

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, JANUARY 7, 2010**

**BOARD MEMBERS PRESENT:** John Ballagh, Chairman; Doralyn Genova, Vice-Chairman; Robert Burger, Secretary; Brian Woods, Treasurer; Alan Hassler, Director

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; Kelly McLaughlin; David Foster

**GUEST PRESENT:** Dave Merritt, HDR Engineering

**REGULAR MEETING**

Chairman Ballagh called the regular Board meeting to order at 5:02 p.m.

**MINUTES OF THE DECEMBER 3, 2009 MEETING**

Director Genova moved to approve the December 3, 2009 Minutes as submitted. Director Hassler seconded and the motion passed. Director Burger abstained as he had not been present at that meeting.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Director Genova moved to accept the Financial Report and approve Accounts Payable in the amount of \$126,093.03 Regular and Special Check Run plus \$4,287.62 HRA Disbursement plus \$26,071.44 Benefits Check Run plus \$71,989.98 Supplemental Check Run for a total of \$228,442.07. Director Woods seconded the motion. Accountant Foster reported the details of two voided checks. The motion passed unanimously.

**MANAGER'S REPORTS**

The Board reviewed the Manager's Report. Manager Tooker stated there are ongoing efforts to identify and correct the gap between plant outflows and water sales. He also noted that increasing numbers of accounts going to Availability of Service have influenced water sales data. No other items of significance were noted in the Reports.

David Foster exited the meeting at 5:25 p.m.

---

## **EXPRESS AGENDA**

The Board reviewed the Express Agenda and accepted the following items as presented:

**SB 09-087 Compliance** – The Transparency Notice was published in the District’s newsletter that was mailed to customers the week of December 28, 2009. The Transparency Notice is posted on the District’s website and the Special District Association of Colorado’s website. The District’s updated service area boundary map was emailed to the State and recorded with Mesa County.

**Grand Valley Irrigation Company Annual Meeting and Auction** – Director Ballagh attended the Annual Meeting and Manager Tooker and Assistant Manager Reinertsen attended the Auction. The District did not purchase additional water shares. The successful bidder purchased all available shares for \$460 per share.

**Vehicle Purchases** – Manager Tooker purchased two fleet trucks from Fuoco Motor Company for \$42,735. Competitive bids were received from four local automotive dealers with Fuoco Motor Company providing the lowest cost for the two vehicles.

## **UNFINISHED BUSINESS**

**Project 2009-04 Colorado River Intake** – Assistant Manager Reinertsen presented and summarized a Staff Report (*10 Staff Reports, Project 2009-04 Colorado River Intake Project File, 1/7/10 File*) regarding the eight Design/Build Proposals submitted for Project 2009-04 Colorado River Intake Structure. The review category given the highest weighting was Project Approach and Understanding, with the two firms submitting innovative solutions being given the highest marks. Project team experience, particularly with raw water intakes, was identified as another key factor. It was noted that only the specific details included in the proposals could be evaluated and scored. The scoring results for the eight firms were identified. Staff has conducted brief reference checks regarding the top scoring project team, Gould Construction Inc./McLaughlin Water Engineers, Ltd. Chairman Ballagh requested explanation of, and Assistant Manager Reinertsen provided, the proposed project fee structure. Manager Tooker reported that legal counsel was consulted regarding engineering and plan aspects of a Design/Build project but no written opinion has been provided. Guest Dave Merritt of HDR Engineering, one of the firms providing a proposal, commented briefly on HDR’s experience and stated regret that more details were not included in their submittal for consideration.

Director Woods moved to accept Staff’s Recommendation to select the Design/Build team of Gould Construction, Inc./McLaughlin Water Engineers, Ltd. to perform the tasks necessary to develop and implement modifications to the existing Colorado River Intake Structure. Director Genova seconded the motion. Discussion ensued regarding scoring for the top two project teams and whether the Board should interview those two teams. It was decided an interview was not necessary. The motion passed unanimously.

Guest Dave Merritt exited the meeting at 5:55 p.m.

**Bill Print and Mail Services** – Manager Tooker presented and summarized a Staff Report (*10 Staff Reports, Bill Print and Mail Service Outsourcing File, 1/7/10 File*) and recommendation to outsource bill print and mailing services. Following two rounds of submittals and review of vendors who work with

---

the District's software vendor, Staff recommends securing the services of InfoSend. The projected annualized hard cost savings for bill printing and mailing through InfoSend is \$18,000. Future options include online bill viewing and payment. The Board commented on their preference to utilize local companies but in this case the cost savings to the District cannot be ignored. Director Genova moved to authorize Staff to negotiate an agreement with InfoSend for bill printing and mailing services at an approximate savings of \$18,000 annually, and to obtain legal review of the contract prior to execution. Director Burger seconded and the motion passed unanimously.

## **NEW BUSINESS**

**Resolution Designating Time, Location and Posting of Meetings** – A Resolution (*Resolutions, 1/7/10 File*) was presented and reviewed. Director Genova moved to approve the *Resolution Designating Meeting Time, Place and 24-Hour Posting Location*. Director Hassler seconded and the motion passed unanimously. Resolution text is inserted as follows:

### ***RESOLUTION DESIGNATING MEETING TIME, PLACE AND 24-HOUR POSTING LOCATION***

*WHEREAS, the Clifton Water District designates that all Regular Board of Directors Meetings will be held the first Thursday of each month at 5:00 p.m. located at the Clifton Water District Office, 510 34 Road, Clifton Colorado; and*

*WHEREAS, the Clifton Water District designates that the posting places for all Board of Directors meetings are the Clifton Water District Office and the following three additional locations; Clifton Sanitation District Office, Clifton Fire Department, and the Mesa County Clerk and Recorders Office Clifton Branch; and*

*WHEREAS, the Clifton Water District designates that the 24-hour Agenda Notice will be posted at the Clifton Water District Office; and*

*BE IT FURTHER RESOLVED, that this Resolution be adopted this 7<sup>th</sup> day of January 2010.*

**Resolution Adopting Availability of Service Charge for 2010** - A Resolution and Staff Report (*10 Staff Reports, Resolutions, Water Rates - Availability of Service Charge, 1/7/10 File*) were presented for Board review. Director Woods moved to approve the *Resolution for the Availability of Service Charge* that establishes the In-District Availability of Service Charge for the 2010 Fiscal Year Director Genova seconded and the motion passed unanimously. Resolution Text is inserted as follows:

### ***RESOLUTION FOR THE AVAILABILITY OF SERVICE CHARGE FOR 2010***

*WHEREAS, the District has reviewed the Availability of Service Charge Policy and;*

*WHEREAS, the Availability of Service Charges are considered to be an equitable revenue contribution toward the repayment toward debt incurred by the Clifton Water District; and*

*WHEREAS, the Availability of Service Charge Policy is for those customers who benefit from the immediate availability of water service even though they are currently not receiving water; and*

---

*WHEREAS, all revenue generated by the Availability of Service Charge shall be used to repay the principal and interest on bonds and other outstanding indebtedness; and*

*WHEREAS, in the 2010 Fiscal Year the District has indebtedness for Water Revenue Bonds; and*

*WHEREAS, the said percentage of the Availability of Service Charge shall be determined by the Board; and*

*WHEREAS, in 2009 the average water usage charge for a Clifton Water District In-District customer was \$19.44/month per customer; and*

*WHEREAS, in 2009 the average water usage charge for a Clifton Water District Out-of-District customer was \$31.68/month per customer.*

*NOW THEREFORE BE IT RESOLVED, that the Clifton Water District Board of Directors establish the In-District Availability of Service Charge for the 2010 Fiscal Year at 50% of the In-District average water bill in 2009, which equals \$9.72 per month per customer and the Out-of-District Availability of Service Charge for the 2010 Fiscal Year at 46% of the Out-of-District average water bill in 2009, which equals \$14.58/month per customer.*

*BE IT FURTHER RESOLVED, that this Resolution be adopted this 7th day of January 2010 and effective January 8, 2010.*

Fund Transfer and Wire Transfer Authorizations (Annual Banking Authorizations) – Manager Tooker presented a Staff Report (10 Staff Reports; 1/7/10 File) and the annual documents authorizing staff to transfer to and from the District's financial accounts. Director Genova moved to approve and authorize Board execution of the Fund Transfer and Wire Transfer Authorizations for Palisade National Bank, American National Bank and ColoTrust. Director Hassler seconded and the motion passed unanimously.

2010 Workers Comp Renewal – Assistant Manager Reinertsen presented a Staff Report (2010 Workers Comp Insurance, 10 Staff Reports, 1/7/10 File) regarding the proposal for 2010 Workers Compensation Insurance, including claims history and rating worksheets. Staff recommends Proposal #2 in order to save the District approximately \$800.00 annually. Board members stated concern that Proposal #2 includes a \$500 deductible per claim, which could quickly offset the \$800 savings. Director Hassler moved to acquire the Workers Compensation Insurance for 2010 through the Colorado Special Districts Property and Liability Pool, Proposal #1 with no deductible, at an annual cost of \$19,919.69. Director Genova seconded and the motion passed unanimously.

Standby/Emergency Generator – Manager Tooker noted the Staff Report regarding Plant Generator Replacement (10 Staff Reports, 1/7/10 File) for information to the Board. No discussion or action needed at this time. The Board suggested further evaluation of options to include fuel type, performance, permitting, and capacity prior to further consideration.

Resolution Setting Election for May 4, 2010 – Director Genova moved to approve and execute the 2010 Clifton Water District Election Resolution and the Certificate of Appointment of Designated Election Official as presented by Staff, noting that Assistant Manager David Reinertsen is the Designated Election Official for the election of May 4, 2010. Director Burger seconded and the motion passed unanimously. Resolution text is inserted as follows:

---

## 2010 CLIFTON WATER DISTRICT ELECTION RESOLUTION

WHEREAS, the term of office of Directors Ballagh, Genova, Woods and Hassler shall expire after their successors are elected at the **regular** Special District election to be held on May 4, 2010 and take office; and

WHEREAS, in accordance with the provisions of the Special District Act ("Act") and the Uniform Election Code of 1992 ("Code"), the Election must be conducted to elect three Directors to serve for a term of **four** years; and one Director to serve for a term of **two** years.

NOW, THEREFORE, be it resolved by the Board of Directors of the Clifton Water District in Mesa County, State of Colorado that:

1. The regular election of the eligible electors of District shall be held on May 4, 2010, between the hours of 7:00 A.M. and 7:00 P.M. pursuant to and in accordance with the Act, Code, and other applicable laws. At that time, three Directors will be elected to serve a **four-year** term and one Director will be elected to serve a **two-year** term.
2. David A. Reinertsen shall be appointed as the Designated Election Official on behalf of the District and is hereby authorized and directed to proceed with any action necessary or appropriate to effectuate the provisions of this Resolution and of the Act, Code, or other applicable laws. The Election shall be conducted in accordance with the Act, Code, and other applicable laws. Among other matters, the Designated Election Official shall appoint election judges as necessary, appoint the Board of Canvassers, arrange for the required notices of election (either by mail or publication) and printing of ballots, and direct that all other appropriate actions be accomplished. The appointed person shall be appointed by the board and swear or affirm an oath of office. This document will be submitted to the Board as an official part of the election record. Exhibit A
3. One (1) walk-in voting place is established as set forth below:  
David A. Reinertsen, DEO  
Clifton Water District Business Office  
510 34 Road  
Clifton, CO 81520  
District Office Telephone Number (970) 434-7328  
District Office Facsimile (970) 434-7338  
dreinertsen@cliftonwaterdistrict.org  
Office Hours: 8:00 AM to 5:00 PM, Monday through Friday – walk-in voting place will be open on election day between 7:00 am and 7:00 pm.
4. Applications for mail-in ballots may be filed with the Designated Election Official at 510 34 Road, Clifton, CO 81520, not earlier than January 1, 2010, nor later than 5:00 P.M. on April 30, 2010.
5. Self Nomination and Acceptance petitions are available at the Designated Election Official's office located at the above address. All candidates must file a nomination petition with the Designated Election Official no later than 3:00 P.M. on **February 26, 2010**. A person who misses this deadline, but wishes to be a write-in candidate for office, shall file an affidavit of intent with the Designated Election Official no later than 5:00 P.M. on **March 1, 2010**.
6. If the only matter before the electors is the election of persons to office, and if at the close of business on **March 2, 2010**, there are not more candidates than offices to be filled at the election, including candidates filing affidavits of intent to be a write-in, the Designated Election Official shall cancel the Election and by Resolution declare the candidates elected. Notice of such cancellation shall be published and posted in accordance with the Code.
7. Severability. If any part or provision of this Resolution is adjudged to be unenforceable or invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this Resolution, it being the Board's intention that the various provisions hereof are severable.

- 
8. *Repealer. All acts, orders, and resolutions, or parts thereof, of the Board which are inconsistent or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict.*
9. *Effective Date. The provisions of this Resolution shall take effect immediately.*

*ADOPTED AND APPROVED this 7th day of January, 2010.*

Certificate to Appoint Designated Election Official – Approval of the Certificate to Appoint Designated Election Official as David Reinertsen was included in the previous agenda item.

Water Rights – This item was removed from the agenda at this time.

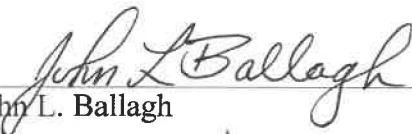
Chairman Ballagh exited the meeting at 6:50 p.m.

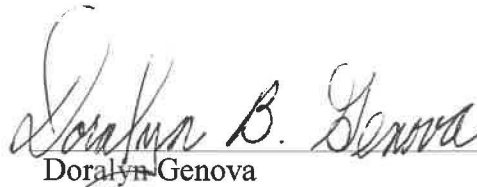
Customer Bankruptcy Issues and Legal Counsel – The Board noted receipt of and accepted a report from legal counsel marked “Confidential” regarding customer bankruptcy issues. General discussion ensued without the need to conduct an Executive Session. Manager Tooker stated the District does not currently have a Policy addressing how to handle customer balances when a bankruptcy occurs. The Board requested that Staff work with legal counsel and the Policy Committee to draft a Policy for consideration.

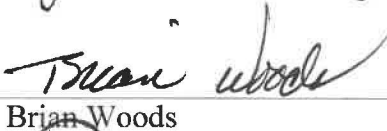
**ADJOURNMENT**

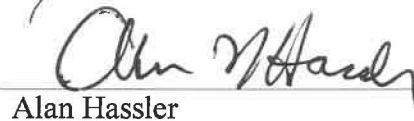
By mutual consent the regular meeting adjourned at 7:05 p.m.

