Express Agenda items as presented. Director McElley seconded the motion which passed unanimously. The Express Agenda (*File 10/4/18*) items are as follows:

Project 2018-07 31 Rd F to F ½ Rd Phase I Design – Tetra Tech Engineering has begun the field work collection for the Phase I Design. Tetra Tech has committed to providing the District with an Engineer’s Estimate of Cost prior to November 9th so a construction budget amount can be included in the District’s 2019 General Construction Line Upgrades Non-Operating Budget line item.

Project 2018-10 Lewis Wash Upgrade/Replacement – The City of Grand Junction has awarded the construction contract for this project with a construction start date of November 1, 2018. Distribution staff is performing some specific line upgrades (additional valves) on F ½ Road in anticipation of the identified project start date.

UNFINISHED BUSINESS

2018 Audit Services – Accounting Supervisor Beebe presented the Staff Report (*File 10-04-18, 2018 Staff Reports, FY 2018 file*) addressing the RFP process used to select a qualified firm to perform the District’s 2018 financial audit. Staff received one (1) proposal to provide for the requested financial audit services. Director Sparks moved to select Chadwick, Steinkirchner, Davis and Co. to provide audit services for the District’s 2018 financial audit. Director Slauson seconded and the motion passed unanimously.

Grand Valley Drought Condition Update – Assistant Manager Reinertsen presented a Staff Report (*File 10-04-18, 2018 Staff Reports*) addressing the current status of the Grand Valley drought conditions and domestic water provider actions. He also presented the week of October 1 U.S. Drought Monitor, Colorado map. The map indicates approximately 50% of Mesa County is shown as D4, Exceptional Drought. The D4 classification is one of the ‘triggers’ in the Grand Valley Drought Response Plan that begins discussions on mandatory water restrictions and consideration of implementation of Emergency Water Rates. Assistant Manager Reinertsen stated that at the recent Water Manager’s Meeting (held on October 2nd) the three domestic water providers decided to not move towards the recommendation of Emergency Water Rate implementation due to current local weather conditions (precipitation and lower temperatures) at this time. If conditions begin to deteriorate regarding moisture, temperatures and water storage, then further discussions will take place. Information only, no Board action requested at this time.

FY 2019 Budget – Assistant Manager Reinertsen presented the Water Treatment Plant 2019 Proposed Budget along with changed items in the Administration and Distribution Departments resulting from the recent Budget Committee meetings. The presented budget information is considered preliminary no action was requested or taken.

Utility Billing Software Upgrade – Accounting Supervisor Beebe presented the Staff Report (*File 10-04-18, 2018 Staff Reports*) requesting a delay on making the final Staff recommendation on whether continuing with Springbrook Software or continue the RFP process to identify a new utility billing software provider. Staff is still waiting for clarification from Springbrook on specific service questions that were submitted. There was Board consensus to provide additional time for Staff to thoroughly evaluate the Springbrook responses before providing a final

recommendation regarding the RFP process for identification of a new utility billing software system.

District Administrative Office Design and Preconstruction Services – Assistant Manager Reinertsen presented the updated conceptual design and building renderings to the Board for review and comment. The Construction Committee (Directors Peck and Sparks and staff member Reinertsen) met with representatives of FCI Constructors and Blythe Architects to refine the conceptual plans presented at the September 6, 2018 Regular Board Meeting. Directors Peck and Sparks identified the design changes made since the last Board Meeting. The Board suggested looking at the estimated cost to include the 15-year projected building expansion plan for consideration of construction in this 2019 project plan. The Board also requested a review of the planned HVAC and electrical systems to ensure sufficient service capacity for the future expansion plans. Budgetary construction values were discussed with direction to continue consideration of this project in the District's 2019 Capital Construction budget line item. The Construction Committee will continue meeting and refining the project scope as efforts progress on the 2019 Non-Operational portion of the budget. Information only, no Board action required at this time.

Briefing of Special District Association Conference – Directors Peck, Diffendaffer and Slauson attended the 2018 Annual Conference in Keystone, Colorado from September 12-14, 2018. The Directors stated the Conference was excellent, presentations were well attended and provided highlights and information obtained from the conference to the Board.

Update on the Colorado River District Annual Water Seminar – Assistant Manager Reinertsen reported on the Annual Water Seminar presented by the Colorado River District on Friday, September 14th in Grand Junction, that he and Manager Tooker attended. He presented information on regional drought conditions and effects on both upper and lower Colorado River basin states. He also presented information pertaining to the Demand Management concepts that may have near and long-term consequences on Western Colorado agricultural water supplies.

Project 2018-03 3.0 MG Storage Tank Painting – Assistant Manager Reinertsen reported that Burns and McDonnell had completed the design package for the 3.0 MG Water Storage Tank Painting Project. He presented the schedule for the contractor pre-bid tour and bid opening. He requested Board authorization for Staff to move forward with the bid process. Director Slauson moved to authorize staff to begin the bid process for Project 2018-03 3.0 MG Storage Tank Painting. Director Sparks seconded and the motion passed unanimously.

NEW BUSINESS

3288 F Road - Unauthorized Water Use Penalty – Assistant Manager Reinertsen presented a Staff Report (*File 10-04-18, Project file, 2018 Staff Reports*) requesting Board direction regarding unauthorized water usage at 3288 F Road. He reported that Clifton Sanitation District had identified an unauthorized sewer service connection to the metal pole barn building located on the parcel. The Clifton Sanitation District has negotiated a penalty payment plan with the property owner. The District has not received payment of a multiple-unit tap fee. Domestic water was supplied to the metal pole barn building via an internal water line extension from the

residential unit. Staff requested Board direction regarding unauthorized water use in accordance with District Policy #420, Water Usage Fees. Director Diffendaffer moved to assess unauthorized water use penalties as follows:

1. Assess a one-time unauthorized water use penalty of \$50.00.
2. Notify the property owner, Jaida A. Gray, that she has 90 days to purchase a Multiple-Unit Plant Investment Fee for the detached metal pole building.
3. If a Multiple-Unit Plant Investment Fee is not made within said 90 days, verification of the removal of all plumbing fixtures within the metal pole barn building shall be completed by District staff.
4. If fixtures remain at the end of the 90-day period or if the fixtures are activated without payment of the required Multiple-Unit Plant Investment Fee, the unauthorized water use penalty of \$50.00 per day will be assessed from the date of the decision, October 4, 2018.

Director Sparks seconded the motion and the motion passed unanimously.

MANAGER'S EVALUATION

It was Board consensus to move this item for consideration at the November 1, 2018 Regular Board Meeting.

ADJOURNMENT

The Regular Meeting was adjourned at 7:28 p.m. by the Chairman.

ATTEST:



Dale Peck



Stan Sparks



Melvin Diffendaffer



Dan McElley



Michael Slauson