

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, JANUARY 8, 2009**

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

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen; Kelly Balch; David Foster

REGULAR MEETING

Chairman Ballagh called the regular Board meeting to order at 5:04 p.m. Director Woods was excused from the meeting.

MINUTES OF THE DECEMBER 3, 2008 AND DECEMBER 17, 2008 MEETING

Director Genova moved to approve the December 3, 2008 Regular Meeting Minutes as presented. Director Burger seconded and the motion passed.

Director Genova moved to approve the December 17, 2008 Special Meeting Minutes as presented. Director Hassler seconded and the motion passed.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to approve the Financial Report and Accounts Payable in the amount of \$84,313.31 plus \$24,494.74 for GVICO shares plus \$1,692.34 the HRA Disbursement plus \$73,741.33 the supplemental statement for a total of \$ 184,241.72. Director Burger seconded the motion. The Board questioned staff about year to date budget versus year to date actuals as presented on the Profit and Loss Statement. Staff Accountant Foster provided an explanation tying the budget to actuals shown on the Profit and Loss Statement to the other components of the financial report. After acceptance of the explanation, the Board passed Director Genova's motion unanimously.

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

MANAGER'S REPORTS

The Board reviewed the Manager's Report *(File 1/08/09)*

STAFF REPORTS

Drexel Barrell Whitewater Evaluation – Manager Tooker stated that the District continues to receive inquiries regarding new water service in the Whitewater area. Assistant Manager Reinertsen presented a Staff Report (2009 Staff Reports, File 1/08/09) summarizing updated information from Drexel Barrell regarding capacity and pressure issues in the Whitewater area and the District's projected Capital Improvement projects that will address these issues. The Board directed staff to add the District logo and the name of the preparer to the Staff Report, and to utilize this as an official document available for reference and to be used to identify the District's rationale for future water service requests.

EXPRESS AGENDA

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

1. 2009 Budget – Adopted documents have been provided to the State as required by Statute.
2. Personnel Policy Section 12 Sick Leave/Disability Leave – The revisions to Personnel Policy Section 12 have been completed. At the last moment, Staff and Home Loan had to work through a complication with Assurant Insurance, the company that was to provide the short and long-term disability plan. Assurant decided to not provide the coverage even though they had gone through the process and provided a quote. Home Loan worked to replace Assurant with The Hartford with no loss in coverage values or implementation issues.
3. Colorado Water Congress Annual Convention – The Annual Convention will be held January 28 – 30, 2009 at the Hyatt Regency, Denver Tech Center. Scheduled workshops include the Colorado River Compact Workshop; Financial, Decision and Risk Analysis for Ditch Companies; and the Water Quality Workshop. Registration deadline is January 23, 2009.
4. Project 2008-01 North Raw Water Settling Pond Design – The project kick-off meeting planned for December has been rescheduled for the 2nd week of January 2009.
5. Project 2008-02 MF/UF Pilot Testing Program – Two pilot units arrived onsite by Wednesday, December 31, 2008. The third and last pilot unit is due onsite Monday, January 12, 2009. District staff is scheduled to make the electrical and plumbing connections to the pilot units onsite on Wednesday, January 7, 2009 with preliminary skid start-up and training slated for Monday, January 12, 2009.
6. Middle Storage Tank Repairs – DeBirk Painting completed interior tank painting repairs on December 10, 2008. Due to the cold ambient temperatures, staff has placed halogen light fixtures to help 'cure' the new coating materials. Staff plans to fill and flush the tank the first week of January 2009 and then begin pipeline investigation for the leak.

UNFINISHED BUSINESS

Grand Valley Irrigation Company Annual Meeting and Auction; Purchase of GVICo Shares – Manager Tooker reported that the District purchased 17 GVICo shares at the GVICo auction and an additional 16 shares from a private party in December. Manager Tooker had contacted each Board Member by telephone to seek approval to purchase the additional 16 shares since the purchase would exceed the 2008 Budget amount. The results of the telephone poll approved the purchase with ratification to follow.

Director Hassler moved to ratify the December purchase of 17 GVICo shares in the amount of \$9,265.00 from 2008 budgeted funds. Director Genova seconded and the motion passed.

Director Hassler moved to ratify the purchase of 16 additional shares at \$550.00 each for a total of \$8,800.00, and that \$8,065.00 be transferred from the 2008 Contingency to the 2008 GVICo Share Purchase. Director Genova seconded and the motion passed.

Energy and Mineral Impact Assistance Grant Contract EIAF #6384 – Manager Tooker presented the contract with the State of Colorado Department of Local Affairs for \$200,000 in funding to be used for the MF/UF Pilot Testing Project. Director Genova moved to authorize Chairman Ballagh to sign the Energy and Mineral Impact Assistance Grant Contract EIAF #6384. Director Burger seconded and the motion passed.

NEW BUSINESS

Resolution Designating Time, Location and Posting of Meetings – A Resolution (*File 1/8/09 and Resolutions*) was presented and reviewed. Director Genova moved to approve the *Resolution Designating Meeting Time, Place and 24-Hour Posting Location*. Director Hassler seconded and the motion passed. Resolution text is inserted as follows:

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

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

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

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

BE IT FURTHER RESOLVED, that this Resolution be adopted this 8th day of January 2009.

Resolution Adopting Availability of Service Charge for 2009 - A Resolution and Staff Report (*File 1/8/98, Staff Reports, Resolutions and Availability of Service Charge*) were presented for Board review. Director Burger moved to approve the *Resolution for the Availability of Service Charge* that establishes the In-District Availability of Service Charge for the 2009 Fiscal Year to 50% of the In-District average water bill in 2008, which equals \$10.12 per month per customer and the Out-of-District Availability of Service Charge for the 2009 Fiscal Year to 47.4% of the Out-of-District average

water bill in 2008, which equals \$15.18 per month per customer. Director Genova seconded and the motion passed. Resolution Text is inserted as follows:

RESOLUTION FOR THE AVAILABILITY OF SERVICE CHARGE FOR 2009

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

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

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

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

WHEREAS, in the 2009 Fiscal Year the District has indebtedness for Water Revenue Bonds and;

WHEREAS, the said percentage of the Availability of Service Charge shall be determined by the Board.

WHEREAS, in 2008 the average water usage charge for a Clifton Water District In-District customer was \$20.24/month per customer.

WHEREAS, in 2008 the average water usage charge for a Clifton Water District Out-of-District customer was \$32.02/month per customer.

NOW THEREFORE BE IT RESOLVED, that the Clifton Water District Board of Directors establish the In-District Availability of Service Charge for the 2009 Fiscal Year to 50% of the In-District average water bill in 2008, which equals \$10.12 per month per customer and the Out-of-District Availability of Service Charge for the 2009 Fiscal Year to 47.4% of the Out-of-District average water bill in 2008, which equals \$15.18 per month per customer.

2009 Workers Compensation Renewal – Manager Tooker presented a Staff Report (*File 1/8/98, Staff Reports*) summarizing the two quotes obtained for 2009 Workers Compensation Insurance, and the recommendation to continue coverage with the Colorado Special Districts Property and Liability Pool. Director Genova moved to accept the Workers Compensation proposal from the Colorado Special Districts Property and Liability Pool in the amount of \$18,806 for 2009. Director Burger seconded and the motion passed. The check for the 2009 premium was presented to the Board for signature.

Employee Request for Temporary Disability Leave – Manager Tooker presented a written request from employee Genny Muncaster for Temporary Disability Leave in accordance with District Personnel Policy 12 Sick Leave/Disability Leave, paragraph 12.5 Disability Leave. Director Burger moved to approve the request from Genny Muncaster for Temporary Disability Leave as presented. Director Genova seconded and the motion passed.

Audit Engagement Letter – Manager Tooker presented the Audit Engagement Letter (*File 1/8/09 and 2008 Audit*) from Mary Brenes, CPA, for services to prepare the District’s 2008 Audit. Director Hassler moved to accept the Audit Engagement Letter with Mary Brenes, CPA and authorize Chairman Ballagh to sign the Letter. Director Genova seconded and the motion passed.


ADJOURNMENT

By mutual consent the regular meeting adjourned at 6:20 p.m.

ATTEST:



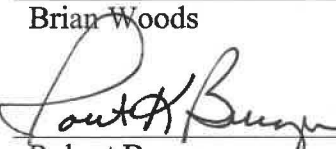
John L. Ballagh



Doralyn Genova

Excused Absence

Brian Woods


Robert Burger



Alan Hassler

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, FEBRUARY 5, 2009**

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

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen; Kelly Balch; David Foster

REGULAR MEETING

Chairman Ballagh called the regular Board meeting to order at 5:02 p.m. Director Hassler requested an addition to New Business, a report on HB-09-1005.

MINUTES OF THE JANUARY 8, 2009 REGULAR MEETING

Director Genova moved to approve the January 8, 2009 Regular Meeting Minutes with two corrections. Director Burger seconded and the motion passed unanimously.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to approve the Financial Report and Accounts Payable in the amount of \$59,043.70 plus \$41,951.06 the supplemental statement plus \$199.55 HRA Payments for a total of \$101,194.31. David Foster explained a double payment that was made to Grand Junction Pipe in the amount of \$27,770.21 and that is reported in the Balance Sheet as Accounts Receivable-Prepaid Expense. The Board questioned Staff on the existing procedures of Accounts Payable and how a duplicate payment could have been completed. Staff reported that procedural changes have been added in reporting and purchase orders that are intended to prevent a future reoccurrence. The Board noted several corrections needed to titles, dates and summation details reported in the Statement of Cash Flow, Bank Charge Recap and Transaction Type reports. The Board questioned the accuracy of the Profit and Loss Statement's Percent of Budget data. Manager Tooker reported that the Percent of Budget is reflective of the Actual Year-to-Date Amount as a percentage of the Year-to-Date Budget amount and that the data is current although some adjustments are typically made as a result of the audit. Director Woods seconded and the motion passed unanimously.

MANAGER'S REPORTS

The Board reviewed the Manager's Report (*File 2/5/09*) and questioned Staff concerning HAZMAT response and the District's preparation in the event of a chlorine release.

