

**5-2-1 DRAINAGE AUTHORITY
MINUTES OF THE BOARD
September 13, 2006
Mesa County Courthouse Annex
Grand Junction, Colorado**

Chairman Karisny opened the meeting at 3:05 p.m.

Chairman Karisny called roll of the Board Members

Board Members Present:

| | |
|-------------------------------|--|
| Dave Walker | Board Member, Town of Palisade |
| Dave Karisny, Chairman | Council Member, City of Fruita |
| Jim Doody | Council Member, of City of Grand Junction |
| Tilman Bishop | Mesa County Commissioner |
| Dick Bowman | Grand Junction Drainage District |

Also Present:

John Ballagh (Grand Junction Drainage District, Manager), **Julie Constan** (Mesa County, Engineer), **Eric Mende** (City of Fruita, Engineer), **Tim Moore** (City of Grand Junction, Public Works Manager), **Vohnnie Pearson** (Town of Palisade, City Planner), **Trent Prall** (City of Grand Junction, City Engineer), **Kate Hofius** (recording secretary)

Adopt Agenda:

- Chairman Karisny asked for changes or acceptance of the agenda. Jim Doody moved to accept the agenda. Dave Walker seconded the motion. Chairman Karisny polled the Board.

| | | |
|----------------------------|----------------------------------|------|
| The roll call vote result: | Contracting Party | Vote |
| | Palisade | aye |
| | Fruita | aye |
| | City of Grand Junction | aye |
| | Grand Junction Drainage District | aye |
| | Mesa County | aye |

The Agenda was accepted.

Questions from the Audience

- There were no questions from the audience.

5-2-1 DRAINAGE DISTRICT
Minutes of The Board Meeting
September 13, 2006

MINUTES

Chairman Karisny asked for a motion on the Minutes of August 23, 2006. Tilman Bishop moved to accept the minutes as written. Doody seconded the motion. Dave Karisny polled the Board to accept the minutes.

| The roll call vote results: | Contracting Party | Vote |
|-----------------------------|----------------------------------|------|
| | Palisade | aye |
| | Fruita | aye |
| | City of Grand Junction | aye |
| | Grand Junction Drainage District | aye |
| | Mesa County | aye |

The minutes were accepted.

Financial Report

- John Ballagh explained the Financial statement for August 2006.
- John explained to the Board that the money was budgeted for the PSA's; each check is over the policy amount of \$1,000 and requires Board action.
- John Ballagh explained the AMEC bill and the percentage/work-completed progress.
- There was general discussion on signing checks and the \$1,000 limit and that it should be left as is and may require raising the limit in the future.
- Tilman Bishop asked for explanation on the P&L Budget, Accounting and Audit line item.
- John Ballagh explained that the "fourth column" YTD is what had been projected to be spent and we have not spent that amount because we were audit exempt this year.

Tilman Bishop moved to approve the Financial Report for the Month of August 2006 as reported. Jim Doody seconded the motion.

Chairman Karisny polled the Board:

| The roll call vote result: | Contracting Party | Vote |
|----------------------------|----------------------------------|------|
| | Palisade | aye |
| | Fruita | aye |
| | City of Grand Junction | aye |
| | Grand Junction Drainage District | aye |
| | Mesa County | aye |

The Financial Statements for August 2006 were accepted.

5-2-1 DRAINAGE DISTRICT
Minutes of The Board Meeting
September 13, 2006

ACTION ITEMS

Approve PSA Expenditure

- Julie Constan explained the advertisements and how they will be aired. The ads were borrowed from the Clean Water Act in Georgia; there is no cost in developing the advertisement.
- Julie Constan stated that the PSA's fulfill a NPDES requirement for 2006.
- Dave Karsiny asked what the anticipated results were going to be.
- Julie Constan explained that the ads were directed at "pollution." Two different animated advertisements. Hopefully we will see more calls to the HOTLINE number to report a variety of illicit discharges.
- Tilman Bishop asked how many spots there would be.
- Julie Constan responded that there were 358 spots.