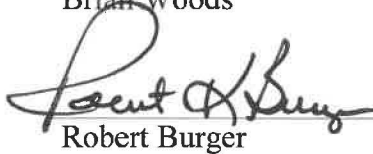
**ATTEST:**

  
\_\_\_\_\_  
John L. Ballagh

  
\_\_\_\_\_  
Doralyn Genova

  
\_\_\_\_\_  
Brian Woods

  
\_\_\_\_\_  
Alan Hassler

  
\_\_\_\_\_  
Robert Burger

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, FEBRUARY 4, 2010**

**BOARD MEMBERS PRESENT:** John Ballagh, Chairman; Doralyn Genova, Vice-Chairman; Robert Burger, Secretary; Brian Woods, Treasurer; Alan Hassler, Director

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; Kelly McLaughlin; David Foster

**GUEST PRESENT:** Peter Ware, Gould Construction

**REGULAR MEETING**

Chairman Ballagh called the regular Board meeting to order at 5:03 p.m. Project 2008-04 Colorado River Intake Structure was moved from Unfinished Business to the first item on the Agenda.

**PROJECT 2008-04 COLORADO RIVER INTAKE STRUCTURE**

Assistant Manager Reinertsen introduced Peter Ware of Gould Construction, Inc. and presented the Design Build Agreement (*Project 2008-04 Colorado River Intake Structure Design Build Agreement File, 2/4/10 File*) between the District and Gould Construction, Inc. for the 30% Design Phase of modifications to the Colorado River Intake Structure. Gould Construction will be performing the services in conjunction with McLaughlin Water Engineers Ltd. The Scope of Services was reviewed. Director Hassler moved to approve and authorize the Chairperson's execution of the Design Build Agreement for Project 2008-04 Colorado River Intake Modifications at the not to exceed amount of \$75,212. Director Woods seconded and the motion passed unanimously.

Peter Ware exited the meeting at 5:15 p.m.

**MINUTES OF THE JANUARY 7, 2010 MEETING**

Director Genova moved to approve the January 7, 2010 Minutes as submitted. Director Burger seconded and the motion passed unanimously.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Director Genova moved to accept the Financial Report and approve Accounts Payable in the amount of \$ 85,941.28 Regular Check Run plus \$418.12 HRA Disbursement plus \$26,285.14 Benefits Check Run plus \$31,448.44 Supplemental Check Run for a total of \$144,092.98. Director Woods seconded the motion. Several questions were asked and answered regarding

---

details of the Financial Reports, and corrected Financial Reports were prepared based on observations made by the Board. Staff provided details related to customer refunds and the Board suggested the development of a refund policy. The motion passed unanimously.

David Foster exited the meeting at 5:40 p.m.

### **MANAGER'S REPORTS**

The Board reviewed the Manager's Reports. Manager Tooker particularly noted the year-end totals indicating tap sales were down 59% and water sales were down 4% for 2009. Water quality issues related to the Shoshone Call were discussed.

### **STAFF REPORTS**

Denver Water's Moffat Tunnel Firming Project Draft Environmental Impact Study (EIS) – Manager Tooker provided an Executive Summary regarding the Moffat Collection System Project Draft EIS and announcement of the March 1, 2010 comment deadline. Tooker will send a letter from the District commenting on water quality issues and noting the insufficient coverage of water quality issues in the EIS.

Project 2008-04 North Raw Water Settling Pond – Manager Tooker reported that District and Grand Valley Drainage District staff members met with engineers from URS Corporation to discuss groundwater issues on the property designated for the North Raw Water Settling Pond. Additional design engineering is needed and a meeting with the Construction Committee will be scheduled for further discussion.

Account Corrections Report – Manager Tooker summarized corrections made to accounts as a result of investigating the recent large gap between plant outflows and water sales. Multiple accounts were back-billed for consumption that was not previously billed due to errors in account codes within the Springbrook software. In addition, Senate Bill 09-087 requiring an updated District boundary map resulted in the correction of approximately twenty accounts that were misidentified as In-District or Out-of-District properties.

### **EXPRESS AGENDA**

The Board reviewed the Express Agenda and accepted the following items as presented:

1. 2010 Election
  - a. Call for Nominations by Publication – This legal notice will be published in The Daily Sentinel between the statutorily required dates of February 3 and February 18.
  - b. Self-Nomination and Acceptance Forms – These Forms have been updated and are available to eligible electors and will be available at the Board Meeting.
2. 2009 Audit – Mary Brenes has initiated the Audit and performed an inventory inspection. Ms Brenes will be onsite performing the 2009 Audit March 8 – 12, 2010 with an anticipated presentation to the Board May 6, 2010.



- 
3. Project 2008-02 Pilot Testing Program – The design engineer, Burns and McDonnell, notified staff that they have corrected the future energy use cost factor that was used in the net present worth calculations. This revision affected the projected net present worth values from 11% to 23%, however, the original recommendations were not changed by the recalculations.

### **UNFINISHED BUSINESS**

Project 2009-04 Colorado River Intake Modifications Contract – This agenda item was completed at the beginning of the meeting.

Bill Print and Mail Services Agreement with InfoSend – Manager Tooker presented the agreement with InfoSend (*Infosend Agreement, 2/4/10 File*) regarding the outsourcing of bill print and mailing services that has been reviewed with attorney Betty Bechtel. Termination, confidentiality and Red Flag provisions were particularly noted. The Board requested additional language requiring prompt notification to the District of any breach in security potentially affecting District accounts. Director Burger moved to authorize the Chairperson's execution of the agreement with InfoSend for bill print and mail services with the changes requested. Director Woods seconded and the motion passed unanimously.

Vehicle Use Policy #21 – Manager Tooker presented draft revisions to the District's Policy #21 – Vehicle Use, as reviewed by attorney Betty Bechtel and the Policy Committee. In addition, Manager Tooker and Director Ballagh have identified that additional changes are necessary since the draft language prohibiting the use of all electronic devices in a vehicle would interfere with the ability of staff to use meter reading, radio and other equipment essential to the performance of job duties. Types of licensing, employer notification of license violations, and annual review of licenses will be further clarified. Action was deferred to the March 4, 2010 meeting.

### **NEW BUSINESS**

Family Medical Leave Policy #19 – Manager Tooker presented draft revisions to District Policy #19 – Family Medical Leave to identify the existence of and provisions of the Family Medical Leave Act of 1993 and clarify that unless/until the District has fifty or more employees that the Family Medical Leave Act of 1993 does not apply to District employees. Attorney Betty Bechtel was consulted regarding the draft revisions. Director Genova moved and Director Burger seconded to adopt the revisions to Policy #19 – Family Medical Leave, Sections 19.1.1 and 19.1.2 as presented. Motion passed unanimously

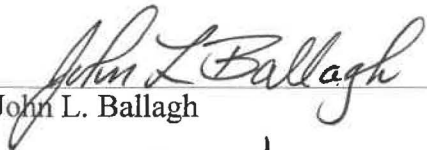
Cooperative Purchase of New Front Loader with Clifton Sanitation District – Manager Tooker advised the Board that the District has budgeted funds for the purchase of a front loader. A 2005 model Case loader has been tested and is recommended for purchase. The Clifton Sanitation District also has need for a front loader and the two District Managers are proposing a shared purchase. The Board stated concurrence with the concept to share a front loader if cost sharing is agreed upon for maintenance, insurance, operations and depreciation in addition to the purchase price. Staff will develop an Intergovernmental Agreement to specify cost-sharing details.

---

**ADJOURNMENT**

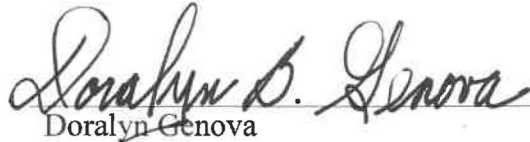
Director Burger moved to adjourn the meeting. Director Hassler seconded and the motion passed unanimously. The meeting was adjourned at 7:20 p.m.


**ATTEST:**

  
\_\_\_\_\_  
John L. Ballagh

  
\_\_\_\_\_  
Brian Woods

  
\_\_\_\_\_  
Robert Burger

  
\_\_\_\_\_  
Doralyn Genova

  
\_\_\_\_\_  
Alan Hassler

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, MARCH 4, 2010**

**BOARD MEMBERS PRESENT:** John Ballagh, Chairman; Doralyn Genova, Vice-Chairman; Robert Burger, Secretary; Brian Woods, Treasurer; Alan Hassler, Director

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; David Foster; Kelly McLaughlin

**REGULAR MEETING**

Chairman Ballagh called the regular Board meeting to order at 5:02 p.m. Director Woods was not yet present.

**MINUTES OF THE FEBRUARY 4, 2010 MEETING**

Director Genova moved to approve the February 4, 2010 Minutes with one change to the Vehicle Use Policy #21 agenda item. Director Hassler seconded and the motion passed.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Director Genova moved to accept the Financial Report and approve Accounts Payable in the amount of \$45,980.50 Regular Check Run plus \$33,750.00 Special Check Run plus \$1,495.68 HRA Disbursement plus \$25,951.60 Benefits Check Run plus \$38,473.09 Supplemental Check Run for a total of \$145,650.87. Director Burger seconded the motion. Several questions were asked and answered regarding items in the Check Registers, Wire Transfer Report and Profit and Loss Statement, and revised reports were provided by Accountant Foster.

Director Woods arrived at the meeting at 5:13 p.m.

The motion passed unanimously.

**MANAGER'S REPORTS**

The Board reviewed the Manager's Reports. Manager Tooker noted that unaccounted water has been reduced to approximately 11%. Water quality TDS continues to be higher due to Shoshone operations. Manager Tooker reported that the extended freezing conditions in January led to a significant amount of overtime hours in response to after-hours customer calls which were determined to be frozen service lines on the customer side of the meter.

**STAFF REPORTS**

Bill Printing and Mailing Services Implementation – Manager Tooker distributed a sample draft of the re-formatted bill that will be used for the bill printing and mailing services to be provided by InfoSend, Inc. The projected implementation date is April 1, 2010.

---

## **EXPRESS AGENDA**

Chairman Ballagh requested that both of the Express Agenda items be moved to Unfinished Business.

Accountant Foster left the meeting at 6:00 p.m.

## **UNFINISHED BUSINESS**

Project 2008-04 Colorado River Intake Structure (moved from Express Agenda) - Assistant Manager Reinertsen reported that he and Water Supervisor Dennis Carlson toured a plant in Brighton that is using the type of pumps currently being recommended by McLaughlin Engineers for Project 2008-04 Colorado River Intake Structure. Staff will continue to work with the engineers regarding vertical turbine and submersible pump options.

2010 Election (Moved from Express Agenda) - Designated Election Official (DEO) Reinertsen reported that the May 4, 2010 Election was cancelled due to there being fewer candidates declared than there are openings on the Board. A Cancellation of Election Notice will be published and distributed in accordance with C.R.S. § 1-5-208 (1.5) and C.R.S. § 1-5-208(6). The three candidates will be sworn into office at the May 6, 2010 Board meeting.

Personnel Policy #21 Vehicle Use – Manager Tooker reported the Policy Committee met earlier today to review revisions to Personnel Policy #21 – Vehicle Use. The proposed revisions (*Vehicle Use Policy, 3/4/10 File*) were reviewed with the Board. Director Hassler moved to approve Personnel Policy #21 – Vehicle Use, as presented to the Board, effective March 5, 2010. Director Woods seconded. The motion was amended to include the deletion of the second and third sentences from Section 21.5.1 Alcohol and Drug Use. The motion passed unanimously.

Cooperative Purchase Agreement Clifton Sanitation District – Manager Tooker reported that some additional amendments are needed to the agreement regarding the shared purchase of a Case front loader, to further clarify insurance and maintenance responsibilities. Director Genova moved and Director Hassler seconded to defer action on this agenda item to the April 1, 2010 Meeting. Motion passed unanimously.

## **NEW BUSINESS**

Inclusion Request for Parcel 2943-103-00-149 – Assistant Manager Reinertsen reported that an Inclusion Request has been received but is considered incomplete because it is from a potential buyer rather than the current property owner. By consensus the Board deferred action on this agenda item.

Request to Waive Availability of Service Charges for 3244 Front Street – Manager Tooker presented a Staff Report (*2010 Staff Reports, 3/4/10 File, Customer File*) and request from property owner James R. Linden regarding his property at 3244 Front Street, Tax Parcel ID #2943-112-00-130, for the District to forgive his past due amount of \$1,114.38 so water service can be restored and repairs can be made to the property. Of this past due amount, \$404.38 is for water service and

\$710 is for sewer service. In addition to the Staff Report, the Board reviewed a letter from Travis Wm. Bennett advocating on Mr. Linden's behalf and a confidential letter from a social worker at the Veterans Hospital requesting that the Board waive Mr. Linden's debt and restore water service. The Board reiterated its policy to collect past due balances including Availability of Service charges on vacant properties. The option to file a lien on the property was discussed as a viable means of collection in this instance.

Director Hassler moved that the District offer Mr. Linden the opportunity to secure his debt with a lien on his property at 3244 Front Street in the amount of the present balance due, plus interest at a rate of 8%, with the lien to be recorded in the County's real estate records, in exchange for the District's agreement to forebear collection of the existing past due amount. This lien will not substitute for the District's other statutory means of collection but the District will not seek to collect unless Mr. Linden fails to keep his account current of new amounts due following the execution of the lien for the present balance due. The lien amount will include all lien costs. The lien terms shall provide for cost of collection and reasonable attorney fees.

Director Woods inquired about a potential conflict of interest in this matter due to his employment by the Clifton Sanitation District. The Board concurred there is no conflict of interest in this matter.

Director Burger seconded and the motion passed unanimously.

The Board cautioned that this action is an exception and not a precedent for all Availability of Service customers.

Director Burger moved that a Third Party Notification be sent to Mr. Linden's advocate, Travis Wm. Bennett, and the fee for Third Party Notification be waived. Director Genova seconded and the motion passed. Director Woods was out of the room for this motion.

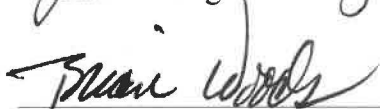
**ADJOURNMENT**

The meeting was adjourned at 7:05 p.m. by consensus.

**ATTEST:**

  
\_\_\_\_\_  
John L. Ballagh

  
\_\_\_\_\_  
Doralyn Genova

  
\_\_\_\_\_  
Brian Woods

  
\_\_\_\_\_  
Alan Hassler

  
\_\_\_\_\_  
Robert Burger

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, APRIL 1, 2010**

**BOARD MEMBERS PRESENT:** John Ballagh, Chairman; Doralyn Genova, Vice-Chairman; Robert Burger, Secretary; Brian Woods, Treasurer; Alan Hassler, Director

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; David Foster; Kelly McLaughlin

**GUESTS:** JoCarole Haxel, Cathy Blazer and Linda Dannenburger of the Mesa County Planning Department

**REGULAR MEETING**

Chairman Ballagh called the regular Board meeting to order at 5:00 p.m.

**COUNTY LANDSCAPE CODE PRESENTATION**

Mesa County Planning Director Linda Dannenburger introduced the County's efforts to promote water conservation in new development through proposed amendments to the Landscaping Code (4/1/10 File). JoCarole Haxel and Cathy Blazer provided specific details of the proposal in a PowerPoint presentation and handout. They particularly noted the requirements for Dry Landscapes "For Developments that are proven to be completely dry with no water for irrigation and/or properties served with domestic water only by a water district."

Dannenburger, Haxel and Blazer left the meeting at 5:30 p.m.