STAFF REPORTS

Tour of the Water Treatment Plant and MF/UF Pilot Study - Staff and the Board toured the remodeled work area and training room at the Plant and Water Treatment Plant Supervisor Dennis Carlson gave a brief summary of the MF/UF Pilot Testing Program equipment that is currently in operation.

David Foster exited the meeting at 6:15 p.m.

EXPRESS AGENDA

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

1. Project 2008-01 North Raw Water Settling Pond Design – The project kick-off meeting was held on January 22, 2009. Project plan and schedule was established. Representatives of URS and District staff will participate in Project Design Alternatives Workshop session on March 20, 2009.
2. Project 2008-02 MF/UF Pilot Testing Program – The three pilot units have been operating since the week of January 12, 2009 with the vendors optimizing their units to the District's water parameters. Full operational testing begins on February 5th for the first 30-day evaluation period.
3. Middle Storage Tank Repairs – Staff has secured the services of Palisade Constructors, Inc. to perform investigative excavation and repair of the suspected pipeline leak south of the Middle Storage Tank. Excavation commenced on January 28, 2009. Once the problem has been identified and repaired, staff will begin activities to bring the tank back 'on-line'.
4. Energy Impact Grant EIAF #6384 – The Grant Contract has been completed and returned to the District. Engineering expenses from the Pilot Testing Program will be submitted and the District will begin to receive reimbursements identified in the February 2009 Financial Reports.
5. 2008 Audit – The 2008 Audit Engagement Letter has been submitted to Mary Brenes and the audit has been scheduled for the week of March 9, 2009.
6. Mesa College Career Fair – Staff has reserved a booth at the spring Mesa College Career Fair, to be held on March 26, 2009. The District has participated in this career fair since 2007. It is a good way to introduce Mesa State students and other community members to the career opportunities offered within the District.

UNFINISHED BUSINESS

Grand Valley Irrigation Company Water Shares – Manager Tooker summarized a confidential Staff Report regarding the District's opportunity to purchase 28 Grand Valley Irrigation

Company (GVICo) water shares. The Board discussed the opportunity to purchase GVICo shares and then turning around and renting or leasing the shares until the shares were needed.

The Board conceptually approved the purchase of 28 shares, pending a phone poll of the Board regarding the negotiated price for purchase and formal ratification of a purchase at the March, 2009 meeting. The Board also agreed with the concept of leasing shares, pending final details of an agreement, with limitations on the use and term of the lease. Staff will develop a Policy for Board review.

Colorado Water Congress Conference Brief - Director Hassler reported on the legislative, legal, policy, budgeting, funding and water quality information he obtained at the Colorado Water Congress Annual Conference held January 28-30, 2009 in Denver.

NEW BUSINESS

Project 2009-01 One Million Gallon Tank Painting Bid Process Authorization – Director Burger moved to authorize staff to begin the bid process to secure the services of a qualified contractor to paint the District's One Million Gallon North Finished Water Storage Tank, District Project #2009-01. Director Genova seconded and the motion passed unanimously.

Colorado River Water Quality and Town of Palisade Wastewater Plant – Manager Tooker summarized a Confidential Staff Report outlining concerns with the Town of Palisade's plans to construct a new wastewater treatment facility upstream from the District's Colorado River Intake Structure. By consensus the Board agreed to send a letter to Tim Sarmo, Manager of the Town of Palisade and copied to the Clifton Sanitation District Board of Directors urging their consideration of an alternative to connect the Palisade's wastewater discharge to the Sanitation District's facility.

Hidden Valley Water Company – Manager Tooker presented a map (*Whiting/Hidden Valley Water Company, File 2/5/09*) of the Whitewater area served by the District and the Hidden Valley Water Company service area. The Hidden Valley Water Company is a 27 unit consecutive water system served through a master meter. Following the death of the original developer of the Hidden Valley Water Company, John Whiting, the current operators have approached Manager Tooker regarding the District's interest in acquiring the Hidden Valley Water Company. Board consensus was for Staff to obtain more information regarding the status of the infrastructure and acquisition options.

SB 09-095 – Construction Prompt Pay Reform Act of 2009 – Assistant Manager Reinertsen reported on pending legislation that, if adopted, could impact the District's Construction Contracts and the processing of payments to contractors and sub-contractors of the District. The Special District Association of Colorado is actively opposing this legislation.

HB 09-1005 – Director Hassler stated that this pending legislation has now gone on to the Senate and would allow Special Districts to establish a Special Improvement District within a Special District. The Board agreed this legislation could be useful for recapturing the cost of improvements within certain areas.


Economic Stimulus Legislation – Manager Tooker stated he has contacted the Colorado Water Resources and Power Development Authority and the Colorado Department of Public Health and Environment concerning the availability of Stimulus Funding for District projects. The District is considered a Tier 2 entity (second priority) to receive funding for projects that are ready to proceed. Manager Tooker will continue to actively monitor and pursue funding options for several pending projects.

Personnel – Manager Tooker reported that Genny Muncaster has returned from Disability Leave and will return as a part-time employee and will cross-train in the Distribution Department which currently has an open position that is not being filled.

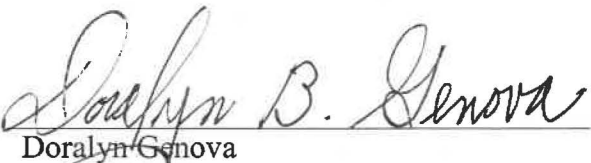
ADJOURNMENT

Director Burger moved to adjourn the meeting. Director Woods seconded and the motion passed unanimously. The meeting was adjourned at 8:25 p.m.

ATTEST:



John L. Ballagh



Doralyn Genova



Brian Woods



Alan Hassler



Robert Burger

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, MARCH 5, 2009**

BOARD MEMBERS PRESENT: John Ballagh, Chairman; Brian Woods, Treasurer;
Robert Burger, Secretary; Alan Hassler, Director

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen; Kelly Balch; David Foster

REGULAR MEETING

Chairman Ballagh called the regular Board meeting to order at 5:00 p.m. Director Genova was excused from the meeting.

MINUTES OF THE FEBRUARY 5, 2009 REGULAR MEETING

Director Woods moved to approve the February 5, 2009, 2009 Regular Meeting Minutes with one correction. Director Burger seconded and the motion passed unanimously.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Burger moved to approve the Financial Report and Accounts Payable in the amount of \$100,729.70 plus \$2,515.43 the HRA Disbursement plus \$30,959.61 the supplemental statement for a total of \$134,204.74. David Foster reported that the check register is being printed in the longer format again in an effort to allow for easier review of payments than possible with the shorter version of the check register used the previous few months. Director Woods seconded and the motion passed.

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

MANAGER'S REPORTS

The Board reviewed the Manager's Report (*File 3/5/09*) and particularly noted the above average plant inflows during January that might be attributed to initiation of the MF/UF Pilot Testing Program.

STAFF REPORTS

Valve Exercising Program – Assistant Manager Reinertsen presented a PowerPoint summarizing the Distribution's program to identify and exercise all of the District's approximately 6000 valves. Of the 460 valves completed to date, 32% of those have had problems that needed some type of action. Identification of valve locations is also being integrated with the District's GPS/GIS asset inventory program.

Staff Cross Training Efforts – Manager Tooker reported that Genny Muncaster has returned to work part-time and is assisting Distribution with water shut off/turn-ons as well as valve exercising. This is helpful as Distribution is currently operating at less than full staff. He also reported on cross training that has been completed in the front office for customer service procedures.

Tanker Truck Leak – Manager Tooker advised the Board that a tanker truck spilled up to 8,500 gallons of condensate fuel in Rifle earlier today. Treatment Plant staff are monitoring reports regarding whether the fuel reached the Colorado River, and will temporarily shut down the intake as necessary.

EXPRESS AGENDA

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

1. Project 2008-01 North Raw Water Settling Pond Design – Staff and the Project Engineer met with Mesa County Planning on February 4th to begin the Conditional Use Permit process for this project. Work continues on the design alternatives with the Project Design Alternatives Workshop scheduled for March 20, 2009 between staff and URS project representatives.
2. Project 2008-02 MF/UF Pilot Testing Program – The three pilot units have been operating under the first 30-day performance test since February 5th with no problems noted. Plant operators managed to work through a recent storm event resulting in elevated turbidity levels but were able to maintain Phase II water quality within the required parameters of the pilot skid protocols. The second 30-day performance test is scheduled to commence March 14th.
3. Project 2009- 01 Highway 50 Bore – Staff has secured the services of Sharper Engineering Services Inc. to provide design and construction documents for the installation of a new crossing of Highway 50 west of the intersection with Highway 141 (32 Road). Staff met with the Bureau of Land Management to resolve questions pertaining to the existing 12” main line easement as it relates to the new planned crossing. The design is scheduled for completion by the middle of April with construction planned for mid-summer 2009.
4. Project 2006-01 South Finished Water Storage Tank Warranty Repairs – Staff identified a contractor warranty issue with the ultrasonic tank level indicator. The contractor is trying to schedule a site visit with the subcontractor responsible for the component (Denver based) to ascertain the problem and initiate corrective measures as warranted.
5. Middle Storage Tank Repairs – Staff identified the leak to be associated with a Dresser Coupling and has received direction from Burns and McDonnell for a repair plan. Palisade Constructors, Inc. is scheduled to begin repairs the week of March 2nd and plans to have the tank back ‘on-line’ by the middle of March.
6. Grand Valley Canal Crossing at Friendship Woods – The District is cooperatively working with the Grand Valley Drainage District to install a new canal crossing beneath the canal in conjunction with their project to improve drainage discharge in that area. The line is being replaced because of the persistent leaks in the existing

-
- over-canal crossing. This project should be complete and the main line back in service by mid-April.
7. Clifton Fire District Emergency Response Tour – Staff provided a facility tour for 24 members of the Clifton Fire Department on February 24th. The general purpose of the tour was to familiarize their personnel with building layouts, access constraints and chemical storage locations and configurations.
 8. 2008 Tier II Chemical Report – Staff completed the annual Tier II Chemical Report to the Grand Junction Fire Department’s Hazardous Materials Response Group, the Local Emergency Preparedness Committee (LEPC), and the Environmental Response Group of the Colorado Department of Public Health and Environment. A courtesy copy was provided to the Clifton Fire District. The report lists all chemicals (both hazardous and non-hazardous) which are onsite that exceed threshold quantities.
 9. 2008 Treated Water Discharge Report – In February 2008, the District was issued a treated water discharge permit from the Colorado Department of Public Health and Environment. The permit requires an annual report of treated water discharges occurring in the previous calendar year. The discharges include planned (hydrant, tank, main line flushing) and unplanned (line breaks and identified leaks) discharges to the waters of the State. Staff have completed filing of this report with the State.
 10. AC Pipe Removal North of I-70 and 32 Road – Palisade Constructors removed the abandoned 10” AC main line north of I-70. This line was abandoned last year as a part of the new 16” main line project that crossed the interstate and US Government Highline Canal. The pipe is being excavated and wrapped for disposal by the District at the Mesa County Solid Waste Facility.

