

**5-2-1 Drainage Authority
Minutes Of The Board
December 17, 2008**

**Mesa County Courthouse, Multipurpose Room
544 Rood Avenue, Grand Junction, Colorado**

Board Members present:

Jim Doody, Chairman	City of Grand Junction Representative
Mel Mulder, Vice-Chairman	City of Fruita Representative
Steve Acquafresca, Asst. Secretary	Mesa County Representative
Dave Walker, Treasurer	Town of Palisade Representative
Richard Bowman, Secretary	Grand Valley Drainage District

Technical and Authority Staff present:

Ken Haley	City of Fruita, Engineer
Trent Prall	City of Grand Junction, Engineering Manager
John Ballagh	Grand Valley Drainage District, Manager
Nathan Boody	Town of Palisade, Town Planner
Julie Constan	Mesa County, Engineer
Eric Mende	5-2-1 Drainage Authority, Manager
Janice McDonald	5-2-1 Drainage Authority, Office Administrator
Eileen List	City of Grand Junction, Environmental Svcs Manager
Jesse Kirkpatrick	5-2-1 Drainage Authority, Stormwater Inspector

Guests Present:

Vohnnie Pearson	Citizen, 630 Broken Spoke, Grand Junction, CO (970) 256-9606
Ron Stoneburner	Citizen and former 5-2-1 Drainage Authority Steering Committee Member, 653 Longhorn Street, Grand Junction, CO 81505 (970) 242-7899
Matt Henderson	Davidson Homes & Precision Construction, 2829 North Ave, Suite 201, Grand Junction, CO (970) 255-0600
David Myers	President of Western Colorado Contractor's Association 2754 Compass Drive, Grand Junction, CO (970)243-7950
Don Pettygrove	DGP Consulting Engineers, 2764 Compass Drive, Grand Junction, CO (970) 241-0260 representing Associated Members for Growth and Development
Jeffery Fleming	Davidson Homes & Precision Construction, 2829 North Ave, Suite 201, Grand Junction, CO (970) 255-0600

Called to order

Chairman Doody called the meeting to order at 3:03 p.m. and declared a quorum present.

Review and adoption of the agenda:

No changes requested. Chairman Doody asked for a motion to adopt the agenda as presented.

Motion for approval: Director Walker

Seconded: Director Mulder

In favor: All

Review and adoption of November 19, 2008 Board minutes:

No edits or additions requested.

Motion for approval: Director Acquafresca

Seconded: Director Mulder

In Favor: Chairman Doody, Director Acquafresca, Director Mulder, Director Walker

Abstaining: Director Bowman

Consent Agenda

Action Item 1 – Financial Reports

Action Item 2 -- Resolution 2008-11 Official Posting Locations

Action Item 3 -- Resolution 2008-09 Fee Schedule for Public Records Requests

Action Item 4 -- Resolution 2008-10 – A Resolution approving an IGA with Grand Valley Drainage District and authorizing the Chairman to execute the agreement

Chairman Doody presented the Consent Agenda Action Items one through four. Chairman Doody asked the Board and audience if anyone had objections to proceeding with the consent agenda for these items. Manager Mende noted a correction to Item 1 Financial Reports cover page, third paragraph. The missing amount should read \$8,962.97. This amount is listed correctly on the Revenue Summary and Offsets report.

Motion for approval of Consent Agenda: Director Walker

Seconded: Director Mulder

In Favor: All

Public Hearing

Action Item 5 -- Resolution 2008-07 Approving and Adopting a Stormwater Permit Fee Schedule

Staff report by Manager Mende: This is a public hearing continued from the November 19, 2008, Board Meeting.

Under the Intergovernmental Agreements with Mesa County, the City of Grand Junction, and the Town of Palisade, the 5-2-1 Drainage Authority will assume the Valley-wide responsibility to review, issue, inspect, and otherwise administer all local Stormwater Construction Permit processes currently performed by Mesa County, City of Grand Junction, and Town of Palisade. To support that effort, the general policy goal of the Board has been that the costs of the Stormwater Construction Permit program administered by the Authority should be borne by the recipients of the Permits, and subsidies should be minimized.

At the September 24, 2008 and October 22, 2008, Board meetings, the Board reviewed five alternative fee structures, and agreed on a flat, \$100 per acre rate. This proposal was brought to Public Hearing on November 19, 2008. Based on public comment, the hearing was continued until today (12/17/08) to allow further discussion between staff and the development community affected by the fee.

A meeting with development representatives was held on Wednesday, December 3, 2008, concerning the stormwater fee, and a consensus opinion on an acceptable fee structure concept was achieved. The outcome of the meeting was as follows:

- A tiered structure was preferred over the proposed per acre rate or an alternative time and materials rate. It was suggested that the number of tiers be reduced from 6 to 3.