**MINUTES OF THE MARCH 4, 2010 MEETING**

Director Burger moved to approve the March 4, 2010 Minutes with one change to the Manager's Report agenda item. Director Genova seconded and the motion passed unanimously.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Director Genova moved to accept the Financial Report and approve Accounts Payable in the amount of \$36,545.61 Regular Check Run plus \$1,995.40 HRA Disbursement plus \$26,439.76 Benefits Check Run plus \$49,388.47 Supplemental Check Run for a total of \$114,369.24. Director Woods seconded the motion. Accountant Foster reported on corrections to the Cash Flow Report and Balance Sheet, and the revised format of the Schedule A report. The motion passed unanimously.

David Foster left the meeting at 5:45 p.m.

---

## MANAGER'S REPORTS

The Board reviewed the Manager's Reports. Manager Tooker noted that the line item for In-Not-On taps has been deleted from Page 1 of the Report at the Board's request. Significant progress to identify and remediate the disparity in plant outflows and billed sales is documented in the year-to-date difference of 7%.

## STAFF REPORTS

Status and Planning Update for Project 2008-02 MF/UF Pilot Testing – Manager Tooker reported the Construction Committee met with staff to review final information and to develop a request for more details from Burns and McDonnell Engineering regarding Project 2008-02 MF/UF Pilot Testing. Staff recommended the scheduling of an informational presentation between the Board and Burns and McDonnell Engineering in June.

Bill Printing and Mailing Services Implementation – Manager Tooker advised the Board that programming issues have resulted in the delay of bill printing and mailing outsourcing until late April or early May, 2010.

Grand Valley Regional Water Conservation Plan – Assistant Manager Reinertsen reported on the District's participation with the City of Grand Junction and Ute Water in the development of the Grand Valley Regional Water Conservation Plan. Manager Tooker stated that the adoption of an updated plan is required by the Colorado Water Conservation Board (CWCB), and an adopted plan is a prerequisite for any future water funding from the CWCB or the Colorado Water Resources and Power Development Authority. The Board will be provided with a Draft Plan prior to the formal comment period.

2010 Water Year Outlook – Manager Tooker stated that water supplies for the remainder of the year are not projected to be strong based on current snowpack levels.

Request to Waive Availability of Service Charges for 3244 Front Street – Manager Tooker reported that the lien agreement has been fully executed between the property owner at 3244 Front Street, the District and the Clifton Sanitation District. Water service was restored to the property but due to a leak was again disconnected until repairs are completed.

District Metering and Billing Accuracy – Manager Tooker requested an additional Staff Report to the agenda, to present the historic meter reading data for the City Market and Coronado Plaza (12 units) accounts. (4/1/10 File) When new touch read meters were installed on these accounts in 1994 they were programmed incorrectly and since that year the meter readings have been significantly lower than actual usage. Manager Tooker reported that internal procedures are being adjusted, and staff training and awareness is being increased to prevent future errors.

---

## **EXPRESS AGENDA**

The Board reviewed and accepted the Express Agenda items as presented.

1. Project 2009-04 Colorado River Intake Structure – The Construction Committee met and reviewed the McLaughlin Water Engineers Technical Memo addressing submersible pumps and vertical turbine pumps. The Committee accepted the Staff recommendation to pursue the submersible pump design option. The Gould/McLaughlin Team is proceeding with that design direction. The 30% design milestone is scheduled for completion in mid-May.
2. 2010 Election – The Notice of Election Cancellation was published in the Daily Sentinel on March 16, 2010. Copies of this Notice were posted in the Designated Election Official's Office, at the Clifton Fire Station and were provided to the Mesa County Clerk and Recorder and the Department of Local Affairs Elections Specialist. One open Board position (two-year term) will need to be addressed at the May 6, 2010 Regular Board Meeting.

## **UNFINISHED BUSINESS**

Cooperative Agreement with Clifton Sanitation District Regarding Front Loader Purchase – Manager Tooker advised the Board that changes have been made to the Agreement (*4/1/10 File, Clifton Sanitation District Front Loader IGA*) presented at the March, 2010 meeting; to add the additional insured status of the District and to clarify repair cost sharing. Director Hassler moved to approve the Intergovernmental Agreement between the Clifton Sanitation District and the Clifton Water District regarding the ownership and use of a 2005 Case 621D Loader. Director Genova seconded. Director Woods recused himself from voting on this motion. The motion passed.

Emergency Water Rate Annual Review – The Board reviewed the Emergency Water Rate, adopted in July of 2009, which is on holiday and scheduled for annual review. Staff does not recommend implementation or amendment of the Emergency Water Rate at this time. The Board concurred and no action was taken.

2010 Flood Potential – Manager Tooker reported there is currently no projection of flooding this spring, based on the 2010 Water Year Outlook report from earlier in the meeting. Flood potential will be monitored for further action as required.

## **NEW BUSINESS**

Inclusion Request – Bretsel Units, LLC (Tax Parcels 2943-103-00-148 and 2943-103-00-149 – Assistant Manager Reinertsen presented a Staff Report (*4/1/10 File, 2010 Bretsel Inclusion Request*) and documentation from the applicant, Bretsel Units LLC, requesting formal Inclusion into the District. The Board noted that the signator on the Inclusion Request dated March 11, 2010 is not the same person authorized to execute instruments according to the Bretsel Units LLC Statement of Authority document provided. Director Hassler moved to postpone action on the Inclusion Request from Bretsel Units LLC until proper signature or proof of authority for signature on behalf of Bretsel Units LLC is received. Director Burger seconded and the motion passed unanimously.



---


Purchase of GVICO Shares – Director Ballagh requested an additional agenda item, to finalize the opportunity to purchase one GVICO Share. Director Genova moved to purchase one GVICO share for \$450.00 from Todd Desmarais. Director Burger seconded and the motion passed.

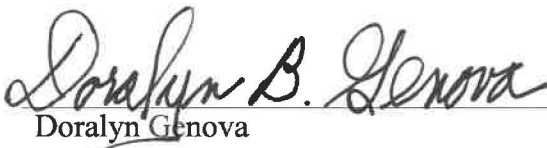
3048 Wedgewood Drive – Injury Claim – Manager Tooker reported that an injury claim was received from the property owner at 3048 Wedgewood Drive and forwarded to the District’s insurance carrier. The injury claim was denied by the insurance carrier due to the claim being submitted after the 180 day Notice of Claim period, and the property owner was advised of the denial. Manager Tooker and Assistant Manager Reinertsen have met with the property owner at 3048 Wedgewood Drive. The Board directed Staff to seek additional legal counsel and advise the Board of any further activity with regard to the claim.

**ADJOURNMENT**

By consensus the meeting was adjourned at 7:22 p.m.

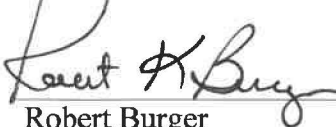
**ATTEST:**

  
\_\_\_\_\_  
John L. Ballagh

  
\_\_\_\_\_  
Doralyn Genova

  
\_\_\_\_\_  
Brian Woods

  
\_\_\_\_\_  
Alan Hassler

  
\_\_\_\_\_  
Robert Burger

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, MAY 6, 2010**

**BOARD MEMBERS PRESENT:** John Ballagh, Chairman; Doralyn Genova, Vice-Chairman; Robert Burger, Secretary; Brian Woods, Treasurer; Alan Hassler, Director; Dale Peck, incoming Board member

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; David Foster; Kelly McLaughlin

**REGULAR MEETING**

Chairman Ballagh called the regular Board meeting to order at 5:00 p.m.

**MINUTES**

Director Genova moved to approve the April 1, 2010 Board Meeting Minutes with one correction submitted. Director Burger seconded and the motion passed unanimously.

**CONCLUSION OF BOARD MEMBER TERMS**

The terms of office for Board members John Ballagh and Brian Woods concluded and both left the meeting at 5:10 p.m.

**OATHS OF OFFICE FOR BOARD MEMBERS**

Oaths of Office were administered to re-elected Board members Doralyn B. Genova and Alan N. Hassler and to incoming Board member Dale E. Peck. Oaths of Office were signed and notarized.

**BOARD REORGANIZATION**

By consensus the Board elected the following Board positions:

Chairman:	Robert Burger
Vice Chairman:	Alan Hassler
Secretary:	Doralyn Genova
Treasurer:	Dale Peck

The position of Director-at-Large will remain vacant at this time.

---

## **FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Director Genova moved to accept the Financial Report and approve Accounts Payable Regular checks of \$64,989.74 plus HRA Disbursements of \$2,816.46 plus Benefits Checks of \$24,935.62 plus Supplemental Checks of \$51,074.32 for a total of \$143,816.14. Director Hassler seconded the motion. Accountant Foster reported that multiple checks to certain vendors were due to there being two months of invoicing in this cycle, and the check to Qwest is being held pending further information regarding a rate increase. The motion passed unanimously.

## **MANAGER'S REPORTS**

Manager Tooker presented the monthly Manager's Reports and Assistant Manager Reinertsen summarized the monthly project cost analysis reports. Credit card expenditures for the American Water Works Association conference were discussed.

## **STAFF REPORTS**

One Million Gallon North Tank Status – Assistant Manager Reinertsen provided and summarized a Staff Report (5/6/10 File, 2010 Staff Reports) regarding testing and necessary repairs of the One Million Gallon North Tank. Staff will present a Recommendation to the Board at a future Board Meeting.

Bill Printing and Mailing Implementation – Manager Tooker reported the first billing group for May, 2010 is being uploaded and tested by InfoSend, Inc. prior to implementation of the mailing process.

District Metering and Billing Discrepancy Update – Manager Tooker provided the Board with a copy of the Commercial Account Investigation Report (5/6/10 File, Customer Account File for Tax Parcel ID #2943-101 03 001) regarding metering of the City Market building in Coronado Plaza. Corrective actions have been taken to accurately meter and bill this account and others in the Coronado Plaza. Staff continue to inspect all commercial accounts and new procedures are being initiated to continue thorough evaluation, monitoring and documentation of these accounts

## **EXPRESS AGENDA**

Staff requested that Express Agenda Item #4, Project 2009-04 Colorado River Intake Structure, be moved to Unfinished Business. The Board reviewed and accepted Express Agenda items #1-3 and #5 as presented:

1. Four West Slope Roundtable Meeting – May 10 at the Grand Vista Hotel. Board members are encouraged to attend with Staff.
2. 2010 Flood Potential – There have been no changes in flood potential status since the April 1, 2010 Board Meeting.

- 
3. Springbrook Annual Conference – The annual Springbrook Users Conference will be held May 10 – 14, 2010 in Portland, Oregon. Manager Tooker and Kelly McLaughlin will attend this year’s conference.
  4. Project 2009-04 Colorado River Intake Structure – Moved to Unfinished Business
  5. Mesa State College Water Center – An overview of the purpose for a Water Center at Mesa State College, which was kicked off with a planning meeting on April 30, is included in the packet.

### **UNFINISHED BUSINESS**

Inclusion Request – Bretsel Units, LLC (Tax Parcels 2943-103-00-148 and 2943-103-00-149 – Manager Tooker reported this item was continued from the April 1, 2010 Board Meeting due to insufficient proof petitioner signature authority. Inclusion of property within the District’s boundaries is a legal process that must be followed accurately. Assistant Manager Reinertsen provided the Board with an additional document from the petitioner regarding signator authority. The Board determined the additional and previous information was insufficient. Director Hassler moved to direct Manager Tooker to write to the Bretsel Units, LLC representative that the District will require a current, valid and notarized Statement of Authority in the same form used for real estate transactions prior to the Board proceeding with this Inclusion Request. Director Peck seconded and the motion passed unanimously.

3048 Wedgewood Drive – Injury Claim – Manager Tooker provided the Board with a confidential memo from the District’s legal counsel Betty Bechtel with follow up advice regarding the injury claim submitted by the property owner at 3048 Wedgewood Drive and reviewed by the Board at the April 1, 2010 meeting. Manager Tooker has advised the claimant of the Board’s decision to take no action.

Project 2009-04 Colorado River Intake Structure – Assistant Manager Reinertsen reported that he and Manager Tooker met today with Gould Construction and McLaughlin Engineering regarding floodplain and permitting issues, intake amounts, 30% design drawings and the District’s preference to proceed with a submersible pump design. The submersible pumps take 14-18 weeks to deliver. In order to complete the project in the timeframe required, the pumps need to be ordered as soon as possible. The purchase of pumps is included in 2010 budgeted expenditures. Director Genova moved to authorize Gould Construction to place the order for three submersible pumps, due to the critical timing of the order. Director Hassler seconded and the motion passed unanimously.

### **NEW BUSINESS**

Committee Assignments – By consensus, the Board designated the Committee members as follows:

Policy and Standards Committee:	Robert Burger and Doralyn Genova
Construction Committee:	Alan Hassler and Dale Peck
Personnel Committee:	Robert Burger and Alan Hassler
Budget Committee:	Unfilled at this time

---

It was suggested that the Budget Committee positions be filled once a full Board is in place.

Vacant Board Member – Manager Tooker provided the Board with a confidential memo including advice from District legal counsel Chris McAnany regarding appointing a term limited previous Board member to a Board vacancy. Legal counsel suggests this would not fulfill the intent of Statutes. Staff does recommend Board consideration of the appointment of a Citizens Advisory Committee that could include term limited previous Board members in order to utilize their knowledge and experience in future District matters. One Board member vacancy does exist at this time and names of possible candidates will be solicited. No action was taken regarding a Citizens Advisory Committee.

Draft 2009 Audit – The Board was provided a copy of the draft 2009 Audit (5/6/10 File, 2009 Audit) and auditor Mary Brenes will attend the Board's June, 2010 meeting for discussion.

David Foster left the meeting at 7:05 p.m.

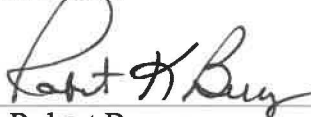
ERO Resources Contract Regarding Cactus Plant Survey for Waterline Project – Assistant Manager Reinertsen reported that the District's Highway 50 crossing near the Mesa County Landfill requires a consultant-prepared cactus study for the impacted Bureau of Land Management property. Director Genova moved to authorize Staff to sign the agreement with ERO Resources regarding the Cactus Plant Survey in the amount of \$1,500. Director Peck seconded and the motion passed unanimously.

Whiting/Hidden Valley Water Company – Staff requested an additional New Business item regarding an offer from Steve Whiting to grant the Hidden Valley Water Company consecutive system, located in the Whitewater area, to the District. Further information regarding the condition of the system will be obtained for discussion at a future Board Meeting.

## ADJOURNMENT

Director Genova moved to adjourn the meeting. Director Peck seconded and the motion passed unanimously. The meeting was adjourned at 7:20 p.m.