UNFINISHED BUSINESS

Budget Transfer for Purchase of Grand Valley Irrigation Shares – Manager Tooker reported that the purchase of 28 Grand Valley Irrigation Shares was completed, following the February 5, 2009 Board discussion of this purchase opportunity. Director Woods moved to ratify the telephone poll between Manager Tooker and the Board, and to approve a budget transfer of \$10,900 from Contingency to Purchase of Grand Valley Irrigation Company Shares. Director Hassler seconded and the motion passed.

Economic Stimulus Legislation/Funding – Manager Tooker advised the Board that additional information has been obtained regarding Economic Stimulus Funding opportunities that may become available to the District. The loan funds would include requirement of a preliminary engineering report due by March 23, adoption of an updated Water Conservation Plan prior to funding distribution, and Davis-Bacon federal wage determinations. According to the Water and Power Resources Authority, alternate funding options may be available in the fall without the same level of requirements, in addition to State funding options. The Board agreed by consensus to not pursue Economic Stimulus Funding at this time.

Colorado River Water Rights and Intake Assessment from HDR Engineering – Manager Tooker presented a summary report from HDR Engineering (*File 3/5/09*) evaluating options to renovate the Colorado River Intake Structure including possible site locations and permitting issues. The 2009 Budget included funding for design and construction of the Intake Structure project. The

summary report also assesses the District's water rights. By consensus the Board directed Manager Tooker to negotiate with HDR Engineering to prepare a preliminary design report identifying options.

NEW BUSINESS

Water Conservation Plan – Manager Tooker reported that Staff has begun to draft an updated District Water Conservation Plan. Since the Board has decided not to pursue Economic Stimulus Funding the adoption of a Water Conservation Plan is not as critical at this time, therefore, a draft will be presented at a later date.

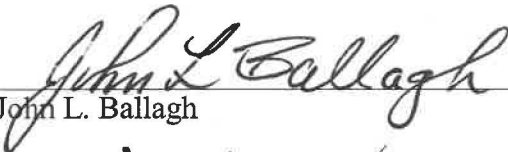
Verizon Wireless Option and Lease Agreement – Manager Tooker presented a Staff Report (*Verizon Wireless Lease Agreement, File 3/5/09*) summarizing Verizon Wireless' proposed amendment to the 1997 Option and Lease Agreement with the District for placement of a cell tower on top of the 1 MG Storage Tank. The Lease amendment was proposed in conjunction with Verizon's current request to install a diesel generator at this site. Following review of the critical items and concerns proposed in the amendment the Board directed Staff to work with the District's attorney to develop mutually beneficial lease agreement language.

Cost of Service Rate Analysis Co-op with Clifton Sanitation District – Manager Tooker advised the Board that the Clifton Sanitation District intends to work with a consultant to evaluate their costs of services and rate structure. Much of this evaluation will require that information be obtained from the Clifton Water District. Manager Tooker recommends the District cooperatively work with the Sanitation District and their consultant to obtain a rate analysis for both entities.

ADJOURNMENT

By consensus of the Board the meeting was adjourned at 7:25 p.m.

ATTEST:



John L. Ballagh




Brian Woods



Robert Burger

Excused

Doralyn Genova



Alan Hassler

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, APRIL 2, 2009**

BOARD MEMBERS PRESENT: John Ballagh, Chairman; Brian Woods, Treasurer;
Robert Burger, Secretary; Alan Hassler, Director

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen; Kelly Balch;
David Foster, Dennis Carlson

REGULAR MEETING

Chairman Ballagh called the regular Board meeting to order at 5:05 p.m. Director Genova was excused from the meeting.

MINUTES OF THE FEBRUARY 5, 2009 REGULAR MEETING

Director Woods moved to approve the March 5, 2009 Regular Meeting Minutes with two corrections noted. Director Hassler seconded and the motion passed.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Burger moved to approve the Financial Report and Accounts Payable in the amount of \$124,462.53 plus \$2,196.91 HRA Disbursements plus \$14,190.71 the supplemental statement for a total of \$140,850.15. Questions were raised regarding the Statement of Cash Flow and will be addressed by Staff for the May, 2009 meeting. Director Woods seconded and the motion passed.

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

MANAGER'S REPORTS

The Board reviewed the Manager's Report (*File 4/3/09*). Manager Tooker noted that as was discussed in the March, 2009 Board meeting, plant inflows compared to outflows continues to be higher due to the MF/UF Pilot Testing Program.

STAFF REPORTS

AWWA Membrane Conference Briefing – Treatment Plant Supervisor Carlson reported on the American Water Works Association Membrane Conference that he and Lab Analyst Brian Sheley recently attended in Memphis. Carlson found the conference to be particularly useful to discuss membrane treatment operations, pilot studies conducted elsewhere, and Microfiltration/Ultrafiltration full scale design options with other treatment professionals.

Project 2008-02 MF/UF Pilot Testing Program – Assistant Manager Reinertsen reported that the MF/UF Pilot Testing program is in its second 30-day demonstration phase. He distributed examples of the extensive water quality data collected from the first phase. The Board requested they be provided with an Executive Summary of the Final Report.

EXPRESS AGENDA

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

1. Special District Association Regional Workshops – A workshop for Board Members and Staff to review the laws, duties, issues and functions of operating a special district is scheduled for Tuesday, May 19 from 1:00 to 4:00 p.m. at The Museum of Western Colorado. A workshop for Special District Supervisors and Managers is scheduled for June 16 in Durango and June 18 in Glenwood Springs. Please contact Kelly if you would like to register for a workshop.
2. Project 2008-01 North Raw Water Settling Pond Design – The Project Design Alternatives Workshop originally scheduled for March 20, 2009 between Staff and URS project representatives has been rescheduled for May 1, 2009.
3. Project 2009-01 Highway 50 Bore – Completion of the design for the Highway 50 crossing has been delayed pending approval of the CDOT Utility Permit to perform engineering investigations in the road right-of-way.
4. Middle Storage Tank Repairs – Repairs have been completed and Staff is in the process of disinfecting the tank and pipeline repair. The tank is scheduled to be back ‘on-line’ by the middle of the end of the week of March 31.
5. Verizon Wireless Option and Lease Agreement – Staff has presented the Lease Agreement Amendment proposal from Verizon to Rich Krohn, the District’s attorney, and will present his review and recommendation at a later date.
6. American Water Works Association Annual Conference – The AWWA Annual Conference is scheduled for June 14-18 in San Diego. There are various full conference and partial conference registration options. Board members wishing to attend may contact Kelly for further information.

UNFINISHED BUSINESS

Colorado River Intake Engineering Proposal – Manager Tooker confirmed that the proposal submitted by HDR Engineering, Inc. for Colorado River Water Intake Pump Modifications will provide the information necessary to select the most appropriate alternative for operational and capacity improvements to the existing intake system on the Colorado River. Director Woods moved to authorize Staff to obtain a contract agreement with HDR Engineering, Inc. according to their Scope of Services and Fee Proposal submitted for the Colorado River Water Intake Pump Modifications Preliminary Design Report, with clarification that a Final Report will be provided. Director Hassler seconded and the motion passed.

NEW BUSINESS

2009 Flood Insurance and Snowpack Report – Manager Tooker reported that the snowpack is currently at 106% of average. Flood insurance is available with 72 hours notice and should not be necessary unless there is a significant change in weather conditions.

Drought Rate – Manager Tooker presented a Staff Report (*Staff Reports, File 4/2/09*) and recommendation for adoption of an updated Drought Rate. The Drought Rate adopted and placed on hold by the Board on May 2, 2002 was reviewed along with two amended rate structures. Option (A) updates the four tier rate structure adopted in 2002 to include the current Base Rate and Option (B) proposes a 500% rate increase for usage above the 3,000 gallons Base Rate. Director Woods moved to adopt the Option B as the 2009 Drought Rate. Director Hassler seconded.

Following discussion of the rate, the Board directed Staff to provide data regarding customer usage within several ranges and regarding seasonal usage. The Drought Rate shall be re-titled an Emergency Rate for implementation if necessary during other potential water supply shortage circumstances.

Director Burger moved to defer the motion to the May 7, 2009 Board Meeting. Director Hassler seconded and the motion passed.

Project 2009-02 New 10" Waterline, I-70B (08-RU06) – Assistant Manager Reinertsen presented a request to initiate the bid process for construction of a new 10" water line that was designed in 2008 and identified and funded in the 2009 Budget. Director Hassler moved to authorize staff to commence the construction bid process for Project 2009-02, installation of a new water line south of the I-70 Business Loop between 32 and 31 ½ Roads. Director Woods seconded and the motion passed.

ADJOURNMENT

Director Burger moved to adjourn the meeting. Director Hassler seconded and the motion passed. The meeting was adjourned at 7:17 p.m.

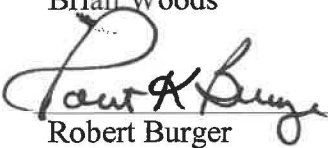
ATTEST:



John L. Ballagh



Brian Woods



Robert Burger

Excused

Doralyn Genova



Alan Hassler

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, MAY 14, 2009**

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

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

GUESTS: Dave Merritt, HDR Engineering

REGULAR MEETING

Chairman Ballagh called the regular Board meeting to order at 5:00 p.m. No changes were noted to the agenda.

