

MINUTES OF MEETING OF BOARD OF DIRECTORS  
CLIFTON WATER DISTRICT

Held January 15, 1992

Present were Chairman Barrick, Vice Chairman Ela, Secretary Ballagh, Treasurer Garber and Director Wheeler. Superintendent Schuster and Chief Operator Blount were also present. Tony Sarver, a developer from Durango, was also present.

**WILLOW WOOD ESTATES** Director Barrick called the meeting to order at 7:30 p.m. and recognized Tony Sarver. Mr. Sarver is considering buying a twenty-five acre subdivision consisting of one hundred and forty two mobile home sites at the general location of C 3/4 Road and 30 Road, said parcel being west of the District's boundary. Mr. Sarver wanted the Directors to include the parcel within the boundaries of the District in order that he could purchase water for the mobile home park under the District's present rate structure. Mr. Sarver stated that the purchase of potable water under Ute's present rate structure makes the project totally economically not feasible. After a thirty minute discussion the Directors told Mr. Sarver that if he could assure the Directors that the ownership of the existing water lines within the subdivision belonged to the developer, and not Ute, and that the District would be held harmless from any suit from Ute they may consider including the subdivision within the boundaries of the Clifton Water District.

**PICKUP** Four bids were submitted for the half ton pickup to be purchased by the District. These bids were: Steve Westphal Inc., \$7,150.50 with a trade in, \$10,650.50 without a trade in; Western Slope Dodge \$8,140.00 with a trade in, \$10,640.00 without a trade in; Western Slope Auto Company (Ford) \$8,438.00 with a trade in; \$9,438.00 without a trade in; Jim Fucco Motor Company (GMC) \$8,239.00 with a trade in; \$10,539.00 without a trade in. After a twenty minute discussion Director Ballagh moved to accept the bid from Steve Westphal in the amount of \$7,150.50 with a trade in. The motion was seconded by Director Wheeler and passed unanimously.

**LEAGUE OF WOMEN VOTERS** Superintendent Schuster read aloud a letter from the League of Women Voters thanking John Ballagh for attending one of their meetings and giving them an insight into local governments, specifically that of the Clifton Water District.

**Minutes** Director Ballagh stated that the last sentence in paragraph seven on page two should have read as follows: "It was the general consensus of the Directors that this could not be a workable and legal arrangement." Director Garber moved to approve the minutes with John's correction. The motion was seconded by Director Wheeler and passed unanimously.

**Financial Report and Accounts Payable** Director Ballagh moved to accept the financial report and pay the accounts payable as shown on the report in the amount of \$114,347.68 and the new payables in the amount of \$19,307.26 for a total of \$133,654.94. The motion was seconded by Director Garber and after a fifty minute discussion passed unanimously.

**West Tank** Superintendent Schuster told the Directors that the West Tank was completed except sandblasting and painting. The sandblasting and painting is scheduled for around February first and will take about three weeks to complete. Director Barrick questioned the time of completion as outlined in the contract between D & R Tank and the District. Superintendent Schuster told the Directors that he had changed the completion date from January 8, 1992, to March 1, 1992, in order to paint the tank in warmer weather.

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Director Barrick stated that since the Directors had signed and approved the original contract that is was up to them to make any changes in the contract and changing the date of completion was not an administrative decision. After some discussion Director Ballagh stated that it was all behind us but in the future the Superintendent should contact the Directors. The Superintendent asked the Directors whether they would consider the painting of the Central High School Warrior logo on the side of the tank. After some discussion Director Ballagh moved to only have the word "CLIFTON" on the tank and that no logo be allowed. The motion was seconded by Director Wheeler and passed unanimously.

**Property Appraisal** The Superintendent reported that he had no luck in acquiring an appraiser to appraise the property at 137 3rd street within the cost of \$350.00 as allowed in the December meeting. It was the general consensus of the Directors that the District could get an appraisal from a real estate agent within the \$350.00 budget and for the Superintendent to continue attempts to obtain an appraisal.

**Required By Law** Director Wheeler cautioned the Directors and staff that the date for implementation of the "Americans for Disability Act" was rapidly approaching and that the District should consider access and toilet facilities for the handicapped in accordance with the law. The other Directors stated that is why the District is considering the construction of a new office across the street where the handicapped requirements would be incorporated. During the discussion the Superintendent stated that the amendments to the Safe Drinking Water Act would require the District to install chlorinating equipment at a cost of approximately \$20,000.00. Chief Operator Blount stated that he had received a firm bid for the equipment for less then \$17,000.00 but that this bid did not include some electrical wiring. Blount did not think the wiring would be very expensive.

**Heather Wisenstine** Superintendent Schuster told the Directors that the District had only been put on notice that there would be a suit filed but at this point in time a suit has not been filed.

**Rock Structure** Superintendent Schuster told the Directors that the Corps of Engineers had sent a letter to the Fish and Wildlife people supporting the District's position of having the rock structure in the river. The letter also stated that if the Fish and Wildlife opposed the structure that the Corps would deny the 404 permit.

**Rolling Hills Sanitation District** Superintendent Schuster told the Directors that the auditor wanted to "write off" the Rolling Hills debt on paper to clean up the District's financial report. After some discussion Director Ballagh moved to table the matter for a period of one year. The motion was seconded by Director Garber and passed with Director Ela abstaining.

**Availability of Service Charge** Director Ballagh moved to set the availability of service charge for 1992 at 35.65% of the average monthly water bill in 1991. The average monthly water bill in 1991 was \$16.83 and 35.65% of this figure is \$6.00. The motion was seconded by Director Garber and passed unanimously.

**Meeting Place** Director Ela moved to designate the water office at 137 3rd street as the public place for posting meeting notice and agenda in accordance with the revised Colorado Sunshine Law (Open Meetings Law). The motion was seconded by Director Wheeler and passed unanimously. Director

Garber requested that he receive a copy of the meeting notice and agenda for posting in the Post Office in Whitewater in addition to the posting at the water office. It was the general consensus of the Directors that this request be granted.

**Radio Antenna** Members of a group called "Radio Free America" had requested permission to install an antenna at the Plant #1 site. After some discussion Director Ela moved to allow Radio Free America to install an antenna at the site of Plant #1 provided that they pay for the power for operation that would be a non exclusive right, that Radio Free America hold harmless the District under all circumstances and that the right to install the antenna be revoked if there was evidence that their broadcasting was interfering with other existing or proposes transmitters. The motion was seconded by Director Garber. After considerable discussion the motion was defeated on affirmative votes by Directors Ela and Garber and negative votes by Directors Wheeler, Ballagh and Barrick.

**Caps With Logo** Director Garber inquired as to the feasibility of the District purchasing caps with the Clifton Water District logo on them. After some discussion the Superintendent was instructed to get costs and make a report at the February meeting for consideration at that time.

There being no other business the meeting adjourned at 10:35 p.m.

ATTEST:

Martin Garber

Mr. M. Ela

John L. Ballagh  
Secretary

Paul E. Barrick

George E. Wheeler

MINUTES OF MEETING OF BOARD OF DIRECTORS  
CLIFTON WATER DISTRICT

Held February 19, 1992

Present were Chairman Barrick, Vice Chairman Ela, Secretary Ballagh, Treasurer Garber and Director Wheeler. Superintendent Schuster and Chief Operator Blount were also present. Steve Rocha representing School District 51; Messrs Floyd Peterson and Frank Wilson representing Sun Radio Network; and Mary Brenes and Mike Nelson representing CSD & Co., Certified Public Accounts were also present.

**SUN RADIO NETWORK** Director Barrick called the meeting to order at 7:30 p.m. and recognized Floyd Peterson and Frank Wilson of Sun Radio Network. These two gentlemen explained to the Directors that the radio antenna that they purposed to erect at plant #1 would not interfere with other radio transmissions in the area and asked the Directors to reconsider the decision of the January 15, 1992 meeting. Director Ela stated that allowing an antenna at the site of plant #1 was a community service and that if they let Sun Radio Network erect an antenna there, then they would have to grant anyone permission to erect an antenna there and continued on stating that once there was interference and a conflict all antennas would have to be removed. Messrs Peterson and Wilson stated that they understood. Director Ballagh fine tuned Director Ela's remarks to make sure that Messrs Peterson and Wilson understood the District's position. Again Messrs Peterson and Wilson stated that they understood. Director Ballagh stated that, recognizing that Sun Radio Network is non-profit that the District allow them to install a ten watt directional F.M. translator with the understanding that this was not an exclusive grant and that other antennas or other networks would be granted the same license. Director Ballagh moved to allow Sun Radio Network to install an antenna and translator at the site of plant #1 provided that they pay for the power for operation over and above the minimum cost and that it be a non-exclusive right and that Sun Radio Network hold harmless the District under all circumstances and that the right to install the antenna be revoked if there was evidence that their broadcasting was interfering with other existing transmitters and once this license was revoked the antenna and translator would be removed within thirty days after written notice. The motion was seconded by Director Garber and passed unanimously.

**1991 AUDIT** The floor was turned over to Mike Nelson and Mary Brenes of CSD & CO. were present to present the District's 1991 Financial Statement. Mr. Nelson and Mrs. Brenes took one hour to go through the District's 1991 financial statement with the Directors. After the presentation Director Ela stated that he found the review to be satisfactory and that the District had spent their money judiciously.

**SCHOOL DISTRICT 51** Steve Rocha representing Mt. Garfield Middle School took twenty-five minutes to explain to the Directors what the Middle School wanted to do at the site of Plant #2 and presented the first draft of an agreement between the School District and Clifton Water District. The agreement had a few rough edges which the Superintendent said he would clean up and present at the March meeting.

**MINUTES** Director Ela moved to approve the minutes of the January 15, 1992 meeting as presented. The motion was seconded by Director Garber. Director Garber indicated that the word "purposes" in the eighth line under the paragraph Radio Antenna on page three should be changed to "purposed". During the discussion on the minutes of the January 15, 1992 meeting it was

noted that there was no minutes presented for the February 10, 1992 meeting which was held at the District's office. The February 10th meeting was a meeting called by the City of Grand Junction so that their Attorney, Dan Wilson, and their Utility Director, Greg Trainor, could present the City's side of the City/Ute disagreement and for the District's water attorney, Linda White, to present her reasons for opposing the Denver Water exchanges out of Green Mountain Reservoir on the Colorado River. There were no decisions made at the February 10th meeting, the meeting was merely informational. After a short discussion the motion to approve the minutes of the January 15, 1992 meeting, as corrected, was approved unanimously.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE** Director Ballagh moved to accept the financial report and pay the accounts payable as shown on the report in the amount of \$23,478.89 and the new payables in the amount of \$61,429.72 for a total of \$84,908.61. The motion was seconded by Director Ela. After a forty minute discussion the motion to approve the financial report and accounts payable passed unanimously.

**WEST TANK** Superintendent Schuster gave a report on the progress of the sand blasting and painting at the West Tank as well as the vandalism that had taken place on Saturday, February 15th. The vandalism, caused by persons unknown, was a fire set to four gallons of paint inside the tank. This vandalism was a potentially dangerous act as the paint is very volatile and the painter, Bob Brown, stated that when he left the tank the fumes in the tank were so thick that an electric spark or an open flame would have caused an explosion. Director Ela instructed the Superintendent to advise the Sheriff of the vandalism and ask for more patrols in an attempt to avoid a disaster in the future. The superintendent also stated that due to the vandalism an extension of time for the completion of the tank was in order and asked that the Directors approve a time extension. Director Ela moved to allow for a time extension at the discretion of the Superintendent for a time not to exceed twenty-eight days. The motion was seconded by Director Ballagh and passed unanimously. Director Garber inquired as to whether the District was going to construct a fence around the tank. Superintendent Schuster stated that a fence was in the plans after the sand blasting and painting was complete. Director Garber moved to authorize the Superintendent to take bids on a fence that would be the most security and cost effective in the opinion of the fence company. The motion was seconded by Director Ela and passed unanimously. Director Ela said he thought his statement to the Superintendent to report the vandalism at the tank to the sheriff and explain the potential tragedy that could have been created should be in a form of a motion and he so moved. The motion was seconded by Director Ballagh and passed unanimously.

**PROPERTY APPRAISAL** The Superintendent reported that he had received a telephone call from property appraiser, Ed Frost, at the urging of Director Wheeler but that Mr. Frost had not as of yet shown up to appraise the property at 137 3rd Street.

**HEATHER WISENSTINE** Superintendent Schuster stated that he had not received notice that a suit had been filed concerning Heather Wisenstine but that the District had been put on notice. In the discussion Director Barrick stated that he thought that the meter lid at Taco Bell and the meter lid at Kentucky Fried Chicken should be looked at by the Superintendent to see if they were in satisfactory condition. Director Garber stated that he thought the lids

in these two locations should be locked.

**ROCK STRUCTURE** Superintendent Schuster told the Directors that he had replied to correspondence from The Corps of Engineers and The Fish and Wildlife Service. In the correspondence, he asked for a five-year temporary permit to see if the rock structure effected the fish habitat.

**EMPLOYEE RETIREMENT PLAN** The Superintendent told the Directors that The Tax Sheltered Annuity (TSA) as provided by United of Omaha for the before tax dollars of the employee was illegal for quasi-municipal employees and that Attorney Bill Frey from the office of Dufford and Waldeck was working on a letter to send to United of Omaha telling them that the District was dropping this plan and holding United of Omaha responsible for all I.R.S. penalties, attorneys fees, and early withdrawal penalties. The Superintendent stated that he thought that the employee committee on the retirement plan could have a written report by the March meeting.

**CAPS WITH LOGO** The Superintendent had presented the Directors with several options of purchasing baseball caps with logos that seemed rather expensive. After some discussion any action on this matter was deferred until the March meeting.

**AMERICAN DISABILITY ACT** Superintendent Schuster stated that he did not think that the ADA requirements included the Clifton Water District as the District had less than fifteen employees. The Directors thought that the Superintendent had missed something in the Act and asked Director Wheeler to look into it further and advise the Superintendent of his findings.

**ELECTRONIC TRANSFER FUNDS** Superintendent Schuster told the Directors that Director Ballagh's premonition of the State withdrawing too much money from the District's checking account came to pass. The State attempted to electronically withdraw over \$5,000.00 from the District's checking account when only \$500.00 should have been withdrawn. Since the District had opened a checking account specifically for the electronic transfer, the funds were not available for the State and that the matter was cleared up after a few telephone calls.

**COST OF NEW EQUIPMENT AND SERVICES** Director Ela stated that he wanted a break down of the total cost of the reconstruction of the three million gallon West Tank and the cost to the District for complying with the amendments of the Safe Drinking Water Act as well as a statement on the savings the District is experiencing by having a standby Diesel Generator at Plant #2. The Superintendent stated that he would comply with this request just as soon as all the figures were available.

**XERISCAPE WEST 92** Superintendent Schuster told the Directors that Xeriscape West 92 was again having an annual show at the Hilton Hotel and that if the District wanted to participate, a booth would cost them \$150.00. After a short discussion Director Wheeler stated that the District would match 50 % of the cost of a booth with another entity wishing to set up a booth at the Xeriscape West 92 exhibit as long as the exhibit was within the operational policy and procedures of the District. The motion was seconded by Director Garber and passed unanimously.

**WATER QUALITY BETTERMENT** Director Ela moved to simplify the bookkeeping by

eliminating the "line item" for water quality betterment from the budget. Director Ballagh said he would second the motion if Director Ela would include in the motion a requirement for a footnote in the 1992 audit what the District had spent to improve and maintain water quality. Director Ela stated that the addition to his motion was acceptable. The motion was seconded by Director Ballagh. Before any action was taken on the motion Director Ballagh moved to defer any action on the Water Quality Betterment subject until the March, 1992 meeting. The motion was seconded by Director Wheeler and passed unanimously. The Superintendent stated that he would tabulate the revenue and expenses of the Water Quality Betterment Fund and deliver them to the Directors prior to March meeting.

**COMPUTER** Director Ballagh reported that the computer committee proposed that the District consider purchasing long term computer hardware and software and this equipment be tested for a few months and be on line by January 1, 1993, and if necessary, obtain additional support help to meet this deadline from a temporary services company. It was the consensus of the Directors that this was an obtainable goal.

