

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

December 19, 2007

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

Chairman Jim Doody called roll of the Board Members.

Board Members Present:

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

Also Present:

Eileen List (Grand Junction Environmental Services Manager), **Nathan Boddy** (Town of Palisade Planner), **Julie Constan** (Mesa County Engineering), **John Ballagh** (Grand Junction Drainage District, Manager), **Trent Prall** (Assistant City Manager), **Jon Peacock** (Mesa County Administrator), **Greg Trainor** (City of Grand Junction Director of Utility & Street Systems), **Yvonne Charlesworth** (5-2-1 Drainage Authority Recording Secretary), **Ron Stoneburner** (Citizen)

Chairman Jim Doody opened the meeting at 3:05 p.m. He introduced staff and guests.

Chairman Jim Doody asked for a motion to adopt the agenda. Steve Acquafresca made the motion. Dave Walker seconded the motion. Motion passed on voice vote.

Minutes:

Chairman Jim Doody asked for a motion to approve the Minutes of November 28, 2007. Dave Walker made the motion to accept the minutes, Richard Bowman seconded the motion. Motion passed on voice vote.

Financial Report:

John Ballagh reviewed the November 2007 financials. All bills are paid and up to date. The money for Bosley Wash prints was allocated against the Contingency funds, the Basin Master plan, and the Rate Implementation for the total of \$19,632. Everything is within budget. There is a huge amount of money going toward Public Education because of the NPDES requirements, the billboard campaign, and the public service announcements.

John Ballagh brought the Board's attention to two checks, one for 2008 insurance and one for SDA membership dues. He stated it looks awkward to have two bills paid for the same budget line item in one year. He contacted the insurance company and confirmed that the insurance payment isn't due until January. He requested that the Board consent to voiding the two checks and asked for a motion. Dave Karisny noted that as the 5-2-1 grows, the

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insurance policy also grows. John Ballagh answered that the donation of two trucks and the increase in contributions is what caused the premium to go up. Also included are the 2008 expenditures, new employees and bonding issues. Steve Acquafresca made the motion to void the two checks, Dave Karisny seconded the motion. Motion passed on voice vote.

Jim Doody asked for a motion to accept the financials. Dave Walker made the motion and Richard Bowman seconded it. Motion passed on voice vote.

Report:

Lewis Wash Basin Master Plan Status:

John Ballagh displayed a picture showing Lewis Wash and the areas where flooding occurs. The Wash is on the East side of 31 Road. The green squares depict areas that are within the city limits. In two places, the county boundaries are on 1 side of the wash and the city boundaries are on the other side (D Road and D½ Road). URS proposed four corrective measures. John stated that URS wants to come to a meeting to make a presentation to the Board. Douglas Wash is being worked on and Lewis Wash will be completed by early February. John suggested that the January 23rd meeting would be a good one to have URS present. Trent Prall stated there are a group of neighborhood meetings that will take place in January and Julie Constan announced the January 15th commitment to make a presentation for family night at Chick-fil-a.

Action Items:

Adopt Resolution for 2008 Budget:

Dave Walker asked about the memo that is to accompany the Budget. John Ballagh stated the memo explains where the money comes from and where it is going. The question was asked if the memo referenced the reasoning as to why the continuation of general fund contributions versus a rate fee. Julie Constan stated it doesn't specifically say why, it only references the situation.

Richard Bowman asked if every entity's budgets are set to allocate the funds. Jon Peacock stated the County has sufficient funds. The rest of the Board indicated they all have their portion of funds available.

Dave Walker said that historical documentation is incomplete because 2007 has a rate study but the rate didn't take effect the following year. Richard Bowman stated it is important to clarify what happened. Dave Walker stated that since the direction has always been to implement a fee and we are moving into 2008 with general funds, the reasoning why should be included in the memo attached to the budget. He stated that if others look at activities 10 years down the road, they should be able to determine why a rate is studied but not implemented. Greg Trainor asked if the reason is for the purpose of continuing the study. Dave Walker asked if that shouldn't be attached to the Budget. Jim Doody stated that he thought it should. Steve Acquafresca stated a policy decision would encompass many different things. Jon Peacock asked if the meeting minutes discussion would be enough documentation. John Ballagh brought the Boards attention to item number 8 on page 3 that

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states the study needs to be completed. Julie Constan referenced the last part of the last sentence of paragraph one on the first page. She asked if these statements are sufficient, or should she do a revision. Dave Walker stated he is okay with it. John Ballagh stated the memo will accompany the budget. Jim Doody said he is okay with that and asked if everyone had sufficient time to go through the Resolution to Adopt the Budget.

Dave Karisny noted that the line item for the insurance only budgets \$4000, but the bill is \$6,000. The 2008 budget will need to move some things around to stay within the current budgeted amount of \$918,589. Jon Peacock stated that the budget covers personnel time that won't be expended at the first quarter of the year and money could be moved from that line item.