MINUTES OF THE APRIL 2, 2009 REGULAR MEETING

Director Burger moved to approve the April 2, 2009 Regular Meeting Minutes as submitted. Director Hassler seconded and the motion passed. Director Genova abstained as she had not been present at that meeting.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to accept the Financial Report and approve Accounts Payable in the amount of \$158,854.56 plus \$ 327.37 the HRA Disbursement plus \$85,778.39 the supplemental statement for a total of \$ 244,960.32. Director Woods seconded the motion. Accountant Foster distributed amended Cash Flow Reports from January 2009, February 2009 and March 2009 and reported an updated format will be used in the future for the Cash Flow Report and for the Schedule A Report. The Board questioned the accuracy of the data reported in the Cash Flow Report and requested clarification from Staff. The Board also questioned a number of expenditures that appeared to be advertising related. Staff clarified the expenditures for the Board. The motion passed unanimously.

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

EXPRESS AGENDA

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

1. Project 2008-01 North Raw Water Settling Pond Design – Due to unplanned scheduling conflicts, the Project Design Alternatives Workshop has been rescheduled for the week of

-
- May 25th. Staff continues to provide operational information to URS Corporation as the development of design options continue.
2. Project 2009-01 Highway 50 Bore – Staff received an approved CDOT Utility Permit on April 10, 2009, and engineering investigations have since been completed. A Design Review is scheduled for the week of May 11th with final design package due by June 2, 2009.
 3. Project 2009-02 New 10” Waterline, I-70B (08-RU06) – As of May 8, 2009, 13 Bid Packages have been provided to interested contractors and vendors. A mandatory bid walk-through is scheduled for May 14, 2009 with the Bid Opening on May 28, 2009. Staff will present a bid award recommendation for Board consideration at the June 4, 2009 Board Meeting.
 4. Project 2008-02 Pilot Testing Program – The third pilot skid evaluation phase is underway. This performance period has been modified to a 54 day run instead of the planned 32 days. This change was implemented once the skid manufacturers all agreed to extend the study by one additional month (at no additional cost) to further evaluate the skid performance during increasing polymer dosage as Spring runoff influences the treatment process. The modified performance schedule now identifies fiber integrity testing to take place in mid June with skid demobilization starting June 28, 2009. All three skids continue to produce finished water within the project specifications.
 5. Western Colorado Community College Program – Staff has attended several meetings with officials from WCCC and the other area water utility service providers and the group is in the process of forming curriculum for water and wastewater treatment plant operators. Projected initiation date for the program is January of 2010. Additional information will be reported as the program develops.

UNFINISHED BUSINESS

Colorado River Intake Engineering Proposal – HDR Engineering – Dave Merritt from HDR Engineering was present to answer questions regarding HDR’s Scope of Work and Contract proposal for the development of options to upgrade the Colorado River Intake Structure. Staff presented the Contract for Board approval stating the Contract is satisfactory for the scope of a preliminary pre-design report. Director Genova moved to approve the contract proposal with HDR Engineering, Inc. for the Colorado River Intake Structure project. Director Burger seconded and the motion passed unanimously.

Emergency Water Rate – Manager Tooker presented a Staff Report (*2009 Staff Report*) summarizing residential water usage in the winter versus the summer reading months as requested by the Board at the April, 2009 meeting. The Staff Report presented two rate proposals for Board consideration. The Board discussed that the Emergency Water Rate could be utilized for a variety of critical water supply issues in addition to the original purpose of an increased rate to reduce water use during a significant drought. Director Woods moved to approve the Emergency Rate proposal, the 500% increase option, to encourage water consumption of 3000 gallons or less. Director Genova seconded and the motion passed unanimously.

2008 Audit – The Board was provided the draft 2008 Audit for review. Mary Brenes, CPA will attend the June, 2009 meeting to respond to Board inquiries.

Verizon Wireless Option and Lease – Manager Tooker reported he has provided the District’s legal counsel with the lease amendment proposal from Verizon Wireless. Since the proposal will

cause the District to incur legal costs, Manager Tooker is recommending that the recovery of legal fees be included in the Lease Agreement. The Board supported the re-payment of legal fees for this purpose and further supported the development of a policy to charge a fee for various special requests.

NEW BUSINESS

2009 General Liability Insurance – Manager Tooker reported that typically the District receives at least two insurance quotations for General Liability Insurance coverage; one from the Rural Special Districts and the other from the Colorado Special Districts Property and Liability Pool. This year only one quote was received, from the Rural Special Districts. Staff recommended Board approval of the Rural Special Districts quote for insurance coverage. Director Woods moved to authorize Staff to obtain the general liability insurance coverage through Home Loan and Investment in the amount of \$49,042 for the policy period May 21, 2009 – 2010. Director Genova seconded and the motion passed unanimously. Manager Tooker reported he will have a check prepared for Board signature prior to the renewal date.

Out of District Service Request – Dan Brown – Manager Tooker presented a request from Dan Brown for Out-of-District water service to serve a 40 acre parcel in the Whitewater area. The availability of water service is required in order for Mesa County to proceed with further review of Brown's conceptual development application for 14 residential lots on this 40 acre parcel. Staff advised the Board that infrastructure improvements would need to be completed prior to actual water service being available from the District. Director Woods moved to direct Staff to prepare a response letter to Dan Brown indicating the District's conceptual approval of the request, with conditions to be identified by Staff, and report back to the Board at the June, 2009 meeting. Director Hassler seconded and the motion passed unanimously.

Clifton Sanitation District Request to Lease/Rent GVICO Shares – Director Woods recused himself from participation in this agenda item and exited the room. Manager Tooker presented a proposal for the Clifton Sanitation District to lease 25 Grand Valley Irrigation Company shares owned by the Clifton Water District for the 2009 irrigation season. The proposed lease rate is equal to the assessment paid by the Clifton Water District to Grand Valley Irrigation Company. The Board directed Staff to correct the indemnification clause of the contract so that it reads the same for both organizations and clarify that the amount of water delivered for each GVICO share is the responsibility of the Grand Valley Irrigation Company and not the District. Director Genova moved to approve the Water Share Rental Agreement between Clifton Water District and Clifton Sanitation District #2 as per the discussion and amendments. Director Burger seconded and the motion passed. Director Woods then returned to the room.

Colorado Counties Employee & Officials Retirement Association (CCOERA) 401(a) Plan Restatement – Manager Tooker presented a request from CCOERA for the District's restatement of Plan details. Director Genova moved to accept the 401(a) Participation Agreement as of July 1, 2008 with Colorado County Officials and Employees Retirement Association Retirement Plan and Trust Agreement. Director Hassler seconded and the motion passed unanimously.


Swine Flu Pandemic Response Plan – Assistant Manager Reinertsen reported on Staff's preparation of the Influenza Pandemic Continuity of Operations Plan. Staff and Safety Committee meetings were conducted to discuss and develop procedures to allow continued operations in the event of a widespread pandemic event such as the staff absenteeism the current "Swine Flu" pandemic could potentially cause. Staff has also worked with Ute Water and the City of Grand Junction Water Department to test the inter-connects which could be utilized in a major event.

ADJOURNMENT – The meeting was adjourned at 6:55 p.m.

ATTEST:



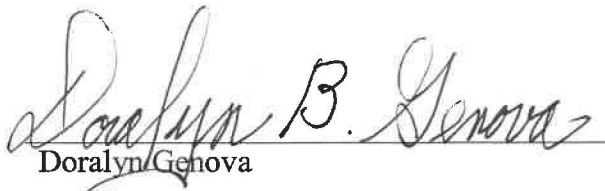
John L. Ballagh



Brian Woods



Robert Burger



Doralyn Genova



Alan Hassler

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, JUNE 4, 2009**

BOARD MEMBERS PRESENT: John Ballagh, Chairman; Doralyn Genova, Vice-Chairman
Brian Woods, Treasurer

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

REGULAR MEETING

Chairman Ballagh called the regular Board meeting to order at 5:00 p.m. Director Burger and Director Hassler were excused. Two scheduled guests, Jamie Hamilton of Home Loan and Investment and Mary Brenes, CPA, were unable to attend this meeting. No other changes were noted to the agenda.

MINUTES OF THE MAY 14, 2009 REGULAR MEETING

Director Genova moved to accept the May 14, 2009 Regular Meeting Minutes with corrections. Director Woods seconded and the motion passed.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to accept the Financial Report and approve Accounts Payable in the amount of \$38,702.27 plus \$291.00 the HRA Disbursement plus \$105,070.01 the supplemental statement for a total of \$144,063.28. Director Woods seconded the motion. The Board and Staff discussed the reporting of cash revenues from the Clifton Sanitation District. The motion passed.

MANAGER'S REPORT

Manager Tooker presented the Manager's Report for Board review.

STAFF REPORTS

Meter Reading Update – Manager Tooker presented graphs illustrating the operational efficiencies associated with the installation of radio read meters. Approximately 60% of the District is now radio-read which has significantly reduced the amount of staff time and vehicle expenses required for reading meters.

Springbrook Conference Report – Manager Tooker reported that he, Accountant David Foster and Customer Service Representative Susie Hornback recently attended the Springbrook Users Conference in Portland, Oregon. As a result of his attendance at conference workshops Manager Tooker has been evaluating options for electronic bill payments and outsourcing bill printing which could save the District a significant amount of money. He also participated in a workshop regarding disaster recovery options. Chairman Ballagh requested discussion of electronic

billing on a future agenda. Foster and Hornback obtained information regarding financial reporting and customer account activities that will be utilized as appropriate.

