

**5-2-1- DRAINAGE AUTHORITY**  
**MINUTES OF THE BOARD**  
**July 23, 2008**  
**City of Grand Junction, Administration Conference Room**  
**Grand Junction, Colorado**

Chairman Jim Doody called roll of the Board Members.

**Board Members Present:**

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

**Also Present:**

**Eric Mende** (5-2-1 Drainage Authority, Manager), **John Ballagh** (Grand Valley Drainage District, Manager), **Julie Constan** (Engineer, Mesa County), **Tim Moore** (City of Grand Junction, Public Works & Planning Director), **Nathan Boddy** (Town of Palisade Planning), **Vohnnie Pearson** (Citizen), **Brent Britton** (Western Colorado Stormwater, Inc.), **Yvonne Charlesworth** (5-2-1 Drainage Authority, Recording Secretary),

Chairman Jim Doody opened the meeting at 3:00 p.m.

**Agenda:**

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

**Minutes:**

Chairman Jim Doody asked for a motion to approve the Minutes of June 25, 2008. Steve Acquafresca made the motion to accept the minutes as presented. Richard Bowman seconded. Motion passed on voice vote.

**Action Items:**

Agenda Item 1: Approve Resolution 2008-01 Credit Card Agreement/Application:  
Eric Mende asked the Board to approve the application for a credit card with a spending limit of \$1000 for day-to-day operation of the business. Any increase in the limit amount will also be done by Resolution and presented to the Board for approval. Mel Mulder asked for a monthly use report. Eric will change Resolution 2008-01 to include a monthly credit card use report in the monthly financial reports.

Mel Mulder made the motion to approve the Resolution 2008-01 appointing the 5-2-1 Manager as the Authorized Official to execute a credit card agreement on behalf of and in the name of the 5-2-1 Drainage Authority for a Business Edition Plus VISA card with a credit

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limit of \$1000 and to include a monthly use report in the monthly financials. Steve Acquafresca seconded the motion.

The roll call vote results:	<b>Contracting Party</b>	<b>Vote</b>
	City of Fruita	yes
	Mesa County	yes
	Grand Junction Drainage District	yes
	City of Grand Junction	yes

Agenda Item 2: Purchase Furniture, computers, and miscellaneous furnishings:  
Eric requested the Board to approve \$21,000 to purchase the furniture and office machines necessary to furnish the new office. He advised that the office space is empty, there is air conditioning and lighting but that's it. Eric and Yvonne are getting proposals from vendors to install a phone system and internet connections. The \$21,000 is less than budgeted but Eric wants to make the Board aware of the amount of the expenditure. If the Board OK's the expenditure, we will start ordering the furniture. The estimated amount for the computer for the inspector is \$2500 which is more than the actual amount of \$1800 for Eric's computer. Julie asked if that price includes the software. Eric was unsure.

Steve Acquafresca advised there is a used office furniture store on Hwy. 6 & 50 by Freeway Bowl and stated they have some items that are like new. Eric stated he would check the store out and do more shopping before buying. Richard Bowman asked about going through the City or the County. Eric and Julie advised that using the designated County furniture supplier would be much more expensive.

Steve asked if the motion is limited to \$21,000, will Eric come back to the Board for any overage. Eric responded yes, stating that a large copier will be an additional expense of \$6,000 to \$9,000 that will be needed later, but not now.

Eric advised it will take about 2 weeks to put the office together. The delivery time for office furniture is unknown but he estimated the middle of August. Jim Doody asked about scheduling the August Board Meeting at the new office. Eric advised he didn't want to commit until he knows we will physically be there by that time but shares the goal of having the August Board meeting there. If he can give the Board a notice one week before the meeting he will have the meeting there.

Richard Bowman moved that the Board authorize the Manager to purchase the office furniture as outlined in Action Item #2 to a maximum expenditure of \$21,000. Steve Acquafresca seconded the motion. The motion passed on voice vote.

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Agenda Item 3: Financial Report:

Eric advised that the financials have a different look this month. The line items have been expanded and the new code system has been employed. The expansion doesn't quite match the Budget line items, but our accounting consultant, Bill Baltzell, advised that as long as the line items roll up into the major categories, we are in good shape. The current month P&L was deleted because all those items are a part of the year-to-date P&L Budget Performance spreadsheet. We still have the check register, the Balance Sheet and the Bank Reconciliations. The last sheet is new. It is the Revenue Summary and Monthly Offsets report, which documents contributions by the County and the Drainage District. The monthly expenses for each entity are outlined at the bottom of the sheet.

Steve Acquafresca stated he was unable to find the auditor's recommendations in the audit report. John Ballagh advised that the recommendations come in a separate letter because the report goes to the state, and auditors are not comfortable with putting that level of detail in a report that goes to the government. John and Eric reviewed the recommendations with the auditor. Those recommendations have not been received in writing from the auditor yet so there is nothing for the Board to look at.

Steve Acquafresca made the motion to approve the financials. Mel Mulder seconded the motion. Motion carried by voice vote.

Agenda Item 4: Resolution 2008-02 to Adopt Mesa County Purchasing Policies:

Eric advised that the 5-2-1 DA currently uses the City of Grand Junction's purchasing policies that were adopted previously. In accordance with the Fiscal Agent Agreement, the 5-2-1 DA should follow Mesa County purchasing policies. Therefore the Resolution rescinds the City policies and adopts Mesa County policies. Also, since the Authority maintains its own books, accounts, and spending authority, the Resolution documents text changes replacing the Board of County Commissioners with the 5-2-1 Board, and replacing Mesa County Purchasing Director with 5-2-1 Manager such that it is clear that the 5-2-1 Board and the 5-2-1 DA Manager control 5-2-1 DA expenditures.