- The fee should be split up into a fee for review, and a different fee for inspection. The development community preferred that the payment of the review fee be at time of final plan submittal, with the inspection fee postponed until the permit (for construction) was issued.
- The fees were requested be set at a minimum level that assumed good performance and avoided overcharging. To avoid subsidies for difficult or non-compliant sites, a provision for extra cost for extra inspection (e.g., bad actors will pay more) was deemed appropriate.

Chairman Doody opened the public hearing at 3:15 p.m.

Public comment:

David Myers, President of Western Colorado Contractor's Association, 2754 Compass Drive, Grand Junction, CO (970)243-7950

- Thanked the Board for letting him speak.
- He was pleased to participate in the stakeholders meeting with the 5-2-1 Drainage Authority to develop a fee structure everyone could work with.
- Mr. Myers endorses the fee schedule presented by Manager Mende and expressed his thanks for the opportunity to participate from the ground up to make this a much more palatable experience for him.

Don Pettygrove, DGP Consulting Engineers, 2764 Compass Drive, Grand Junction, CO (970) 216-4665 representing Associated Members for Growth and Development

- Mr. Pettygrove stated 5-2-1 Drainage Authority Board and Staff have been very responsive to the desires of the community.
- The new fee schedule reflects this effort.
- Good job.

Chairman Doody closes the public hearing at 3:17 p.m.

Board Discussion:

Director Walker thanked the TAC and Manager Mende for putting in the time to create a reasonable fee structure that industry can work with. Director Walker stated he was happy with the outcome.

Director Acquafresca expressed he is grateful for the industry professionals who came forward to help create something that is palatable, and this couldn't have been done without them. Director Acquafresca asked industry who were present at the meeting to pass along this gratitude to those professionals who contributed to this process, but were unable to attend this meeting. Director Acquafresca also expressed his thanks to Manager Mende for allowing this open process between the 5-2-1 Drainage Authority and industry professionals to occur even though none of us asked for this permitting process be put into place, but given it is a requirement, he's really happy with the outcome.

Chairman Doody shared his analogy that for the last 3 ½ years he has been involved with the creation of the 5-2-1 Drainage Authority, it started like a bag lady pushing her shopping cart, and we are now seeing real progress.

Chairman Doody stated that the Grand Valley needs \$70-\$80 million in projects for flood mitigation. Industry knows this need, and the community will benefit from the outcome of the 5-2-1 Drainage Authority's creation. It has taken federally mandated legislation to make this happen, and it is good that it has. These projects are going to stimulate the economy, and this will create an opportunity for partnerships. Chairman Doody shared he doesn't remember any other time industry has come to these Board meetings, and just one meeting has created industry partnerships. These partnerships need to continue as the 5-2-1 Drainage Authority discuss a rate study and other items in the future of the Grand Valley.

Director Acquafresca added he had neglected to thank the 5-2-1 Drainage Authority TAC for their contribution to this process as we would not have gotten this far without their expertise. Thank you.

Motion for approval of Resolution 2008-07: Director Acquafresca

Seconded: Director Mulder

Role call vote: 5 in favor; 0 opposed. Motion approved.

Manager Mende noted the 5-2-1 Drainage Authority does plan to implement a new stakeholders process for developing policy and procedures for field implementation at the beginning of the new year, and hope all will consider being part of it.

Agenda Item 6: Resolution 2008-08 Adopt 2009 Budget

Staff report given by Manager Mende: A Public Hearing on the 2009 proposed budget was held on November 19, 2008. There were no comments from the public. Today's action is formal adoption of the 2009 Budget via Resolution 2008-08, and approval of the attached Budget Message. The Budget Message memo is designed to provide more specific details on various category and individual line item costs than the general discussion below.

Draft Budgets were reviewed by the Board at the September 24, 2008, October 22, 2008, and November 19, 2008, Board meetings. The major revenue and expense items remain as presented in November, with two exceptions: The line items for Rate Study (\$5,000) and Rate Implementation/Database Development (\$73,000) have been deleted and replaced by a new line item for a Rate Structure Option Report for \$5,000. This report will complete the Options Report begun in 2006 but never completed. In addition, \$60,000 in revenues has been added to a new line item -- Training Class Receipts, and an equal offsetting amount added to the Stormwater Training expenses line item. These classes were previously coordinated through the City of Grand Junction, but become the responsibility of the Authority in 2009.