EXPRESS AGENDA

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

1. Project 2008-01 North Raw Water Settling Pond Design – Staff participated in the Project Design Alternatives Workshop with representatives from URS on May 28, 2009. Based on the results of the Workshop, URS has committed to delivery of the draft Preliminary Design Report for staff review by June 24, 2009 with the Final Preliminary Design Report completed by August 5, 2009.
2. Project 2009-01 Highway 50 Bore – Staff participated in a design option review with Sharper Engineering on May 29, 2009. Based on the direction provided, final project design will be submitted by June 17, 2009.
3. Project 2008-02 Pilot Testing Program – The third pilot skid evaluation phase continues with completion of the 54 day run on June 10, 2009. Upon completion of the third phase, the skids will be cleaned and evaluated for performance recovery from the polymer dosing. Fiber integrity testing is scheduled for the week of June 22nd with skid demobilization starting June 28th.
4. Out of District Water Service Request from Dan Brown – Staff informed Dan Brown of the Board's conceptual approval of his Out-of-District request for water service. A letter clarifying the District's criteria for providing water in the area and in the future is being drafted by Staff to be signed by the District and Mr. Brown and submitted to Mesa County.

UNFINISHED BUSINESS

Emergency Rate "Holiday" and Resolution – Director Woods moved to continue the holiday on the Drought Rate adopted in 2002, replaced with the Emergency Rate on May 14, 2009, pending further discussion at the July 3, 2009 Board Meeting. Director Genova seconded and the motion passed.

2009 General Liability Insurance – Manager Tooker presented a Staff Report (*2009 Staff Reports, Home Loan and Investment Liability and Property Insurance*) and request for Board reconsideration of the May 14, 2009 motion to obtain General Liability Insurance from Rural Special Districts. Director Genova moved to reconsider the District's General Liability Insurance in light of new information presented by Staff. Director Woods seconded and the motion passed.

Staff identified that the Colorado Special Districts Property and Liability Pool had submitted a quote to Home Loan an Investment that was not made available to the Board at the May 14, 2009 Board Meeting. Home Loan and Investment conducted a comparison between the policy coverage of the Colorado Special Districts Property and Liability Pool and the Rural Special Districts. The comparison identified significant differences in type and amount of flood coverage proposed. Additionally, the Colorado Special Districts Property and Liability Pool proposal was \$43,843.91 which is \$5,199.00 less than the Rural Special District proposal without sacrificing coverage. With this information, Manager Tooker conducted a telephone poll of the Board recommending that the Board reconsider the District's insurance coverage.

Director Woods moved, after reconsidering the two quotes obtained, to accept the Colorado Rural Special District's Property and Liability Pool proposal over the Rural Special District's

proposal. Director Genova seconded and the motion passed. A check in the pro-rated amount of \$24,625.58, for coverage through December 31, 2009 was signed by the Board.

2008 Audit - Manager Tooker presented the 2008 Audit on behalf of Mary Brenes, CPA. Directors Burger and Hassler both consented to presentation of the Final 2008 Audit at this meeting despite their absences. All Board members received a copy of the Draft 2008 Audit at the May 14, 2009 Meeting, and two changes to the 2008 Final Audit from the Draft were noted. The Board noted several corrections necessary within the Management Discussion and Analysis. Formal Audit Letters prepared by Mary Brenes were reviewed by the Board, particularly the recommendations regarding signature of Purchase Orders and the re-capitalization of vehicle use costs. Director Genova moved to accept the 2008 Audit and distribute as required. Director Woods seconded and the motion passed. Director Genova moved to accept the two Audit Letters from Mary Brenes, CPA. Director Woods seconded and the motion passed.

David Foster exited the meeting at 7:00 p.m.

Project 2009-02 New 10" Waterline, I-70B (08-RU06) – Assistant Manager Reinertsen presented a Staff Report (*2009 Staff Reports, Project 2009-02*) summarizing the ten bids received for Project 2009-02, a copy of Sharper Engineering Services' review of the bids, and the Staff and Engineer's recommendation to award the bid to Palisade Constructors, Inc. Project costs are significantly less than the Engineer's Estimate. Director Woods moved to accept the Engineer's Recommendation and authorize Staff to award the bid in the amount \$99,687.00 and authorize Staff to issue a Notice to Proceed. Director Genova seconded and the motion passed.

NEW BUSINESS

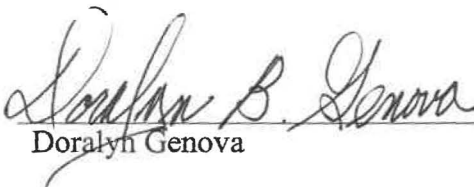
Board Reorganization and Committee Assignments - By consensus the Board agreed to continue the agenda item for Board Reorganization and Committee Assignments to the July 3, 2009 Meeting.

ADJOURNMENT – By consensus the meeting was adjourned at 7:05 p.m.

ATTEST:



John L. Ballagh



Doralyn Genova



Brian Woods

Excused

Alan Hassler

Excused

Robert Burger

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, JULY 2, 2009**

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

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

GUESTS: Mary Brenes, CPA

REGULAR MEETING

Chairman Ballagh called the regular Board meeting to order at 5:12 p.m. No changes were noted to the agenda.

MINUTES OF THE JUNE 4, 2009 REGULAR MEETING

Director Genova moved to approve the June 4, 2009 Regular Meeting Minutes as submitted. Director Woods seconded and the motion passed. Directors Burger and Hassler abstained because they had not been present at that meeting.

2008 AUDIT

Mary Brenes, CPA, presented a Power Point summary of the revenue, expenses, liabilities, assets and depreciation as reported in the 2008 District Audit.

Mary Brenes exited the meeting at 5:50 p.m.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to accept the Financial Report and Approve Accounts Payable in the amount of \$93,171.48 plus \$2,037.26 HRA disbursement plus \$132,675.33 supplemental statement for a total of \$227,884.07. Director Woods seconded the motion. Accountant Foster identified and explained a discrepancy in the sequential check numbers that are presented for approval. Manager Tooker also noted the Statement of Cash Flow report format has been amended to create a pass-through column for revenues and disbursements to the Clifton Sanitation District. The Board identified that the transaction dates of wire transfers in the Wire Transfer Reports do not match. Future reports will be amended to represent actual transaction dates. The motion passed unanimously.

David Foster exited the meeting at 6:10 p.m.

MANAGER'S REPORT

Manager Tooker reviewed the Manager's Report with the Board.

EXPRESS AGENDA

The Board reviewed the Express Agenda and moved item #4, Highway 50 Bore (08-RU07), to Unfinished Business. Items #1-3 and #5 were accepted as presented:

1. Project 2008-01 North Raw Water Settling Pond Design – Staff participated in the Project Design Alternatives Workshop with representatives from URS on May 28, 2009. Based on the results of the Workshop, URS has committed to delivery of the draft Preliminary Design Report for staff review by June 24, 2009 with the Final Preliminary Design Report completed by August 5, 2009.
2. Project 2008-02 Pilot Testing Program – Fiber integrity testing was performed on June 23rd with the three vendors cutting and repairing the membranes. All three were successful in finding the damaged fibers and performing repairs that restored the design integrity of each membrane system. Pilot phase testing is now complete with skid demobilization taking place on June 29 and 30.
3. Project 2009-02 New 10" Waterline, I-70B (08-RU06) – The contractor, Palisade Constructors Inc., has completed installation of the new 10" water main from 31 ½ Road to the west side of the Grand Valley Transit bus yard. The bore and pipe installation is scheduled for completion by July 2nd. Final project closeout activities are anticipated for the week of July 6.
4. Highway 50 Bore (08-RU07) (Moved to Unfinished Business)
5. Out-of-District Service Request from Dan Brown – Staff provided Dan Brown with a letter stating the Board's May 14, 2009 conceptual approval of his Out-of-District water service request and clarifying District criteria for providing water in the Whitewater area.

UNFINISHED BUSINESS

2008 Audit - Chairman Ballagh noted that the 2008 Audit was accepted by the Board at the June 4, 2009 Regular Meeting with no further action necessary.

Emergency Rate "Holiday" and Emergency Rate Resolution – The Emergency Rate was adopted by Board motion on May 14, 2009 but in the past, has been adopted by Resolution and placed on "holiday". Director Burger moved to adopt the RESOLUTION TO ESTABLISH AN EMERGENCY RATE. Director Genova seconded and the motion passed unanimously. Resolution text is inserted below:

RESOLUTION TO ESTABLISH AN EMERGENCY RATE

WHEREAS the District wishes to establish an Emergency Rate to preserve water resources in a critical drought situation and/or unforeseen water supply shortage situations and;

WHEREAS the District researched effective water conservation pricing programs identifying that increasing block rate structures are used effectively to conserve resources during recognizable water supply problems and;

WHEREAS the Emergency Rate is not established using traditional Cost of Service Analysis and;

WHEREAS the Emergency Rate uses an increased rate structure elevating the charge for water above the cost to produce the water and;

WHEREAS the primary objectives of the Emergency Rate are to reduce the overall consumption of treated water and reduce the peak use and treatment of raw water and;

WHEREAS the District's Emergency Rate shall encourage customers to maintain usage in the minimum monthly billing block of 3,000 gallons per month and encourage all other water users to lower their consumption and;

WHEREAS the District's Emergency Rate shall not penalize minimum water usage customers that are already conserving and;

WHEREAS the District's Emergency Rate shall be evaluated periodically and adjusted according to the prevailing conditions as necessary;

NOW THEREFORE BE IT RESOLVED that the Clifton Water District Board of Directors establish the Emergency Rate (Exhibit A, attached to and a part of this Resolution) effective July 3, 2009.