Chairman Jim Doody asked for a motion to adopt the Resolution to Adopt the Budget. Steve Acquafresca made the motion. Dave Karisny seconded the motion. Jim Doody performed a roll call vote. The motion carried.

Manager's Job Description, Advertise for Position:

John Ballagh stated that the 5-2-1 DA Manager position needs advertised, as previously discussed, with Mesa County HR Department to get the job description out without further delay. If this happens in January, it will be lucky if the position is filled in March. Jon Peacock stated that if the county facilitates the process, an IGA is needed to be in place before the process proceeds. An agreement of the parties is needed.

There are still questions about if the fiscal agency makes it look like the 5-2-1 is part of the county. There has been concern voiced about this aspect. If the manager is going to be a Mesa County employee, the Board needs to work through the details. It was suggested that if we go the GVT route, an IGA is needed to define roles and responsibility. Jon doesn't believe he should make the hiring decision; that should be a Board function. An IGA has been started that needs to be brought to the Board for review.

Jon Ballagh pointed out that Mesa County has an HR Department set up to advertise and go through the applications to interview people. It could be that the county would handle only that function. He thought this could be an opportunity to obtain better health and accident rates. However, he has discovered that may not be the case because his studies indicate that a group rate wouldn't be any more cost effective than the rate for three individuals. Jon Peacock stated that there are other functions that need to be covered such as purchasing, risk management, information technology – the 5-2-1 needs capacity in all of these areas. If the 5-2-1 is expected to stand alone, it will not have the efficiency of the county. This is the advantage of a fiscal agent. Dave Karisny stated that the decision of a fiscal agent needs to happen before the manager position is posted. John Ballagh voiced the concern that the county would do the hiring and the Board wouldn't get involved at all. Dave Walker stated the employee package would make sense to utilize the county as the 5-2-1 is not in a position to stand alone with only one employee. Down the road the 5-2-1 will need to continue to build a stand-alone situation. John Ballagh said it will be easier to do a stand-

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alone from the beginning. There are several organizations with two to four employees that operate as stand-alone. Jon Peacock said he understands the desire to have the Authority to stand alone with a separate identity. The benefits may not be the problem, but the tracking of claims will be. Perhaps looking toward a plan to get the Authority weaned off the county two to three years out and be a stand-alone may be a possibility.

Steve Acquafresca stated that the GVT is perceived as stand-alone even though they are facilitated by the county. Will they move out sometime in the future? Jon Peacock stated that a physical move is in the works, but the fiscal agent will stand until they are told otherwise. Steve Acquafresca pointed out that the GVT situation helped them in their success to seek grants. Jon Peacock acknowledged that the alliance has contributed to the great success of the entity. The county helped to recruit a very good staff.

The suggestion was made that the new manager should be focusing on goals and not be loaded down with personnel and other policies that will take up the manager's time. However, if the 5-2-1 wants to, it can build up from scratch. Richard Bowman stated that if the authority will be stand-alone to begin with, the manager position will need to have engineering experience.

Steve Acquafresca stated the job description currently has 15 points of qualification. Julie Constan acknowledged the length of the job description and stated that it is written as if the county is the fiscal agent. Dave Walker stated that the authority could transition away from the county. Jon Peacock stated that the Authority will need to ramp up and set up an accounting system. It will take four to six months effort to get the entities to separate, but there is a steep learning curve to build from scratch.

Dave Walker expressed the concern that if the Authority hires with the county as the fiscal agent and the Authority wants to get rid of an individual, what are that individual's rights. The answer was that the position could be handled as a grant funded position – when the grant goes away so will the position. The Fair Standards Act and risk management will be a problem – it will fall to the county to solve. But it is not county business to determine who will be hired, but it needs to cover itself for the legality to hire. Jim Doody stated that the fiscal agent route would be the cleanest, most efficient way to get someone on board. It would be a way to get up and running in 2008. It would be best for the Board so it can continue with policy setting.

Richard Bowman stated that the manager should report to the Board, not the county. Jon Peacock stated that if the county will assume all the risk, it will need to have a say to manage. Julie Constan stated the IGA for the GVT has management reporting to the county administrator, but the Authority's IGA could give the Board control with a contingency clause. Jim Doody stated that reporting to the county administrator could get a direction going. Jon Peacock said it can always be cancelled by an agreement with the county at any time. Richard Bowman stated he has been in a situation where he had two bosses and he

believes it is best to have one boss with hiring and firing control. Jon Peacock stated the county may need to deal with the legal things but the position would answer to the Board.

Steve Acquafresca stated that sitting down with the Board once a month isn't enough to get a person up to speed. Richard Bowman stated that Technical Staff would give assistance until the manager is up and running. Jim Doody stated the manager is going to need a lot of support and outside help.

John Ballagh stated that at present advertising the job is premature because the Authority needs the IGA first. Jon Peacock stated that we could work out the IGA parallel to the time for advertising the position. It needs to be put on the table now so there won't be a question in the future. Steve Acquafresca stated the first round of cuts will be time consuming. Jon Peacock stated the Authority will need its attorney to review the IGA and so does the county.