Chairman Karisny polled the Board:

| The roll call vote result: | Contracting Party | Vote |
|----------------------------|----------------------------------|------|
| | Palisade | aye |
| | Fruita | aye |
| | City of Grand Junction | aye |
| | Grand Junction Drainage District | aye |
| | Mesa County | aye |

The motion passed to approve the PSA expenditures.

DISCUSSION ITEMS

Rate Study Status – John Ballagh

- John Ballagh stated that Jon Sorenson with AMEC will be in Glenwood Springs on the September 27th and would like to give a presentation to the Board. That AMEC really needs to find out what level of service is required to be able to complete the Rate Study.
- Dick Bowman inquired if Staff has reviewed the options that Board does not want to be faced with decisions without a review or summary of what the presentation will be about.
- There was discussion on rate options, level of service, direction AMEC should pursue, and how the public will perceive a utility fee.
- It was agreed to have them give a presentation at the October 11th Board Meeting if AMEC can get information to the Board for review prior to the October 11th.

StormCon Review

- The general consensus is that StormCon and the Urban Drainage and Flood Control District tour was very useful and informative. Board and Staff were impressed with UDFCD organization and their ability to operate with few employees and contract out the bulk of their needs.
- Dick Bowman has a copy of the Monday StormCon presentation by AMEC for anyone who would like to view it.

5-2-1 DRAINAGE DISTRICT
Minutes of The Board Meeting
September 13, 2006

Grand Junction Drainage District Ballot

- John Ballagh opened with the Town of Palisade meeting on September 12, 2006 and that GJDD has 257 miles of maintained systems. There are known problems that need to be addressed and funded. There was discussion on projects and funding for needs that have to be met aside from the 5-2-1 Drainage Authority. Handouts given.
- Jim Doody questioned some of the needs. He focused on the 2003 discussion about local components being attached to the Rate Study. He asked Staff to show how that applies to what 5-2-1 Drainage Authority is trying to do.
- Trent Prall stated that the City of Grand Junction is concerned about the timing of the GJDD asking for a mill levy increase when in 6-8 months 5-2-1 Drainage Authority will be setting a utility fee and the complications it might create. He made reference to the 2003 generic Rate Study that led to the formation of the 5-2-1 Drainage Authority. That it is the “backbone” for rates at the local, district, etc. component for the 5-2-1 Drainage Authority to collect additional money for each entity.
- Tim Moore drew an example on the board to demonstrate what Trent Prall was saying.
- John Ballagh erased additional money from the GJDD illustration explaining that GJDD cannot and will never be able to charge additional money without legislation and a vote of the public taxpayers. The other four entities can charge additional stormwater fees without voter approval.
- Dave Karisny, Vohnnie Pearson, Dave Walker, and Julie Constan said that they have not heard about this component.
- Trent Prall said that the Steering committee felt it was justifiable to go with an “authority” and give it some flexibility so that the entities can add fees to the 5-2-1 Drainage Authority fees, which it would be up to each entity to decide what to do with the extra revenue.
- John Ballagh said he would like to challenge that comment, that he did not feel that they had that in mind.
- Trent Prall stated that they said it would build on each fund.
- Vohnnie Pearson commented that he was there during this time and there was nothing allowed to be added by the individual entity. That they could create their own stormwater fee separate from the 5-2-1 Drainage Authority.
- Dave Karisny asked that John Ballagh tie the 5-2-1 Drainage Authority together with the Grand Junction Drainage District (GJDD) or show their separation.
- John Ballagh responded: GJDD does not receive a portion of the property tax except the voter approved mill levy portion. GJDD cannot receive any additional money because of TABOR. It would be refunded to the taxpayers. GJDD will not add a fee to the 5-2-1 Drainage Authority utility fees. There are some projects that GJDD has listed as projects needing additional funding in their mill levy increase on the November ballot that the 5-2-1 Drainage Authority is also listing. These projects will have to be addressed regardless of the utility fee for the 5-2-1 Drainage Authority. Since the GJDD has to go before the voters for an increase, we have to do it this election.