2009 Emergency Water Rates (In-District) 500% Option						
Minimum Charge	Usage 1000 gal	Rate per 1,000 gal	Total Cost	% Increase	Total Amount	Total Cost per 1000 gal
\$10.00	3	Minimum	\$10.00		\$10.00	\$3.33
\$10.00	4	\$10.75	\$20.75	500	\$20.75	\$5.19
\$10.00	5	\$10.75	\$31.50	500	\$31.50	\$6.30
\$10.00	6	\$10.75	\$42.25	500	\$42.25	\$7.04
\$10.00	7	\$10.75	\$53.00	500	\$53.00	\$7.57
\$10.00	8	\$10.75	\$63.75	500	\$63.75	\$7.97
\$10.00	9	\$10.75	\$74.50	500	\$74.50	\$8.28
\$10.00	10	\$10.75	\$85.25	500	\$85.25	\$8.53
\$10.00	11	\$10.75	\$96.00	500	\$96.00	\$8.73
\$10.00	12	\$10.75	\$106.75	500	\$106.75	\$8.90
\$10.00	13	\$10.75	\$117.50	500	\$117.50	\$9.04
\$10.00	14	\$10.75	\$128.25	500	\$128.25	\$9.16
\$10.00	15	\$10.75	\$139.00	500	\$139.00	\$9.27
\$10.00	16	\$10.75	\$149.75	500	\$149.75	\$9.36
\$10.00	17	\$10.75	\$160.50	500	\$160.50	\$9.44
\$10.00	18	\$10.75	\$171.25	500	\$171.25	\$9.51
\$10.00	19	\$10.75	\$182.00	500	\$182.00	\$9.58
\$10.00	20	\$10.75	\$192.75	500	\$192.75	\$9.64
\$10.00	25	\$10.75	\$246.50	500	\$246.50	\$9.86
\$10.00	30	\$10.75	\$300.25	500	\$300.25	\$10.01
\$10.00	35	\$10.75	\$354.00	500	\$354.00	\$10.11
\$10.00	40	\$10.75	\$407.75	500	\$407.75	\$10.19
\$10.00	45	\$10.75	\$461.50	500	\$461.50	\$10.26
\$10.00	50	\$10.75	\$515.25	500	\$515.25	\$10.31
\$10.00	60	\$10.75	\$622.75	500	\$622.75	\$10.38
\$10.00	70	\$10.75	\$730.25	500	\$730.25	\$10.43
\$10.00	80	\$10.75	\$837.75	500	\$837.75	\$10.47
\$10.00	100	\$10.75	\$1,052.75	500	\$1,052.75	\$10.53

NOTE: Out of District customers will be charged 150% of the Emergency Rate

Director Woods moved to place the Emergency Rate on “holiday” until such time that further action is necessary. Director Hassler seconded and the motion passed unanimously.

Board Reorganization and Committee Assignments – By consensus the Board retained the current Officer and Committee positions until May, 2010, as follows:

Chairman: John Ballagh
Vice Chairman: Doralyn Genova
Treasurer: Brian Woods
Secretary: Robert Burger
Director: Alan Hassler

Budget Committee: John Ballagh and Brian Woods
Construction Committee: John Ballagh and Alan Hassler
Personnel Committee: Robert Burger and Alan Hassler
Policy and Standards Committee: Doralyn Genova and Robert Burger

Credit Card Usage Fees – Manager Tooker presented a Staff Report (*2009 Staff Reports, File 07/02/09, Credit Card Fees*) summarizing fees paid by the District for the processing of credit and debit card transactions. Staff recommends the development of a policy to collect credit card usage fees from customers that are using this payment method. The Board discussed whether to continue absorbing the costs of credit card transactions, totaling \$9,879.00 in 2008, as an operational expense or to assess a usage fee. The Board requested that Staff prepare a report showing the breakdown of credit card charges in a typical 30-day period so that high/low/median data can be reviewed. The Policy Committee will review the information and evaluate options.

Highway 50 Bore (08-RU07) – The Board requested that this item be removed from the Express Agenda so that Staff could explain the location and scope of the project and discuss potential impacts associated with Stormwater Discharge requirements. Assistant Manager Reinertsen described the project and the efforts to obtain the appropriate permits.

NEW BUSINESS

Quit Claim Deed to Abandon Water Line Easement - Manager Tooker presented a Staff Report (*2009 Staff Reports, File 07/02/09, Easements*) and proposal to convey an easement no longer necessary in the Whitewater area to its property owner, Ronnie Dee Reed. Maps and history of the location were reviewed. The Board directed Staff that the Quit Claim Deed abandoning the easement will need to include “as is” language and should be accompanied by a letter from the property owner requesting the abandonment. Director Genova moved to continue this agenda item to the August 6, 2009 Regular Meeting. Director Woods seconded and the motion passed unanimously.

Outsource Billing – Manager Tooker presented a Staff Report (*2009 Staff Reports, File 07/02/09, Bill Outsource Project*) comparing the current costs of printing and mailing the District’s bills versus outsourcing the same services. The Board directed Staff to obtain additional information concerning in-house labor costs to perform the bill printing and mailing function and report back at the August 6, 2009 Regular Meeting.

Water Service Request from Rod Whiting Dated June 8, 2009 – Manager Tooker presented a letter from Rod Whiting (*File 7/2/09, Out of District Service Requests and 2009 Correspondence*) requesting two taps in the Whitewater area. Manager Tooker advised Whiting, by letter dated June 12, 2009, of the current status of infrastructure in that area. No formal request for Out-of-District water service was received and no action of the Board is required.

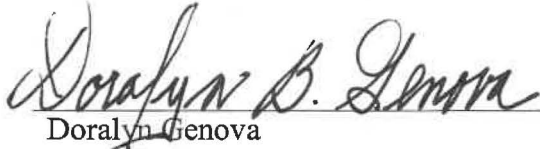
Colorado River District Programmatic Biological Opinion – Manager Tooker presented a request from the Colorado River District for funding toward the Programmatic Biological Opinion negotiations regarding endangered species in the Fifteen Mile Reach of the Colorado River. Dan Birch from the River District will attend the August 6, 2009 Board meeting to present a more detailed presentation and answer the Boards questions.

ADJOURNMENT – Director Burger moved to adjourn the meeting. Director Woods seconded and the motion passed unanimously. The meeting was adjourned at 7:50 p.m.

ATTEST:



John L. Ballagh




Doralyn Genova



Brian Woods



Alan Hassler



Robert Burger

RESOLUTION TO ESTABLISH AN EMERGENCY RATE

WHEREAS the District wishes to establish an Emergency Rate to preserve water resources in a critical drought situation and/or unforeseen water supply shortage situations and;

WHEREAS the District researched effective water conservation pricing programs identifying that increasing block rate structures are used effectively to conserve resources during recognizable water supply problems and;

WHEREAS the Emergency Rate is not established using traditional Cost of Service Analysis and;

WHEREAS the Emergency Rate uses an increased rate structure elevating the charge for water above the cost to produce the water and;

WHEREAS the primary objectives of the Emergency Rate are to reduce the overall consumption of treated water and reduce the peak use and treatment of raw water and;

WHEREAS the District's Emergency Rate shall encourage customers to maintain usage in the minimum monthly billing block of 3,000 gallons per month and encourage all other water users to lower their consumption and;


WHEREAS the District's Emergency Rate shall not penalize minimum water usage customers that are already conserving and;

WHEREAS the District's Emergency Rate shall be evaluated periodically and adjusted according to the prevailing conditions as necessary;

NOW THEREFORE BE IT RESOLVED that the Clifton Water District Board of Directors establish the Emergency Rate (Exhibit A, attached to and a part of this Resolution) effective July 3, 2009


ATTEST:


Secretary – Robert K. Burger


Treasurer – Brian Woods


Director – Alan Hassler


Chairman – John L. Ballagh


Vice Chairman – Doralyn Genova

RESOLUTION TO ESTABLISH AN EMERGENCY RATE

ATTACHMENT A

2009 Emergency Water Rates (In-District) 500% Option						
Minimum Charge	Usage 1000 gal	Rate per 1,000 gal	Total Cost	% Increase	Total Amount	Total Cost per 1000 gal
\$10.00	3	Minimum	\$10.00		\$10.00	\$3.33
\$10.00	4	\$10.75	\$20.75	500	\$20.75	\$5.19
\$10.00	5	\$10.75	\$31.50	500	\$31.50	\$6.30
\$10.00	6	\$10.75	\$42.25	500	\$42.25	\$7.04
\$10.00	7	\$10.75	\$53.00	500	\$53.00	\$7.57
\$10.00	8	\$10.75	\$63.75	500	\$63.75	\$7.97
\$10.00	9	\$10.75	\$74.50	500	\$74.50	\$8.28
\$10.00	10	\$10.75	\$85.25	500	\$85.25	\$8.53
\$10.00	11	\$10.75	\$96.00	500	\$96.00	\$8.73
\$10.00	12	\$10.75	\$106.75	500	\$106.75	\$8.90
\$10.00	13	\$10.75	\$117.50	500	\$117.50	\$9.04
\$10.00	14	\$10.75	\$128.25	500	\$128.25	\$9.16
\$10.00	15	\$10.75	\$139.00	500	\$139.00	\$9.27
\$10.00	16	\$10.75	\$149.75	500	\$149.75	\$9.36
\$10.00	17	\$10.75	\$160.50	500	\$160.50	\$9.44
\$10.00	18	\$10.75	\$171.25	500	\$171.25	\$9.51
\$10.00	19	\$10.75	\$182.00	500	\$182.00	\$9.58
\$10.00	20	\$10.75	\$192.75	500	\$192.75	\$9.64
\$10.00	25	\$10.75	\$246.50	500	\$246.50	\$9.86
\$10.00	30	\$10.75	\$300.25	500	\$300.25	\$10.01
\$10.00	35	\$10.75	\$354.00	500	\$354.00	\$10.11
\$10.00	40	\$10.75	\$407.75	500	\$407.75	\$10.19
\$10.00	45	\$10.75	\$461.50	500	\$461.50	\$10.26
\$10.00	50	\$10.75	\$515.25	500	\$515.25	\$10.31
\$10.00	60	\$10.75	\$622.75	500	\$622.75	\$10.38
\$10.00	70	\$10.75	\$730.25	500	\$730.25	\$10.43
\$10.00	80	\$10.75	\$837.75	500	\$837.75	\$10.47
\$10.00	100	\$10.75	\$1,052.75	500	\$1,052.75	\$10.53

NOTE: Out of District customers will be charged 150% of the Emergency Rate

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, AUGUST 6, 2009**

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

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

GUESTS: Dan Birch, Colorado River District

REGULAR MEETING

Chairman Ballagh called the regular Board meeting to order at 5:02 p.m. No changes were noted to the agenda at this time.