There being no other business the meeting adjourned at 12:15.

ATTEST:

Paul E. Bamick

John M. Ela

John L. Ballagh  
Secretary

Martin Garber

George E. Wheeler

MINUTES OF A SPECIAL MEETING OF BOARD OF DIRECTORS  
CLIFTON WATER DISTRICT

Held February 26, 1992

Present were Chairman Barrick, Secretary Ballagh, Treasure Garber, and Director Wheeler. Superintendent Schuster was also present. Attorney Linda White from the firm of Dufford and Waldeck was present. Attorneys Greg Hoskin and Don Hamburg and Engineer Eric Kuhn representing the Colorado River Water Conservancy District and Orlin Bell District 5 Engineer with the State of Colorado were also present. The notice of this special meeting had been posted as per State Statutes. The absence of Director Ela was an excused absence.

Attorney Hoskin, Mesa County's representative on the Colorado River Conservation District (CRWCD), spent the first fifteen minutes explaining to the Directors the charge of the CRWCD explaining that Green Mountain Reservoir and Ruedi Reservoir were constructed as compensatory storage for the Western Slope and that the Northern Colorado Water Conservancy District (NCWCD) had given the CRWCD \$10 million to construct another compensatory storage reservoir on the Western Slope. The CRWCD elected to construct Wolford Mountain Reservoir on Muddy Creek in Grand County. The CRWCD has already spent an estimated \$7 to \$8 million in acquiring land and the permits required to build the Wolford Mountain Reservoir. The Wolford Mountain Reservoir on Muddy Creek will hold 60,000 acre feet of water when constructed. The Denver Water Department will lease 15,000 acre feet of this water per year and it is revenue from this lease that is the security for the bonds that the CRWCD will issue to finance the construction of the Reservoir. But before the CRWCD can finalize the substitute agreement with The Denver Water Department the water exchange agreement (case #88CW382) much be settled. The United States of America, NCWCD, CRWCD and Denver have tentatively agreed on a stipulation to settle case 88CW382 but at the present time Clifton and other objectors are opposing settlement.

Don Hamburg, Attorney for the CRWCD, spent twenty minutes explaining the ramifications of case # 88CW382 and the relationship of the CRWCD with Denver Water. During the discussion Director Garber inquired as to the quality of the water in the Colorado River after the construction of Wolford Mountain Reservoir. Attorney Hamburg turned the meeting over to Engineer Eric Kuhn from the CRWCD for a response. Eric Kuhn had drawn the Colorado River drainage and reservoirs on the chalk board while Attorney Hamburg was speaking and proceeded to describe the reservoirs and the drainage. He also had drawn a typical hydrograph and superimposed on the hydrograph a salinity graph. Eric spent about ten minutes giving a dissertation on the Colorado Drainage, it's reservoirs, the hydrograph and the salinity graph. In Eric's talk he stated that if it were not for the leases from the compensatory reservoirs up stream from Clifton, that the salinity in the Colorado River would be considerably greater during times of low flow.

At approximately 8:50 p.m. Don Hamburg said he wanted two things from the Water District. These two things were for us not to oppose case #88CW382, and not to oppose the substitution agreement which would allow Denver to lease 15,000 acre feet from the Wolford Mountain Reservoir for the next 25 years. He went on to state that the Wolford Mountain Reservoir would be a benefit to Western Colorado as the 60,000 acre foot reservoir would be available for Western Colorado water users after the 25 year lease with



Denver had expired. Attorney White then inserted the statement that the 15,000 acre feet of water would be available to the highest bidder, which would properly not be Western Colorado Water Users.

At Approximately 9.30 p.m. it was determined that the discussion had reached an impasse as the representatives of the CRWCD had not convinced the Directors of the Water District that the Wolford Mountain Reservoir would not harm the water quality in the Colorado River. Greg Hoskin stated that he would make available Dave Merritt from the CRWCD to explain the estimated salinity concentrations in the Colorado River once Wolford Mountain Reservoir was constructed. The next thirty minutes was spent on an exchange of information between the Directors and the visitors.

At approximately 10:00 the Superintendent asked the Directors to approve the following Joinder Agreement:

Reference the provisions of CRS 1973, 24-52-101 et seq., and Section 457 of the Internal Revenue Code, the following Special District, Clifton Water District hereby joins the Special District Association of Colorado's Deferred Compensation Plan (The "Plan").

The terms and conditions of the Plan are set forth in the plan document that is maintained in the Association's records. The plan document has been revised to comply with final section 457 regulations. A copy is available to a participating member of the Special District upon request.

The Superintendent explained that the Joinder Agreement was necessary in order for the employees to have a vehicle to invest "before tax dollars" in a retirement plan and that the plan would in no way involve District dollars. However, the Superintendent went on to explain, that the funds in the 457 plan would become an asset of the District and be subject to seizure in the event that the District went into bankruptcy. The Superintendent stated that he had no fear of the District going into bankruptcy as long as he was the manager. Director Ballagh moved to adopt the Joinder Agreement. The motion was seconded by Director Wheeler and after a 20 minute discussion, the motion passed unanimously.

There being no other business the special meeting adjourned at 10:25 p.m.

ATTEST:

*Ratified by view of  
videotape - Wm. M. Elia*

*George E. Wheeler*

*John L. Ballagh*  
Secretary

*Martin Garber*

*Paul E. Barwick*

MINUTES OF MEETING OF BOARD OF DIRECTORS  
CLIFTON WATER DISTRICT

Held March 18, 1992

Present were Chairman Barrick, Vice Chairman Ela, Secretary Ballagh, Treasurer Garber and Director Wheeler. Superintendent Schuster and Chief Operator Blount were also present. Jim Selcke and Mark Paquette, Activities Director and Head Boy respectively from Central High, were also present.

**CENTRAL HIGH SCHOOL** Director Barrick called the meeting to order at 7:30 p.m. and recognized Messrs Selcke and Paquette. The Central High School representatives asked the Directors to reconsider their decision of January 15, 1992 and allow Central High School to paint a logogram on the West Tank to represent Central High School. The logogram would be in the shape of a large "C" with a smaller "H" and "S" tucked in the larger "C". The Directors discussed vandalism, fencing, the Central High School boundary and what other high schools in the area might think for approximately fifteen minutes. After the discussion Director Ballagh moved to allow Central High School to paint the logogram as described on the south side of the West Tank provided that the High School obtain all permits, furnish all painting and labor for the project, hold the District harmless and be ready to remove the logogram in the event there were problems. The motion was seconded by Director Garber and passed unanimously.

**MINUTES** The Directors discussed the following corrections to the minutes of the February 19, 1992 meeting. The word "Accounts" in the first paragraph should be "Accountants". The word in the fourth line of the second paragraph should be "proposed" rather than "purpose". The word in the fourth line under the paragraph titled Minutes should be changed from "Purposed" to "Proposed". On page two the title "Property Appraisal", the word "Appraisal" was misspelled. In the minutes of the February 26, 1992 the following corrections were made. The word in the third line from the bottom of the third paragraph on the first page "leases" should have been "releases". The last sentence on the fourth paragraph on the first page should read "He went on to state that after the 25-year lease for 15,000 acre feet of water per year with Denver expired, there would be 15,000 acre feet of water, a total of 60,000 acre feet, available from the Wolford Mountain Reservoir for Western Colorado water users. The word in the last line of the first paragraph on top of page two "properly" should have been "probably" the wording in the second sentence of the second paragraph of the Joinder Agreement should read the plan document has been revised to comply with the final section of I.R.S. Code 457.

Director Ballagh moved to accept the minutes of the meetings of February 19th and 26th as corrected. Director Ela seconded the motion and it passed unanimously.

**PAPER PUNCH** Director Barrick instructed Superintendent Schuster to purchase a paper punch that would make 3/8 inch diameter holes.

**SUPERINTENDENT'S REPORT** Director Ela questioned the explanation in the February, 1992, Superintendent's report as to why the plant inflow was approximately 7,000,000 gallons less than the plant outflow. The Superintendent stated that a stick got stuck in the City's water meter creating the difference in the readings between the District's meter and the City's meter. The City was aware of the discrepancy but was willing to let it go since the City had supplied the District with water that did not meet the current Safe Drinking Water standards due to a water break on the City's

system.

**FINANCIAL REPORT** Director Garber moved to accept the financial report and pay the accounts payable as shown on the report in the amount of \$42,534.48 and the new payables in the amount of \$108,131.04 for a total of \$150,665.52. The motion was seconded by Director Ballagh. After the motion was made and seconded there was a discussion concerning some of the bills in the accounts payable as well as the cost of turbidity meters and other equipment for Plant #2. After a forty-five minute discussion the motion passed unanimously.

**WEST TANK** The Superintendent explained to the Directors the additional time required to hand brush the interior of the tank due to the pitting that was not visible to the engineer or contractors prior to the bidding process. He explained in order to get a good coat of paint in the pits the interior of the tank had to be hand rolled and then spray painted and requested that the Directors extend the time of completion to March 31. The Superintendent told the Directors that he had reported the fire and vandalism at the West Tank as discussed in the February meeting to the Sheriff's Office and that the contractor had experienced more vandalism on the very evening of the February meeting. The Superintendent went on to say that with the exception of the second coat on the exterior and the painting of the floor of the interior that the painting of the tank was virtually complete. In addition to the report on the painting the Superintendent told the Directors that Taylor Fence was awarded the contract to construct a 700 foot long by 7 foot high fence around the perimeter of the tank for a cost of \$6,165.00 After a short discussion Director Garber moved to extend the time of the completion of the tank to March 27, 1992 and to allow no extension of time after that date and to impose the penalty of \$400.00 a day liquidated damages in accordance with the contract. The motion died for a lack of a second. After another short discussion Director Garber revised his motion to extend the time of the completion of the tank to March 31, 1992 and to allow no extension of time after that date and to impose the penalty of \$400.00 a day liquidated damages in accordance with the contract. The motion was seconded by Director Ela and passed. Director Barrick wanted the record to show that he opposed the extension of any time for the completion of the project.

**PROPERTY APPRAISAL** Superintendent Schuster reported that he had not received the property appraisal from Ed Frost for the property at 137 3rd Street in Clifton, but that he had been in touch with Mr. Frost by telephone and that a property appraisal was forth coming.

**HEATHER WISENSTINE** The District as well as all the Directors had been served notice that the District and the Directors were being sued by Heather Wisenstine for an injury that she claimed happened at a meter pit at the Mt. Garfield Laundromat. Superintendent Schuster told the Directors that he had been assured by attorney Jamey Jamison of the firm of Hall & Evans in Denver that the Directors as individuals had been dropped from the suit but that the District was still involved. The Directors stated that they would like a letter from Mr. Jamison so stating.

**ROCK STRUCTURE** Superintendent Schuster reported that he had a meeting with personnel from the Army Corps of Engineers and the Fish and Wildlife Service and that his request for a five year temporary permit for the rock structure to see if it affected the fish habitat was discussed. The Corp of Engineers and the Fish and Wildlife Service were willing to give the District a three

year temporary permit provided that the District hire a consultant to study the effect the rock structure might have on the endangered species in the river and based upon the results of that study conclude whether or not there should be a permanent permit to allow the rock structure to remain or require the District to remove the structure. The Superintendent went on to report that the issuance of a 404 permit for the rock structure would require the District to pay approximately \$13.00 an acre foot for the depletion, or consumptive use, of approximately 1,700 acre feet of water. This charge would amount to something over \$22,000.00. The Superintendent said that he argued with The Corp of Engineers and Fish and Wildlife Service that the District had water rights in the river in accordance with the state statutes and that the pump house which was constructed with a 404 permit issued in 1977 and he did not see why the District should be penalized for their request for a 404 permit for the rock structure. Director Ela question the legality of the request for payment. Director Ballagh stated that he thought possibly the Superintendent could come up with an alternative that did not require a special 404 permit but an alternative that was allowed under the nationwide permit which would still provide the same benefits as the existing structure.

The Superintendent said he would take a look at some alternatives and possibly contact Dr. Reichmuth to take advantage of his expertise.

**EMPLOYEE RETIREMENT PLAN** The Superintendent asked the Directors to extend the time for a written report and recommendations on the employees retirement plan an additional 30 days. Director Ela moved to extend the time for a written report on the employees retirement plan for 30 days. The motion was seconded by Director Ballagh and passed unanimously.

**CAPS WITH LOGO** The Superintendent had received information from Johnstown Clothing & Embroidery concerning patches and/or baseball caps with the Clifton Logo. Three inch diameter patches were available at a cost of \$2.14 each with a minimum purchase of 200, hats were available at a cost of \$5.55 each with the 3" patch sewn on with a minimum quantity of 20. Hats with the logo in puff ink were available at a cost of \$5.30 each with a minimum purchase of 24 or hats with a direct silk screen were available at a cost of \$4.25 each with a minimum purchase of 12. After considerable discussion Director Ballagh moved for the District to purchase 200 three inch patches with the Clifton logo from Johnstown. The motion was seconded by Director Wheeler and passed unanimously.

**AMERICAN DISABILITY ACT** The Superintendent told the Directors that he had contacted the private firm in Colorado Springs which was providing technical advise and assistance on the "Americans With Disability Act (public law 101-336)" under a contract with the Federal Government and was informed that Title I of the ADA does not affect Clifton at this time since Clifton has less than 15 employees. He was also informed that Title III requires the District to set priorities for access to the front door, the counter and bathrooms. The Superintendent was told that the act did not require new construction but did require an attempt by the District to provide service for Americans with disabilities. After a ten minute discussion the Superintendent was instructed to obtain a sign that was visible from the parking lot of the Water Office for individuals with disabilities to honk, or otherwise signal, the personnel in the office to come outside to their vehicle to provide service. He was also to mention that the "curb service" is available in the next newsletter.

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**MT. GARFIELD MIDDLE SCHOOL** The Superintendent had fine tuned the agreement presented at the February meeting between the School District and Clifton Water District. The agreement had been discussed with Attorney Bechtel and her recommendations for changes and revisions were incorporated into the new contract. After some discussion Director Ela moved to approve the contract. The motion was seconded by Director Garber and passed unanimously.

**WATER QUALITY BETTERMENT** Based on the discussion in the February 19, 1992 meeting the Superintendent had prepared a memorandum to the Directors which basically stated that the District had collected \$25,838.40 in revenue in 1989, \$130,192.80 in 1990, and \$135,547.90 in 1991 with the October 1, 1989 water rate increase for the water quality betterment fund. The memorandum went on to state that \$37,967.34 was spent in capital improvements and \$15,816.00 was spent for less saline water from the City in 1990 and \$93,297.00 had been spent on less saline water from the City in 1991. The memorandum concluded that the difference in revenue over expenses was about a wash. Some of the directors argued that they would like to see a running account of the revenue and expenses for the water betterment fund where other Directors thought it was unnecessary bookkeeping and that the minutes of this meeting would be about all of the accounting that is required. After a fifteen minute discussion Director Ela moved to simplify the bookkeeping by eliminating the "line item" for water quality betterment from the budget. The motion was seconded by Director Ballagh and passed with Director Ballagh dissenting.

**COMPUTER** The Superintendent told the Directors that the District's staff had looked at three different kinds of software and that a fourth vendor would be scheduling a presentation shortly. Director Barrick inquired as to the language of the software. The Superintendent stated that the software was compatible with MS/DOS, Unix, Zenix, and other language understood by I.B.M. or I.B.M. clones. The Superintendent was cautioned by Director Barrick not to consider any software that did not include down loading of automatic meter reading into the system.

**DENVER WATER EXCHANGES** The Directors discussed the special meeting of February 26, 1992, where representatives of the Colorado River Water Conservation District and Attorney White discussed the Denver Water Exchanges and the ramifications of case #88CW382. After the discussion Director Ballagh stated that he wanted to see our Attorney, Linda White, take a positive approach for a solution for acceptance by all rather reacting negatively to proposals by others. It was the general consensus of the Directors that Linda so be instructed and if this could not be accomplished the District may consider withdrawing from supporting opposition to the Denver Water Exchanges.