Office and Administrative expenses have now been combined into the same category to better match our Accounting Code list. The previous *Studies and Plans* category was renamed as *Engineering and Planning* to better reflect the diversity of work performed under this expense category and make it consistent with the previously adopted Policy Papers. A column for 2008 year-to-date values was added, which guided final revision of the estimated 2008 year-end expense, revenue and carryover values, as well as projected 2009 expenses. A number of expense line items were also adjusted to correct for improper classification. Overall, final adjustments to 2008 estimated year end expenses resulted in lower 2008 spending, and a higher resulting carryover amount.

Major budget assumptions are as follows:

Revenues: Contributions from the Contracting Parties remain as previously estimated – identical to the 2008 contributions, totaling \$495,276. Inspection fee revenue is now \$27,000, reflecting 30 permits at an average of \$900 (10 acres). Additional revenue line items for 2008 year end, totaling \$168,000, have been added to reflect project specific contributions committed to by the County for the Orchard Mesa floodplain analysis, and Adobe Creek Channel Capacity Analysis. The Grant line item was increased from \$25,000 to \$45,000 to reflect the CWCB's current commitment.

Expenses: *Staffing Salaries* costs were changed from the November 19th draft to reflect an erroneous cost formula for the Office Administrator position. The budget assumes three full time employees, with no additional hiring in 2009. Other major category expenses (*Office and Administrative, and NPDES Phase II*) also saw minor changes from the November 19th Draft that better reflect actual costs for 2008. In the *Engineering and Planning* category, lower 2008 expenses combined with the \$73,000 deletion mentioned above allowed us to increase the unallocated Basin Master Plans and Floodplain Studies line item from \$50,000 to \$100,000, and to fully fund the Big Salt Wash Master Plan at \$175,000 (previously at \$155,000). Other major expenditures in this category include the Adobe Creek Channel Capacity Analysis (\$91K total, \$76K in 2009), and the Orchard Mesa Preliminary Map Revision (PMR) process (\$121K total, \$61K in 2009), both of which are under contract.

Chairman Doody asked for further explanation of the change in the Rate Study. Manager Mende reviewed the change and explained this change will provide the 5-2-1 Drainage Authority documented basis and consideration for the utility fee. This report was never created when AMEC did the work.

Chairman Doody inquired who is generating the report, the Authority or AMEC. Manager Mende stated AMEC will generate the report.

Director Acquafresca stated he believes this is a good move, and asked Manager Mende to identify these changes on the budget for him. Manager Mende stated there is not a direct line item correlation as items have been rolled together. Looking at the overall budget, the carryover has been increased by the difference.

Director Walker asked if AMEC is being let off the hook for services not rendered. John Ballagh stated no; we did not pay for services that we did not receive as we stopped them from completing the work. Director Walker asked if the Authority has been formally relieved from its contract with AMEC. Manager Mende asked if there was a termination date on the contract. Julie Constan responded that there was a termination date on the contract as it followed the Mesa County model for contracts. John Ballagh indicated the Authority asked how much it would cost for the additional work of the Rate Study, but we never contracted with AMEC as the Authority wasn't ready to proceed with that portion. Because the Authority wasn't ready to proceed, there was no closure to the contract. With Manager Mende's proposal, we'd get their presentation and it will end the contract. We are not going to continue on.

Chairman Doody asked if the work was for mapping the impervious surfaces. John Ballagh stated it was not for mapping, but for digitization. Director Bowman added he felt comfortable with this change as long as we can get out of the contract. Director Mulder said he agreed, and

is on the same line of thinking. Director Walker asked if Staff have a good feeling we received what we paid for, and John Ballagh replied, yes.

Director Walker asked the group to consider if there is a political will to have a rate study in the next couple of years, are we throwing away an opportunity to have a rate study done now? In addition, how much would a rate study cost down the road? Have we thought about it? And is this the best way to proceed at this time?

Julie Constan replied that what Manager Mende is proposing is OK. She has looked back at the paper and what it identified was what the Authority needed to do to develop a stormwater utility fee. The Authority has received what it has paid for with AMEC.

Trent Prall added he thinks he knows where Director Walker was headed. Is there a benefit to complete the study now? Trent Prall expressed concern if the Authority did complete the digitization that there is no way of tracking new impervious areas which would create the need for work to be redone when a rate is implemented. Building permits would help in keeping the study updated. Director Walker asked what if we made the decision to move ahead with the rate study and include yearly updates. Julie Constan stated she believes there is a process in place with the building departments for an annual update. Trent Prall stated a complete study won't be a bad thing to have on the bookshelf. There will be at least a year between the completion of the study and implementation. Much of this decision depends on the Board's vision and the political future of rate implementation. John Ballagh added the original contract with AMEC did not include digitization. It was being considered as a possible change order. The work could be bid out, but we won't know if the cost will go up or not.