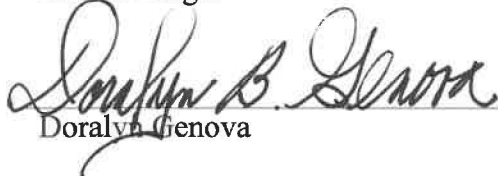
### ATTEST:



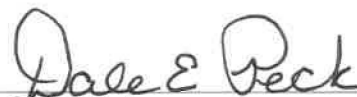
Robert Burger



Alan Hassler



Doralyn Genova



Dale Peck

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
WEDNESDAY, JUNE 9, 2010**

**BOARD MEMBERS PRESENT:** Alan Hassler, Vice-Chairman; Doralyn Genova, Secretary;  
Dale Peck, Treasurer

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; David Foster;  
Kelly McLaughlin

**GUESTS:** Rich Sturtevant

**REGULAR MEETING**

Vice Chairman Hassler called the regular Board meeting to order at 5:07 p.m. Robert Burger was excused from the meeting.

**MINUTES OF THE MAY 6, 2010 MEETING**

Director Genova moved to approve the Minutes of the May 6, 2010 Meeting with corrections to the list of members present and to the designation of Board Committees. Director Peck seconded and the motion passed.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Director Genova moved to accept the Financial Report and approve Accounts Payable of \$31,329.73 plus HRA Disbursements of \$1,995.27 plus Benefits Checks of \$29,764.29 plus Supplemental Checks of \$40,890.89 for a total of \$ 103,980.18. Director Peck seconded the motion. It was noted that Main Line Extension Fee Income is over budget for 2010, and project expenditures are itemized in the Manager's Report. The motion passed.

**MANAGER'S REPORTS**

The Board reviewed the Manager's Reports. Manager Tooker noted an increase in tap sales during the month of April; seven taps were sold. Overtime hours, project costs and credit card expenditures were also discussed.

**UNFINISHED BUSINESS**

Vice Chairman Hassler suggested that Unfinished Business item # 4 be moved up on the agenda in order to accommodate the guest.

Inclusion Request – Bretsel Units, LLC (Tax Parcels 2943-103-00-148 and 2943-103-00-149) –  
Rich Sturtevant was present to discuss the Board's May, 2010 motion to require additional documentation regarding the signator authority for the Bretsel Units LLC Inclusion Request. Sturtevant is in the process of purchasing and developing the property but is not currently the legal owner. Assistant Manager Reinertsen distributed copies of documents submitted by the

---

Bretsel Units LLC regarding signator authority. The Board clarified that the two parcels can currently be served District water at the Out-of-District rate. Due to the insufficiency of the signator authority documents submitted to date the Board suggested that an Inclusion Request could be reconsidered once the property transfer is complete. Staff was directed to send a letter to the developer's representative, Ciavonne and Associates, and to the City of Grand Junction Planning Department confirming the current availability of District water service.

## **STAFF REPORTS**

Customer Service Position Vacancy and Workforce Plan – Manager Tooker advised the Board that Customer Service Representative Susanne Hornback left the District effective June 1, 2010 and at this time he does not plan on filling the vacancy. Existing staff members are being assigned Customer Service shifts. In addition to the implementation of the bill printing and mailing service, Manager Tooker has plans to utilize a Voice Interactive System for credit card payments and is working with online bill payment providers to expedite the payment transfer process. It is anticipated that the use of these technologies will increase workload efficiencies in Customer Service.

Colorado Hookless Cactus Plant Survey Adjacent to the District's Plant One Site – Assistant Manager Reinertsen summarized the report prepared by consultants ERO Resources (6/9/10 File, ERO Resources Cactus Survey File) regarding the Colorado Hookless Cactus Plant Survey that was required by the Bureau of Land Management as part of the Highway 50 waterline crossing near the South Water Tanks. Due to the existence of this endangered species cactus, Staff recommends leaving the existing waterline in place and installing a parallel waterline within the designated impact buffer zone. Staff will continue work with the consultant regarding further analysis of impacts.

## **EXPRESS AGENDA**

The Board reviewed and accepted the Express Agenda item as presented.

1. Bill Printing and Mailing Implementation – The first set of bills were printed and mailed by InfoSend on May 26, 2010. Staff will compile performance data and will provide a quarterly report to the Board at a future meeting.

## **UNFINISHED BUSINESS**

2009 Audit – A copy of the FY 2009 Audit and the Auditor's letter to the Board (6/9/10 File, FY2009 Audit File) were provided to the Board. No changes have been made to the content since the Draft FY 2009 Audit was provided to the Board at the May 6, 2010 Meeting. Auditor Mary Brenes, CPA provided the Board with two notations – one that one of the District's attorney's did not provide a signed letter as requested, and the District did not meet the Note Payable Rate Covenant in 2009. Staff recommends approval of the FY 2009 Audit for submittal to the State, with a presentation from the auditor to be scheduled at the August, 2010 Board Meeting. Director Genova moved to approve the December 31, 2009 and 2008 Audit, and further that the Board will address the comment regarding the Note Payable Rate Covenant at a future date. Director Peck seconded and the motion passed.

---

David Foster left the meeting at 6:25 p.m.

One Million Gallon North Tank Status - Manager Tooker reported that Burns and McDonnell Engineering evaluated the condition of the One Million Gallon Tank and recommend placement of the bottom of the tank. Assistant Manager Reinertsen will obtain cost estimates and provide the Board with further information at a future meeting.

Project 2009-04 Colorado River Intake Structure – Assistant Manager Reinertsen reported that Mesa County Planning Department and Mesa County Floodplain Impact approvals have been obtained for Project 2009-04 Colorado River Intake Structure. The 30% Design of the project is nearly complete which will allow for a building permit to be obtained and for construction cost estimate negotiations to commence.

Board Position Vacancy – Advertisement of the Board position vacancy will be scheduled to print on upcoming District billings and on the District website.

### NEW BUSINESS

Signature Cards for Financial Institutions – Board members signed updated signature cards for District accounts at Palisade National Bank, American National Bank and Alpine Bank.

District Policy Review – Manager Tooker suggested that amendments to certain District Policies be initiated, and possible new Policies be created. These include: Credit Card Processing Fees, Final Payoff Fee, Discontinue Water Service Fee (Revise Policy #420 ¶ 12.7.1), Plant Investment Fees and Water Rights/Share Transfer During Development (Revise Policy #410), Water Rates (Revise Policy #420). Assistant Manager Reinertsen suggested a new Policy regarding Water Waste that may be required for the Regional Water Conservation Plan. The Board agree with Staff initiation as suggested.

Western Colorado Community College – Water Quality Management Course and Scholarship – Manager Tooker advised the Board that a new Associates Degree in Water Quality Management will begin this Fall at the Western Colorado Community College. District participation is requested to provide course instructors and program initiation/scholarship funding. The Board concurred with District participation.

### ADJOURNMENT

Director Genova moved to adjourn the meeting. Director Peck seconded and the motion passed. The meeting was adjourned at 7:15 p.m.

### **ATTEST:**

*excused absence*  
\_\_\_\_\_  
Robert Burger  
*Doralyn B. Genova*  
\_\_\_\_\_  
Doralyn Genova

*Alan Hassler*  
\_\_\_\_\_  
Alan Hassler  
*Dale E Peck*  
\_\_\_\_\_  
Dale Peck



**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, JULY 1, 2010**

**BOARD MEMBERS PRESENT:** Robert Burger, Chairman; Alan Hassler, Vice-Chairman;  
Doralyn Genova, Secretary; Dale Peck, Treasurer

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; David Foster;  
Kelly McLaughlin

**REGULAR MEETING**

Chairman Burger called the regular Board meeting to order at 5:04 p.m.

**MINUTES OF THE JUNE 9, 2010 MEETING**

Director Genova moved to approve the Minutes of the June 9, 2010 Meeting as presented. Director Hassler seconded and the motion passed.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Director Peck moved to accept the Financial Report and approve Accounts Payable Regular Checks of \$60,880.07 plus HRA Disbursements of \$1,963.68 plus Benefits Checks of \$25,985.70 plus Supplemental Checks of \$43,318.32 for a total of \$132,147.77. Interest income and Grant Revenue budgeted items were discussed. The motion passed unanimously.

David Foster left the meeting at 5:15 p.m.

**MANAGER'S REPORTS**

The Board reviewed the Manager's Reports. Manager Tooker noted the continued increase in accounts on Availability of Service, and explained the Statute granting the authority for the collection of an Availability of Service fee. The collection of past due accounts, particularly related to the foreclosure property transfer process, was discussed. Assistant Manager Reinertsen reported that one Plant Tour was conducted in May as a prerequisite for the District to be a host facility for a State sponsored Distribution training course beginning later this year. The Board inquired about a credit card late payment fee. Staff responded that this was due to the late meeting date when approval of payments and the subsequent mailing of payments occurred in June.

**EXPRESS AGENDA**

The Board reviewed and accepted the Express Agenda item as presented:

1. FY 2009 Audit – Staff submitted the FY 2009 Audit to the Office of the State Auditor in accordance with Statute. Mary Brenes, CPA will provide the Board with an overview of the approved 2009 Audit at the August, 2010 meeting.

- 
2. Ute Water District Open House June 28, 2010 – Ute Water District is holding a celebration for the completion of their headquarters at 2190 H 1/4 Road on Monday, June 28, 2010 from 2 P.M. to 6 P.M.
  3. 2009 Water Quality Report – The 2009 Clifton Water District Water Quality Report has been completed and mailed to all District Customers by the end of June 2010. The Water Quality Report is an annual requirement of all Public Water Systems and is intended to inform our customers of pertinent water quality information.
  4. Employee Spanish Classes – In an effort to assist our employees in communicating with our Latino customers, the District is hosting a Spanish Class two times per week for 16 weeks. The focus of the classes will be to teach basic conversational Spanish to our Staff.
  5. Inclusion Request – Bretsel Units, LLC (Tax Parcels 2943-103-00-148 and 2943-103-00-149) – Staff contacted the City of Grand Junction Planning Department to advise them of the Board's discussion at the June 9, 2010 meeting.

### **UNFINISHED BUSINESS**

Board Member Vacancy – The names of persons potentially interested in serving as a Board member were discussed. Staff will contact the persons and schedule interviews with the Board at the August, 2010 meeting.

Project 2009-04 Colorado River Intake Structure – Assistant Manager Reinertsen reported that the Design Phase of this project is at 30%, however, Staff continues to seek refinement of the design to achieve a project that is appropriate for the District's needs. Although the project was projected for completion by October 15, 2010, Staff now recommends that the design/build construction contract be presented as a two phase construction project. The control building construction be completed in 2010 with the pump installation and final tie-ins occurring in the Spring of 2011. Staff believes this delay will ensure the best project at the best possible cost. The Board concurred with Staff's recommendations.

One Million Gallon Tank Status – Assistant Manager Reinertsen stated that Burns and McDonnell Engineering have recommended the replacement of the floor in the One Million Gallon Tank. Staff recommends that the repairs could be done most cost effectively through a Design/Build project with Burns and McDonnell Engineering retained for some oversight. Additional project and cost information will be obtained prior to presenting a final cost estimate to the Board for identified repairs.

Special Meeting for MF/UF Project – Staff proposes that the Board be provided a detailed presentation of the Microfiltration/Ultrafiltration pilot study results and project cost estimates once a new Board member is appointed. This presentation should occur in September, 2010, at a special meeting date to be determined.

3048 Wedgewood Drive Injury Claim – Manager Tooker reported that the property owner at 3048 Wedgewood Drive contacted him again to threaten litigation. The District and the District's insurance carrier have advised the property owner that his claim has been denied. No Board action is required.

---

**NEW BUSINESS**

3049 F ¾ House Fire and Fire Hydrant Flow – Manager Tooker reported that a recent house fire occurred in a rural area where there are 3” distribution lines and hydrant flows of 250 gallons per minute. Some public questions were raised because the Fire Department used a fire hydrant to obtain higher flows from a neighboring area with larger distribution lines. Although line sizes could be increased in the rural area sometime in the future, residents of that area would need to participate in a cost share to accelerate the upgrade.

Policy #420 Water Usage Fees – Manager Tooker presented a Staff Report recommending amendments to Policy #420 Water Usage Fees, particularly Discontinuation of Service Fees, Connect Fee and a new Final Payoff Request Fee. Labor costs for providing the services associated with each of these fees was provided in the Staff Report. It was noted that the Discontinuation of Service Fee has not been increased in over ten years and the current fee covers less than one-half of the labor cost for disconnecting a customer’s service. The Final Payoff Request Fee proposed is in response to the times final readings have been obtained and processed and closings then cancelled multiple times. The Board suggested that a fee be charged only for Final Payoff Requests that are cancelled.

Director Genova moved and Director Peck seconded to approve the Staff Recommendation regarding amendments to District Policy #420 Water Usage Fees, effective October 1, 2010, with the change from a Final Payoff Request Fee to a Final Payoff Cancellation Fee, pending a corrected Staff Report provided to the Board at the August, 2010 meeting. The amended fees and new fees are as follows:

- In-District Discontinuation of Service Fee increased from \$20.00 to \$50.00
- Out-of-District Discontinuation of Service Fee increased from \$30.00 to \$75.00
- In-District Connect Fee increased from \$20.00 to \$30.00
- Out-of-District Connect Fee increased from \$30.00 to \$45.00
- In-District Final Payoff Cancellation Fee established at \$30.00
- Out-of-District Final Payoff Cancellation Fee established at \$45.00

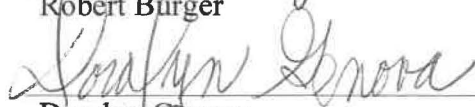
The motion passed unanimously.

**ADJOURNMENT**

Director Genova moved to adjourn the meeting. Director Hassler seconded and the motion passed unanimously. The meeting was adjourned at 7:10 p.m.

**ATTEST:**

  
\_\_\_\_\_  
Robert Burger

  
\_\_\_\_\_  
Doralyn Genova

  
\_\_\_\_\_  
Alan Hassler

  
\_\_\_\_\_  
Dale Peck

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, AUGUST 5, 2010**

**BOARD MEMBERS PRESENT:** Alan Hassler, Vice-Chairman; Doralyn Genova, Secretary;  
Dale Peck, Treasurer

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; David Foster;  
Kelly McLaughlin

**REGULAR MEETING**

Vice Chairman Hassler called the Regular Board Meeting to order at 5:05 p.m. Chairman Burger was excused from the meeting.

**MINUTES OF THE JULY 1, 2010 MEETING**

Director Genova moved to approve the Minutes of the July 1, 2010 Meeting as presented. Director Peck seconded and the motion passed.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Director Genova moved to accept the Financial Report and approve Accounts Payable Regular Checks of \$52,554.72 plus Benefits Checks of \$25,972.98 plus Supplemental Checks of \$149,615.39 for a total of \$228,143.09. The motion passed.

David Foster left the meeting at 5:15 p.m.

**MANAGER'S REPORTS**

The Board reviewed the Manager's Reports. Manager Tooker noted that year-to-date tap sales are down 54.5% from 2009. Water sales are up 1.2% from 2009. Other items of note were overtime hours for call out activities and Attorney's costs related to Project 2009-04 Colorado River Intake Structure, lien, bankruptcy and election questions.

**STAFF REPORTS**

Staff reported that two months after implementation of InfoSend bill printing and mailing, the actual cost savings is approximately \$3,000.00 per month.

