

5-2-1- DRAINAGE AUTHORITY
MINUTES OF THE BOARD

October 24, 2007

Grand Junction City Hall, Executive Conference Room
Grand Junction, Colorado

Chairman Jim Doody called roll of the Board Members.

Board Members Present:

Dave Walker	Town of Palisade
Dave Karisny	City of Fruita
Richard Bowman	Grand Junction Drainage District
Steve Acquafresca	Mesa County Commissioner
Jim Doody, Chairman	City of Grand Junction

Also Present:

John Ballagh (Grand Junction Drainage District, Manager), **Eileen List** (Grand Junction Environmental Services Manager), **Julie Constan** (Mesa County Engineering), **Nathan Boddy** (Town of Palisade Planner), **Jon Peacock** (Mesa County Administrator), **Tim Moore** (City of Grand Junction Public Works & Planning Director), **Rick Dorris** (City of Grand Junction Development Engineer), **Yvonne Charlesworth** (5-2-1 Drainage Authority Recording Secretary), **Vohnnie Pearson** (Citizen), **Ron Stoneburner** (Citizen)

Chairman Jim Doody opened the meeting at 3:00 p.m. He asked for a motion to adopt the agenda. Richard Bowman made the motion. Steve Acquafresca seconded the motion. Chairman Doody polled the Board to accept the agenda.

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

Minutes:

Chairman Jim Doody asked for a motion to approve the Minutes of September 26, 2007. After changing the date to the September 26 meeting, and noting that Steve Acquafresca left at 4:00 p.m., Steve Acquafresca made the motion, Dave Karisny seconded the motion.

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

Financial Report:

John Ballagh reviewed the September 2007 financials. The Drainage District paid the 5-2-1 DA \$60,000 for the Drainage Basin Master Plan as agreed. URS Corporation has a meeting with John Ballagh and Julie Constan on Monday, October 29th. The Garden Show set-up fee has been paid for public participation. Cranium 360 is proceeding well on the web site development. John Ballagh and Yvonne Charlesworth have a meeting set with Cranium 360 on Thursday, October 25th at 11:00. The Profit & Loss statement is in order and all bills have been paid within budget.

Jim Doody asked for a motion to accept the financials. Dave Walker made the motion and Richard Bowman seconded it.

The roll call vote results:

Contracting Party	Vote
Town of Palisade	aye
Town of Fruita	aye
Grand Junction Drainage District	aye
Mesa County	aye
Grand Junction	aye

Report:

Managers Meeting:

A copy of the draft budget has not been distributed. At the August 22 meeting, we were dealing with larger numbers than what we are dealing with today. We were looking at \$996,000 on August 22, but now are looking at \$539,988. The costs to all the entities have been cut in half from the August 22 discussion.

Jon Peacock noted that the scope of work has not changed. Resources that are needed include inspection, project review, and public education for the NPDES Permit. Some of these aspects are not currently being covered, others are. Fruita and Palisade don't have the capabilities to cover administration, direction, and office space.

Julie Constan suggested the 5-2-1 DA needs to hire an Engineer/Manager with 80% of the job being dedicated to engineering and 20% to the manager aspect, 2 inspectors, and turn the ¾ administration time to full time with added responsibilities and paying more.

There is concern with health insurance, worker's comp, etc. Jon Peacock stated this aspect should remain with the fiscal agent. New employees might be brought on for the inspector positions. The contracting parties need to decide if only new construction projects will be handled by the 5-2-1 DA, or if the Mesa County and City of Grand Junction will transfer existing construction projects to the 5-2-1. If transferring responsibilities, 2 inspectors are needed. The focus will be on construction and post-construction inspection. Illicit Discharge Detection and Elimination enforcement will remain with the individual entities. We are still trying to get the 5-2-1 DA to hold the NPDES Permit.

Jon Peacock expressed the concern that it will look like the employees are employees of the fiscal agent when they really are 5-2-1 DA employees. Concerning who would be hiring

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the employees, Julie Constan stated that staff will make recommendations to the Board. The Board would then make the decision.

John Ballagh stated there can be a difference between the fiscal agent and the physical location. It would be more desirable for the fiscal agent to be the City of Grand Junction or Mesa County. As far as field work is concerned, the Drainage District has 15 employees who could help field calls from the public whereas the City and County have only senior staff.

John Ballagh stated that the Authority is already getting a start on purchasing office machines. We have purchased a computer and telephone, and we own a printer/copier/fax. Jim Doody asked if the Drainage District has room for three more people in its offices. John Ballagh stated that there is room. Jon Peacock stated that Mesa County has space in their annex basement. This isn't typical basement space, but is good, accessible space.