Manager Mende finalized his budget report with the following information:

A breakdown of expenditures by major category is as follows:

<i>Staffing Salaries</i>	<i>\$221,691</i>	<i>24.0%</i>
<i>Office and Administrative</i>	<i>\$82,384</i>	<i>8.9%</i>
<i>NPDES Phase II</i>	<i>\$144,700</i>	<i>15.7%</i>
<i>Engineering and Planning</i>	<i>\$417,280</i>	<i>45.3%</i>
<i>Contingency</i>	<i>\$20,000</i>	<i>2.2%</i>
<i>Equipment Accrual</i>	<i>\$35,000</i>	<i>3.8%</i>
<i>Total</i>	<i>\$921,055</i>	

With the above final revisions to the budget, estimated carryover from 2008 to 2009 is now \$401,363, and the estimated carryover from 2009 to 2010 is now \$115,584.

Director Acquafresca stated he knows a lot of time and energy has gone into the development of this budget, and it has paid off.

Chairman Doody opened the public hearing at 3:45 p.m.

No public comment given, Chairman Doody closed the public hearing at 3:46 p.m.

Chairman Doody asked if there was any additional Board discussion. No discussion upon Board Members.

Motion for Approval of Resolution 2008-08: Director Mulder

Seconded: Director Acquafresca

Role call vote: 5 in favor; 0 opposed. Motion approved.

Manager Mende asked for an amendment of the previous motion to include the approval of the Budget Message to accompany the approved budget to Colorado's Department of Local Affairs.

Motion for Approval of Resolution 2008-08 and the addition of the Budget Message to accompany to DOLA: Director Walker

Seconded: Director Bowman

In favor: All

Agenda Item 7: Manager's Report

Public Education Program:

Public Service Announcements are now running on the local TV stations. A summary of dates and times from each station is attached. PSA's will continue through January 26th, 2009.

We are working with Scott Olson (Altitude Training) to offer a new training class on maintenance requirements and inspection of permanent (Post Construction) BMP's. The new class will be first offered in October 2009 and is being geared toward "professionals" like engineers and inspectors who will be performing inspections or specifying maintenance activities, as opposed to general maintenance people or Home Owner Association members.

TAC is beginning to discuss potential 2009 Public Education events including the Home and Garden Show (February 6-8)), Children's Water Festival (May 18&19) and Stormwater Expo (April?), and Palisade Bluegrass Festival (June 12-14). We have sent our booth reservation in for the Home and Garden Show.

Hotline: Three calls were received in November, one involving unregulated power washing, and two involving concrete wash out into a street gutter. All three were referred to Grand Junction personnel.

Billboard: The billboard is now located at 32 Road and I-70 Business Loop in Clifton, near the Burger King.

Adobe Creek Channel Capacity Analysis: A kickoff meeting and field tour were held on November 25th. Work is underway.

Policies and Procedures: The TAC, primarily Julie, Eileen, Eric, and now Jesse, continue to work on policies and procedures associated with the transfer of SWMP Review and Field Inspection responsibilities under the IGA's. The intent is to resolve internal edits before kicking off the stakeholder process with the development community. We also intend to meet with Planning/Community Development personnel at the City/County as needed to make sure we are all on the same page.

Manager Mende stated the next Board Meeting was scheduled for January 28, 2009; however, Julie Constan, Eileen List, and he are scheduled to be out of town. Manager Mende proposed January, 21, 2008, for the next Board Meeting, and currently the items on the January, 2009, agenda are setting a retreat date and setting the Authority's priorities. All Board Members agreed with revised meeting date of January 21, 2009.

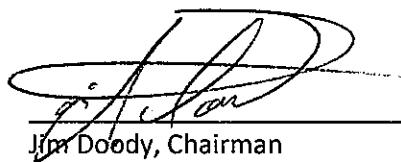
Chairman Doody announced that he will not be seeking office with the Grand Junction City Council next year. He has had 13 years of extensive community involvement, and it has been a great ride. Chairman Doody expressed that it has been a privilege and an honor, but now needs to focus on his personal life.

Director Acquafresca stated his sadness to hear that Chairman Doody won't be on the Grand Junction City Council, but certainly understands his decision. Continuing Director Acquafresca shared that Chairman Doody's leadership will most certainly be missed on the Authority's Board as the Authority has come a long way under his leadership.

Chairman Doody expressed his thanks to all and stated it has been great.

Chairman Doody adjourned the meeting at 3:56 p.m.

The next 5-2-1 Drainage Authority Board Meeting will be on Wednesday, January 21, 2009, at 3:00 p.m. at the 5-2-1 Drainage Authority office at 573 West Crete Circle, Suite 203, Grand Junction, Colorado.



Jim Doody, Chairman