**EXPRESS AGENDA**

The Board reviewed and accepted the Express Agenda item as presented:

1. Colorado Water Resources Authority Audit Inquiry – Following their receipt of the District's FY2009 Audit, the Colorado Water Resources Authority requested further information regarding any pending litigation due to the auditor's comment that one of the District's attorneys had not provided a signed pending litigation response letter. Staff provided a copy of the attorney's response letter to the Colorado Water Resources Authority

---

## **UNFINISHED BUSINESS**

Board Member Vacancy – Interviews of potential Board members will be scheduled at the beginning of the September 2, 2010 Regular Meeting.

Bank Account Updates and Signature Cards – Manager Tooker reported that separate accounts have been newly established at American National Bank for electronic deposit of checks received, and for electronic receipt of online bill payments from customers. The use of electronic deposits has been implemented to securely and quickly deposit payments and eliminates the need to drive daily deposits to the bank. The account for electronic bill payments is not yet being used. New account signature cards were distributed to Board members and signed.

Project 2009-04 Colorado River Intake Structure – Assistant Manager Reinertsen provided and summarized a Staff Report regarding the Guaranteed Maximum Price Recommendations for construction of Project 2009-04 Colorado River Intake Structure. The 30% design milestone has been achieved and Gould Construction, Inc. proposes a Guaranteed Maximum Price of \$1,297,670 for the construction phase. Gould Construction, Inc. has also proposed a cost savings incentive program that would credit the cost savings as 60% to the District and 40% to Gould Construction. Staff believes this incentive opportunity will encourage additional cost reductions and result in a total project cost below the GMP. The construction phase will be split into work done prior to November 1, 2010 and final completion in late Spring/early Summer, 2011. A transfer from Contingency is required for full project funding, with any funds remaining in 2010 carried into the FY 2011 Budget.

Director Genova moved to transfer \$400,000 from the FY 2010 Contingency Budget Line Item to the CAS WTP Construction Expense Budget Line Item to fully fund Project 2009-04 Colorado River Intake Modifications Project in FY2010. Director Peck seconded and the motion passed.

Director Genova moved to accept the Proposed Guarantee Maximum Price (GMP) with cost savings incentive as identified in the Gould Construction, Inc. letter dated August 5, 2010 for the Colorado River Intake Modifications construction component to be incorporated into the existing Design/Build Agreement dated February 4, 2010 between the District and Gould Construction, Inc. and further authorize Staff to provide the Notice to Proceed. Director Peck seconded and the motion passed.

One Million Gallon Tank Status – Manager Tooker reported that distribution operations have not been negatively affected this summer while the One Million Gallon Tank has been drained for repairs. Capital funds necessary for tank repairs will instead be used for the Colorado River Intake Structure project and the tank repair project will be postponed until 2011.

Policy #420 Water Usage Fees – Staff provided three Staff Reports and proposed Policy text amendments to sections within Policy #420 – Water Usage Fees. The Board reviewed the Staff Report, revised from the July 1, 2010 Regular Meeting, regarding proposed increases in the Discontinuation of Service and Connect Fees and a new Final Payoff Cancellation Fee. The Board reviewed the Staff Reports proposing a new Credit Card Usage Fee and the proposal to

suppress bill printing and mailing to customers with mail returned from the Post Office with no forwarding address for two consecutive months. The proposed Credit Card Usage Fee would add 4% to the transaction and would offset the actual cost charged to the District for processing VISA and MasterCard payments. The Board directed Staff to find out if the Clifton Sanitation District requires an amendment to their Policies before proceeding to allow suppression of bill printing and mailing to specific accounts.

Director Peck moved to adopt the amendments to Policy #420 – Water Usage Fees, effective October 1, 2010, as follows:

Policy #420 – 12.6 Connect Fee In-District \$30.00 Out-of-District \$45.00

Policy #420 – 12.7 Discontinuation of Service Fee In- District \$50.00 Out-of-District \$75.00

Policy #420 – 12.14 Final Payoff Cancellation Fee In-District \$30.00 Out-of-District \$45.00

Policy #420 – 12.15 Credit Card Usage Fee 4% of the dollar amount of the payment transaction

Director Genova seconded and the motion passed.

## NEW BUSINESS

Colorado Special Districts Property and Liability Pool Representative – By consensus Director Hassler was designated as the District’s voting representative for the Colorado Special Districts Property and Liability Pool at the Special District Association’s annual meetings in September.

Amendment 60, Amendment 61 and Proposition 101 – Manager Tooker alerted the Board to ballot questions that could negatively impact the District’s future funding options. Staff will find out if the Special District Association is taking an official position.

Request from Daniel K. Brown for Out-of-District Service to Tax Parcel #2969-313-00-450 and Tax Parcel #2969-313-00-451 – Manager Tooker summarized the Staff Report and request submitted by Daniel K. Brown for water service to two parcels in the Whitewater area. The parcels are proposed for development into fifteen residential lots. A topographical map showing the location, and a parcel development layout were reviewed. The applicant understands that the District is not currently in a position to provide water service to the parcels but he needs to provide information regarding future water availability for the Mesa County development review process. Director Genova moved to direct Staff to provide Daniel K. Brown with a letter stating the District approves the request for Out-of-District Service to Tax Parcel #2969-313-00-450 and Tax Parcel #2969-313-00-451 with the following conditions:

1. No water tap can be purchased until the infrastructure improvements have been completed.
2. Service is limited to 15 service connections.
3. The Mainline crossing of Highway 50 at 32 Road must be completed.
4. The Mainline crossing of Highway 50 at Reeder Mesa Road must be completed.
5. The Desert Road Pump Station project improvements to increase pump capacity and upsize feed lines must be completed.
6. The Mainline installation from Highway 50 to Coffman Road must be completed
7. The Finished Water Storage Tank on the Desert Road Pump Station System must be completed.

Final approval of the development is contingent upon Board approval following the successful completion of infrastructure improvements. No commitment is being made regarding the timing and

responsibility of the District to provide the infrastructure improvements that would allow water service to the proposed development. Timing of the infrastructure improvements may be accelerated by developer participation or cost sharing. Director Peck seconded and the motion passed.

Appoint Person to Prepare the 2011 Budget – Director Peck moved to appoint Manager Tooker to prepare the FY2011 Budget. Director Genova seconded and the motion passed.

Operating Expenses and Revenues – Manager Tooker distributed a Confidential Memo to the Board regarding year-to-date operational deficits and four options to reduce personnel-related operational expenses through the end of the year and carried into the FY 2011 Budget. The Board acknowledged the need to reduce expenses and directed Staff to present a detailed plan at the September 2, 2010 Meeting.

Mesa County Pedestrian/Utility Colorado River Bridge Project at Clifton Sanitation – Assistant Manager Reinertsen reported that the County’s project to extend sewer between Clifton Sanitation and the Whitewater area requires the construction of a new bridge over the Colorado River. The District has the opportunity to have a water line installed on the bridge during that construction. Although a new line is not currently needed, installation during construction would be more cost effective than incurring the cost in the future. This line installation was not budgeted in 2010 and Staff will evaluate further once the bids are received.

Manager Tooker advised the Board that he has talked with Mesa County representatives regarding several grant-funded projects they have initiated this year that require the District to participate in the project and expend capital funds that were not anticipated and budgeted for. He asked the County to include funding for supporting entities when applying for grant revenue.

### ADJOURNMENT

Director Genova moved to adjourn the meeting. Director Peck seconded and the motion passed. The meeting was adjourned at 8:35 p.m.

### **ATTEST:**

*excused*  
\_\_\_\_\_  
Robert Burger  
*Dorothy B. Genova*  
\_\_\_\_\_  
Dorothy Genova

*Alan Hassler*  
\_\_\_\_\_  
Alan Hassler  
*Dale E Peck*  
\_\_\_\_\_  
Dale Peck

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, SEPTEMBER 2, 2010**

**BOARD MEMBERS PRESENT:** Robert Burger, Chairman; Alan Hassler, Vice-Chairman;  
Dale Peck, Treasurer

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; David Foster;  
Kelly McLaughlin

**REGULAR MEETING**

Chairman Burger called the Regular Board Meeting to order at 5:00 p.m. Secretary Genova was excused from the meeting.

**BOARD MEMBER INTERVIEWS**

Mr. Bob Norman and Ms. Sam D'Angelo were interviewed for one vacancy on the Board of Directors.

**MINUTES OF THE AUGUST 5, 2010 MEETING**

Director Peck moved to approve the Minutes of the August 5, 2010 Meeting with one typographical correction. Director Hassler seconded and the motion passed.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Accountant Foster provided a corrected Balance Sheet. Director Peck moved to accept the Financial Report and approve Accounts Payable Regular Checks of \$56,862.68 plus HRA Disbursements of \$923.09 plus Benefits Checks of \$26,095.86 plus Supplemental Checks of \$93,175.72 for a total of \$177,057.35. Director Hassler seconded. Manager Tooker pointed out an increase in Operational and Non-Operational cash flow shown on the Statement of Cash Flow. The motion passed.

David Foster left the meeting at 6:05 p.m.

**MANAGER'S REPORTS**

The Board reviewed the Manager's Reports. Items discussed in detail were the process of abandoning taps and on-call scheduling. Manager Tooker also reported that the Raw Water Settling Pond Tour/Dam Inspection that was performed by the State Engineer's Office, identified some maintenance items to be addressed.



---

## **STAFF REPORTS**

None.

## **EXPRESS AGENDA**

The Board reviewed and accepted the Express Agenda item as presented:

1. Conversational Spanish Class – Eight District employees completed the eight week Beginning Conversational Spanish class on August 25, 2010.
2. Staff Coverage – Weekend of September 11 – Both Manager Tooker and Assistant Manager Reinertsen will be out of town from September 9 through September 14. The on-site Chain-Of-Command has identified: treatment plant operations and all things regulatory the responsibility of Dennis Carlson; distribution system operations the responsibility of Mark Dalley; and administrative operations the responsibility of David Foster and Kelly McLaughlin. Both Manager Tooker and Assistant Manager Reinertsen will be in contact via cell phone and voice mail.
3. Project 2009-04 Colorado River Intake Structure – The GMP Construction Agreement is to be signed before September 1. The Contractor, Gould Construction, Inc. plans to pick up the issued Mesa County Building Permit on Tuesday, August 31 and begin site mobilization activities on September 2, 2010.
4. Drinking Water Distribution Course – Session 1, 09-08/09-10 – The District is the host site for the next Colorado Department of Public Health and Environment sponsored training for Small System Distribution Operators. Being a host site, the District can send up to 5 employee's for no charge to these valuable training sessions.
5. Water Quality Management Course – Four District employees are enrolled in the introductory Water Quality Management class being offered this Fall Semester at the Western Colorado Community College. The cost of the introductory class for these employees is being covered by the District as part of on-going staff training.

## **UNFINISHED BUSINESS**

Policy #420 Suppress Bill Printing and Mailing to Customers with No Forwarding Address – The proposed additional language to Policy 420 – Section 9 - Responsibility of Customer, to suppress bill printing to specific customers, was reviewed at the August 5, 2010 Board meeting and action was postponed pending inquiry to the Clifton Sanitation District regarding any opposition they would have to suppression of bill printing. Manager Tooker reported no opposition. Director Hassler moved to approve the amendment to Policy #420, Section 9 – Responsibility of Customer as presented by Staff. Director Peck seconded and the motion passed. The additional language adopted to Policy 420 Section 9.1 is as follows:

If billings are returned from the Post Office for two consecutive months with a No Forwarding Address, Attempted Unknown or similar message, the District shall

---

suppress the printing and mailing of billings to a customer account until a new mailing address is received.

Policy #420 – Section 12.15 Credit Card Usage Fees – Manager Tooker presented a Staff Report, dated September 1, 2010, recommending a revision to the 4% Credit Card Usage Fee adopted by the Board at its August 5, 2010 meeting. Due to transaction fee rules of the transaction processing vendors the District is working with, and the need to quickly and accurately identify the fee amount to customers, Staff now recommends the Credit Card Usage Fee be a flat amount of \$3.00 per transaction. Director Peck moved to adopt the Revised Policy 420 Section 12.15.1 Credit Card Usage Fee of \$3.00 as recommended on the Staff Report dated September 1, 2010. The fee shall be re-evaluated as necessary. Director Hassler seconded and the motion passed.

Following the approval of this motion the Board reviewed the credit card processing costs associated with the next agenda item regarding the implementation of the Interactive Voice Response (IVR) System. Based on the merchant services and IVR system costs for processing credit cards, the Board determined that the Credit Card Usage Fee would need to be \$3.25 per transaction to cover the costs to the District.

Director Hassler moved to amend Policy #420 Section 12.15.1 Credit Card Usage Fee, to be reviewed as necessary, as follows:

12.15 Credit Card Usage Fee. A Credit Card Usage Fee will be added to the transaction amount for each payment received from a customer using a District-accepted form of credit or debit card.

12.15.1 The Credit Card Usage Fee is \$3.25 on each payment transaction.

Director Peck seconded and the motion passed.

Interactive Voice Response System – Manager Tooker presented a Staff Report dated September 2, 2010 requesting implementation of an Interactive Voice Response System designed to process credit card payments and to provide incoming and outgoing automated customer notifications and account information. The IVR system would reduce staff time associated with processing credit card transactions, improve the security of credit card transactions, and provide 24-hour customer payment ability and access to their account information. The Board stated concern with entering into a contract with the vendor, Tele-Works, for a twelve month period without the ability to discontinue use of the service if revenues do not support the costs. Manager Tooker will work with the vendor regarding contractual term details. Director Hassler moved to approve and authorize Staff to proceed with the IVR System and to sign all applicable documents to secure the services. The cost of the IVR System will be recovered by the Credit Card Usage Fee and will also provide a tool to assist with the reduced staffing in the Business Office. The Board further finds that the Credit Card Usage Fee shall reflect the costs of the service to those using the convenience of credit/debit card transactions. Use of the IVR System will be reviewed as necessary, at least annually. Director Peck seconded and the motion passed.

Board Member Vacancy – The Board agreed that both candidates, Mr. Bob Norman and Ms. Sam D'Angelo, had positive characteristics to offer as Board members for the District. Director

---

Peck nominated Bob Norman to fill the vacancy on the Board of Directors, for a term expiring May of 2012. Director Hassler voted yes. Director Peck voted yes. Director Burger voted yes. The Oath of Office will be administered to Bob Norman at the October 7, 2010 Regular Meeting. The Board directed Staff to notify the candidates of the decision and to thank Ms. D'Angelo for her interest in serving on the Board.

Project 2009-04 Colorado River Intake Structure – Assistant Manager Reinertsen reported that the contract with Gould Construction for Project 2009-04 Colorado River Intake Structure is finalized. Signature was authorized by the Board at the August 5, 2010 meeting. The contract was signed by the Board.