Dave Karisny asked who would be doing the interviewing and hiring. It was suggested that the City of Grand Junction or Mesa County human resources department do the formalities. The staff would cut the number of interviewees down to a certain number and then the Board would interview the remaining applicants. Jon Peacock stated that this should be a 5-2-1 DA decision. The Board should have input on the job description. Julie Constan stated that the job description is already being worked on. Dave Karisny asked how are they going to hire if the employees won't be working for the City or County. Jim Doody asked if the employee would be working toward an Executive Director. Julie Constan said the position would be as John Ballagh is doing it now. The history and background of drainage expertise is needed up front. John Ballagh stated that the position needs a public relations background. Jon Peacock suggested the job be structured for NPDES compliance in public education which is a major function in the Manager's position. The position could grow into an Executive Director's position.

Richard Bowman stated that the models that were presented showed an engineer and manager as two separate people. For construction projects, the need is for someone who could take over. His concern is that we are cutting the program from a \$1 million program to a \$500,000 program. What is being cut and can the program be viable? John Ballagh stated that the \$1 million program had \$600,000 worth of studies in it. The studies are being cut in half for the first year which got us down to the \$500,000. The studies were scheduled over an 8 year period and money doesn't need to be budgeted up front for these studies. Also, we will be using contract management for the studies. Jon Peacock stated that we will be ramping up and shouldn't assume everyone will step into the positions at full force.

Dave Walker stated concern that, forgetting the basin studies, we're talking about getting something done by now cutting funding in half. CIPs are a needed part of the program. A year from now, will the Board be behind another compromise, and will the work continue to decrease? He understands that you need to walk before you can run, but where does this

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get us? If we do away with the manager and use in-kind services, the Town of Palisade could also hire an inspector and then wouldn't have need for the 5-2-1.

Dave Karisny suggested the cut is reasonable to get started and actually see how far we get the first year with new staff. We can get closer each year to what we want. It is hard for the public to understand full funding all at once – it is better to take steps.

Jim Doody stated if the budget is approved, the City will be moving forward. He is looking forward to a new manager to set the direction. This will free up John who could be brought in on inspections for expert advice. The Bosley Wash study would be a good start. Steve Acquafresca stated that this Authority will do more than it had ever done before in a more independent fashion and separate from the municipalities. Dave Walker said it wouldn't be a complete division, and it looks more like services from the City or County. Steve Acquafresca said the distinction can be made to someone when they are interested.

John Ballagh distributed a copy of the draft budget. Richard Bowman observed that the budget shoots all over the place and wants to know what we're doing with the money. The State is only interested in the permitting aspect. With this budget does the 5-2-1 DA take over all the permits? Is funding secure from year to year? What if it is cut in half again next year? John Ballagh stated that the 5-2-1 would take over the permits. There is \$40,000 built into the budget for this purpose. The 5-2-1 DA would have its own ordinances and resolutions, and administration would be by the 5-2-1 DA with no municipal function. However, legal action would have to be initiated by the municipalities not the 5-2-1 DA because it cannot pass ordinances. The 5-2-1 DA staff would become witnesses at that point.

Jim Doody stated that as work is being done, and we bring on two employees, and looking at the budget, there is measurable value of the 5-2-1 DA as it moves forward. Funding is as secure as possible in the City Council's minds. Implementation of a fee may be five years from now. This year we will make a significant movement in the organization. Julie Constan stated that a program needs to be in place to ensure that construction is doing what they're supposed to be doing. Jon Peacock stated as there are no fees in place at this time, funding will be raised by local permits from the 5-2-1 DA. Dave Walker expressed concern about 5-2-1 DA employees driving vehicles that are owned by one of the municipalities. Julie Constan stated there would be 5-2-1 DA vehicles with their logo on the side.

Jon Peacock said we need to figure out how to do organizational funding. A benefit of the partnership would be benefits for Authority personnel. John Ballagh stated that the Downtown Development Authority gets checks from the city and participates in the city insurance pool, but they are housed elsewhere. This model could be followed by the Authority. Jon Peacock stated this assumes in-kind on the personnel side.

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Dave Walker asked what a private business would require to approve a budget. He would like to see a bulleted list of what the Authority wants to accomplish next year. He wanted to know what else needs to be done to get the budget approved. John Ballagh stated that we need to set a public hearing date in November and then approve the budget in December. Jon Peacock stated that approving the budget next month doesn't equate – all entities will be adopting their budgets in December. The County needs to have a general notion of thumbs up or thumbs down by Monday for the County budget review. Will the County be assuming the fiscal agent for human resources, and in-kind donation for housing against the appropriation? Cash minus fiscal agent, minus space are all in-kind contributions that would come off the budget. The County doesn't want to collect rent because of Tabor. He stated he would rather someone else be the fiscal agent.