A direct purchasing limit for employees is proposed at \$1000. This authorization will be in addition to the \$1000 credit card purchasing limit. The Resolution allows Eric to make direct purchases up to that amount. All checks still require two members of the Board to sign, so the Board still has control over what is bought. Richard Bowman asked if the bills will pass through the Mesa County system. Eric answered no, all bills will go directly to the 5-2-1 DA.

Mel Mulder moved that the Board approve Resolution 2008-02 adopting Mesa County Purchasing Policies for use by the 5-2-1 Drainage Authority, and setting a direct purchasing limit of \$1000 for the Authority Manager. Richard Bowman seconded the motion.

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The roll call vote results:	<b>Contracting Party</b>	<b>Vote</b>
	City of Fruita	yes
	Mesa County	yes
	Grand Junction Drainage District	yes
	City of Grand Junction	yes

Agenda Item 5: Resolution 2008-03 Adoption of Fixed Asset Capitalization Policy:  
Eric stated that it is a recommendation from Paul Miller's audit to have a defined fixed asset capitalization policy, which doesn't currently exist. Eric advised that the 5-2-1 DA received 2 trucks from the GVDD in January 2008 that will be capitalized, some of the furniture may be on the capital list and the large copier if and when it is bought. The contracting entities all have different policies, so there isn't a single policy the 5-2-1 DA can copy. Mesa County uses a \$5000 value and 1 year useful life, Grand Junction uses a \$5000 and a 3 year useful life, and Fruita uses a \$1000 value and 3 year useful life. Looking at the capital assets that will be obtained during the next couple of years, Eric recommended a threshold of \$2000 together with a useful life greater than 3 years. If items purchased aren't capitalized, they will be expensed in the year of purchase.

Steve Acquafresca made the motion to approve Resolution 2008-03, adopting the Fixed Asset Capitalization Policy for the 5-2-1 DA. Richard Bowman seconded the motion.

The roll call vote results:	<b>Contracting Party</b>	<b>Vote</b>
	City of Fruita	yes
	Mesa County	yes
	Grand Junction Drainage District	yes
	City of Grand Junction	yes

**Reports:**

Agenda Item 6: Manager's Report:

Eric advised that recruitment for the Office Administrator position brought in 33 applications. The list was paired to six but one dropped out so 5 will be interviewed. Interviews will take place Monday morning July 28<sup>th</sup> and Tuesday afternoon July 29<sup>th</sup>.

The office lease was signed July 16<sup>th</sup> but the offices aren't ready to be moved into yet. First the phone system needs installed. Eric has met with one installer but felt the bid was a little high. He will be meeting with Qwest on Thursday for a quote, and has two more vendors he will meet with later in the week.

Steve Acquafresca inquired about the booth at the Mesa County Fair. Eric informed the Board that he, Yvonne, Wayne Fry from the Drainage District, Ken Haley from Fruita, and Nathan Boddy had all agreed to man the booth and stated their designated times. He advised the tent was almost blown over about 6:15 on Tuesday. Nobody volunteered for Saturday or

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Sunday which would probably be the 2 biggest days for traffic. Eric said most of the traffic during his watch consisted of people who wanted stickers and other items for their kids. Eric doesn't think manning a booth by himself most of the time was a good use of his time. The Board agreed that Eric's time would be better spent elsewhere. Jim Doody asked Tim Moore what Grand Junction did for volunteers. Tim Moore advised that the City has enough personnel that they have no problem finding volunteers. The City volunteers that are non-exempt are compensated for their time and the exempt employees trade for time off. Richard Bowman stated that as the 5-2-1 DA grows, there will be more people available to volunteer. Jim Doody thought that County employees are assigned slots at the Farmers Market. The Board decided that a booth at different events is still desirable and the 5-2-1 needs the exposure but certain events may not be appropriate.

Eric informed the Board that he attended the stormwater training classes. He reported there were three different classes, the CDOT class, the stormwater class, and the inspector's class. He and Julie did a small presentation in the ECS class. Julie advised that the classes have been held since 2004 and there is always a presentation on local regulations and expectations.

The Board asked visitor Brent Britton of Western Colorado Stormwater, Inc. what his opinion of the classes was. Brent stated there is so much information about the push for compliance with state law, but there aren't enough state inspectors and the 5-2-1 DA has no inspectors yet. His concern was that the contractors are out of compliance and they will continue to get away with not complying. There needs to be a way to keep them in compliance. Eric advised that the development project the inspector's class looked at as a class exercise had 18 things wrong with it. If the state were to inspect the site they would be in big trouble. The SWMP had it all set up but the BMP's were not followed in the field. Julie advised that there are 10 inspections per year in Mesa County with 150 permits issued per year.

Eric told the Board that Scott Olson is the instructor for the classes. He is very good and has 15 years teaching experience. Scott's opinion is that it is going to take a change in mind set. That's what the inspector's classes are about. It's a learning experience for the developer to change from a paperwork exercise to true field compliance. Richard Bowman advised there are always problems when there aren't enough inspectors to keep companies in compliance. The state only has 4 to 5 full-time employees covering the stormwater section.

Eric informed the Board that the City of Grand Junction did the administrative work for the classes. He expected to receive a bill for any overage of expenses. Julie advised that things are set up to break even so no bill will probably be forthcoming. Steve Acquafresca asked if these are the same classes he attended. Julie stated that they are.

Eric stated that as the 5-2-1 DA ramps up, there will be a change in mind set because oversight will be significantly higher. The purpose of the 5-2-1 DA is to educate people and

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