Mesa County Pedestrian/Utility Colorado River Bridge Project at Clifton Sanitation – Assistant Manager Reinertsen reported that the Bid Alternate to include a pipeline on the Mesa County Pedestrian Utility Bridge at Clifton Sanitation resulted in a bid cost of \$180,000. The District cannot consider participating in this project in the current budgetary conditions particularly since the pipeline is not needed by the District at this time. Staff advised Mesa County the District would not be participating except to cover the cost of including abutment penetrations that could be used at some future date for pipeline installation. Manager Tooker advised the Board he will be meeting with the Mesa County Commissioners next week and will advise them of the number of unplanned in 2010 projects the District has been required to expend unbudgeted funds for.

Operating Expenses and Revenues – Staff Recommendations – Manager Tooker reviewed the Confidential Memo provided in the Board Packet regarding proposed due to Operational Fund budgetary shortfalls. The Board initially discussed the proposed changes at the August 5, 2010 Meeting. Although Operational Revenues have recovered somewhat in recent months and non-essential expenditures continue to be curtailed, Staff believe efforts to reduce spending by delaying capital improvements, repair and maintenance is a dangerous trend and is not an effective long term solution.

Director Hassler commented that the budget could be further negatively impacted in 2011 if Proposition 101, Amendment 60 and/or Amendment 61 pass on the November ballot. Manager Tooker emphasized that no operational changes are proposed that would compromise on water quality or customer service. Staff recommendations are to avoid layoffs, re-structure health insurance coverage, and evaluate the rate structure. Layoffs are avoidable at this time because one full-time and one part-time Customer Service Representative position have been vacated in recent months and have not been replaced with new staff members. Further, due to reduced Non-Operational revenues, two Non-Operational positions have been reassigned duties within the Operational Fund. Extended discussion ensued regarding a proposed Early Retirement Incentive for employees that have worked full-time for the District twenty-five years or more. Five employees would qualify. The District could expect to save money in 2011 on the salaries of any qualifying employees that elect to retire.

Director Hassler moved that the Clifton Water District will accept offers from up to three employees, that have 25 years of continuous full-time service to the District and are in good standing, to voluntarily separate from employment on or before December 31, 2010 from the

---

Clifton Water District in exchange for 26 weeks of Gross Wages payable in 2011 as one lump sum or on the District's bi-weekly regular pay schedule during the first 26 weeks of 2011. Employee offers to voluntarily separate from employment must be made to the District Manager by 5:00 pm MST on Friday, September 24, 2010. If more than three employees offer to voluntarily separate their employment, a selection of three will be made by a lottery. This opportunity to voluntarily separate employment is a one-time opportunity. Manager Tooker was directed to seek legal counsel regarding the appropriate documents necessary regarding this offer. Director Peck seconded and the motion passed.

**NEW BUSINESS**

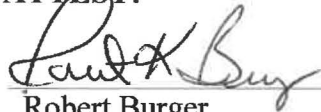
Audit Services – By consensus, this agenda item was postponed to the October 7, 2010 Regular Meeting.

Manager's Evaluation – By consensus, this agenda item was postponed to the October 7, 2010 Regular Meeting.

**ADJOURNMENT**

By consensus, the meeting was adjourned at 9:08 p.m.

**ATTEST:**



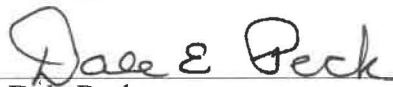
Robert Burger

*excused*

Doralyn Genova



Alan Hassler



Dale Peck

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, OCTOBER 7, 2010**

**BOARD MEMBERS PRESENT:** Robert Burger, Chairman; Alan Hassler, Vice-Chairman;  
Doralyn Genova, Secretary; Dale Peck, Treasurer

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; David Foster;  
Kelly McLaughlin

**GUESTS** Robert Norman

**REGULAR MEETING**

Chairman Burger called the Regular Board Meeting to order at 5:02 p.m.

**MINUTES OF THE SEPTEMBER 2, 2010 MEETING**

Director Hassler moved to approve the Minutes of the September 2, 2010 Meeting with one correction to add a "Mr." and a "Ms." before reference to Board applicants Mr. Bob Norman and Ms. Sam D'Angelo. Director Peck seconded and the motion passed. Director Genova abstained.

**OATH OF OFFICE**

Robert E. Norman read aloud and signed the Oath of Office for the Board of Directors of the Clifton Water District for the term expiring May, 2012. The Oath of Office was notarized by Kelly McLaughlin and will be provided to the State and County according to Statute.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Director Genova moved to accept the Financial Report and approve Accounts Payable Regular Checks of \$67,184.07 plus HRA Disbursements of \$1,366.33 plus Benefits Checks of \$25,888.34 plus Supplemental Checks of \$ 42,180.60 for a total of \$136,619.34. Director Hassler seconded. The Board and Staff reviewed the Financials and discussed the Notes to Financials. The motion passed unanimously.

David Foster left the meeting at 5:20 p.m.

**MANAGER'S REPORTS**

Manager Tooker reported that three employees have signed the Voluntary Separation Agreement that was authorized by the Board at the September 2, 2010 Regular Meeting. The Board reviewed the Manager's Reports. It was noted that water sales in August were reported to be

---

higher than water produced which occasionally occurs related to billing the previous high consumption month in the subsequent lower production month.

## **STAFF REPORTS**

InfoSend Bill Printing and Mailing Actual Cost Savings – The Board reviewed the Staff Report indicating that the actual cost savings as a result of the implementation of bill printing and mailing through InfoSend, Inc. has been higher than anticipated. The projected annual cost savings is \$32,400.

## **EXPRESS AGENDA**

The Board reviewed and accepted the Express Agenda item as presented:

1. Quarterly Meeting with Mesa County Commissioners – Manager Tooker met with the Mesa County Commissioners on September 13, 2010. He emphasized to the Commissioners the negative impact that unplanned County projects has had on the District's budget. The impact to the budget will be noticeable in the Draft 2011 Budget, and in adjustments to customer rates.
2. Project 2009-04 Colorado River Intake Structure – Gould Construction, Inc. started construction activities on September 23, 2010. The existing intake structure has been partially removed to accommodate installation of by-pass pipe work to assure continued operation of the pumps this winter while construction of the new facilities continues.
3. Drinking Water Distribution Course – Session 1, 09-08/09-10 and Session 2, 10-13-10 – The first course in September was attended by 30 participants from both the public and private sectors across the Western Slope. The District had four staff member participate as well as one Board member. The second session is scheduled for October 13, 2010 and will cover water storage tank operation and maintenance. Five staff members have been identified to participate in this session.

## **UNFINISHED BUSINESS**

Project 2008-02 MF/UF Pilot Testing – With a full Board of Directors now appointed, Staff requested the scheduling of a Special Meeting for the purpose of having Burns and McDonnell Engineering present their operational report and cost estimates for Project 2008-02 MF/UF Pilot Testing. Prior to the meeting Assistant Manager Reinertsen will provide the Board with the engineer's report.

2011 Budget – The Draft FY2011 Budget was presented to the Board. A hard copy was in the Board packet and Manager Tooker provided General and Administrative, Distribution and Treatment Revenues and Expenses details via a PowerPoint presentation. The reclassification of Operating and Non-Operating Expenses was discussed. A meeting of the Budget Committee will be scheduled for their detailed review and recommendations.

---

Amendment 60, Amendment 61 and Proposition 101 – The Board discussed budgetary issues that would result if Amendments 60, 61 and/or Proposition 101 passed in the November election, and reviewed and revised Resolution language. Director Genova moved to adopt the Resolution Opposing Amendments 60, 61 and Proposition 101. Director Peck seconded and the motion passed unanimously.

Resolution Text inserted below:

***RESOLUTION OPPOSING AMENDMENTS 60, 61 AND PROPOSITION 101***

*WHEREAS, Amendments 60 and 61 and Proposition 101 will be appearing on the November, 2010 statewide ballot and passage of the three measures will significantly damage the Clifton Water District's, other Colorado Special Districts and other state and local governments from funding our most basic levels of operation and services and;*

*WHEREAS, the Clifton Water District understands that the citizens of Colorado desire and deserve fiscal accountability from their service providers on how tax dollars are collected and spent and how debt is used responsibly to benefit all and;*

*WHEREAS, passage of Amendments 60 and 61 and Proposition 101 will not ensure the desired results and will significantly damage the ability to continue to provide services, drastically limit infrastructure construction and impair financing of crucial long-term capital improvements that are essential in providing the most basic levels of services Customers have grown accustomed and;*

*WHEREAS, Amendment 60 would require government agencies including the Clifton Water District to pay property taxes. All property owned by the District will be taxed and result in an increased expense of between \$125,000 to \$175,000 annually which would result in a significant increase of water service rates estimated at \$2/month/customer and;*

*WHEREAS, Amendment 61 would require all debt to be structured to be repaid within 10 years and all debt to be voter-approved bonded debt. Structuring debt to 10 years would severely limit the ability of the District to finance capital improvement projects and plan for the future sustainability of the community and;*

*WHEREAS, Clifton Water District is concerned about the long term affects and the impact of these three measures collectively and individually be a destructive force that will ensure that Colorado will continue on a path of economic downturn and will continue to require noticeable cuts in services and budgets that will adversely affect every Customer and;*

*WHEREAS, the Clifton Water District joins the Colorado Special Districts Association, Colorado Municipal League and countless other state and local jurisdictions in opposition to the three ballot measures collectively and individually to protect the fiscal health of Colorado and the Clifton Water District by defeating Amendment 60, Amendment 61 and Proposition 101 and;*

---

*NOW THEREFORE BE IT RESOLVED, that the Clifton Water District Board of Directors has taken the official position of opposing Amendment 60, Amendment 61 and Proposition 101 and urges all customers and citizens statewide to vote against all three ballot measures.*

*BE IT FURTHER RESOLVED, that this Resolution be adopted this 7th day of October, 2010.*

Audit Services – Manager Tooker reported that Mary Brenes, CPA has offered to prepare the District’s FY2010 Audit at the same cost as the FY2009 Audit. Director Genova moved to secure the services provided by Mary Brenes, CPA in preparation of the FY2010 Audit, at the same price as the previous year. Director Hassler seconded and the motion passed unanimously.

Water Conservation Plan – Manager Tooker advised the Board that the Regional Water Conservation Plan has been through its initial review by the Colorado Water Conservation Board (CWCB) and a meeting of the Steering Committee and CWCB representative is scheduled for next week. The adoption of the Water Conservation Plan is a prerequisite to obtaining financing through the CWCB or the Water and Power Resources Authority.

## **NEW BUSINESS**

Committee Assignments – With a full Board of Directors now in place the Committee assignments determined in May, 2010 were re-affirmed. In addition, the Budget Committee was assigned by Chairman Burger. Committee Assignments are as follows:

Policy and Standards Committee:	Robert Burger and Doralyn Genova
Construction Committee:	Alan Hassler and Dale Peck
Personnel Committee:	Robert Burger and Alan Hassler
Budget Committee:	Dale Peck and Robert Norman

Cost of Service Rate Analysis – Manager Tooker distributed a Cost of Service Rate Analysis report and presented the same report via PowerPoint. The functionalization and classification of revenue requirements (expenses) was explained. These costs of providing water service are then allocated by Commodity, Capacity, Actual Customer, Meter and Services, and Public Fire Protection. The resulting analysis represents the cost of water production to be \$2.18 per 1,000 gallons and the cost of providing services to the customer and fire protection to be \$11.64/month. This data illustrates the need to increase the District’s water rates to sufficiently recover the costs. The proposed rate increase, based on the Cost of Service Rate Analysis is to increase the Base Rate from \$10/month/customer to \$12/month/customer and to adjust the Consumption Rate as follows:

Tier 1 - 3,000 to 10,000 gallons \$2.00/1,000 increased to \$2.15/1,000  
Tier 2 – 10,000 to 18,000 gallons \$2.15/1,000 increased to \$2.45/1,000  
Tier 3 – Greater than 18,000 gallons \$3.00/1,000



---

The Board commented that if Amendments 60, 61 and/or Proposition 101 were to pass the rate adjustments would need to be higher.

No action was taken on a rate adjustment at this time.

Special District Association Briefing – Directors Hassler and Peck and Assistant Manager Reinertsen summarized the workshops they attended at the Special District Association’s Annual Conference held in September, 2010. Topics included discussion of Amendments 60 and 61 and Proposition 101, as well as water issues.

**Manager’s Evaluation**

Manager Tooker re-stated the goals he and the Board had defined for 2010 actions, and he reported that the goals have not been accomplished to date due to operational items demanding more immediate actions. The Board requested an outline from Manager Tooker of the issues that prevented achievement of the goals.

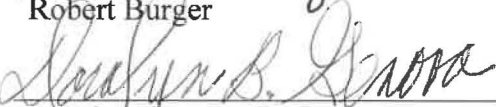
**ADJOURNMENT**

Director Genova moved to adjourn the meeting. Director Hassler seconded and the motion passed unanimously. The meeting was adjourned at 8:20 p.m.

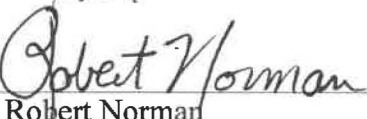
**ATTEST:**

  
\_\_\_\_\_  
Robert Burger

  
\_\_\_\_\_  
Alan Hassler

  
\_\_\_\_\_  
Doralyn Genova

  
\_\_\_\_\_  
Dale Peck

  
\_\_\_\_\_  
Robert Norman

\_\_\_\_\_

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
TUESDAY, OCTOBER 26, 2010**

**BOARD MEMBERS PRESENT:** Robert Burger, Chairman; Doralyn Genova, Secretary;  
Dale Peck, Treasurer; Robert Norman, Director

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen;  
Kelly McLaughlin; Dennis Carlson

**GUESTS PRESENT:** John Ballagh, Former Board Member  
Brian Woods, Former Board Member  
Mark Lichtwardt, Burns and McDonnell Engineering  
Anthony Beeson, Burns and McDonnell Engineering  
Jason Shaffer, Burns and McDonnell Engineering  
Andy Hundley, Burns and McDonnell Engineering  
Darin Brickman, Burns and McDonnell Engineering

**CALL TO ORDER**

Chairman Burger called the Special Board Meeting to order at 3:35 p.m. Vice Chairman Hassler was excused from the meeting.

**RECOGNITION OF GUESTS**

Chairman Burger introduced former Board Members John Ballagh and Brian Woods and read lists of accomplishments that each had achieved during their terms of service to the Clifton Water District. The Board thanked John Ballagh and Brian Woods with a gift and framed Resolution for each.

Director Genova moved to adopt the Resolution in Honor of John Ballagh. Director Peck seconded and the motion passed unanimously.

Director Genova moved to adopt the Resolution in Honor of Brian Woods. Director Peck seconded and the motion passed unanimously.