**UTE-MAILING LABELS** The Superintendent reported that the General Manager of Ute Water Conservancy District had requested mailing labels of all the Clifton customers in order that Ute could send out information explaining why Clifton property owners (except those south of the Colorado River) are paying two mills in property taxes to Ute. The week prior, the Superintendent polled four of the Directors via telephone and had received a negative consensus. The Directors confirmed the negative response.

**ELECTION** The Superintendent told the Directors that the petitions for

Minutes  
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March 18, 1992

Directors Barrick and Wheeler turned their petitions into the Superintendent at that time.

**CLIFTON TOWNSHIP PLAT** The Superintendent told the Directors that the County Surveyor would not accept the plat prepared by Udell Williams for the lots across from the water office. The Superintendent told the Directors that as a land surveyor he would take the same approach that Udell Williams had taken for preparing the survey but that this approach was not acceptable to the County Surveyor. The Superintendent explained that there are hard and fast rules for surveying a parcel of land but that these rules are subject to interpretation by the individual doing the survey. After a short discussion Director Ballagh moved to table the matter to a future unspecified date. The motion was seconded by Director Wheeler and passed unanimously.

**STATE ENGINEER** Superintendent Schuster told the Directors that he had attended the Mesa County Water Association Meeting on March 17th and listened to Dr. Danielson, Ex-State Engineer, report on the Colorado River Compact, the draught in California, other water related matters and the reasons given by the Governor for his termination. Superintendent Schuster also stated that Ed Carpenter had recommended Jeris Danielson as a Facilitator in the event that Ute/City/Clifton should ever reconsider unification.

**SAFE DRINKING WATER ACT** Director Ballagh questioned at length the expenditures on equipment and instruments required to measure the turbidity and regulate chlorine at plant #2. Chief Operator Blount explained that the turbidity instruments were being installed to record the turbidity in the water received from the City of Grand Junction in order to avoid violating the Safe Drinking Water Act (SDWA) as had occurred in the late evening and early morning hours of February 23th and 24th respectively. On those dates the water received from the City of Grand Junction exceeded the 10 NTU turbidity level (SDWA limits turbidity to 0.5 NTU) which was in violation of the requirements of the SDWA. In addition, a turbidity meter is to be installed on the raw water line to alert the operators of excessive increases in turbidity of the plant influent. The Superintendent explained to the Directors that at one time last summer the water in the Colorado River became so turbid during the early morning hours when no operators were on duty that there was not sufficient water for back washing and the District had to receive water from Ute to meet our customers water demand. Director Garber inquired as to whether the existing equipment in the plant could be retrofitted to meet requirements without the necessity of purchasing new equipment. Chief Operator Blount said the present equipment was not sensitive enough, nor could it be made sensitive enough, to meet today's measuring requirements.

At this point Chief Operator Blount presented the Directors with a seventeen page memorandum from Dale Tooker explaining in some detail the requirements of the amendments to the Safe Drinking Water Act as well as the cost incurred by the District to meet these requirements. In summary, the memorandum stated that the District would spend over \$170,000.00 to upgrade the existing facilities as well as provide new instruments to meet the requirements of the Safe Drinking Water Act.

Director Ballagh told the Superintendent to keep on top of alternatives for treatment to remove salt from the existing source of supply as well as obtaining other sources of supply with less saline water. Director Ballagh

thought that possibly there may be some way to avoid the salt in the Colorado River produced by the hot springs in the Glenwood Springs area.

**RETIREMENT-EMPLOYEE CONTRIBUTION** The Superintendent asked the Directors what percentage of an employee contribution toward the retirement plan they would consider equitable since it was his understanding that the Directors were considering a mandatory employee contribution toward the retirement plan. There was no consensus among the Directors as to what they would require should the retirement plan be changed. Some Directors thought that the present 5% contribution made by the District should be continued with other Directors thinking that the District should only match the employee contribution dollar for dollar. It was generally discussed that possibly the District would match the employee contribution up to 6% of the employees annual wage but without knowing specifics of the law or the IRS attitude, would not make any commitment.

There being no other business the meeting adjourned at midnight.

ATTEST:

Paul G. Barick

George E. Wheeler

John L. Ballagh  
Secretary

Wm. M. Egan

Martin Garber

MINUTES OF MEETING OF BOARD OF DIRECTORS  
CLIFTON WATER DISTRICT

Held April 15, 1992

Present were Chairman Barrick, Vice Chairman Ela, Secretary Ballagh, Treasurer Garber and Director Wheeler. Superintendent Schuster and Chief Operator Blount were also present. Fritz Hoffschneider, a resident living south of Whitewater and south of the Clifton Water District boundary, was also present.

**OUT OF DISTRICT TAP/INCLUSION INTO DISTRICT** Director Barrick called the meeting to order at 7:30 p.m. and recognized Fritz Hoffschneider. Mr. and Mrs. Hoffschneider own some property south of the Clifton Water District boundary in the Whitewater area and had previously applied for a water tap. The Superintendent mistakenly accepted the Hoffschneider's check for \$1,500.00 thinking the property was within the District boundary. Upon finding that the Hoffschneider property was outside the District, the check was returned to the Hoffschneiders along with a letter of apology explaining that the Directors would have to grant an out-of-District tap. Mr. Hoffschneider stated that he wanted to include his property within the District's boundary. He went on to state that his tap would be approximately 1000 feet south of the last tap within the District boundaries on Desert Road. The Directors discussed the inclusion of other properties within the area as well as the Hoffschneider property in order to make the inclusion, and the extension of the District's distribution system feasible. Mr. Hoffschneider stated that he would want to include the property of Louie Puckett within the District and stated that there were other property owners there that may also want to be included. Director Ballagh moved to give favorable consideration to the inclusion of the Hoffschneider and Puckett property within the District and for Mr. Hoffschneider to work with the Superintendent in trying to include Mr. Hoffschneider's neighbors in the inclusion. The motion was seconded by Director Garber and passed unanimously.

**MINUTES** Director Ela stated that the word "drought" was misspelled on page five of the March 18th minutes. Director Wheeler moved to approve the minutes of the March 18, 1992 meeting with the spelling correction as stated by Director Ela. Director Ballagh seconded the motion. After a short discussion the motion passed.

**FINANCIAL REPORT** Director Ela moved to approve the financial reports and pay the accounts payable as shown on the report in the amount of \$71,183.99 plus the accounts shown on the new payable voucher register in the amount of \$86,010.30 plus \$40.00 to the Clerk of the Combined Courts for Clifton's share of the "findings of diligence" on the conditional Grand Junction - Colorado River Pipe Line Decree and \$35.00 for Schuster's membership in the Colorado Water Congress. The motion was seconded by Director Wheeler. While the Directors were looking over some of the accounts payable Superintendent Schuster told the Directors that the Home Water Supply Company had not deeded their easements in the Uzelac Property to the District. Director Garber stated that Patricia Yeates is still in the area and he didn't see any problem with making this transfer. The Directors took fifteen minutes to review the financial report and accounts payable after which the motion for approval of the financial report and accounts payable in the total amount of \$157,269.29 passed unanimously.

**WEST TANK** The Superintendent explained to the Directors that the contract documents for relocating the Mantey Heights tank allowed for an extension of



time due to adverse weather conditions and that the paint contractor could not complete the painting of the exterior of the tank prior to the March 31st deadline set by the Directors at the March meeting due to ten days of rain. The Superintendent stated that the interior of the tank was completed in a timely manner and that the exterior of the tank was completed on April 5, 1992. The Superintendent went on to report that the tank was disinfected on April 13th and 14th and put into service on the morning of April 15th. The Directors stated that they thought that D & R Tank took entirely too much time to complete the project. The project was originally scheduled for 150 days which would set the completion date at January 8th, and the actual completion date was April 5, which was 88 days, or approximately 60 percent, longer than it should have been.

**PROPERTY APPRAISAL** Superintendent Schuster reported that he had not received the property appraisal from Ed Frost for the property at 137 3rd street in Clifton.

**HEATHER WISENSTINE** Superintendent Schuster reported that he had a telephone conversation with Attorney Jamey Jamison of the firm of Hall and Evans in Denver earlier in the day. Attorney Jamison told Superintendent Schuster that he was finalizing a draft to the responses to the interrogatories from the Wisenstine's Attorney and that he was scheduling depositions of the Wisenstines within the next few days. Attorney Jamison went on to state that the date for the trial would be set in the next two weeks (the trial would not be scheduled within the next two weeks but a date for the trial would be set within two weeks).

**ROCK STRUCTURE** Superintendent Schuster reported that he had a conversation with personnel from the Army Corp of Engineers and that they did not think there was any way the District could solve their problem in the River without obtaining a 404 permit. The study required by the Fish and Wildlife Service would cost approximately \$108,750.00 over the next three years. In addition the District would be looking at \$13.00 per acre foot of water depletion that should amount to about \$30,000.00 and recommended to the Directors that they either: 1) Sit down and talk with the Fish and Wildlife Service to see if a compromise could be reached; 2) Tell the Corps of Engineers and the Fish and Wildlife Service that we will take the rock structure out with their permission; or 3) Do nothing until the Corp of Engineers and the Fish and Wildlife Service tell the District to remove the rock structure. A long discussion among the Directors followed. It was the general consensus that Superintendent Schuster continue to negotiate a means of maintaining the rock structure, or a similar structure, without preparing a costly report on the effect of the rock structure on the endangered fish in the Colorado River.

**EMPLOYEE RETIREMENT PLAN** The committee selected to study the District's retirement plan had previously written a memorandum to the Directors recommending that the District drop the present retirement plan with United of Omaha and open a retirement plan through J. Pat Gregory and Assoc. in Denver. The Superintendent told the Directors that J. Pat Gregory and Assoc. were endorsed by the Special Districts Association of Colorado. After a long discussion Director Ballagh moved to: 1) authorize Chairman Barrick to sign the Master Application for DC Manager Group Annuity Contract when all the

blanks are filled in authorizing the District to start an employee retirement plan with Lincoln National Life Insurance through J. Pat Gregory and Assoc. in Denver; 2) send a letter to United of Omaha telling them of the District's intention to discontinue the employee retirement through United; provided that Attorney Frey approved. The Motion was seconded by Director Wheeler and passed unanimously.

**COMPUTER SOFTWARE/HARDWARE** The Superintendent reported that the office staff was very close to selecting a software program either from Caselle, Inc. of Spanish Forks, Utah or Data West of Durango, Co. to be used in conjunction with the Unix Computer System. The Directors suggested that the Superintendent contact Grady Busse of Computer Alternatives to get his recommendations on computer hardware.

**UTE WATER CONSERVANCY DISTRICT** Lawrence Aubert, General Manager of the Ute Water Conservancy District, had written a letter to all of the Clifton Water Customers in an attempt to explain why Clifton property owners (that portion of the Clifton Water District laying North of the Colorado River) are taxed two mills on their property by Ute. The Superintendent had written a draft of a letter to send to Lawrence Aubert in response to his letter. The Directors thought it best that the response to Lawrence Aubert's letter be in the next newsletter and that the response take a positive approach and explain why Clifton is so financially stable. The article is to dwell on Clifton's strong points and to be reviewed by the Board prior to publication. Director Ela stated that he would make that a motion, Director Garber seconded the motion and it passed unanimously.

**COLORADO RIVER CONSERVATION DISTRICT** Attorney Linda White had suggested to the Superintendent that the District write a letter to Gregory Hoskin explaining that Orchard Mesa Irrigation Co, City of Grand Junction and the Clifton Water District were not the only entities in opposition to Case No. 88CW382. The Superintendent had provided the Directors with copies of Linda White's draft of her changes to the stipulation. The Directors wanted to know the status of her proposed changes as well as an explanation in layman's language, of what Linda meant to say in her draft. There was talk of writing a letter to the Board of Directors of Colorado River Water Conservation District along with copies of the letter to Mesa County's representative on the Board, Attorney Gregory Hoskin, and the Mesa County Commissioners or to write a letter to the Mesa County Commissioners with copies to the other parties concerning the District's opposition to Case No. 88CW382. However, it was the consensus of the Directors that they know the status of Ms. White's proposed changes to the language of the stipulation before writing any letter.

**OTHER OLD BUSINESS** Under other old business the Directors wanted to make sure that the Insurance Company, Investigators, and Attorney handling the Heather Wisenstine Case were doing all they could to defend the District in the Action brought by the Wisenstines. The Directors were so concerned about what actions were being taken in the District's Defense that they suggested the Superintendent enter the investigation to assist Attorney Jamey Jamison in his case. The Superintendent stated that he had not taken an active role in the case as he had not been asked to do so by the District's Insurance Carrier but that he would take an active role if the Directors thought it necessary. The Directors stated that they were concerned that a lackadaisical investigation and preparation by the Attorney may leave a black

mark on the District and they wanted to make sure that this was not the case. Director Ballagh volunteered to make a few inquiries concerning the case and to contact Attorney Jamison to make sure that his name and the name of George Wheeler, and/or other aliases that appeared on the complaint, were correct. The Directors instructed Superintendent Schuster to contact the Insurance Company and volunteer his assistance in case it should be needed.

**CLIFTON FIRE PROTECTION** The Superintendent stated that the Fire Chief had contacted him concerning the availability of service charge the Fire District had been charged on the "Strain house" since the Salinity Project had moved at the end of December. After a short discussion Director Garber moved to have the Clifton Fire Protection District surrender the tap and all delinquent water charges be forgiven in lieu of being charged an availability of service charge. The motion was seconded by Director Ballagh and passed unanimously.

**WORKERS' COMPENSATION** The Superintendent told the Directors that the S.D.A. of Colorado was looking into "Workers Compensation Safety Group" which could possibly have the effect of lowering the Workers Compensation Insurance Rates to Special Districts.

As information items only, the agenda told of a June 30th Spring Workshop meeting in Grand Junction for new Directors as well as the Annual S.D.A. Conference at Snowmass from September 23rd to the 25th.

**ELECTION** Director Ballagh moved to name the office of the Clifton Fire Protection District at 3254 1/2 F Road as the polling place for the May 1992 elections and for the staff to find at least three eligible judges to serve at that election. The motion was seconded by Director Wheeler and passed unanimously.

There being no other business the meeting adjourned at 10:25 p.m.

ATTEST:

John L. Ballagh  
Secretary

Martin Garber

Wm. M. Ela

George S. Wheeler

\_\_\_\_\_

MINUTES OF MEETING OF BOARD OF DIRECTORS  
CLIFTON WATER DISTRICT

Held May 20, 1992

Present were Secretary Ballagh, Treasurer Garber and Director Wheeler. Superintendent Schuster and Chief Operator Blount were also present. Dickie D. Lewis, a newly elected Director, Sandra Beck, a potential land owner in the Whitewater area, and her father, Eugene C. Evans were also present. Chairman Barrick had advised the Superintendent earlier in the day that he would not be present. Vice Chairman Ela had also advised the Superintendent that he would be present at about thirty minutes late.

**OUT OF DISTRICT TAP** In the absence of Chairman Barrick and Vice Chairman Ela, Director Ballagh called the meeting to order at 7:30 p.m. and recognized Ms. Beck. Ms. Beck is considering the purchase of approximately 20 acres about one half mile east of the District's boundary on the Reeder Mesa Road and was present to request an out-of-district water tap. After a short discussion, Director Garber moved to approve a single out-of-district water tap for Ms. Beck. The water meter is to be set on public road right-of-way at the District boundary and Ms. Beck is to construct her line from the meter to her property. Ms. Beck is to get all construction permits required. In the event other taps want to connect on Ms. Beck's line, they are to negotiate recovery costs, etc. with Ms. Beck but the District would control approval of any taps other than the single tap for Ms. Beck.

**MINUTES** Director Garber wanted some unnecessary verbiage deleted from the "PROPERTY APPRAISAL" paragraph on page two of the April 15, 1992 minutes. The other Directors concurred. Director Garber moved to accept the minutes of the April 15, 1992 meeting as corrected. The motion was seconded by Director Wheeler and passed unanimously.