MINUTES OF THE JULY 2, 2009 REGULAR MEETING

Director Genova moved to approve the July 2, 2009 Regular Meeting Minutes as submitted. Director Burger seconded and the motion passed unanimously.

GUESTS

Dan Birch of the Colorado River District was present to discuss that District's request for funding toward implementation of the Programmatic Biological Opinion (PBO) for Endangered Species protection in the 15-Mile Reach of the Colorado River. The Board was provided a written request (*File 7/2/09, File 8/6/09 and Programmatic Biological Opinion*) at the July 2, 2009 Regular Meeting. Funding commitments from other entities were summarized. Director Woods moved to contribute \$15,000 to the Colorado River District for this specific project, with the requirement that the River District prepare a Memorandum of Understanding which includes the manner in which funds not needed would be returned to the District as well as how additional funding needs would be addressed. Director Genova seconded and the motion passed unanimously.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to accept the Financial Report and Approve Accounts Payable in the amount of \$269,171.57 plus \$1,362.63 HRA disbursement plus \$67,163.84 supplemental statement for a total of \$337,698.04. Director Burger seconded the motion. Notes to the Financial Statements were reviewed and Accountant Foster reported that there are two checks payable to Flex Magic for the same amount and they are for two separate billing months and not duplicate payments. Director Hassler questioned Staff on the processes used to secure price quotations in preparing purchase orders and commented on the price variances for valves. He also noted the improved cash flow for June. The motion passed unanimously.

MANAGER'S REPORT

Manager Tooker reviewed the Manager's Report with the Board. The Board asked about the data which indicate the addition of sulfates during production as shown on Page 1 of the Manager's Report. Staff will review the data and report back to the Board

STAFF REPORTS

Fuel Tax Refund – Manager Tooker presented a Staff Report (*File 8/3/09, 2009 Staff Reports*) identifying receipt of \$4,703 in State Fuel Tax refunds since January, 2008 when the District began to apply for these funds.

EXPRESS AGENDA

The Board reviewed the Express Agenda and moved item #7, SDA Annual Conference, to Unfinished Business. Items #1- 6 were accepted as presented:

1. Project 2008-01 North Raw Water Settling Pond Design – Staff has received draft design option plans, which will be presented for discussion with the Board's Construction Committee. URS plans to submit the Draft Preliminary Design Report (PDR) by August 7, 2009.
2. Project 2008-02 Pilot Testing Program – The Pilot Testing Phase of the Program is complete. All three manufacturers have removed their equipment. Burns and McDonnell are compiling the test data and have begun preliminary layout design options that staff has evaluated. These options will be discussed with the Board's Construction Committee. Burns and McDonnell is scheduled to provide the Draft Microfiltration/Utrafiltration Pilot Testing Result Report for review and comment the week of August 1st.
3. Highway 50 Bore (08-RU07) – Staff continues to negotiate design fees for the additional effort needed to provide a complete design package for a new 16" main line from the top of the hill at the Plant One site south to the original city raw water line pump station site.
4. Highway 50 Bore at Reeder Mesa (08-RU08) – Staff received three design proposals and selected Sharper Engineering to provide construction design drawings for a new crossing of Highway 50.
5. Project 2009 – 03 Colorado River Intake Preliminary Design – Staff has had several design option discussions with the Project Engineer, HDR Engineering. The Final Preliminary Design Report was received on July 31, 2009. The Board's Construction Committee will review and discuss the report and decide whether a presentation by HDR to the full Board is warranted at this time.
6. Annual Water Quality Report – The Annual Water Quality Report was mailed to all District properties in July.

UNFINISHED BUSINESS

Colorado River District Programmatic Biological Opinion – Director Genova moved to transfer \$15,000 from Contingency to the Treated Water Purchases/Trades/Contract budget line item for contribution to the Colorado River District and the PBO Endangered Species Protection approved earlier in this meeting. Director Woods seconded and the motion passed unanimously.

Request to Abandon Water Line Easement, Lot 2 Uzelac Minor Subdivision – Manager Tooker reported that the requested additional information has not been received from the property owner since this item was first presented at the July 2, 2009 Regular Meeting. This agenda item was moved to the September, 2009 Regular Meeting.

Outsource Billing – Manager Tooker presented a Staff Report (*File 8/3/09, 2009 Staff Reports, Outsource Billing*) regarding the review of the vendors for outsourcing of customer billing plus electronic bill presentation and payment services. Staff currently estimates an annual cost savings of up to \$24,000 by outsourcing District billing. Staff identified multiple differences among the vendors' products, including fees for the processing of credit card payments and costs based on the frequency of billings and is recommending additional evaluation before making a final recommendation to the Board. The Board requested a Staff Report identifying pros/cons of the vendors.

Credit Card Usage Fees – This item was included in the Outsource Billing discussion.

Advertise Final Payment for Project 2009-02 – 10" Waterline, I-70 B – Assistant Manager Reinertsen reported that this project is complete and final payment would be made following legal advertisement. Director Woods moved to authorize advertisement for final payment for Project 2009-02 prior to the September 3, 2009 Board meeting. Director Genova seconded and the motion passed unanimously.

SDA Annual Conference, Keystone September 23-25, 2009 – Directors Ballagh and Woods indicated they would be attending the Special District Association Annual Conference and were asked to contact Kelly McLaughlin for registration assistance.

NEW BUSINESS

Appoint Person to Prepare 2010 Budget – Director Hassler moved to appoint Manager Tooker to prepare the District's 2010 Budget. Director Burger seconded and the motion passed unanimously.

Town of Palisade Wastewater Treatment Project Letter of Support – Assistant Manager Reinertsen reported that the Town of Palisade has selected their preferred alternative regarding the replacement of their existing Wastewater Treatment Facility. The Town has decided to transport their wastewater via a new pressure main to the Clifton Sanitation District facility. The Town has applied for grant funding and requests a letter of support for the project from the Clifton Water District. Director Genova moved to authorize Chairperson Ballagh to execute the letter of support drafted by Staff (*File 8/3/09, 2009 Outgoing Correspondence*). Director Burger seconded and the motion passed unanimously.

City of Grand Junction Annexation – Staff and the Board discussed the concern with the City of Grand Junction's current efforts to annex property within the boundary of the Clifton Water District via petitioner process. This is contrary to numerous public meetings conducted where it was stated to the attendees that annexation would only occur by voter approval. Staff and the Board will continue to monitor the process.

2009 Cost of Service Rate Analysis – Manager Tooker provided a Staff Report (*File 8/3/09, Staff Reports 2009, Cost of Service Analysis*) summarizing revenues and expenditures impacting District rates. Further discussion will be scheduled at the September 3, 2009 Regular Meeting.

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

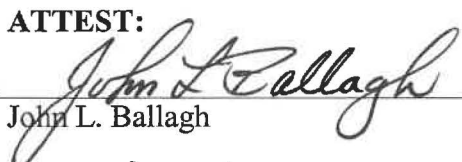
HDR Preliminary Report – Colorado River Pump Intake Structure - This agenda item was inadvertently not moved from the Express Agenda for further discussion. Manager Tooker reported the Construction Committee met on August 3, 2009 to review the Preliminary Report from HDR Engineering, Inc. (*Project 2009-03 Colorado River Pump Intake Structure*) and the remaining Board members were provided a copy of the report earlier this week. Three options have been identified for renovating the existing intake structure. Each of the options has a projected cost exceeding one million dollars. Assistant Manager Reinertsen said the District currently has three major capital construction projects in the design process; the Colorado River Pump Intake Structure project impacts existing and on-going operations whereas both the North Raw Water Settling Pond and the Microfiltration and Ultrafiltration projects are more growth related projects. With current growth in the District showing a significant slow down Staff believes it is more beneficial to designate the Colorado River Pump Intake Structure project as the top capital construction priority. The Board concurred and requested a memo identifying for the record the reasons these three major capital projects are being re-prioritized. Director Genova moved to accept HDR Engineering, Inc.'s Preliminary Design Report Regarding the Colorado River Pump Intake Structure. Director Burger seconded and the motion passed unanimously


The need to proceed expeditiously with the Colorado River Pump Intake Structure project was discussed. By Board consensus, a Request for Proposals for a Design Build Project will be solicited.

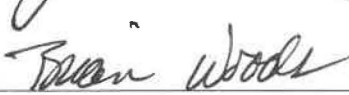
PERSONNEL – Manager Tooker reported that several employees that have been on reduced duty have returned to full capacity, and one employee is currently on Short Term Disability.

ADJOURNMENT –The meeting was adjourned at 7:50 p.m.

ATTEST:


John L. Ballagh


Doralyn Genova


Brian Woods


Alan Hassler


Robert Burger

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, SEPTEMBER 3, 2009**

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

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

REGULAR MEETING

Chairman Ballagh called the regular Board meeting to order at 5:00 p.m. No changes were made to the agenda.

MINUTES OF THE AUGUST 6, 2009 REGULAR MEETING

Director Genova moved to approve the August 6, 2009 Regular Meeting Minutes as submitted. Director Burger seconded and the motion passed unanimously.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to accept the Financial Report and approve Accounts Payable in the amount of \$124,365.19 Regular Check Run plus \$12,912.64 Special Check Run plus \$23,505.05 Benefits Payables plus \$34,286.95 Supplemental Check Run for a total of \$195,069.83. Manager Tooker noted the new color coding and labeling of the Financial Reports and supplemental information. Director Burger identified a large change in the Cash Flow report. Accountant Foster reported that July is a high revenue month. Director Woods seconded and the motion passed unanimously.

MANAGER'S REPORT

The Manager's Report was reviewed with the Board. Manager Tooker advised the Board that Verizon will be reimbursing the District for legal costs associated with review of the lease amendment proposal from Verizon that has now been withdrawn.

STAFF REPORTS

Explanation of Sulfates Concentrations – In response to Board inquiry at the August, 2009 meeting, Manager Tooker reported that sulfate concentrations on the Manager's Report will vary according to the seasonal changes in influent water quality and treatment processes.

2009 Water Festival – Manager Tooker reported the District’s share of the 2009 Water Festival was \$650.00 which is significantly less than the \$4000.00 budgeted. The lower amount is due to the School District’s increased contribution for 2009.