Resolution Text inserted below:

*RESOLUTION  
IN HONOR  
OF  
BRIAN WOODS*

*WHEREAS, Brian Woods has served as a member of the Clifton Water District Board of Directors for ten years from May 17, 2000 to May 6, 2010; and,*

---

***WHEREAS**, the guidance and insight provided by Brian Woods has been instrumental to the development and professional advancement of the District; and,*

***WHEREAS**, during his ten year service to the District, Brian Woods' ideas and principles were incorporated into the countless decisions and policies that are paramount in shaping the fundamental principals of the Clifton Water District; and,*

***WHEREAS**, Brian Woods' leadership and knowledge was instrumental in the completion of a diverse variety of Capital Projects and organizational improvements to continue the commitment of providing the essential service of safe drinking water for the Customers of the Clifton Water District; and*

***NOW THEREFORE BE IT RESOLVED** that the Clifton Water District and Board of Directors express their gratitude for Brian Woods' commitment;*

***BE IT FURTHER RESOLVED** that this Resolution is presented to Brian Woods in appreciation of his dedication and service to the Clifton Water District.*

RESOLUTION  
IN HONOR  
OF  
JOHN BALLAGH

***WHEREAS**, John Ballagh served as a member of the Clifton Water District Board of Directors for twenty-four years from May 7, 1986 to May 6, 2010; and*

***WHEREAS**, during John Ballagh's twenty-four years of service to the Clifton Water District, his knowledge and guidance was critical during a period that the District grew from 5,400 customers in 1986 to over 11,000 customers in 2010; and*

***WHEREAS**, John Ballagh's ideas and principles were instrumental in developing fundamental organizational policies and procedures that effectively developed and shaped all aspects of the Clifton Water District; and*

***WHEREAS**, John Ballagh's relentless dedication and leadership over the past twenty-four years has had unmistakable influence in initiating and completing a plethora of Capital Improvements, improved procedures, and enhanced processes that are paramount in providing the essential service of providing safe drinking water to the Customers of the Clifton Water District; and*

***NOW THEREFORE BE IT RESOLVED** that the Clifton Water District and Board of Directors express their gratitude for John Ballagh's commitment;*

***BE IT FURTHER RESOLVED** that this Resolution is presented to John Ballagh in appreciation of his dedication and service to the Clifton Water District.*

Manager Tooker introduced the Burns and McDonnell Engineering team members who worked on the District's Project 2008-04 MF/UF Pilot Testing Program who will present a project summary and cost projections at today's meeting.

---

**PROJECT 2008-04 MF/UF PILOT TESTING PROGRAM**

Mark Lichtwardt presented a summary of the District's Treatment Plant Facility and improvements completed to date. Anthony Beeson provided an overview of membrane filtration technology.

Anthony Beeson presented the Microfiltration/Ultrafiltration (MF/UF) pilot test project results, including the purpose of the test, testing protocols, design criteria, integrity testing, cleaning efficiency, filtered water quality, and monitoring. Costs of installing and operating MF/UF equipment from each of the three test manufacturers were reviewed and updated.

Andy Hundley reported on structural requirements necessary to construct the proposed MF/UF operation within the existing building.

The Board requested additional information regarding replacement of the existing sand filtration system with a new sand filtration system instead of MF/UF, and costs associated with construction of a new building rather than retrofitting the existing structure. Further discussion will be scheduled on the November 4, 2010 Meeting Agenda.

**ADJOURNMENT**

By consensus, the meeting was adjourned at 6:35 p.m.

**ATTEST:**

  
\_\_\_\_\_  
Robert Burger

*excused*  
\_\_\_\_\_  
Alan Hassler

  
\_\_\_\_\_  
Doralyn Genova

  
\_\_\_\_\_  
Dale Peck

  
\_\_\_\_\_  
Robert Norman

\_\_\_\_\_

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, NOVEMBER 4, 2010**

**BOARD MEMBERS PRESENT:** Robert Burger, Chairman; Alan Hassler, Vice-Chairman;  
Doralyn Genova, Secretary; Dale Peck, Treasurer;  
Robert Norman, Director

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; David Foster;  
Kelly McLaughlin

**REGULAR MEETING**

Chairman Burger called the Regular Board Meeting to order at 5:07 p.m.

**MINUTES OF THE OCTOBER 7, 2010 AND OCTOBER 26, 2010 MEETINGS**

Director Genova moved to approve the Minutes of the October 7, 2010 Meeting and the October 26, 2010 Meeting (*2010 Minutes*) with one correction to list Robert Norman as a guest at the beginning of the October 7, 2010 Meeting. Director Peck seconded and the motion passed.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Director Genova moved to accept the Financial Report and Approve Accounts Payable Regular Checks of \$186,912.45 plus Special Checks of \$1,325.36 plus HRA Disbursements of \$1,533.80 plus Benefits Checks of \$25,662.54 plus Supplemental Checks of \$52,375.13 for a total of \$267,809.28. Director Peck seconded the motion. The Board noted the interest earned as reported on the Cash Flow Statement. The motion passed unanimously.

**MANAGER'S REPORTS**

Manager Tooker noted that the continued decline in tap sales has been considered in preparation of the Draft 2011 Budget, as well as the increased number of Availability of Service accounts resulting in reduced Operating Revenues. Assistant Manager Reinertsen cited the District's 232 taps that are installed in subdivisions but have not yet been purchased.

**EXPRESS AGENDA**

The Board reviewed and accepted the Express Agenda items as presented:

1. Project 2009-04 Colorado River Intake Structure – Gould Construction, Inc. continues construction activities associated with the existing river pump by-pass pipeline. Work on the new control building has commenced with concrete foundation and walls scheduled for construction the week of November 1.

- 
2. Drinking Water Distribution Course – Session 2, 10/13/10 and Session 3, 11-16/17-10 – The second course in October was attended by 41 participants from both the public and private sectors across the Western Slope. The District had five staff members participate. The third (final) session is scheduled for November 16 & 17, 2010 and will cover water quality and distribution system operation and maintenance.
  3. Regional Water Conservation Plan – A meeting with the Colorado Water Conservation Board representative to discuss the Regional Water Conservation Plan is scheduled for Monday, November 8, 2010. The Plan is a cooperative effort by the Clifton Water District, City of Grand Junction and Ute Water.
  4. Clifton Water District Christmas Party – Staff has tentatively planned the Christmas Party for Friday, December 17, 2010 to be held in the District Shop.

### **UNFINISHED BUSINESS**

Project 2008-04 MF/UF Pilot Testing Program - Manager Tooker noted that following the October 26, 2010 Special Board Meeting the Board had requested that Burns and McDonnell Engineering prepare additional information regarding installation of a Microfiltration/Ultrafiltration system in the existing building or in a new building, and options for a different type of filtration system. Staff will obtain a cost estimate for the preparation of the additional information.

### **STAFF REPORTS**

Budget Committee - Manager Tooker reported that he and Budget Committee members Dale Peck and Bob Norman met on October 13 and October 28, 2010 to review Operating and Non-Operating Revenues and Expenses. The Draft 2011 Budget presented at this meeting represents the information discussed by the Budget Committee.

### **UNFINISHED BUSINESS**

2011 Budget – The Draft 2011 Budget (*File 11/4/10, 2011 Budget*), was extensively reviewed. Non-Operating Expenditures were reviewed line by line. Based on water tap sales for 2009 and 2010, the Board directed Staff to reduce the Plant Investment Fee line item for 2011 to reflect the anticipated sale of only 30. Operating Expenditures and Revenues had been reviewed in depth at the October 7, 2010 Meeting.

Director Hassler moved to set the FY 2011 Budget Public Hearing for December 2, 2010 at 5:00 p.m., and to post and publish the Budget as per Statute. Director Genova seconded and the motion passed unanimously.

Cost of Service Analysis and Water Rates – Manager Tooker stated that based on the Cost of Service Analysis indicating the District's cost to produce water is more than the rate charged and with a 2011 budgeted shortfall in Operating Revenues of \$381,625, a proposed new rate structure will be presented to the Board at the December 2, 2010 Meeting. The Board will consider the rate structure following conclusion of the Budget Public Hearing.

---

**NEW BUSINESS**

Bank Account Updates and Signature Cards – Manager Tooker presented signature documents from Alpine Bank, American National Bank and Palisades National Bank. Wire Transfer Authorization Resolutions will be available at the December 2, 2010 Meeting. Director Genova moved to authorize Board member signatures on the documents presented. Director Peck seconded and the motion passed unanimously.

Accountant Foster left the meeting at 7:35 p.m.

Policy #420 Water Usage Fees – Delinquency Fee – Paragraph 12.8 – Manager Tooker requested review and possible amendment of the Delinquency Fee be scheduled for discussion at a future Policy Committee meeting. The Board concurred.

Holiday Ham or Turkey – Director Genova moved to continue the District’s long-standing tradition to provide each employee and Board Member with a ham or a turkey at Thanksgiving or Christmas. Director Hassler seconded and the motion passed unanimously.

Purchase of 18 Shares of GVIC – Manager Tooker reported that the District purchased 18 additional Grand Valley Irrigation shares.

**PERSONNEL**


Manager’s Evaluation – By consensus the Board postponed the Manager’s Evaluation until the December 2, 2010 Meeting.

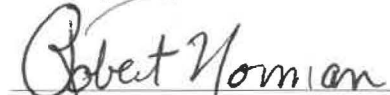
**ADJOURNMENT**

Director Genova moved to adjourn the meeting. Director Hassler seconded and the motion passed unanimously. The meeting was adjourned at 8:10 p.m.

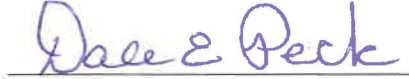
**ATTEST:**

  
\_\_\_\_\_  
Robert Burger

  
\_\_\_\_\_  
Doralyn Genova

  
\_\_\_\_\_  
Robert Norman

  
\_\_\_\_\_  
Alan Hassler

  
\_\_\_\_\_  
Dale Peck

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, DECEMBER 2, 2010**

**BOARD MEMBERS PRESENT:** Robert Burger, Chairman; Alan Hassler, Vice-Chairman;  
Doralyn Genova, Secretary; Dale Peck, Treasurer;  
Robert Norman, Director

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; David Foster;  
Kelly McLaughlin

**GUESTS:** Jamie Hamilton, Home Loan and Investment

**PUBLIC HEARING**

Chairman Burger called the Public Hearing regarding the 2011 Budget to order at 5:00 p.m. No members of the public were present and Manager Tooker reported that no comments had been received. Director Genova moved to adjourn the Public Hearing. Director Hassler seconded and the motion passed unanimously.

**EMPLOYEE RECOGNITION**

The Board observed a moment of silence in remembrance of District employee Earl White who passed away the previous week.

**MINUTES OF THE NOVEMBER 4, 2010 MEETING**

Director Genova moved to approve the Minutes of the November 4, 2010 (*2010 Minutes*) with one correction to reiterate the purchase of 18 shares of Grand Valley Irrigation as reported on page 3. Director Peck seconded and the motion passed unanimously.

**2011 GENERAL LIABILITY INSURANCE**

Jamie Hamilton presented rate and coverage information for the District's 2011 property, casualty, liability and workers compensation insurance. The best coverage and rate quote obtained was from the Colorado Special District's Property and Liability Pool at an annual premium of \$45,780.21. Flood coverage was reviewed and it was noted that the District reviewed and reduced its list of covered equipment. Hamilton also reported that the District's favorable workers compensation experience modification resulted in a premium credit for that coverage.

Jamie Hamilton exited the meeting at 5:20 p.m.



---

## **FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Director Genova moved to accept the Financial Report and Approve Accounts Payable Regular Checks of Regular \$46,221.84 plus HRA Disbursements of \$6,038.69 plus Benefits Checks of \$25,094.95 plus Supplemental Checks of \$124,983.22 for a total of \$202,338.70

Director Peck seconded the motion. Accountant Foster noted the collection of credit card transaction fees itemized on the October Statement of Cash Flow and one correction to the Wire Transfer Report.

The motion passed unanimously.

Accountant Foster exited the meeting at 5:25 p.m.

## **MANAGER'S REPORTS**

Manager Tooker noted that the number of accounts being billed as Availability of Service has increased again after several months of decline. The Plant Inflow and Outflow data led to a discussion regarding meter accuracy testing.

## **EXPRESS AGENDA**

Director Peck moved to accept the Express Agenda items as presented. Director Genova seconded and the motion passed unanimously to accept the following:

1. Project 2009-04 Colorado River Intake Structure – The 90% final design drawings were submitted to the Mesa County Building Department which subsequently issued the electrical building permit. Gould Construction proceeding to complete the subslab electrical work and poured the lower floor slab of the new control building on Wednesday, November 24, 2010. District staff continues to receive and review material/equipment submittals prior to Gould's ordering of said items. Some items (meters and valves/actuators) have a lead time delivery of 12 weeks. Foundation walls are scheduled for formwork the week of November 29<sup>th</sup>.
2. Drinking Water Distribution Course – Session 3, 11-16/17-10 – The third and final course held in November was attended by 36 participants from both the public and private sectors across the Western Slope. The District had five staff members participate. Feedback received from the participants and instructors was positive regarding the training facilities and the overall quality of the course. The District will be considered as a future training site if this training module is renewed for FY 2012.
3. Regional Water Conservation Plan – The planned meeting with the Colorado Water Conservation Board representative to discuss the Regional Water Conservation Plan has been rescheduled for Monday, December 13, 2010. The Plan is a cooperative effort by the Clifton Water District, City of Grand Junction and Ute Water.
4. Project 2008-04 MF/UF Pilot Testing Program – Staff is waiting for a formal cost and scope proposal from Burns and McDonnell Engineering Company regarding the added evaluations of the program results as directed by the Board. Staff anticipates providing a recommendation to the Board at the January 6, 2011 Regular Meeting.

---

## **UNFINISHED BUSINESS**

Cost of Service Analysis and Water Rates – Manager Tooker presented a Cost of Service Analysis and Water Rate Recommendation dated November 30, 2010 (12/2/10 File, Water Rates - Cost of Service Analysis). The Cost of Service Analysis indicates the need to increase the Base Rate to maintain the operation and maintenance of the District and offset the draft 2011 Budget deficit of \$512,519. The proposed rate structure was reviewed. It was particularly noted that residential customers using over 18,000 gallons per month will pay a higher rate for that usage in order to encourage water conservation. Director Peck moved to approve the water rate increase as proposed, effective January 1, 2011. The new rates will be:

**Base Rate –**

Current \$10/month/customer increased to \$12/month (\$2/month/customer)

**Consumption Rate –**

Tier 1 - 3,000 to 10,000 gallons \$2.00/1,000 increased to \$2.15/1,000

Tier 2 – 10,000 to 18,000 gallons \$2.15/1,000 increased to \$2.45/1,000

Tier 3 – Greater than 18,000 gallons \$3.00/1,000 (For Residential Customers Only)

Director Genova seconded and the motion passed unanimously.

2011 Budget – Manager Tooker reported the Budget Committee has reviewed all budgetary line items for any possible reductions. Director Norman commented that reserves will be necessary to fund the Non-Operating Budget. Manager Tooker stated that, due to the water rate increase just adopted and the need to determine employee health insurance benefits, a revised budget will need to be prepared and reviewed. By consensus, the Board scheduled a Special Meeting for Wednesday, December 8, 2010 at 5:30 p.m. for review and adoption of the 2011 Budget.

Fund Transfer and Wire Transfer Authorization Resolutions – Manager Tooker presented the annual Resolutions required regarding the transfer of funds in District financial accounts. Director Genova moved to approve and authorize execution of the Fund Transfer and Wire Authorizations with American National Bank, Palisades National Bank and ColoTrust. Director Peck seconded and the motion passed unanimously.