**FINANCIAL REPORT** The discussion on the financial report and accounts payable was delayed until Director Ela was present.

**WEST TANK** In a memorandum dated May 6, 1992, the Superintendent estimated that the District realized a savings of \$887,600 in constructing the West Tank. Director Garber thought this number was inflated as the estimate included costs for engineering and administration that were expressed as a percentage and not actual dollars. Director Garber said the District would have paid the engineering fees and administrative salaries whether the tank had been built or not built. Director Garber thought the estimated savings should have been around \$710,000. In a ten-minute discussion the Directors queried Chief Operator Blount as to the effect the West Tank had on operations and cost. Chief Operator Blount stated that there is a cost savings due to considerably less wear on the pumps (as they could be operated in the "on" position for longer durations eliminating the "on/off" cycle that is hard on electric starters, motors, etc.). The greater storage capacity allowed for a steady flow of water into the plant, requiring less adjustment of chemical feeds, backwashing and operator time. The Superintendent drew an illustration on the board showing that previously the District had 16,667 gallons of storage per foot of reservoir height. With the new tank there is an additional 75,000 gallons of storage per foot of reservoir height, for a total of 91,667 gallons per foot of reservoir height.

**FINANCIAL REPORT** Vice Chairman Ela entered the meeting during the West Tank discussion and assumed the Chair from Director Ballagh. Director Ballagh moved to approve the financial report and pay the accounts payable as shown on the report in the amount of \$70,338.49 plus the accounts shown on the new

payable voucher register in the amount of \$145,257.66 ( the \$145,257.66 figure included a \$140,000 transfer of funds) for a total of \$215,596.15. The motion was seconded by Director Garber. Director Ela questioned the safety of the \$100,000 investment in FHLMC bonds. The Superintendent stated the investment was allowed by statute, but would double check with Attorney Bechtel. Director Garber was very concerned about the District's spending. The Superintendent said he would look into the employees spending habits and reinforce the District's purchasing policy. The Superintendent was also instructed to review the charges for pickups used by Ben Dowd Excavating since January 1991. The \$1,070 charge for April, 1992 seemed to be high. Director Garber thought it would cost less to buy a pickup for Dowd's use rather than pay \$5.00 per hour. The motion to approve the financial report and pay the accounts payable, etc. passed unanimously after a 55 minute discussion.

**PROPERTY APPRAISAL** Superintendent Schuster reported that Ed Frost had looked at the office building at 137 Third Street, made some measurements, but had not submitted a report on his opinion of the value of the property.

**HEATHER WISENSTINE** Superintendent Schuster reported that the court date in the Heather Wisenstine case had been set for the four days of October 13th through the 16th, 1992. A discussion followed concerning the attitude of the law firm (Hall & Evans) hired by the District's insurance carrier for this case. Director Garber moved to ask Hall & Evans to hire Vince Jones to conduct an independent investigation of the matter. Mr. Jones's investigation to be paid for by the District if such payment were not authorized by the SDA insurance pool. The motion was seconded by Director Ballagh and after a thirty minute discussion, passed unanimously. After the vote the Superintendent was instructed to advise Jamey Jamison of the firm of Hall & Evans of the District's request.

**GRAND VALLEY IRRIGATION CANAL CO.** The Superintendent told the Directors that the District had purchased four more shares of GVICo stock, making a total of 1,382 (under normal condition, 1,382 shares of GVICo stock will yield 14.40 cfs, or 9.30 MGD - 1,400 shares of GVICo stock will yield 14.58 cfs, or 9.42 MGD). Director Ballagh moved to reaffirm the Superintendent's authorization to purchase GVICo shares at \$200 per share until the District had acquired 1,400 shares. The motion was seconded by Director Wheeler and passed unanimously.

**COMPUTER SOFTWARE/HARDWARE** In a memorandum dated May 15, 1992 the Superintendent recommended the purchase of Utility Billing Specialists, Inc. software called TAABS. Verbally, during the meeting, the Superintendent hedged his recommendation on the TAABS software until Violet Church had an opportunity to view TAABS in operation at the Menoken Water Co. on May 21st. Mrs. Church was on vacation when TAABS made their presentation. The staff recommended the purchase of IBM hardware from Computer Alternatives on the recap of hardware dated May 19, 1992. Some Directors thought the IBM equipment was not worth the extra price. Director Ballagh said there was no urgency in ordering the computer software/hardware and moved to defer the matter until the June meeting. The motion was seconded by Director Wheeler and passed unanimously. The Superintendent was instructed to find out more information about Utility Billing Specialists, Inc., such as the largest user of their software and how long they had been in business, etc.

**DENVER WATER EXCHANGES** The Superintendent furnished the Directors copies of the hand delivered letter from Attorney Linda White explaining in "layman's terms" the language she proposed in the Denver Water Exchanges stipulation. After reviewing the letter, it was the consensus of the Directors to continue the Denver Water Exchanges protest a little longer to keep abreast of the proceedings.

**OTHER OLD BUSINESS** Director Ballagh inquired as to the disposition of transferring the easement between the Uzelac's and the Home Water Supply Co. to Clifton Water District. The Superintendent greeted the reminder with a smile as he had forgotten the matter. Director Ballagh also inquired about United of Omaha's response to Attorney Frey. The Superintendent told the Directors that Attorney Frey had received a response from United of Omaha and sent a copy to the District. The Superintendent wrote Attorney Frey a letter responding to United of Omaha's "not guilty" response but did not know where the matter stood, but he would check and have a report at the June meeting.

**NEW DIRECTOR** The ballots of the May 5, 1992 election were canvassed by the Directors on May 6th. The results were Dickie D. Lewis, 79 votes; George E. Wheeler, 70 votes; Paul E. Barrick, 69 votes and Laura Lewis, 15 write-in votes. Dickie D. Lewis and George E. Wheeler were sworn in by Director Ela.

**CHANGE JUNE MEETING DATE** Directors Ballagh and Ela could not attend the scheduled June 17th meeting due to conflicts. Director Ballagh moved to change the June meeting date to June 10, 1992 and to give proper notice of the change according to statute. The motion was seconded by Wheeler and passed unanimously.

**ORGANIZE BOARD** Director Garber nominated John L. Ballagh for Chairman, seconded by Director Lewis. There being no further nominations, Vice Chairman Ela closed the nominations for Chairman. Director Wheeler nominated William M. Ela for Vice Chairman, seconded by Director Ballagh. There being no further nominations, Vice Chairman Ela closed the nominations for Vice Chairman. Director Garber nominated George E. Wheeler for Secretary, seconded by Director Lewis. There being no further nominations, Vice Chairman Ela closed the nominations for Secretary. Director Wheeler nominated Martin Garber for Treasurer, seconded by Director Lewis. There being no further nominations, Vice Chairman Ela closed the nominations for Treasurer. Director Lewis moved to elect the nominees to their respective offices by accumulation. Motion seconded by Director Ballagh and passed unanimously.

Director Ballagh assumed the Chair to conduct new business.

**CALL 1995 GENERAL OBLIGATION BONDS** Director Ela moved to call the 1995 general obligation bonds in the amount of \$170,000 and for the Superintendent to liquidate, if necessary, the District's investments to make the 1992 P&I payment as well as call the 1995 bonds on August 1, 1992. The motion was seconded by Director Wheeler and passed unanimously.

**RAILROAD BORE INSURANCE** Director Ela moved to defer action on approving payment for renewing the additional liability insurance required by the D&RGW RR for the two bores completed in 1991. The motion was seconded by Director Lewis and passed with Director Ballagh casting the only dissenting vote.

**WATER FOR HIGHLINE CANAL CONSTRUCTION** The Superintendent asked the Directors about their feelings for the District to sell water to the contractor doing the construction on the Highline Canal for both dust control and pre-wetting. Water for dust control would most likely be provided from a fire hydrant and distributed along the work area by truck. Water for pre-wetting would most likely be from an existing 2" tap on the 33 Road alignment just north of I-70 and placed by a sprinkler system (the existing 2" tap was made to accommodate an air-vac valve - not to serve a customer and therefore no contribution had been made to the Plant Investment Fee account for this tap). Director Garber moved to sell water for pre-wetting to the contractor at the going rate of \$1.30 per thousand gallons using the existing 2" tap without charging the normal \$5,500 Plant Investment Fee. The motion died for lack of a second. Basically the Plant Investment Fee could be recovered during the 18 month construction period by charging a minimum of \$310 per month. After a ten minute discussion, Director Ela moved to allow the Superintendent to negotiate with the contractor a fee which would recover the \$5,500 Plant Investment Fee over a period of 18 months in addition to charging \$1.30 per thousand gallons of water (or the going rate, whichever is greater). The motion was seconded by Director Lewis and passed with Director Garber casting the only dissenting vote.

**MESA COUNTY UTILITY STANDARDS** The City and County Planning Commission have scheduled a hearing for June 18, 1992 to accept public comments on the proposed utility standards. The Superintendent does not like the proposed standards because water and service lines are buried to a greater depth than 42" and the buried electric is above the buried water. From a cost and safety point of view, the Superintendent suggested Clifton oppose the new standards. The Directors agreed with the Superintendent.

**ROLLING HILLS** The Superintendent reported that the District had received an offer of \$5,000 for the first deed of trust on Rolling Hills. The Directors discussed the matter for some time before Director Wheeler made a motion to table the matter. The motion was seconded by Director Lewis and passed unanimously.

**INFORMATION ITEMS** The City/Ute court dates are June 8th through the 11th. June 30th is the SDA of Colorado Spring Workshop meeting in Grand Junction. The Annual S.D.A. Conference is at Snowmass from September 23rd to the 25th.

There being no other business the meeting adjourned at around midnight.

ATTEST:

George E. Wheeler  
Secretary

Martin Garber

~~George~~ John L. Ballagh

Wm. M. Ela

Martin Garber



# CLIFTON WATER DISTRICT

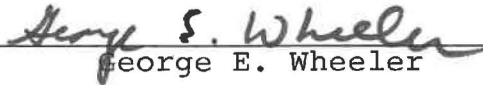
P. O. Box 100, 137 Third Street  
Clifton, Colorado 81520  
Phone 434-7328

**Board of Directors**  
Paul E. Barrick, President  
William M. Ela, Vice President  
John L. Ballagh, Secretary  
Martin Garber, Treasurer  
George Wheeler, Director

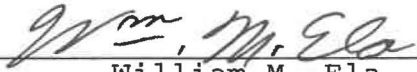
**Staff**  
Raymond J. Schuster, Superintendent  
Shirley Weaver, Office Manager  
Carey Blount, Chief Operator

STATE OF COLORADO,  
MESA COUNTY, ss  
CLIFTON WATER DISTRICT,

I, George E. Wheeler, will faithfully support the Constitution of the United States of America and of the State of Colorado, and the laws made pursuant thereto, and will faithfully perform the duties of the office of Director of the CLIFTON WATER DISTRICT upon which I am about to enter.

  
George E. Wheeler

Subscribed and sworn to before me this 20th day of May, 1992.

  
William M. Ela  
Senior Judge &  
member of the Bd/dir.





# CLIFTON WATER DISTRICT

P. O. Box 100, 137 Third Street  
Clifton, Colorado 81520  
Phone 434-7328

**Board of Directors**  
Paul E. Barrick, President  
William M. Ela, Vice President  
John L. Ballagh, Secretary  
Martin Garber, Treasurer  
George Wheeler, Director

**Staff**  
Raymond J. Schuster, Superintendent  
Shirley Weaver, Office Manager  
Carey Blount, Chief Operator

STATE OF COLORADO,

MESA COUNTY, ss

CLIFTON WATER DISTRICT,

I, Dickie D. Lewis, will faithfully support the Constitution of the United States of America and of the State of Colorado, and the laws made pursuant thereto, and will faithfully perform the duties of the office of Director of the CLIFTON WATER DISTRICT upon which I am about to enter.

  
\_\_\_\_\_  
Dickie D. Lewis

Subscribed and sworn to before me this 20th day of May, 1992.

  
\_\_\_\_\_  
William M. Ela



# CLIFTON WATER DISTRICT

P. O. Box 100, 137 Third Street  
Clifton, Colorado 81520  
Phone 434-7328

**Board of Directors**  
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William M. Ela, Vice President  
John L. Ballagh, Secretary  
Martin Garber, Treasurer  
George Wheeler, Director

**Staff**  
Raymond J. Schuster, Superintendent  
Shirley Weaver, Office Manager  
Carey Blount, Chief Operator

## CERTIFICATE OF ELECTION RESULTS OF THE REGULAR ELECTION

HELD MAY 5, 1992

### CLIFTON WATER DISTRICT, MESA COUNTY, COLORADO

For each candidate elected to office:

	Name	Address	Length of Term
1.	LEWIS, Dickie D.	3429 G Road; Clifton	Four-Year
2.	WHEELER, George	3045 Teller, Grand Junction	Four-Year

John L. Ballagh  
John L. Ballagh, Director

Raymond J. Schuster  
Contact Person

Paul E. Barrick  
Paul E. Barrick, Director

137 Third Street  
(303) 434-7328

William M. Ela  
William M. Ela, Director

Martin Garber, Director

George Wheeler, Director

John L. Ballagh  
John L. Ballagh, Secretary

Distribution - one each to:

Post at Water Office; Dickie D. Lewis; George Wheeler; Monika Todd, Mesa County Clerk & Recorder; Division of Local Government

MINUTES OF MEETING OF BOARD OF DIRECTORS  
CLIFTON WATER DISTRICT

Held June 10, 1992

Present were Chairman Ballagh, Secretary Wheeler, Treasurer Garber and Director Lewis. Superintendent Schuster and Chief Operator Blount were also present. Fred Lockwood, a Director on the Clifton Sanitation District Board, was also present. Director Ela had indicated earlier he would be late.

**Rolling Hills Sanitation Co.** Chairman Ballagh called the meeting to order at 7:30 p.m. and recognized Mr. Lockwood. Mr. Lockwood told the Directors that Clifton Sanitation District is encompassed by Clifton Sanitation District #2, that if Clifton #1 is to grow and prosper they must expand outside the Clifton area. Clifton Sanitation District is looking at including portions of Orchard Mesa in their district, especially the Valli Vista subdivision. Mr. Lockwood's talk was full of ideas of how Clifton Sanitation District could relieve the burden of the sewer treatment problems experienced by Valli Vista. He went on to say that he was on a "fact finding mission" to determine if Clifton Water would support the sanitation district in its endeavor should the plan be feasible. He wanted to know two things. First could the water district accept the additional work load in billing the extra customers and, second, would Clifton Water support the plan by being in attendance at various meetings where the plan would be discussed. Mr. Lockwood's solo presentation lasted for 15 minutes. Director Ela entered the meeting at 7:45 p.m. The group discussion lasted another 15 minutes. Director Ela moved to indicate a willingness to explore the plan and to authorize a Clifton Water District director to participate in public discussions. The motion was seconded by Director Wheeler and passed unanimously.

**Minutes:** Director Garber moved to accept the minutes of the May 20, 1992 meeting. The motion was seconded by Director Ela. Corrections included the correct spelling of "acclamation" on page three and the deletion of the word "Canal" after Grand Valley Irrigation on page two. The motion to accept the minutes of the May 20th meeting passed unanimously.

**Financial Report** Director Wheeler moved to approve the financial report and pay the accounts payable as shown on the report in the amount of \$34,183.88, plus \$897.61 as shown on the New Payables Voucher Register and a \$64,344.04 transfer of funds. The motion was seconded by Director Ela and after an eighteen minute discussion passed unanimously.

**Property Appraisal** Superintendent Schuster reported that Ed Frost had not submitted a report on his opinion of the value of the property at 137 Third Street.

**Heather Wisenstine** Superintendent Schuster reported that depositions are scheduled for Tuesday and Wednesday, June 16th and 17th in the Heather Wisenstine case. The Superintendent also reported that the firm of Hall & Evans had hired Vince Jones to conduct an independent investigation of Ms. Wisenstine's reported injury and that he felt Mr. Jones' investigation was a duplication of Crawford Risk Management Service's 1991 investigation.