The fiscal agent is needed to take the administrative load off the individual. Jim Doody stated that with a fiscal agent, the quality of an employee will be higher than if the Authority was stand-alone. Dave Karisny stated that the Board needs to make sure the person knows they won't be a county employee forever. Jon Peacock stated it is the responsibility of the Board to get the Authority on its feet before transferring fully to the Authority. He asked what the hiring rate for the manager would be. Julie Constan stated it is \$85,000 in the budget with benefits on top. Jon Peacock stated that is a little low but the Authority's budget needs to be honored.

Julie Constan said that the job description has not been submitted to the county yet. Richard Bowman stated that the job description states that the Board is made up of elected officials, but they are not elected, they are appointed. Suggestions were made to bring the job description in line with what the Board wants to see. Richard Bowman expressed the concern that the person will be governed by six bosses. John Ballagh stated he hopes the Board will act as one. Jon Peacock stated that the county HR Department will have to capture the changes in the job description and make it appealing to the Board. Jim Doody stated it is the will of the Board to give Jon (or John?) direction to work with Mesa County about the direction it wants to go.

RFQ for Audit of Revenues and Expenditures in 2007:

John: this went by too fast, I didn't get anything. Do you have something in your notes?

Discussion Items:

Construction Inspection Permit Fee Structure:

Julie Constan stated she polled the Colorado Southwestern Facilities Council on the front-range to compare with our proposed fee structures. The table on page 2 shows the different entity's responses for charging fees on 10 acre sites. John Ballagh contacted the Assessor to use plat data for number of subdivisions platted in Mesa County and broken down by acre

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sites. The goal is to try to fund two inspectors by generating \$120,000. On page 1 the tiered fee structure would generate \$150,000.

Dave Walker questioned if it is automatic for sites four times the size to be inspected four times as much. Julie Constan stated not necessarily, different requirements will determine different rates. These are just the levels used at this time in order to have something to structure the fees. These fees would be additional fees to the state fee for sites over one acre. Until the Authority becomes a Qualified Local Program, there will be a state and local fee for sites one to five acres. After we qualify, the state will only charge fees for sites over five acres.

Richard Bowman questioned the amount of the fees. John Ballagh stated that if a fine is \$1000, the permit fee has to be less. Dave Walker questioned if this is the correct way to go about establishing a fee. Julie Constan stated that table one justifies the level of fees. Jon Peacock stated that the service provided to comply with the act should tie the cost of service to the fee. Dave Karisny questioned if we should be looking at sites outside the 5-2-1 boundaries. Julie Constan stated that no commercial developments were accounted for, but some sites outside the boundary are accounted for which should offset the lack of commercial sites. John looked at 156 total plats which gives some idea to defend where we got the numbers. If development stops tomorrow, we won't get to 137 sites. It is expected that there will be that many more next year. Julie Constan asked for feedback on whether we should go with the tiered structure or a flat fee per acre. Research shows that other entities in the state are all over the board – no one is setting procedures.

John Ballagh stated the bigger challenge is to determine if this is realistic during the first year of operation. Steve Acquafresca said we don't need to be prepared with an answer until March or later. Julie Constan stated we need to get the word out to agencies such as the WCCA to be sure they are aware that changes are coming. John Ballagh stated that Eric Mende will argue that the contracting parties to the 5-2-1 should be exempt from paying a fee. Some developments are exempt from paying a state fee. There needs to be a policy in place by July 1st. Jim Doody said he isn't buying that the contracting parties shouldn't have to pay a fee because the community will be up in arms. Dave Karisny recommended that the fee structure over all could be a part of a later discussion.

Set a Date for the Annual Meeting:

John Ballagh said that the Board can pick any date in the first quarter. He suggested that the Steering Committee be invited. This would be an opportunity to get the word out to the community. Jim Doody suggested the January 23rd meeting. Julie Constan advised that the 5-2-1 has an exhibition set for January 15 at Chick-fil-a. There are other activities taking place in January as well. Jim Doody asked if the February meeting would be better.

RFQ for Orchard Mesa Drain, floodplain study:

John Ballagh apologized that he didn't have time to put something together for the Board on the subject. He stated there are several projects on the Orchard Mesa drain but there are no

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flood plain studies. These are needed before the 5-2-1 can apply for grants. If something is going to be done in 2008, proposals will have to go out soon. A list of qualified firms can be compiled and then go from there. Julie Constan asked if it will be okay to get an RFQ in process before the January meeting – can the 5-2-1 go out for bid? The consensus of the Board was yes.

Read Ahead:

There were no read ahead items.

Meeting Calendar for the Future:

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
May 28 th 2008	November 26 th 2008
June 25 th 2008	December 24 th 2008

Adjourn:

There being no further business to come before the Board, Chairman Doody adjourned the meeting at 4:50 p.m.

Jim Doody, Chairman