## **NEW BUSINESS**

2011 General Liability Insurance – Based on the information provided by Jamie Hamilton of Home Loan and Investment, Director Genova moved to accept the proposal for property and casualty insurance coverage provided by Colorado Special District Property and Liability Pool from January 1, 2011 through December 31, 2011 at a cost of \$45,780.21. Director Hassler seconded and the motion passed unanimously.

2011 Workers Compensation Insurance – Assistant Manager Reinertsen presented a Staff Report (12/2/10 File and 2010 Staff Reports) dated December 2, 2010 regarding 2011 Workers Compensation insurance. Claims history ratings and deductible options were summarized. Director Genova moved to accept the proposal for 2011 Workers Compensation Insurance through Colorado Special District's Property and Liability Pool with a deductible of \$500.00 and an annual premium of \$17,354.40. Director Norman seconded and the motion passed unanimously.

---

Grand Valley Irrigation Company Annual Shareholders Meeting and Auction – Manager Tooker reported that the Grand Valley Irrigation Company does not propose a rate increase for 2011. Shares may be available at the auction scheduled for December 9, 2010. Director Genova moved to authorize a transfer of up to \$10,000 from Contingency for the purchase of Grand Valley Irrigation Company shares at the auction, with a maximum price of \$500 per share. Director Hassler seconded and the motion passed unanimously.

2010 Audit – Mary Brenes, CPA has submitted a letter of agreement for preparation of the District’s 2010 Audit. Director Genova moved to accept and authorize Manager Tooker’s signature on the letter of agreement for the 2010 Audit. Director Peck seconded and the motion passed unanimously.

Resolution Honoring Retiring Employees – Director Peck moved to adopt the Proclamation Resolution honoring retiring employees Carey Blount, Violet Church and David Larsen. Director Genova seconded and the motion passed unanimously.

Proclamation text inserted below:

*PROCLAMATION  
IN HONOR  
OF  
CAREY BLOUNT  
VIOLET CHURCH  
DAVID LARSEN*

*WHEREAS, for nearly thirty one years individually and 93 years combined, Carey Blount, Violet Church and David Larsen have efficiently and tirelessly served the customers of the Clifton Water District and,*

*WHEREAS, Carey Blount, Violet Church and David Larsen’s continued dedication and pledge to water quality, customer service and community care demonstrate their true dedication to the water community and the customers of the Clifton Water District and,*

*NOW THEREFORE BE IT PROCLAIMED that on December 31, 2010, Carey Blount, Violet Church and David Larsen will honorably retire together and the Clifton Water District and Board of Directors are honored to recognize their contributions and extend their highest gratitude for a “Job Well Done”.*

2011 Employee Health Insurance – Director Hassler moved to amend the agenda to add a report from the Personnel Committee regarding 2011 employee health insurance recommendations. Director Genova seconded and the motion passed unanimously. Manager Tooker presented his memo, dated November 30, 2010, summarizing the benefits and disadvantages of two employee health insurance options reviewed by the Personnel Committee – Option 1 Traditional Plan and Option 2 HRA Utilization Plan. In addition to the data provided, the Board discussed its desire to protect employees from a major cost increase particularly with no wage increases budgeted for 2011, and to equalize the benefit across employee classifications. Director Genova moved to

adopt Option 2 – HRA Utilization with a monthly allocation of \$900 per employee, in addition to the employee’s 100% premium coverage, as per the Personnel Committee’s recommendation. Director Hassler seconded the motion. Discussion ensued regarding the budgetary impact of the \$900 per employee allocation, the out-of-pocket expense for employees with family coverage, and the potential cost savings to the District if employees do not fully utilize their allocations. The motion passed unanimously.

**EXECUTIVE SESSION**

Director Genova moved for the Board to go into Executive Session for the purpose of discussing personnel issues, including the Manager’s Evaluation, as per C.R.S. §24-6-402 (4)(f). Director Hassler seconded and the motion passed unanimously. The Board went into Executive Session at 8:05 p.m. with Directors Burger, Hassler, Genova, Peck and Norman present.

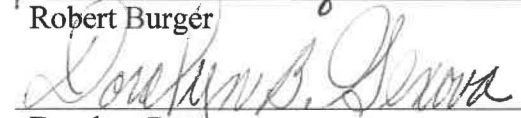
At 8:30 p.m. the Board exited the Executive Session and reconvened the Regular Meeting.

**ADJOURNMENT**

Director Peck moved to adjourn the meeting. Director Norman seconded and the motion passed unanimously. The meeting was adjourned at 8:30 p.m.

**ATTEST:**

  
\_\_\_\_\_  
Robert Burger

  
\_\_\_\_\_  
Doralyn Genova

  
\_\_\_\_\_  
Robert Norman

  
\_\_\_\_\_  
Alan Hassler

  
\_\_\_\_\_  
Dale Peck

**MINUTES OF BOARD OF DIRECTORS SPECIAL MEETING  
CLIFTON WATER DISTRICT  
WEDNESDAY, DECEMBER 8, 2010**

**BOARD MEMBERS PRESENT:** Robert Burger, Chairman; Alan Hassler, Vice-Chairman (via phone); Doralyn Genova, Secretary; Dale Peck, Treasurer; Robert Norman, Director

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; Kelly McLaughlin

**SPECIAL MEETING**

Chairman Burger called the Special Board Meeting to order at 5:46 p.m.

**2011 BUDGET ADOPTION**

Manager Tooker presented the 2011 Budget showing revised Water Revenues of \$3,960,630 due to the water rate increase adopted by the Board at the December 2, 2010 Meeting. With this increase in Water Revenues the Budget now shows operational income rather than a loss. Operational income is a requirement of bonding covenants. Director Peck moved to adopt the 2011 Budget and the Appropriation Resolution of the Clifton Water District Board of Directors Acting By and Through Its Water Activity Enterprise For The 2011 Budget Year with an appropriation of Ten Million Two Hundred Forty Seven Thousand Seven Hundred Eighty Eight Dollars, and the Budget displayed and noticed in accordance with C.R.S. §29-1-106. Director Hassler seconded and the motion passed unanimously.

Resolution Text Inserted Below:

**APPROPRIATION RESOLUTION OF THE CLIFTON WATER DISTRICT BOARD OF  
DIRECTORS  
ACTING BY AND THROUGH ITS WATER ACTIVITY ENTERPRISE FOR THE  
2011 BUDGET YEAR**

*A resolution appropriating sums of money to the various accounts, in the amounts and for the purposes as set forth below, for the Clifton Water District Acting By and Through its Water Activity Enterprise, Mesa County, Colorado, for the 2011 Budget Year.*

*WHEREAS, the Directors have adopted the annual Budget for 2011 in accordance with the Local Government Budget Law, on the 8th day of December, 2010, and;*

*WHEREAS, the Directors have made provision therein to use a combination of revenues and reserves in an amount equal to, or greater than, the total proposed expenditures as set forth in said Budget, and;*

*WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the Budget to and for the purposes described below, so as to not impair the operations of the District or its Water Activity Enterprise.*

NOW THEREFORE, BE IT RESOLVED by the Directors of the Clifton Water District Acting By and Through its Water Activity Enterprise, Mesa County, Colorado that the following sums are hereby appropriated from the revenue and reserves of the Water Activity Enterprise, for the purposes stated below:

ESTIMATED BEGINNING BALANCE	\$5,761,018
<b><u>ESTIMATED EXPENDITURES</u></b>	
<i>Operating Expenses</i>	
Source of Supply	\$24,654
Water Treatment	\$898,731
Transmission & Distribution	\$779,500
General & Administrative	\$266,940
Labor Expenses	\$1,700,844
Total Operating Expenses	\$3,670,669
<i>Nonoperating Expenses</i>	
Capital Expenses	\$1,507,600
Bond Principal & Interest	\$259,350
Emergency Fund	\$258,914
Reserve Fund	\$917,667
Contingency	\$3,633,588
Total Nonoperating Expenses	\$6,577,119
<b>TOTAL ESTIMATED EXPENDITURES</b>	<b>\$10,247,788</b>
<b><u>ESTIMATED REVENUES</u></b>	
<i>Operating Revenue</i>	
Sale of Water	\$3,960,630
Sanitation District	\$21,600
Penalty and Fees	\$44,000
Turn Fees	\$87,800
Total Operating Revenue	\$4,114,030
<i>Nonoperating Revenue</i>	
Plant Investment Fees	\$150,000
Main Line Extension Fees	\$8,000
Disposal of Assets	\$5,000
Availability of Service	\$36,000
Interest	\$160,000
Bond/Grant Proceeds	\$0
Property Taxes	\$0
Lease Income	\$8,640
Construction Reimbursements	\$0
Tap Installation	\$1,600
Miscellaneous	\$3,500
Total Nonoperating Revenue	\$372,740
<b>TOTAL ESTIMATED REVENUE</b>	<b>\$4,486,770</b>
<b>Estimated From Reserves</b>	<b>\$5,761,018</b>
<b>TOTAL FUNDS AVAILABLE</b>	<b>\$10,247,788</b>
<b>ESTIMATED ENDING BALANCE</b>	<b>(\$0)</b>

---

*IT IS FURTHER RESOLVED, that there is appropriated from the funds of the District Acting By and Through its Water Activity Enterprise, Ten Million Two Hundred Forty Seven Thousand Seven Hundred Eighty Eight Dollars (\$10,247,788) for the general expenses of the DISTRICT, and that this appropriation be a continuing appropriation whether said funds be expended during 2011 or thereafter.*

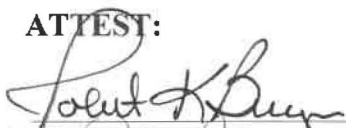
*I hereby certify the forgoing is a true copy of a Resolution adopted by the Board of Directors of the Clifton Water District Acting By and Through its Water Activity Enterprise at the Regular Board of Directors Meeting held on December 8, 2010. Said Budget was displayed for inspection and notice of said display for inspection was duly published in accordance with C.R.S. § 29-1-106.*

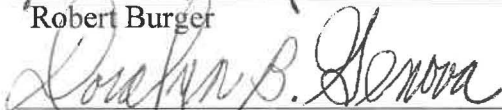
*Dated December 8, 2010*

**ADJOURNMENT**

Director Genova moved to adjourn the meeting. Director Peck seconded and the motion passed unanimously. The meeting was adjourned at 5:55 p.m.

**ATTEST:**

  
\_\_\_\_\_  
Robert Burger

  
\_\_\_\_\_  
Doralyn Genova

  
\_\_\_\_\_  
Robert Norman

  
\_\_\_\_\_  
Alan Hassler

  
\_\_\_\_\_  
Dale Peck

\_\_\_\_\_

**APPROPRIATION RESOLUTION OF THE CLIFTON WATER DISTRICT BOARD OF DIRECTORS  
ACTING BY AND THROUGH ITS WATER ACTIVITY ENTERPRISE FOR THE  
2011 BUDGET YEAR**

A resolution appropriating sums of money to the various accounts, in the amounts and for the purposes as set forth below, for the Clifton Water District Acting By and Through its Water Activity Enterprise, Mesa County, Colorado, for the 2011 Budget Year.

WHEREAS, the Directors have adopted the annual Budget for 2011 in accordance with the Local Government Budget Law, on the 8th day of December, 2010, and;

WHEREAS, the Directors have made provision therein to use a combination of revenues and reserves in an amount equal to, or greater than, the total proposed expenditures as set forth in said Budget, and;

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the Budget to and for the purposes described below, so as to not impair the operations of the District or its Water Activity Enterprise.

NOW THEREFORE, BE IT RESOLVED by the Directors of the Clifton Water District Acting By and Through its Water Activity Enterprise, Mesa County, Colorado that the following sums are hereby appropriated from the revenue and reserves of the Water Activity Enterprise, for the purposes stated below:

ESTIMATED BEGINNING BALANCE	\$5,761,018
-----------------------------	-------------

**ESTIMATED EXPENDITURES**

<b>Operating Expenses</b>	
Source of Supply	\$24,654
Water Treatment	\$898,731
Transmission & Distribution	\$779,500
General & Administrative	\$266,940
Labor Expenses	\$1,700,844
<i>Total Operating Expenses</i>	<i>\$3,670,669</i>
<b>Nonoperating Expenses</b>	
Capital Expenses	\$1,507,600
Bond Principal & Interest	\$259,350
Emergency Fund	\$258,914
Reserve Fund	\$917,667
Contingency	\$3,633,588
<i>Total Nonoperating Expenses</i>	<i>\$6,577,119</i>

<b>TOTAL ESTIMATED EXPENDITURES</b>	<b>\$10,247,788</b>
-------------------------------------	---------------------

**ESTIMATED REVENUES**

<b>Operating Revenue</b>	
Sale of Water	\$3,960,630
Sanitation District	\$21,600
Penalty and Fees	\$44,000
Turn Fees	\$87,800
<i>Total Operating Revenue</i>	<i>\$4,114,030</i>
<b>Nonoperating Revenue</b>	
Plant Investment Fees	\$150,000
Main Line Extension Fees	\$8,000
Disposal of Assets	\$5,000
Availability of Service	\$36,000
Interest	\$160,000
Bond/Grant Proceeds	\$0
Property Taxes	\$0
Lease Income	\$8,640
Construction Reimbursements	\$0
Tap Installation	\$1,600
Miscellaneous	\$3,500
<i>Total Nonoperating Revenue</i>	<i>\$372,740</i>

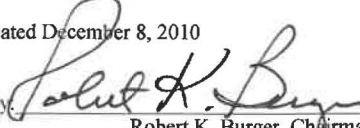
<b>TOTAL ESTIMATED REVENUE</b>	<b>\$4,486,770</b>
<b>Estimated From Reserves</b>	<b>\$5,761,018</b>

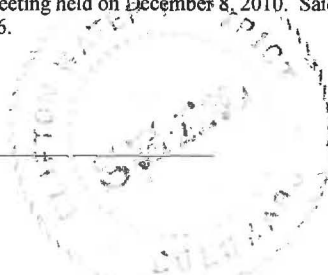
<b>TOTAL FUNDS AVAILABLE</b>	<b>\$10,247,788</b>
<b>ESTIMATED ENDING BALANCE</b>	<b>(\$0)</b>


IT IS FURTHER RESOLVED, that there is appropriated from the funds of the District Acting By and Through its Water Activity Enterprise, Ten Million Two Hundred Forty Seven Thousand Seven Hundred Eighty Eight Dollars (\$10,247,788) for the general expenses of the DISTRICT, and that this appropriation be a continuing appropriation whether said funds be expended during 2011 or thereafter.

I hereby certify the forgoing is a true copy of a Resolution adopted by the Board of Directors of the Clifton Water District Acting By and Through its Water Activity Enterprise at the Regular Board of Directors Meeting held on December 8, 2010. Said Budget was displayed for inspection and notice of said display for inspection was duly published in accordance with C.R.S. § 29-1-106.

Dated December 8, 2010

By:   
Robert K. Burger, Chairman



ATTEST:   
Dale Peck, Treasurer