**Computer Software/Hardware** Superintendent Schuster reported that staff members Weaver and Church had visited the computer operations of the Menoken Water Co., Town of Palisade and the Ute Water Conservancy District to see how the software of both TAABS and Data West worked. Neither software program impressed them. Ms. Weaver and Ms. Church both indicated that the TAABS

software and Data West software did not measure up to their expectations or the performance of Clifton's present program. The Superintendent told the Directors that the present thinking was to have Clifton's software programmed to work on a P.C. The Directors would receive a final report and recommendation at the July meeting.

**Denver Water Exchanges** One of the concerns expressed by Clifton concerning the construction of Wolford Mountain Reservoir is the increased salinity. The Superintendent told the Directors that increased salinity in the Colorado River can be expected with development. Clifton water users add significant salinity to the Colorado River. He suggested that rather than oppose upstream development by using the "salinity" buss word, that Clifton take positive measures to decrease the river's salinity by filing on the Dotsero hot springs water. The filing would be a non-consumptive use which would remove salt by turning the salt water into steam, thereby precipitating the salt and using the steam to power turbines that generate electricity. He thought that Clifton could be the prime mover with Denver Water suppling the capital to get the project moving. A USBR report states that the Dotsero hot springs run 11.8 cfs at a TDS of 9,120 ppm. The Directors liked the idea and told him to get more facts to be presented at the July meeting.

**Rolling Hills Deed of Trust** Director Lewis volunteered to represent the District in discussion involving Clifton Sanitation's plan to expand into Orchard Mesa to treat Valli Vista sewerage. Director Garber moved to decline Russ Olson's offer to purchase the First Deed of Trust Clifton holds on the Rolling Hills property. The motion was seconded by Director Lewis and passed unanimously.

**Cost of Pickup at Jobsite** The Superintendent provided the Directors with data showing that Clifton paid \$9,177.50 in 1991 for Ben Dowd Excavating to furnish a construction pickup and hand tools. Director Ballagh offered the information that the hourly charges were a shade more than other contractors charge for "standby", but much less than charges for pickup use. The data precipitated a discussion of the possibility of Clifton bidding all the construction required by the five-year plan as a package each year. Director Garber wanted the bid specifications for construction labor and equipment to be much more flexible for 1993 to allow for more competitive bidding.

**Mt. Garfield School** Director Garber moved that Clifton sign the agreement between School District #51 and Clifton Water District. The agreement had previously been reviewed by Attorney Bechtel and the Directors. The motion was seconded by Director Wheeler and passed unanimously.

**SDA of Colorado 1992 Workshop and Conference** Director Lewis has a conflict on June 30th and will not be able to attend the SDA of Colorado workshop. Director Wheeler will attend in his stead, along with Directors Ela and Garber. Superintendent Schuster and Directors Garber, Ballagh, Lewis and Wheeler are scheduled to attend the SDA of Colorado conference at Snowmass from September 23rd through September 26th. The staff to make reservations and fill out registration forms.

**OTHER OLD BUSINESS** Director Ballagh inquired as to the disposition of transferring the easement between the Uzelac's and the Home Water Supply Co. to Clifton Water District. The Superintendent greeted the reminder with a smile as he had forgotten the matter again for the second time.

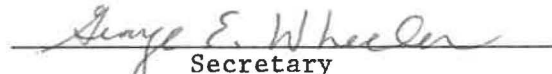
**Contingency Budget** The work papers and recommended resolution for a contingency budget had been provided to the Directors with the meeting package the previous week. Director Wheeler moved to approve publication and display of the contingency budget in accordance with state statutes. The motion was seconded by Director Garber. The contingency budget contained additional funds required to complete the West Tank, retire the 1995 general obligation bonds and funds to cover the \$10,000 increase in health insurance cost as well as additional funds to bring the wages of the Plant #2 employees in parity with the City and Ute employees. Director Garber took issue with the wage & benefit increase. Director Garber had contacted the City and explained that City employees' wages may be higher than Clifton's but their benefits were less. A twenty minute discussion followed Director Garber's remarks where pros and cons of salary and benefit increases were discussed. Director Ballagh stated that the motion did not ask for approval of the contingency budget at this time but merely an approval to publish the budget hearing and post the proposed numbers as directed by law. The actual approval could be less than the published and posted numbers but not more. The debate should be during the hearing at the July meeting. With that explanation the question was called and passed unanimously.

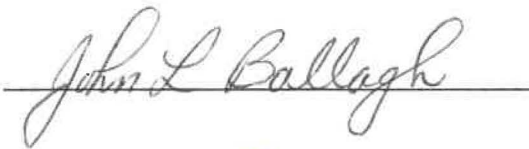
**North Tank/West Tank Vandalism** Chief Operator Blount reported that vandals had preyed open the gate and a vault cover at the North tank and made off with a \$250 to \$300 radio. Repairs had been made to the vault cover, and more secure devises for the vault were being fabricated to discourage future theft. He reported the West tank had received some graffiti in the form of some well done art work with an unknown meaning.

**Clifton Water District Christmas Party** Due to the timing of reservations for room for Christmas parties, the Superintendent asked the Directors if the District would fund the 1992 Christmas party. Director Ela, recognizing the additional work required by staff to hold the affair at the Clifton Community Center, requested a firm budget for the party to be presented at the July meeting for consideration.

There being no other business the meeting adjourned at 10:45 p.m.

ATTEST:

  
Secretary









MINUTES OF MEETING OF BOARD OF DIRECTORS  
CLIFTON WATER DISTRICT

Held July 15, 1992

Present were Chairman Ballagh, Secretary Wheeler, Treasurer Garber and Director Lewis. Superintendent Schuster and Chief Operator Blount were also present. Director Ela had indicated earlier he would be late.

**Public Hearing - Contingency Budget** Chairman Ballagh called the meeting to order at 7:30 p.m. and opened the Public Hearing on the Contingency Budget. Chairman Ballagh asked the Superintendent if "Notice" of the Public Hearing had been properly published and the Contingency Budget properly posted. Schuster told him that said contingency budget was displayed for inspection was duly published in accordance with C.R.S. 29-1-108. In the absence of any member of the public and Director Ela, Director Garber moved to recess the Public Hearing on the Contingency budget until later in the meeting. The motion was seconded by Director Lewis and passed unanimously.

**Minutes:** The following corrections were made to the minutes of the June 10, 1992 meeting: "Valle Vista", not "Valli Vista"; "buzz", not "buss", "pried" not "preyed" in the 2nd, 8th and 15th paragraphs respectively. The following additions were also made to the minutes of the June 10, 1992 meeting in the paragraph titled "Cost of Pickup at Jobsite": "Director Wheeler stated that the projects in the 5-year plan should be combined in 1993 to get a project large enough to bid." "Superintendent Schuster was hired away from an engineering firm in order to utilize his expertise in preparing construction design plans and specifications." Director Ela entered the meeting during this discussion. Director Garber moved to accept the minutes of the June 10, 1992 meeting as corrected. The motion was seconded by Director Lewis and passed unanimously.

**Financial Report** Director Ela moved to approve the financial report and pay the accounts payable as shown on the report in the amount of \$47,163.60, plus \$1,752.68 as shown on the New Payables Voucher Register and a \$371,000.00 transfer of funds. The motion was seconded by Director Wheeler and after an thirty minute discussion, passed unanimously.

**Property Appraisal** Superintendent Schuster reported that Ed Frost had contacted him concerning the appraisal of 137 Third St., but had not as of yet submitted a report on his opinion of the value of the property. The Superintendent said he was sure there would be a report at the August meeting.

**Heather Wisenstine** Director Ballagh shared some correspondence dated June 30th and July 1st from Jamey Jamison from the law firm of Hall & Evans concerning the Heather Wisenstine case. The Superintendent reported that after he had he read several statements from witnesses of the Wisenstine incident at his deposition he was sure the two girls with Heather Wisenstine at the time of the accident had removed the two covers from the meter allowing Mrs. Wisenstine to fall into the open pit, not through the two lids as reported. Schuster also read aloud a letter from the SDA Insurance Pool admonishing the District for hiring Vincent Jones to conduct an investigation. Mr. Jones was hired after discussion with Attorney Jamison as reported in the minutes of the June 10th meeting. During the 25 minute discussion, Schuster was told to get a copy of the "plaintiffs disclosure statement" from District Court. Director Ela moved to defer any action on this matter until the Directors had an opportunity to review the plaintiffs disclosure statement. The motion was seconded by Director Lewis and passed.

**Computer Software/Hardware** Superintendent Schuster reported that staff was not able to make a software/hardware recommendation at this time, but had scheduled a trip to view the City of Brighton's setup (Caselle software, IBM compatible hardware) on July 23rd and Left Hand Water Company's setup (TAABS software, IBM compatible hardware) on July 24th and should have a recommendation at the August meeting.

**Denver Water Exchanges** Schuster reported that he had been in contact with Denver Water (the name "Denver Water Department" has been replaced with the new name, "Denver Water") and has asked them to finance the front end money to determine the feasibility of constructing a co-generation plant at Dotsero to reduce the salinity of the Colorado River. The Directors agreed that the salt reduction study should be at Denver Water's expense.

**Clifton Water District Christmas Party** Schuster had prepared an estimate of the cost of a Christmas party at the Ramada Inn for the District. The estimated cost was \$504 for food only, no drinks (depending on how many were in attendance). Director Wheeler moved to use up to \$400 of District funds to help pay for the party. The motion was seconded by Director Lewis and passed unanimously.

**Home Water Supply Easement:** Schuster reported that Home Water Supply's easement across the Uzelac property had been transferred to the District and so recorded in the Mesa County Court House records.

**Rolling Hills Sanitation Co.** Director Ela inquired about the Clifton Sanitation District's (CSD) expansion plans. Director Lewis stated that in a meeting which included representatives of CSD, Orchard Mesa Sanitation District (OMSD), Colorado Department of Health, Mesa County and Clifton Water, he expressed his opinion that the simplest scenario would be for OMSD to annex Valle Vista, use the expected grant funds to transport Valle Vista's sewerage north to CSD, and then de-annex Valle Vista after all agencies had been satisfied the grant funds were used in a manner consistent with the original plan and then let CSD annex Valle Vista. Director Lewis reported that the water district's only goal was to recoup the district's \$72,000 from the deed of trust. Director Ballagh reported that Mesa County held the tax certificates on the property where Clifton has the deed of trust. It would be about 16 more months before the tax certificates went on sale. Mesa County Treasurer, Gena Harrison, said she would like to see the tax certificates sold to reduce the number of "players" involved in the matter.

**Railroad Crossing Insurance:** The Superintendent was instructed to contact Attorney Bechtel to get her opinion on maintaining the additional \$1,000,000 insurance required by DRG&W RR for the crossing made in 1991.

**June Meetings:** Schuster reported that the AWWA meeting in Vancouver was interesting, educational and productive. He also reported that he discovered Clifton was ahead of schedule in meeting the amendments to the Safe Drinking Water Act according to other utilities. Schuster also received the George Warren Fuller Award that he was nominated for by the Rocky Mountain Section last September in Jackson, Wyoming in Vancouver. Directors Ballagh, Ela and Wheeler expressed satisfaction with the June 30th SDA workshop in Grand Junction stating it was one of the better workshops put on by SDA. The Directors expressed some concern about Clifton's Personnel Manual after hearing a paper by Cathy Geer. Some Directors thought it would be better to

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have a "Supervisor's Manual" in lieu of a Personnel Manual. Schuster is to check with Attorney Bechtel to get her opinion on Cathy Geer's talk. The SDA meeting also brought up a need for the Clifton Directors to hold a retreat where programs, policies and goals could be expressed without the additional burden of conducting business. Several places and dates were discussed, but not set. A time and place for a retreat will be set at some future meeting. The Directors thought it would be beneficial if Attorney Bechtel could attend a portion of the retreat.

**Grand Valley Canal:** Schuster reported an incident where Grand Valley Canal personnel were observed spraying herbicides on the Grand Valley Canal banks above Clifton's intake. Schuster reported that he had written a letter to GVIC asking them to refrain from such activity in the future.

**Contingency Budget:** Chairman Ballagh reconvened the Public Hearing for the Contingency Budget. Director Wheeler moved to adopt the following resolution:

WHEREAS, the DIRECTORS have adopted the annual budget for 1992 in accordance with the Local Government Budget Law, on the 20th day of November, 1991, and;

WHEREAS, the DIRECTORS 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, a considerable cost of relocating a 3 MG storage tank was not anticipated when the 1992 budget was approved, and;

WHEREAS, the interest revenues from investment of the District's cash reserves make it expedient to call the higher interest bearing bonds due in 1995, and;

WHEREAS, increased health insurance costs and parity of treatment plant operators salary has increased the employees' wage & benefit package about 2.82%, and;

WHEREAS, this contingency could not have been reasonably foreseen at the time of the adoption of the 1992 budget, and;

WHEREAS, the additional funds to finance this contingency will be available from unrestricted surpluses of the DISTRICT.

NOW THEREFORE BE IT RESOLVED by the DIRECTORS of the CLIFTON WATER DISTRICT, Mesa County, Colorado; That the 1992 appropriation is hereby increased from One Million, Seven Hundred Thirty Four Thousand, Five Hundred Ninety Five Dollars (\$1,734,595) to One Million, Nine Hundred Ninety Eight Thousand Two Hundred Fifty Three Dollars (\$1,998,253) and that the sum of Two Hundred Sixty Three Thousand, Six Hundred Fifty Eight Dollars (\$263,658) is hereby transferred from unrestricted surpluses to the District's general fund to cover the costs of the contingency. The motion was seconded by Director Garber for discussion purposes. Director Garber had a problem with the resolution as prepared and so stated. Director Ballagh wanted to go through the resolution paragraph by paragraph to determine what portion Director Garber had a problem with. All Directors agreed with the language until the



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part about health insurance and salary parity for treatment plant operators. Director Garber had obtained some figures that showed that Clifton operators were receiving more financial benefits per hour than the operators at the City and Ute treatment plants even though their monthly wage was lower. After a 55 minute discussion, Director Lewis called for the question. The resolution passed by a vote of 3 to 1.

There being no other business the meeting adjourned at 11:18 p.m.

ATTEST:

George E. Wheeler  
Secretary

John L. Ballagh  
Wm. M. Eld

Martin Garber

MINUTES OF MEETING OF BOARD OF DIRECTORS  
CLIFTON WATER DISTRICT

Held August 19, 1992

Present were Chairman Ballagh, Vice Chairman Ela, Secretary Wheeler and Treasurer Garber. The absence of Director Lewis was an excused absence. Staff present were Superintendent Schuster and Chief Operator Blount. Attorney Jamey Jamison with the firm of Hall & Evans was also present.

Chairman Ballagh called the meeting to order at 7:30 p.m.

**Heather Wisenstine** Attorney Jamey Jamison with the firm of Hall & Evans was in town for some depositions so he took advantage of the opportunity to visit with the Board and give them an overview of the Heather Wisenstine case.

**Minutes:** Director Garber moved to accept the minutes of the July 15, 1992 meeting as presented. The motion was seconded by Director Wheeler and passed unanimously.

**Financial Report** Director Ela moved to approve the financial report and pay the accounts payable as shown on the report, with the exception of the statement from Younge & Hockensmith, P.C., in the amount of \$42,312.01, plus \$798.64 as shown on the New Payables Voucher Register and a \$41,000.00 transfer of funds. A discussion on the Younge & Hockensmith, P.C. bill for \$611 was to be placed on the agenda under new business. The motion was seconded by Director Wheeler and passed unanimously.

**Property Appraisal** Ed Frost appraised the land and building at 137 Third Street (the water office ) at \$55,000. The Directors told the Superintendent to prepare a written report on building an office and shop on the lots the District owns on the east side of Third Street. The report to contain information on: cost of construction, cost of re-survey, cost of legal council if a variance to County regulations is required, assessment of need for more land and things in general.

**Computer Software/Hardware** Superintendent Schuster recommended that the District purchase Caselle software for utility billing and Real World for the accounting software. Bids on the hardware had been received but not all suppliers had quoted prices on a tougher, faster printer as required to fit the District's needs. Director Ela moved to get comparable bids on a heavy duty printer from the suppliers and pole the Directors by phone to determine which supplier to buy the computer equipment from. The motion was seconded by Director Wheeler and passed unanimously.