It was stated that the \$35,000 worth of in-kind services should be shown in the budget. Julie Constan stated that since the Authority is paying these services anyway, all real costs should be shown in the budget. Dave Walker said this is important if this is a stand-alone organization. If municipal funding is for one year and is a one-time thing, that is a different way of looking at it. The difference is if the office space is free, but if there is a deduction for space, it needs to be identified. Jon Peacock stated that the fiscal agent would have a formal lease agreement so it needs to be broken down. Dave Walker said the Authority is getting tremendous services for its money and things should be set up correctly to begin with. Jim Doody asked if we are comfortable with the County housing the 5-2-1 without a line item in the budget. He stated future Board members need to know how it played out. We're about to start doing something. Not doing anything has been a point of frustration with him. He is sure the Council will approve the \$216,000 as it is on the budget. However, he can't tell what will happen next year.

Richard Bowman stated the budget has to pass the audit test in terms of donation to the Authority. He wants to see bullets for what we are spending and what we get for the money. Julie Constan stated we should be able to show it to someone off the street that knows nothing and they would understand. John Ballagh stated he will shoot for November 15th to get the draft budget out. This is an action item that needs the date set by a motion. Steve Acquafresca stated the Board of Directors will discuss line items on Monday and he will make sure to make a persuasive conversation to his two colleges.

Action Items:

Set a hearing date for the budget:

Dave Karisny made a motion that the Board set a hearing date for the 2008 budget for November 28, 2007. Steve Acquafresca seconded the motion.

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

Discussion Items:

Detention Pond Plans, Bosley Wash:

The Colorado Water Conservation Board (CWCB) issued an engineering contract to design a detention pond for Bosley Wash. The detention pond will be located at 34 Road north of I-70. The consultant exceeded the contract price by \$23,000 because they said they had to design a road around the pond to a private property, and because they designed a box culvert. They estimated cost of construction for the project is approximately \$3.1 million because the dirt would be hauled away. The cost could be cut by putting the dirt on the side, and using grouted boulders instead of concrete for the overflow structure. The CWCB is ready to hand everything over to the 5-2-1 DA to make ready to go with the project. Julie Constan asked if we paid the \$19,632 to the Engineer, would we be the owner of the construction plans. Richard Bowman asked if we purchased the plans, can we move forward, will CDOT approve. John Ballagh stated that CDOT is involved and we would have State approval under Phase I Environmental Analysis.

Richard Bowman wanted to know where the funding to construct the project would come from. John Ballagh stated that it was a ballot question. Who would we get plans and specs approval from – the County, the BLM? The BLM was supportive of the effort when the public purposes application was submitted. We were stopped short on acreage. There is a need to purchase three parcels of private land. It would be accomplished in three different phases with the three different owners. No price was discussed but a conversation was had with two of the land owners. Julie Constan suggested this would be a great thing to promote for a utility fee as it is there and ready to go, and the cost is going to be several million dollars.

Jim Doody asked if we paid the \$20,000 would we own the plans. John Ballagh said we would own the plans. We are looking at \$2.1 to \$2.5 million without land purchase. It would cost \$200,000 just to regenerate these plans, and we can own them for \$20,000. The shelf life will last for awhile as long as the land owners stay the same. Dave Walker said we would be crazy to pass it up. John Ballagh explained that we have \$10,000 in contingency money and \$8,000 in Water Shed Work Plans in the budget. We could see if they would make a deal since the engineering firm will be holding an empty bag. Dave Walker said this would have saved a life last year. John Ballagh stated that CDOT, the County and the Drainage District would have facility protection. Richard Bowman stated that when the job is bid, another engineering firm will charge something to massage the plans because they are someone else's set of plans. There will be an additional cost to the Authority to review the plans unless the Olsson engineering firm does the work. Julie Constan said if we are lucky, the Engineer/Manager for the Authority will be a P.E. It was stated that if we paid full price, we could go to Olsson to engineer and we would be in a better position. Richard Bowman stated we are going to have to put out for RFPs. If we pay the total bill and own the plans outright, there are no ties to anyone and we can go back out for bids. That way we won't look like we are favoring Olsson when we choose the new engineering firm. Jim Doody asked where we would find the extra dollars. John explained

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that the Authority budgeted \$81,000 for the Basin Master Plans, and the Drainage District contributed \$60,000 for a total of \$141,000. The contract with URS for this project comes to a total of \$135,000. We could use this excess money to come up with the total dollars. The question was asked if we see any need for contingency funds this year. Julie Constan stated that there isn't anything floating out there.

Steve Acquafresca made the motion that the 5-2-1 DA purchase the plans at \$19,632 and own them outright. Dave Karisny seconded the motion.

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

Read Ahead:

There were no read ahead items.

Meeting Calendar for the Future:

November 28 th	May 28 th 2008
December 26 th	June 25 th 2008
January 23 rd 2008	July 23 rd 2008
February 27 th 2008	August 27 th 2008
March 26 th 2008	September 24 th 2008
April 23 rd 2008	October 22 nd 2008

Adjourn:

There being no further business to come before the Board, Chairman Doody adjourned the meeting at 4:45 p.m.

Jim Doody, Chairman