5-2-1 DRAINAGE DISTRICT
Minutes of The Board Meeting
September 13, 2006

- If we are successful and get an increase for six years, and the 5-2-1 Drainage Authority is successful in setting a utility fee, then whichever entity pays for the “questioned projects” it will free up additional money for other much needed projects by either the GJDD or the 5-2-1 Drainage Authority.
- Trent Prall said that their primary concern is that the requested increase by the GJDD will confuse the public and when the 5-2-1 Drainage Authority tries to set a utility fee.
- Vohnnie Pearson said that the GJDD has to go before the 5-2-1 Drainage Authority sets a fee because they are required to go before the voters.
- Julie Constan agreed GJDD needs to do it before the utility fee is set.
- Jim Doody stated that it is unfortunate, because of bad timing, the public will not understand, it will look like two organizations doing the same thing. Your need will affect the 5-2-1 Drainage Authority negatively around the corner.
- Eric Mende suggested that we talk to other communities and see how they handled similar conflicts.
- Dave Walker referenced the I-70 project and that he has difficulty understanding who is funding the project.
- John Ballagh explained the GJDD’s position and the gaps that the multi-jurisdictional basins/washes create.
- Dave Karisny asked how we could explain it to the public.
- Eric Mende said basically, GJDD is man-made drains and 5-2-1 Drainage Authority are natural washes.
- John Ballagh gave a handout from 360° Cranium. He said that 360° might help to bring the public in early rather than late, to educate them on the 5-2-1 Drainage Authority. Maybe we should take the money in the budget for *Rate Implementation* and use it to hire this firm and start working with the public to help them understand what everyone feels will be confusion around the corner.
- Dick Bowman asked if the 5-2-1 Drainage authority name is legally set, could it be changed to something else?
- John Ballagh reminded them that the statute says *Drainage Authority*. He also stated the school districts will have concerns with the utility fee because their fiscal year is different than most and will need time to budget for this additional money.
- Dick Bowman agreed that we need to get the public behind the utility fee process.
- John Ballagh stated that we need a marketing firm not an engineering firm for this process.
- Dave Walker expressed his opinion that maybe we should have enlarged the GJDD and not have two similar entities.
- Trent Prall reminded that it was considered, however; it isn’t feasible because of the legal side of things.
- Tim Moore inquired as to it being seven weeks until voters vote.
- John Ballagh said that it seems right.
- Tim Moore said we have seven weeks to educate the voters to differentiate between the two entities.
- Jim Doody wondered if this is the wrong time to be spending \$6,000 on PSA’s. Will it benefit the GJDD in getting their increase not the 5-2-1 Drainage Authority.
- Julie Constan reminded that the PSA’s are part of the County’s NPDES requirement for their permit for 2006 and that the PSA’s are about reducing pollution not stormwater concerns.

5-2-1 DRAINAGE DISTRICT
Minutes of The Board Meeting
September 13, 2006

- Jim Doody isn't comfortable with the timing. In November the voters will tell us by their vote if they agree with stormwater problems. If GJDD fails, it will tell us where we are.

Chairman Karisny noted the time and stated that we did not get to the O&M White Paper and to carry it over to the September 27 Board Meeting and that we will revisit the PSA concerns. He asked for any more comments.

- Dave Walker had one more comment about the money being spent on PSA's.

NEXT MEETING DATE

- The next meeting is scheduled for September 13, 2006, 3:00 – 5:00 p.m.
- Mesa County Courthouse Annex, Training RoomA
- Forecast meeting dates are as follows:

September 27th
October 11th
October 25th
November 22nd
December 27th

There being no further business to come before the Board, the meeting was adjourned at 5:10 p.m.

Dave Karisny, Chairman