Director Ela moved to accept the staff recommendation and purchase the software from Caselle for utility billing and Real World for the accounting and the necessary training required. The motion was seconded by Director Garber and passed unanimously.

**Denver Water Exchanges** Schuster reported that he feels Denver is in a negotiating posture as far as water case No. 99CW252 is concerned (Denver water exchanges) and that he had written Hamlet J. Barry III, Manager of Denver Water (Chips), and asked him to consider financing a feasibility study to determine the feasibility of constructing a co-generation plant at Dotsero to reduce the salinity of the Colorado River. A copy of the letter had been sent to Linda White. The previous contact with Denver Water was through Denver Water's Planning Department. Schuster went on to state that there

were several people, in his opinion, involved in water cases 88CW382 and 99CW252 that did not know the difference between total dissolved solids and suspended solids. Director Ballagh asked the Superintendent to prepare an explanation of the difference in layman's terms to provide Clifton's professionals.

**Personnel Manual vs. Supervisors Manual:** At the request of the Board, Superintendent Schuster contacted Attorney Bechtel and inquired as to the benefits of a Supervisors Manual vs. a Personnel Manual. Attorney Bechtel stated that she was in attendance at the Colorado SDA workshop in June and speculated that Cathy Geer's presentation at that workshop may have been misinterpreted. Attorney Bechtel went on to say that a Supervisors Manual is used in addition to a Personnel Manual and thought Clifton's approach in their Personnel Manual was just right.

**Railroad Crossing Insurance:** On a motion by Director Ela and a second by Director Wheeler, the Superintendent was instructed to contact our insurance carrier to tell them to inform the DRG&W RR that Clifton had not continued the additional insurance coverage on the bores constructed in 1991. The motion passed with Director Ballagh casting the only 'nay' vote.

**United of Omaha:** Director Ela moved to adopt the following resolution:

WHEREAS, the employees of the Clifton Water District felt they were not getting adequate service from United of Omaha in servicing the District's account, and;

WHEREAS, the sole purpose of the District maintaining a retirement plan is for the benefit of the employees, and;

WHEREAS, after checking various other retirement plans the employees recommended to the Board of Directors that the Money Purchase Plan with United of Omaha be terminated and for the District to commence a Money Purchase Pension Trust with Lincoln National Pension Investment as administered through J. Pat Gregory & Associates, and;

WHEREAS, the Directors thought it was in the employees' best interests to accept the recommendation and passed a motion to that effect at the regular meeting of the Board of Directors in the month of April, 1992, and;

WHEREAS, that motion is a matter of record in the minutes of the Directors regular meeting held on April 15, 1992.

NOW THEREFORE BE IT RESOLVED, that this resolution be sent to United of Omaha as witness to the District's termination of the employees' retirement plan (also known as: Money Purchase Plan) with United of Omaha.

The motion was seconded by Director Garber and passed unanimously.

**Rock Structure in River:** The Superintendent told the Directors that the 404 permit for the rock structure in the Colorado River is in limbo at the present time since Fish & Wildlife is holding out for a three-year, \$100,000+ study on the effects of the structure on the endangered fish in the river. The Superintendent recommended that the District withdraw the request for the present 404 permit with the proposed structure spanning the entire length of

the river from right bank to left bank and resubmit a plan with the structure covering only from the left bank to the center of the river. This plan would allow rafters, fish and other floating and swimming bodies half of the river without an obstacle and would still prevent excessive erosion of the channel near the left bank and the migration of the river toward the left bank. The Superintendent sketched the new plan for the Directors benefit on the board. The Superintendent and Chief Operator stated the rock structure is needed as a backup to the present operating procedure. The Superintendent told the Directors that part of the new criteria for obtaining a 404 permit was the payment of approximately \$13.00 per acre-foot for river depletion. Based on a 67% return to the river of Clifton's diversions, this payment to the Fish & Wildlife is estimated to be about \$13,000. Director Garber moved to resubmit the request for a 404 permit incorporating the Superintendent's recommendation into the plan. Motion was seconded by Director Ela and passed unanimously.

**Directors' Retreat** The Directors set Sunday, October 4, 1992 at 8:30 a.m. at the water office as the time and place for the Directors' Retreat. Those invited to attend portions, or all, of the retreat are Attorney Bechtel and Superintendent Schuster.

**Laboratory Cost:** Superintendent Schuster reported that due to the requirements of the amendments to the Safe Drinking Water Act, Clifton and Project 7 (and probably many other water suppliers) independently constructed and equipped similar water quality control laboratories. Project 7's laboratory cost them \$430,000 to construct and \$100,000 to equip. Clifton's laboratory cost \$32,000 to construct and \$50,000 to equip. Clifton saved about \$50,000 in equipment because of the exchange of organic and inorganic testing between Clifton and Grand Junction.

**Cost of Health Insurance:** Director Wheeler stated that the cost of health insurance was getting out of control and the Directors should be looking at the employees participating in health insurance costs or deleting the District's payment for health insurance for dependents.

**Debriefing After SDA Conference:** It was the general consensus of the Directors to cancel the normal special meeting held after the SDA Conference since the Directors had scheduled October 4th for the retreat.

**Prepare 1993 Budget:** Director Ela moved to designate Superintendent Schuster as the person to prepare the preliminary 1993 budget. The motion was seconded by Director Wheeler passed unanimously.

**SDA Insurance Pool:** Chairman Ballagh reappointed Director Garber to represent Clifton at the SDA Insurance Pool Annual membership meeting. Ballagh was appointed as the alternate.

**Harmony Hills Recapture Agreement:** The Superintendent reported that the Fire Protection District had required larger water lines to provide fire protection for Harmony Hills Subdivision (33 and E Roads). The Superintendent estimated that the cost of installing larger water lines to serve Harmony Hills would be in the neighborhood of \$26,000+. This cost would be borne by the developers of Harmony Hills. The developers of Harmony Hills wanted a rebate if they paid to get the line constructed and then Clifton used the larger water lines for other uses. Director Ela moved to

authorize the Superintendent to negotiate a recapture agreement with Harmony Hills that is acceptable to the Board. The term of the recapture agreement would not exceed 5 years. The motion was seconded by Director Garber and passed unanimously.

**Young & Hockensmith Statement:** In a motion made by Director Wheeler and seconded by Director Ela the Superintendent was instructed to inform Young & Hockensmith in a letter that the Board feels that on its face the statement in the amount of \$611 is unreasonable for preparing what appears to be a "boiler plate procedure" to extend the District's security interest in equipment used by Rolling Hills Sanitation Co. and to ask for a justification of the fees charged. The motion passed without opposition.

**Fritz Hoffschneider:** The Superintendent reported that Fritz Hoffschneider, from just south of Whitewater, tried to tell the office personnel that he had complied with all the requirements asked of him at the April, 1992 meeting and gave them \$1,500 for a water tap. The Superintendent had the office personnel return the check as Mr. Hoffschneider had not done anything toward inclusion in the District as required by law and the Directors.

**Incident Log** Director Garber suggested the District keep an "incident log" to record what actions Clifton took due to an event, such as the injury to Heather Wisenstine. District personnel acted properly, but a year later employees cannot recall exactly each event and the chronological order of each action.

**Grand Valley Canal:** The Directors inquired as to what, if any, response the District received from Grand Valley Canal personnel relating to the 2,4D incident. The Superintendent told the Directors that the GVIC Superintendent had contacted the District and told them that they would give notice the next time the canal was sprayed so the District could obtain water out of the river by pumping. GVIC also sent some calculations showing that if all the concentrated 2,4D were dumped in the canal, the concentration would not reach the maximum contaminant level of 100 parts per billion. Schuster and Blount said the arithmetic was correct, but the assumptions made to perform the calculations were incorrect.

**9 MG Storage Tank:** The Directors inquired about the turbidity on the floor of the 9 MG storage tank. Chief Operator Blount said the "fluff" turbidity was still on the floor of the 9 MG storage but the outlet pipe had been raised to prevent the turbidity from entering the system. The Directors also thought the Mud Cat should be advertised and sold since it was no longer used in cleaning the retention pond.

There being no other business the meeting adjourned at 11:55 p.m.

ATTEST:

John L. Ballagh  
John M. Ela  
George E. Wheeler

George E. Wheeler  
Secretary

Martin Garber

George E. Wheeler

MINUTES OF MEETING OF BOARD OF DIRECTORS  
CLIFTON WATER DISTRICT

Held September 16, 1992

Present were Chairman Ballagh, Vice Chairman Ela, Secretary Wheeler, Treasurer Garber and Director Lewis. Staff present were Superintendent Schuster and Acting Chief Operator Tooker.

Chairman Ballagh called the meeting to order at 7:30 p.m.

**Minutes:** Director Ela moved to accept the minutes of the August 19, 1992 meeting with the following corrections: "counsel" instead of "council" in the paragraph titled **Property Appraisal** ; delete the first "feasibility" word in the paragraph titled **Denver Water Exchanges**; delete all words after the word "term" in the last sentence in the same paragraph. The motion was seconded by Director Wheeler and passed unanimously.

**Financial Report:** Director Garber moved to approve the financial report and pay the accounts payable as shown on the report in the amount of \$36,465.61, plus \$8,105.50 as shown on the New Payables Voucher Register and a \$142,000.00 transfer of funds. A discussion on the Younge & Hockensmith, P.C. bill for \$611 was to be placed on the agenda under new business. The motion was seconded by Director Lewis. During the discussion, Superintendent Schuster read aloud a letter dated August 18, 1992 from Attorney Bechtel concerning privacy of shut-off notices. After a 35 minute discussion concerning the accounts payable, the motion passed unanimously.

**Shut-Off Notices:** Based on a discussion in the previous subject, Director Ela moved to place all shut-off notices and the "Occupant" cards in envelopes to protect the privacy of customers delinquent in paying water bills and to incorporate automatic addressing of envelopes for shut-off notices in the new software being purchased. The motion was seconded by Director Wheeler and passed unanimously.

**Heather Wisenstine:** Correspondence from Attorney Jamey Jamison with the firm of Hall & Evans was discussed in some detail.

**Rock Structure in River:** The Superintendent told the Directors that he did not have time to prepare anything on the 404 permit since the August meeting.

**Denver Water Exchanges:** The Superintendent reported that he had not received a response from Denver Water concerning the possible study of a salt reducing co-generation plant in the Dotsero area. He reported that he did discuss the matter with an attorney for Denver Water at the Tamarron Conference and expected a response from Denver Water based on that discussion.

**Retreat Agenda:** The Directors studied the Retreat Agenda submitted with the meeting packet and changed the date for Attorney Bechtel from Sunday, October 4th to Wednesday evening, September 30th. Acting Chief Operator Tooker volunteered to attend a portion of the retreat to explain the requirements of the Safe Drinking Water Act (SDWA) and the amendments thereto and to answer questions about both. The offer was declined as it was the Directors opinion that the subject would be covered at the SDA Conference in Snowmass. It was the consensus of the Directors, however; that if the subject were not fully addressed at Snowmass and time permitted, Mr. Tooker could make the SDWA presentation on Wednesday, September 30th.

**Younge & Hockensmith Letter:** Attorney Griffin had responded to the

Superintendent's request for an explanation of their statement for preparing an extension of the District's security interest in equipment used at the Rolling Hills sewer treatment facility at Valle Vista subdivision. The lack of a social security number or a federal I.D. number required additional research in the preparation of the security interest declaration. However, an error was discovered in the office of Younge & Hockensmith of a duplicate charge and the firm did reduce the charge for research, so the \$611 statement was reduced to \$355. The Directors accepted the explanation and approved payment of the statement.

**D&RGW Railroad Insurance:** The Superintendent told the Directors that he had contacted the SDA Insurance Pool and instructed them to advise the D&RGW Railroad of the District's decision to terminate the additional insurance acquired in 1991 for two railroad track bores. He was told to put the request in writing, which he did. In a follow-up phone call with the SDA Insurance Pool, he was told that they had contacted the underwriter and made the request that the D&RGW Railroad be notified, but was not sure the notification had been made.

**1993 Preliminary Budget:** The Directors had received a copy of the 1993 preliminary budget earlier and had a few questions concerning some of the numbers. The proposed 1993 budget showed the retirement of the original 1977 bond issue and the 1978 and 1985 refinancings as well as a reduction of the revenue from the availability of service charge (the availability of service charge can only be used to retire debt). The Directors thought the budget should contain funds for scraping out Plant #1. The 1993 budget will be discussed at the October retreat.

**Sherrick Harmon:** The Superintendent reported that Sherrick Harmon (account #13-189-002; 3275½ Lorene) had filed in Small Claims Court for relief for 13 months of late charges at \$1.00 per month. The court date is set for October 1st.

**Computer Hardware** Superintendent Schuster recommended that the District purchase the computer hardware from Computer Alternatives based on price and references. Computer Alternatives' bid price of \$11,565 included the Okidata 3410 heavy duty printer. Other suppliers considered were: Random Access @ \$15,599; Maverick @ \$14,650; and BOSS Discount Office @ \$13,560. Director Garber moved to accept the Superintendent's recommendation and to purchase the computer hardware from Computer Alternatives. The motion was seconded by Director Wheeler and passed. Director Wheeler abstained from voting.

**Superintendent's Evaluation:** The Personnel Manual calls for the Directors to evaluate the Superintendent's performance every September. Director Lewis moved to enter into an executive session to discuss the Superintendent's performance. The motion was seconded by Director Ela and passed unanimously. The Superintendent was asked to give a short review of his accomplishments for the Directors' consideration. Schuster said he had saved the District about \$420,000 in power costs at Plant #2 and \$700,000 on the construction of the West Tank. He went on to state that the employee moral was high and that the majority of the customers gave the District high marks. He has also published the last seven newsletters without outside assistance. He was excused at 9:45 p.m.

Minutes  
Page three  
September 16, 1992

There being no other business the meeting adjourned at --:-- p.m.

ATTEST:

John L. Ballagh

[Signature]

George E. Wheeler  
Secretary

Martin Lorber

Wm. M. Elv



MINUTES OF SPECIAL MEETING OF BOARD OF DIRECTORS  
CLIFTON WATER DISTRICT

Held September 30, 1992

Present were Chairman Ballagh, Vice Chairman Ela, Secretary Wheeler, Treasurer Garber and Director Lewis. Staff present were Superintendent Schuster and Acting Chief Operator Tooker. Attorney Bechtel was also present.

Chairman Ballagh called the meeting to order at 7:30 p.m.

**Personnel Manual:** Attorney Bechtel spent one and a half hours going over the benefits of our Personnel Manual. It was the consensus of the Directors that the Superintendent and Attorney make the recommended changes to the Personnel Manual and submit the changes to the Directors for review.

**S. D. A. of Colorado Annual Conference debriefing:** The following is a synopsis of the discussion that took place in the SDA debriefing meeting: A "Board Members Manual" was placed on the table for review and for copies to be made for the other Board members. It was recommended that CWD consider joining a group dividend plan called "Primac" in association with the Colorado Compensation Insurance Authority and SDA of Colorado to save money on Workers' Comp. It was stated that OSHA sets the standard of care for safety and that standard of care includes governments. The SDA Insurance Pool reduced the percentage for a quorum from 30% to 20%. The SDA Insurance Pool is in good financial shape, but rates may increase due to ADA requirements. It was suggested that an employee be made safety inspector to, in addition to his or her regular duties, inspect working areas for unsafe practices, working fire extinguishers, air for self contained breathing apparatus, etc. The Board was encouraged to hold public meetings to inform the public of the District's plans, changes, policies, etc. There was a discussion on having private "for-profit" companies perform work currently performed by the District's employees. It was agreed that work performed by Clifton employees' was generally something that for-profit companies were not interested in performing or that it was in the best interests of the District to have our own employees perform the work. A list of contaminants found in drinking water and identified by the EPA as harmful to humans was handed out. Other aspects of the Safe Drinking Water Act were discussed. House Bill 1160 which requires two statements in all construction, alteration, repair or maintenance of public structures to be included in the contract were discussed.

**Safe Drinking Water Act:** Acting Chief Operator Tooker explained the highlights of the SDWA and what Clifton had done, was doing and intended to do to comply with the requirements. Dale took about 30 minutes in his presentation. There being no other business the meeting adjourned at 11:35 p.m.

ATTEST:

John L. Ballagh  
[Signature]

George E. Wheeler  
Secretary  
Martin Garber  
Wm. M. Ela

MINUTES OF SPECIAL MEETING OF BOARD OF DIRECTORS  
CLIFTON WATER DISTRICT

Held October 4, 1992

Present were Chairman Ballagh, Vice Chairman Ela, Secretary Wheeler, Treasurer Garber and Director Lewis. Superintendent Schuster was also present.

Chairman Ballagh called the meeting to order at 8:30 a.m.

**Informal Meeting:** Director Ela moved to keep the meeting informal and to disperse with keeping detailed minutes of the meeting. The minutes would contain only the highlights of the discussion. The motion was seconded by Director Wheeler and passed unanimously.

**Goals and Objectives of the District:** Director Ballagh asked all those present to write down the goals they would like to see accomplished during their term as a director or employee of the District. The following lists the goals presented as a result of that request. All goals as stated may not be recorded as presented as many goals said the same thing using different words. The Goals Mentioned are: Retire District debt; Upgrade distribution and treatment system to provide service to all customers and for fire protection; Cooperation, and possible consolidation of, the special districts in the Clifton area; Strive to be ready for what happens five-years from now, be it incorporated into the City, incorporated as Clifton, or status quo; a better understanding between the directors and staff; getting a new and larger storage yard; getting the new computer system on line; water with less dissolved solids; a reduction in the District's surplus funds; periodic public exposure (public meetings); a nice new office to take us into the 21st century; high employee moral; get the rock structure situation in the river resolved; give our customers the best value; consider Whitewater as a part of the District; provide more detail in the budget process; develop a broad policy to evaluate staff and contract hire; place limits on employee spending to decrease the time spent at Board meetings going over accounts payable; maintain written documentation in the employee's file justifying wage increase/ decreases; an assured source of quality water; maintain written job descriptions; maintain the District's efficient and fiscally sound operations; locate the new water office at a central, larger area to allow for expansion; provide readable information for our customers.

**Physical Equipment:** The Superintendent was instructed to prepare a chart showing the projected growth in water taps and water consumption for the next twenty years. This projection would include staff and equipment, requirements as well as office and storage space requirements.

**West Tank:** The Superintendent told the Directors that he wanted to transplant Russian Olive trees from the Plant #2 site to around the perimeter of the West Tank to discourage vandals from jumping over the fence and vandalizing the tank. Russian Olive trees were selected because of their long sharp thorns. A drip watering system would be installed with an electric valve to allow just so much water. The electric valve turn on/off mode would be controlled by an electric clock that was powered by a battery charged by solar power. Director Ela said he would inquire of the Clifton Garden Club their feelings about planting Russian Olive trees around the West Tank since these trees are considered to be weeds by some people.

**Public Information:** The March, 1993 issue of the Waterline is to include a questionnaire designed to draw out concerns of our customers and to announce

a public meeting where the concerns will be addressed and other questions answered. It was suggested that the Waterline be used to give helpful hints concerning water pressure, swamp cooler maintenance, effects of lead based solder, and other items of interest to our customers.

**Media File Information:** The Superintendent is to prepare current information concerning the District to be mailed to the local newspaper, TV stations and radio stations. This information to list current data such as names of Directors and Department heads as well as phone number, address, water production and number of customers.

**Whitewater:** Water for fire protection and water pressure for those living on top of Reeder Mesa Road in the Whitwater area was discussed. This construction may be added to the 5-year plan as prepared by the Superintendent.

**Spending Limit:** The Directors asked that they be furnished a list of items that the District will purchase the meeting prior to the item being purchased so that they can discuss the purchase before the fact, not after the fact.

**Consolidation:** Unification of the three major water suppliers was discussed. Clifton is willing to enter into discussion with Ute and the City if the topic should ever come up again. The Superintendent stated that the best scenario for unification was to transport the City's water in Ute's 44 MGD capacity plant for treatment. Placing the domestic water needs of the bulk of the Grand Valley water users on a single pipeline out of Rapid Creek concerned Director Ballagh.

**Job Descriptions:** The Superintendent is to prepare "job descriptions" for the tasks the District employees perform for employee reading and placement in their personnel file. It was suggested that the Superintendent borrow from the U. S. Department of Labor book of job descriptions in preparing the descriptions.

The Superintendent was excused from the meeting at 3:35 p.m.

ATTEST:

John L. Ballagh

[Signature]

Gaye E. Wheeler  
Secretary

Martin Garber

Wm. M. Elia

MINUTES OF MEETING OF BOARD OF DIRECTORS  
CLIFTON WATER DISTRICT

Held October 21, 1992

Present were Chairman Ballagh, Vice Chairman Ela, Secretary Wheeler, Treasurer Garber and Director Lewis. Staff present were Superintendent Schuster and Chief Operator Blount.

Chairman Ballagh called the meeting to order at 7:30 p.m.

**Minutes:** Director Garber moved to accept the minutes of the September 16, 1992 regular meeting and the minutes of the special meetings held September 30th and October 4th, 1992 with the following corrections: delete the words "going over" with the word "reviewing" so that it reads "hours reviewing the Personnel Manual" delete the word "called" and insert "presently administered by PRIMAC"; insert the words "may include" between the words "that" and "standard" so it reads "that may include the standard of care for government"; in the September 30th minutes. The motion was seconded by Director Ela and passed unanimously.

**Financial Report** Director Ela moved to approve the financial report and pay the accounts payable as shown on the report in the amount of \$27,466.20, plus \$8,233.43 as shown on the New Payables Voucher Register, a payment to Computer Alternatives in the amount of \$6,432.50 and a \$191,300.00 transfer of funds. The motion was seconded by Director Lewis and after a twenty three minute discussion passed unanimously.

**Heather Wisenstine** The Directors were notified that the case involving Heather Wisenstine was settled out-of-court by the District's insurance company.

**Shut-Off Notices** Superintendent Schuster told the Directors that the number of "shut-offs had increased noticeably. He went on to state that he thought it was because the "shut-off" notices were sealed in an envelope and not displayed on an open post card as before.

**Denver Water Exchanges:** The Superintendent reported that he had received a response from Denver Water concerning the possible study of a salt reducing co-generation plant in the Dotsero area. He reported that Chips Barry thought the Grand Valley salinity project as being completed by the Bureau of Reclamation was sufficient and that Denver Water should not get involved. Schuster said that Mr. Barry missed the whole gist of Clifton's proposal.

**Grand Mesa Reservoir Company:** Schuster reported that he had contacted the broker for the Whiting Brothers Grand Mesa water and that 66% of the 55% of the Whiting Brothers water may be for sale on a tax free exchange. The exchange would require "dirt for dirt", not dirt for water stock. In other words, Clifton would acquire an income property for two of the Whiting Brothers in exchange for their share of the Grand Mesa Reservoir Co. stock along with a "piece of dirt" in the Kannah Creek area. The 66% of the 55% of the Whiting Brothers stock would cost about \$500,000. The Directors directed Schuster to pursue this possibility as well as seeking to obtain the other 33% of the Whiting Brothers Grand Mesa Reservoir stock.

**1993 Budget:** The Directors had reviewed the 1993 budget prepared by Schuster. The following items were changed: increase Plant Investment Fees income to \$100,000; increase Land & Building expense to \$175,000; and increase Contingency expenses to \$900,000. Director Wheeler moved to hold a

Public Hearing on the 1993 Budget on November 18, 1992 at 7:30 p.m. at 137 Third Street and for the staff to make arrangements for the necessary publications, posting, etc. The motion was seconded by Director Garber and passed unanimously.

**Sherrick Harmon:** On October 1, 1992 the case of Harmon vs. Clifton Water District was heard in small claims court (actually, due to the incident involving Magistrate Daniels the night before, the case was heard by District Court Judge Buss) and Clifton prevailed. The Court stated that Clifton's \$1.00 late charge was reasonable.

**D&RGW Railroad Insurance:** Director Ela wanted evidence that the D&RGW Railroad was aware that Clifton did not renew the D&RGW RR insurance required for the 1991 RR bores and that Clifton was "off the hook". Schuster said he would get it in writing.

**West Tank:** Director Ela reported that he had contacted the Clifton Garden Club and they stated that Russian Olive trees were not considered weeds or noxious and that they would be excellent for security at the West Tank. Schuster was told to proceed with his plan to plant Russian Olive trees at the West Tank with a solar powered drip system for irrigation.

**Questionnaire:** Schuster's suggested questionnaire that is to be included with the March, 1993 mailing of the District's newsletter that had been circulated to all Directors was discussed at some length. Each Director had something to add or to delete. Since January is the deadline for submittals the questionnaire matter was tabled.

**Holiday Turkeys:** Director Ela moved to allow Schuster to spend up to \$24.00 per employee for a holiday gift, be it a turkey, fruit basket, etc. The motion was seconded by Director Lewis and passed unanimously.

**Purchase of a Backhoe:** Bids for a backhoe (recaps of which are shown on the attachment to these minutes) were distributed to the Directors. The District's existing backhoe is 18 years old and has in excess of 3,000 hours on it. It was Schuster's claim that the existing backhoe was too old and too worn out to fix and that a new backhoe should be purchased. After considerable discussion, Director Lewis moved to purchase the Case 590 turbo from Century Equipment at a cost of \$39,460. The motion was seconded by Director Wheeler and passed with affirmative votes from Ela, Lewis, and Wheeler and a nay vote from Garber.

**Ute Water Conservancy District:** The circulation of Ute's newsletter to Clifton's water customers was acknowledged by the Directors. The letter from Ute's Manager, extending an olive branch to the City, contained in Ute's newsletter was of some concern to the Directors. Previously the last correspondence from Ute was a resolution removing themselves from any discussion concerning unification of Clifton, the City and Ute. Clifton's next newsletter will contain a rebuttal to Ute's invitation to unify the three major water systems in the valley.

**Staffing:** The addition of another staff person to Clifton's personnel was discussed at some length. Schuster didn't think Clifton could keep another staff person busy. The Directors thought that another staff person would free up Schuster to conjure up new ideas to put Clifton on top of the water

world. Schuster will keep an eye out for a person to fit the job description.

**Larry Kiesler:** The water at Larry Kiesler's rental unit (01-377-000, 414½ Meadowvale) was shut-off on October 13, 1992 for lack of payment. Larry Kiesler's home (01-984-000, 431 30½ Road) had a credit. Mr. Kiesler maintained that Clifton personnel were at fault in crediting his accounts. The water for his rental unit should not have been turned off. Mr. Kiesler told Directors Garber and Ballagh that he had been abused by Clifton's office staff and wanted some sort of relief. It was Director Garber's feeling that Schuster to look into the matter further to determine what happened and to take the necessary action to avert a problem in the future.

**New Office and Yard Area:** Directors Ballagh and Wheeler presented an idea for a new office and yard area to the other Directors for consideration. Nothing firm was decided.

There being no other business the meeting adjourned at 12:18 a.m., 10-22-92.

ATTEST:

*George E. Wheeler*  
 Secretary

*John L. Ballagh*

*J. J. Laurel*

*Wm. M. Eld*

*Martin Garber*

RECAP OF BACKHOE BIDS

OCTOBER 21, 1992

NAME OF DEALER	LIST PRICE	TRADE IN and/or DISCOUNT	OUR COST	REMARKS
Western Implement	\$55,122	\$23,122	\$32,000	It is a Ford, Good machine
Honnen Equipment	35,463	7,000	28,463	John Deere, nice machine but not as nice as Ford above
Century Equipment	71,000	31,540	39,460	Case 590 turbo, great deal, new machine every year for \$1.00
			28,900	used Case with 1,250 hours - its worn out
			29,900	used Case with 1,100 hours - its worn out too
			35,000	used Case with 200 hours - not as good a deal as new Case
Power Motive	39,143	1,500	37,643	JCB machine - British manufacturer
	30,365	1,500	28,865	JCB used machine - 275 hours
Wagner Equipment			No Bid	Either Caterpillar Equipment or Wagner Equipment does not consider special districts a government and therefore does not give government discounts to them. Wagner Equipment gave us a "no bid".

Superintendent's remarks: Honnen Equipment has the best price, but not necessarily the best machine. We would prefer the Ford from Western Implement because that is what we are used to operating, and it is one hell of a machine. Century Equipment has the best deal. \$39,460 for a new machine and as long as Case has the government discount, we can get a new machine a year for just \$1.00 (as long as there is less than 300 hours on the machine).

The \$88,000 list price as mentioned on the narrative about the backhoe on the back of the meeting agenda was based on a verbal quote. After the narrative was printed we received a written quote and the list price is \$71,000 (still a nice discount, however).

MINUTES OF MEETING OF BOARD OF DIRECTORS  
CLIFTON WATER DISTRICT

Held November 18, 1992

Present were Chairman Ballagh, Vice Chairman Ela, Secretary Wheeler, Treasurer Garber and Director Lewis. Superintendent Schuster was also present. Guests present were: Joe Scales (aka Bill Scales), Preston Mease and Mark Mayo.

**PUBLIC HEARING:** Chairman Ballagh opened the Public Hearing on the 1993 Budget at 7:30 p.m. Since none of the guests present were in attendance for the Public Hearing on the 1993 Budget, the Public Hearing was closed.

**INCLUSION:** Joe Scales, was present to request that his property in the Whitewater area be included in the District boundaries. Previously his neighbor, Fritz Hoffschneider, had made the same request. After a 15 minute discussion, Director Garber moved that the properties of Scales, and his neighbors: Hoffschneider, Pucket and Foster be allowed to be included within the boundaries of the Clifton Water District. The motion was seconded by Director Lewis and passed unanimously. Schuster was instructed to assist them in preparing the necessary petition and other paperwork required for the inclusion.

Messrs. Mease and Mayo, residents of Orchard Mesa (31.4 Road) were present to make a similar request. After a 5 minute discussion, where other residents of the 31.4 Road area were discussed, Director Ela moved that the properties of Messrs. Mease and Mayo and their neighbors that wanted to be, be included within the boundaries of the Clifton Water District. The motion was seconded by Director Wheeler and passed unanimously. Schuster was instructed to assist them in preparing the necessary petition and other paperwork required for the inclusion and to incorporate the paperwork, as much as practicable, of both inclusions into one unit.

**MINUTES:** Director Wheeler moved to accept the minutes of the October 21, 1992 regular meeting. The motion was seconded by Director Garber. In the discussion that followed, Director Garber stated that he had a problem with the wording under "staffing". He wanted the last sentence on page two to read, "The Directors thought that another staff person would free Schuster from ordinary office duties such as waiting on customers and typing to perform the duties he was hired to do. That is fulfilling his responsibilities of Manager/Engineer of the District". He also wanted the last sentence of that same paragraph to read, "Schuster will keep an eye out for a person to fill the position to allow him to accomplish the above". Director Garber also wanted the word "abused" in the "Larry Kiesler" paragraph to be changed to "mal-treated". Director Ballagh had a problem with the harsh wording in the "Ute Water Conservancy District" paragraph. He thought we should soften our position. It was the general consensus of the Board that the minutes reflect the discussions and attitudes of the meeting being recorded and not to change the discussions and attitudes of the meeting by changing the minutes. The minutes were approved as corrected with Director Lewis casting an adamant "nay" stating that his words to Schuster were, "You don't always have to be on task, you need to take time to sit and, think, reflect and study".

**FINANCIAL REPORT & ACCOUNTS PAYABLE:** Director Wheeler moved to approve the financial report and pay the accounts payable as shown on the report in the amount of \$35,791.30, plus \$13,350.18 as shown on the New Payables Voucher Register and a \$41,300.00 transfer of funds. The motion was seconded by

Director Lewis and passed unanimously.

**QUESTIONNAIRE FOR NEWSLETTER:** The Directors made some very positive suggestions on the questionnaire that is scheduled to be included in the Spring, 1993 mailing of the Water Line.

**DENVER WATER EXCHANGES::** Schuster told the Directors that Wayne Schroeder, the City's new water attorney, had written a challenging letter to Don Hamburg, attorney for the Colorado River Water Conservation District (CRWCD), and this letter was shared with the District. The City wants to make sure that their efforts, the efforts of Clifton and the Orchard Mesa Irrigation District in opposing the Denver water exchanges (Wolford Mt. Reservoir water in lieu of Green Mt. Reservoir water) were in sync. He asked the Directors how much money they wanted to spend to continue the opposition in Water Court. The Directors wanted to see the report being prepared by Denver Water, Dave Merritt and Jay Britton before making a decision.

**GRAND MESA RESERVOIR COMPANY SHARES:** Schuster reported that there was nothing new concerning the purchase of the Whiting Brothers shares of Grand Mesa Reservoir Co. stock.

**D&RGW RAILROAD:** Schuster read aloud a letter from Virginia Surety to the D&RGW railroad stating that we had not renewed our excess liability policy.

**PERSONNEL MANUAL:** The Directors spent 2½ hours going over the Personnel Manual, accepting some changes made by Schuster and Attorney Bechtel, making other changes and in general improving the manual with positive recommendations. The Directors will take a look at the next draft before approving any changes, additions or deletions to the Personnel Manual.

**ROCK STRUCTURE:** Schuster told the Directors that the EPA had approved the revised 404 permit application for the Rock Structure and that the Fish & Wildlife Service (F&WS) had some reservations about removing the structure from spanning 100% of the river to 67%. The F&WS are now thinking there may be some benefit to the fish the way the structure is constructed. The F&WS are preparing an agreement which would allow them to study the quiescent area behind the pond for endangered species.

**UNIFICATION:** Schuster was instructed to write a letter to Ute's General Manager with a copy to the City in an attempt to determine their positions on a unified domestic water system in the Valley.

**HEALTH INSURANCE:** Schuster was instructed to contact CSD&Co about a "cafeteria health insurance fund" where the District would contribute a certain amount of funds. The employee could then pick what health insurance coverage they wanted for them, their families, and all, or a portion, of the premium would be paid for from this fund.

**GVICo ANNUAL MEETING:** Director Ela moved to give Clifton's GVICo proxy to the GVICo Board of Directors in the spirit of cooperation since there were no real issues to be voted upon at the 1992 GVICo Annual Meeting. The motion was seconded by Director Wheeler and passed unanimously.

**CSD&CO ENGAGEMENT LETTER:** Director Garber moved to sign CSD&Co's letter of engagement. The motion was seconded by Director Lewis and passed



unanimously.

**USBR CONTRACTS:** Director Ballagh felt uncomfortable with a part of the Memorandum of Understanding as prepared by the USBR, but he thought it could be amended. Director Wheeler moved to sign the amended contract. The motion was seconded by Director Wheeler and passed unanimously.

**DISTRICT'S DEBT:** Director Wheeler moved to pay all accrued interest, the 1½% prepay penalty and retire the 1993 bonds due August 1, 1993 and the 1994 Bonds due August 1, 1994 on February 1, 1993. The funds to accomplish this had been included in the proposed 1993 budget and Schuster told the Directors there was sufficient liquidity of funds available. The motion was seconded by Director Ela and passed unanimously.

**NEW COMPUTER & SOFTWARE:** Schuster reported that the billing portion of the new software was up and running. He wasn't too pleased with the product, but stated Shirley and Vi could make it work. The accounting portion of the software was being installed later in the week for use in December.

**TABOR AMENDMENT:** All five Directors and Schuster had attended an SDA workshop on the TABOR Amendment (aka Taxpayers Bill of Rights) on Monday, November 16, 1992. All six persons at the table had various interpretations of what they heard at that workshop. An Enterprise, as defined by the TABOR Amendment, has to pass three tests. These three tests are: a government owned business; Board authorized to issue revenue bonds; and, receives less than 10% of its revenue from all grants (property taxes are probably considered a grant). Director Ela moved to get a legal opinion from Attorney Bechtel and a fiscal opinion from Accountant Nelson as to whether or not Clifton was an Enterprise. The motion was seconded by Director Garber and passed unanimously.

**PRIMAC:** PRIMAC Insurance and SDA are offering a Workers' Compensation Dividend Program for SDA members. There is a potential 2½% savings (in the form of a dividend) in Workers' Compensation insurance costs to the District if the District were a member of this program. Schuster reported that Clifton was in the process of getting enrolled in this plan.

**PLANNING REPORT:** A report prepared by Schuster showing the projected water consumption and means of reducing the TDS in Clifton water was presented to the Directors. Due to the lateness of the hour, the 48 page document was not discussed, but taken under advisement for consideration at the December meeting.

**1993 BUDGET:** Director Wheeler moved to approve the 1993 budget as presented. The motion was seconded by Director Ela and failed on a vote of 1 aye and 3 nays. Director Lewis moved to sort out the actual wage and benefit package for each employee, separating mandated increases from discretionary increases. The motion died for lack of a second.

Director Ela moved to set a figure on employee discretionary increases and estimated mandatory increases. The motion was seconded by Director Lewis and passed unanimously. Director Lewis moved to give Schuster \$9,000 as the upper limit of both discretionary increases and mandatory increases in the employee wage and benefit package to distribute as he sees fit but this amount was not to include any increase in health insurance premiums.

Increases in health insurance premiums paid by the District are to come before the Board for consideration. The motion passed unanimously.

Director Lewis moved to adopt the following resolution.

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, MESA COUNTY, COLORADO, FOR THE 1993 BUDGET YEAR.

WHEREAS, the DIRECTORS have adopted the annual budget for 1993 in accordance with the Local Government Budget Law, on the 18th day of November, 1992, 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.

NOW THEREFORE, BE IT RESOLVED by the DIRECTORS of the CLIFTON WATER DISTRICT, Mesa County, Colorado that the following sums are hereby appropriated from the revenue and reserves of the DISTRICT, for the purposes stated below:

ESTIMATED EXPENDITURES:

General Expenses	\$ 489,900
Wages & Benefits	
Exempt Personnel Wages	94,303
Non-Exempt Personnel Wages	241,602
Hourly Personnel Wages	38,175
Overhead & Benefits	124,775
Directors Fees & Overhead	4,870
Operating Expenses	99,800
Office Expenses	61,430
Plant #2 Expenses, less Wage & Benefits	209,350
Bond Principal	295,000
Bond Interest	19,792
Contingency	935,520
Emergency Fund	23,223
<u>TOTAL ESTIMATED EXPENDITURES</u>	<u>\$ 2,637,740</u>

ESTIMATED REVENUES:

Sale of Water	\$ 1,189,300
Sanitation District	9,000
City of Grand Junction	75,000
Penalty & Turn Fees	38,000
Plant Investment Fees	100,000
Availability of Service Fee	500
Interest	58,900
Property Taxes	0
Miscellaneous	3,500
<u>TOTAL ESTIMATED REVENUE</u>	<u>\$ 1,474,200</u>
From Reserves	1,163,540
<u>TOTAL FUNDS AVAILABLE</u>	<u>\$ 2,637,740</u>

IT IS FURTHER RESOLVED, that there is appropriated from the funds of the DISTRICT, Two Million Six Hundred Thirty Seven Thousand, Seven Hundred Forty Dollars (\$2,637,740) for the general expenses of the DISTRICT, and that this appropriation be a continuing appropriation whether said funds be expended during 1993 or thereafter.

Provided that Attorney Bechtel give an affirmative opinion that Clifton is indeed an Enterprise. Should Attorney Bechtel give an adverse opinion, a special meeting will be called for Wednesday, December 2, 1992 at 7:30 p.m. to adjust the 1993 budget to fit the TABOR Amendment. The motion was seconded by Director Wheeler and passed unanimously.

It was generally agreed that the \$4,500 difference between the approved employee wage and benefit package and the employee wage and benefit package as presented be put in the contingency fund.

**ADJOURN:** There being no further business, the meeting adjourned at 12:52 a.m. 11/19/92.

ATTEST:

John L. Ballagh

[Signature]

George E. Wheeler  
Secretary

Martin Garber

[Signature]

MINUTES OF SPECIAL MEETING OF BOARD OF DIRECTORS  
CLIFTON WATER DISTRICT

Held December 2, 1992

Present were Chairman Ballagh, Vice Chairman Ela, Secretary Wheeler, Treasurer Garber, Director Lewis, Superintendent Schuster and Attorney William H. T. Frey.

Notice of the special meeting being duly posted in three public places and in the office of the Mesa County Clerk & Recorder, Chairman Ballagh called the Special Meeting to order at 7:30 p.m.

The Taxpayer's Bill of Rights which was recently approved by the voters of Colorado as part of Article X, Section 20 of the Constitution of the State of Colorado was on the agenda. The Chair entertained a motion to go into executive session. There was no motion. A discussion concerning the ramifications of the Taxpayer's Bill of Rights as it may effect the District followed.

At 7:55 p.m. Director Garber made a motion to go in to executive session. The motion was seconded by Director Wheeler and passed on a vote of 3 ayes and 2 nays. The affirmative votes were from Directors Garber, Wheeler and Ballagh.

At 8:50 p.m. on a motion by Director Ela and a second by Director Wheeler, the Directors closed the executive session by a unanimous vote and opened the meeting.

Director Ela moved to delete the provision of the November 18, 1992 meeting requiring an affirmative opinion from the District's Attorney that the District is indeed an Enterprise and to change the word "Contingency" in the 1993 budget Resolution to "Reserve". The motion was seconded by Director Garber and passed unanimously.

There being no further business, the meeting adjourned at 9:00 p.m.

ATTEST:

George E. Wheeler  
Secretary

John L. Ballagh

Martin Garber

Wm. H. T. Frey

Wm. M. Ela

MINUTES OF MEETING OF BOARD OF DIRECTORS  
CLIFTON WATER DISTRICT

Held December 16, 1992

Present were Chairman Ballagh, Vice Chairman Ela, Secretary Wheeler, Treasurer Garber and Director Lewis. Superintendent Schuster and Chief Operator Blount were also present. Guests present were: Bill & Bob Scales, Mr. & Mrs. Louie Puckett, Sally Smith, Mary Lou Kelley, Kathy Haldeman, Ed & Pat Buechle, Clarence & Dorothea Locke, Dick & Debbie Anderton, Jack & Cindy Seriani and Debra Jean Anderton all property owners south of Whitewater.

**INCLUSION:** The property owners south of Whitewater were present to ask the Directors for inclusion within the Clifton Water District boundaries and for domestic water service. The Directors were hesitant at first to spend an estimated \$112,000 for only 18 potential taps. Schuster explained that the \$112,000 estimate included some improvements in the Whitewater area that are on the 5-year plan and the required improvements for the four residents that appeared at the November meeting asking for inclusion. After a 30 minute exchange of ideas between the Directors and the guests, Director Lewis moved that the District would entertain a petition from the group to be included in the District with a proviso that signatories of the petition agree to pay the plant investment fee in effect at the time of purchase within one year of commencement of construction of the required improvements. The motion was seconded by Director Garber and passed unanimously after another 12 minute discussion. It was generally agreed that this group would be given the same schedule of payment as the group from Whitewater when they joined the District in 1986, that is one half down at the time of purchase and the balance paid in 60 equal installments in the next five years. Schuster was instructed to assist them in preparing the necessary petition and other paperwork required for the inclusion.

**MINUTES:** Director Wheeler moved to accept the minutes of the regular meeting of November 18, 1992 and the special meeting of December 2, 1992. The motion included a correction in the "USBR" paragraph which stated Director Wheeler made and seconded a motion. Director Ela made the second. The motion to approve the minutes of the November 18th meeting as corrected and the minutes of the December 2nd meeting as submitted, was seconded by Director Garber and passed unanimously.

**FINANCIAL REPORT & ACCOUNTS PAYABLE:** Director Ela moved to approve the financial report and pay the accounts payable as shown on the report in the amount of \$49,606.94, plus \$1,337.72 as shown on the New Payables Voucher Register and a \$41,300.00 transfer of funds. The motion was seconded by Director Lewis and after a 30 minute discussion passed unanimously.

**COST OF INCLUSION:** Director Wheeler expressed some concern over spending \$112,000 to provide service south of Whitewater with an immediate potential of just 18 taps. Schuster was instructed to furnish the Directors with a breakdown of costs showing cost of work which would be a part of the 5-year plan, cost of providing water service to the four residents that attended the November meeting and the additional cost for expanding the water system south to include the Meserve Fruit Tracts (which is where the bulk of the guests own property) and the Sally Smith 40 acre parcel. Director Ela moved to authorize Schuster to negotiate a purchase price and the purchase of 26,000 feet of 4" PVC to be paid for in 1992, reserving the District's right to upgrade the order to 6" PVC pipe and receive full credit of the payment of the cost of the 4" toward the purchase of the 6" pipe. The motion was

seconded by Director Garber and passed unanimously.

**DENVER WATER EXCHANGES:** Nothing new to report.

**ROCK STRUCTURE:** Schuster told the Directors that the the Corps of Engineers were asking for public comment on the District's 404 permit application. Public comments were to be received on, or before, December 28, 1992.

**PERSONNEL MANUAL:** Director Garber moved to defer discussion on the revised Personnel Manual until the January, 1993 meeting to allow the Directors more time to review the changes made by Schuster and Attorney Bechtel. The motion was seconded by Director Wheeler and passed with Wheeler casting the only negative vote.

**HEALTH INSURANCE:** Director Wheeler moved to defer discussion on the "cafeteria health insurance plan" and the Personnel Manual until a special meeting scheduled for 7:30 p.m. on Wednesday, January 13, 1993. And at which time, employee input would be welcome. The motion was seconded by Director Lewis and passed unanimously.

**UNIFICATION:** Schuster told the Directors that Ute's General Manager, Lawrence Aubert, responded to his letter stating that there was "nothing new on the table since 1989" when Ute withdrew from the Ad Hoc Committee. However, the response did go on to state that, ". . . the Ute Board agreed to stand for election if our constituents so desire". The later statement was news to Clifton's Directors since they, as Ute's constituents, so desired. Director Ballagh went on to say that he reiterated Clifton's position to Attorney Hermundstad that Clifton was willing to take a subordinate posture in a Water Authority but did not want to get involved in the present Ute/City dispute. Director Wheeler requested Schuster to obtain a copy of Ute's financial Statement.

**PLANNING REPORT:** The Directors spent about 30 minutes going over the highlights of the Planning Report prepared by Schuster. No action was taken.

**SPEND TO RESERVE:** Director Lewis moved to spend to reserve all of the District's cash reserves as of December 31, 1992. The motion was seconded by Director Wheeler and passed unanimously.

**OFFICE SECURITY:** Schuster expressed some concern over the lack of security for the expensive office equipment in the water office. Director wheeler moved to improve the security to the water office by installing steel door in steel door jams, putting decorative wrought iron bars on the windows and additional illumination as required. The motion was seconded by Director Garber and passed unanimously.

**RAFF RETIRES:** Schuster told the Directors that Dave Raff had submitted a letter of resignation effective December 31, 1992. Dave has reached the minimum age to receive social security and has decided to retire.

**JANUARY BIDS:** Schuster asked the Directors to authorize accepting bids on a 1993 1/2 ton pickup and construction bids on a portion of construction requirements listed in the 5-year plan to be completed in 1993. Director Garber moved to call for bids on a 1/2 ton pickup (estimated to cost \$11,500). The motion was seconded by Director Lewis and passed unanimously.

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Director Garber moved to seek bids for the 1993 portion of the 5-year plan (estimated to cost \$62,700). The motion was seconded by Director Ela and passed unanimously.

**ADJOURN:** There being no further business, Director Lewis moved for adjournment. Motion seconded by Director Ela and passed unanimously.

Meeting adouned at 10;40 p.m., 12-16-92

ATTEST:

George E. Wheeler  
Secretary

Martin Garber

John L. Ballagh

ED Lewis

Wm. M. Ela