Partnership for Safe Water 2009 Director’s Award – Manager Tooker reported the District again achieved compliance with the reporting requirements of the Partnership for Safe Water Director’s Award.

EXPRESS AGENDA

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

Final Payment for Project 2009-02 -10” Waterline, I-70 B – A Notice of Contractor’s Settlement was published in The Daily Sentinel on August 12 and August 20. No claims were submitted. Staff will release Final Payment to Palisade Constructors, Inc.

Project 2008-01 North Raw Water Settling Pond Design – URS continues to work on the design details for this project.

Project 2008-02 Pilot Testing Program – Staff has received the Draft MF/UF Pilot Testing Results Report and it is currently being reviewed.

Highway 50 Bore (08-RU07) – Discussions with the project design engineer has resulted in additional work scope to provide a design for a replacement water line from the Plant 1 site, south across Highway 50 to the vicinity of the District’s original lift station at the City of Grand Junction’s raw water line from Kannah Creek.

Highway 50 Bore at Reeder Mesa (08-RU08) – Design is progressing with geotechnical investigations scheduled for the week of September 14.

Project 2009–03 Colorado River Intake Preliminary Design – At the August 6, 2009 Board Meeting, staff was directed to pursue a Design/Build contract format for this project. Staff continues development of said format with advertisement for Design/Build services anticipated for mid-September.

UNFINISHED BUSINESS

Cost of Service Rate Analysis – Manager Tooker summarized the methodology used to prepare the Cost of Service Rate Analysis Report (*Cost of Service Rate Analysis, 2009 Staff Reports, File 8/6/09*) that was distributed to the Board at the August 6, 2009 Regular Meeting. The District has historically maintained a rate structure that strictly funds operational expenses and has not included depreciation expense or capital improvement funding. Revenue requirements are categorized into Commodity, Capacity, Customer, Meter Services and Fire Protection. Although water rates have not increased since 2004 the Board concluded that the current rate is sufficient to cover these operational expenses for the 2010 Budget Year. Manager Tooker was directed to analyze the potential impact to operational revenues if there is a continued increase in accounts changing to Availability of Service due to current economic conditions. Manager Tooker will also evaluate other rate factors including depreciation and a percentage of revenue over expense to target for depreciation expenses.

David Foster exited the meeting at 6:35 p.m.

Request to Abandon Water Line Easement, Lot 2 Uzelac Minor Subdivision - Director Genova moved to continue this agenda item to the October 1, 2009 Regular Meeting since a written request for abandonment has not been received from the property owner. Director Burger seconded and the motion passed unanimously.

SDA Annual Conference, Keystone September 23-25,2009 - Directors Ballagh and Woods will attend the Special District Association Annual Conference Business Meeting and SDA Pool Membership Meeting, therefore, no voting proxies are necessary.

NEW BUSINESS

Transfer of Funds From Contingency to Raw Water Transport – Manager Tooker submitted a Staff Report (*Grand Valley Irrigation Diversion Reporting, 2009 Staff Reports, File 9/3/09*.) summarizing diversion of the District’s Colorado River Pipeline Right through the Grand Valley Canal for 2009. Director Genova moved to approve the transfer of \$12,912.64 from Contingency to Raw Water Transport to fund the expense of diverting our Colorado River Pipeline Right through the Grand Valley Canal and to continue the efforts to convert the conditional rights to absolute. Director Hassler seconded and the motion passed unanimously.

Mesa County’s Request for Irrigation Tap in Whitewater – Assistant Manager Reinertsen presented an overview of Mesa County’s plans for the development of a campus near the existing County Landfill that will include animal control and public works facilities. He reported that Drexel Barrell Engineering evaluated the County’s proposed long-term water needs for this campus within the Whitewater Water Network Analysis and find it will not affect the existing water issues further. At this time Mesa County is requesting a District water tap for irrigation use only. The District does not have a policy regarding taps for irrigation only. The Board discussed the costs of water treatment and distribution regardless of meter size. Director Genova moved to not consider an irrigation tap under the conditions presented and advise Mesa County to consider a domestic tap that is sized appropriately for their needs. Director Woods seconded and the motion passed unanimously.

American National Bank Account Change – Signature Cards – Manager Tooker reported a change in the American National Bank account requiring a new signature card. The Board signed the new form.

Capital Projects Staff Record Memo – Assistant Manager Reinertsen presented a Staff Record Memo (*2009 Staff Reports, File 9/3/09*), requested by the Board, memorializing the discussion at the August 6, 2009 Board Meeting regarding the re-prioritizing of capital construction projects.

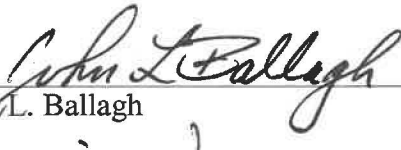
PERSONNEL -

Employee Longevity – Manager Tooker invited the Board to attend a luncheon on September 9, 2009 to recognize Violet Church for thirty years of service to the District.

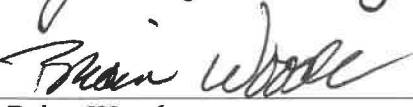
Manager's Evaluation – Manager Tooker provided the Board with a memo for their review in preparation for his annual performance evaluation. The Board requested an Executive Session for the Manager's Evaluation at the October 1, 2009 Regular Meeting.

ADJOURNMENT – Director Burger moved to adjourn the meeting. Director Woods seconded and the motion passed unanimously. The meeting was adjourned at 8:07 p.m.

ATTEST:



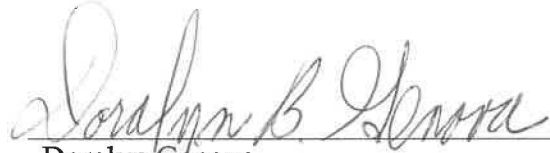
John L. Ballagh



Brian Woods



Robert Burger



Doralyn Genova



Alan Hassler

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, OCTOBER 1, 2009**

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

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

REGULAR MEETING

Chairman Ballagh called the regular Board meeting to order at 5:00 p.m. Director Woods was excused. No changes were made to the agenda.

MINUTES OF THE SEPTEMBER 3, 2009 REGULAR MEETING

Director Genova moved to approve the September 3, 2009 Regular Meeting Minutes as submitted. Director Burger seconded and the motion passed.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to accept the Financial Report and approve Accounts Payable in the amount of \$25,973.22 Regular Check Run plus \$3,721.43 HRA Disbursement plus \$22,525.74 Benefits Checks plus \$73,909.00 Supplemental Check Run for a total of \$126,129.39. Accountant Foster reported no financial items out of the ordinary; Manager Tooker noted the Cash Flow increase for the month. Questions of the Board were answered by Staff. Director Burger seconded and the motion passed.

David Foster exited the meeting at 5:35 p.m.

MANAGER'S REPORT

The Manager's Report was reviewed with the Board. No significant issues were discussed. Director Genova inquired about District Policy related to cell phone usage in vehicles. Manager Tooker stated this item will be addressed by the Policy Committee.

STAFF REPORTS

32 Road and Riverfront Trail Project – Assistant Manager Reinertsen reported he is working with Mesa County regarding potential impacts of their trail extension to the District's existing water line under and adjacent to the 32 Road bridge. Plans are in place regarding water service to the Whitewater area during the temporary service interruption to that line during trail construction.

EXPRESS AGENDA

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

1. Final Payment for Project 2009-02 -10" Waterline, I-70 B – A Notice of Contractor's Settlement was published in the the Daily Sentinel on August 12 and August 20. No claims were submitted. Staff will release Final Payment to Palisade Constructors, Inc.
2. Project 2008-01 North Raw Water Settling Pond Design – URS continues to work on the design details for this project.
3. Project 2008-02 Pilot Testing Program – Staff has received the Draft MF/UF Pilot Testing Results Report and it is currently being reviewed.
4. Highway 50 Bore (08-RU07) – Discussions with the project design engineer has resulted in additional work scope to provide a design for a replacement water line from the Plant 1 site, south across Highway 50 to the vicinity of the District's original lift station at the City of Grand Junction's raw water line from Kannah Creek.
5. Highway 50 Bore at Reeder Mesa (08-RU08) – Design is progressing with geotechnical investigations scheduled for the week of September 14.
6. Project 2009-04 Colorado River Intake Preliminary Design – At the August 6, 2009 Board Meeting, staff was directed to pursue a Design/Build contract format for this project. Staff continues development of said format with advertisement for Design/Build services anticipated for mid-September.

UNFINISHED BUSINESS

Request to Abandon Water Line Easement, Lot 2 Uzelac Minor Subdivision – The Board reviewed the documentation and written request (*File 10/1/09, Easements*) from property owner Ronnie Reed for abandonment of a water line easement transferred to the Clifton Water District on July 2, 1992 and recorded in Mesa County Recording Book 1909 at Page 942. Director Genova moved to abandon the water line easement as requested, noting that the District has previously abandoned an easement shown on the yellow triangle of property provided in the Board packet, and this approval for abandonment is only for the line shown on the parcel map provided in the packet. In addition, the District will not be responsible for any costs related to this abandonment. Director Hassler seconded and the motion passed.

2010 Budget – The Board acknowledged receipt of the Draft 2010 Budget. Director Genova moved to conduct a public hearing regarding the 2010 Budget on Thursday, November 5, 2009 at 5:00 p.m. and to direct staff to publish the public hearing as required. Director Hassler seconded and the motion passed. The proposed 2010 Budget is discussed under New Business.

Project 2009-03 One Million Gallon Tank Painting Project – Assistant Manager Reinertsen provided a Staff Report (*File 10/1/09, 2009 Staff Reports, Project File 2009-03 One Million Gallon Tank Painting*) regarding bids for repainting of the One Million Gallon North Tank. It was noted that all eight bids were less than the \$100,000 budgeted amount. Staff obtained favorable references regarding previous work completed by the low bidder and recommend award of the bid to that contractor. Director Burger moved to accept the bid from Norvell Construction LLC in the

amount of \$27,800 and authorize Staff to proceed with a Notice of Award. Director Hassler seconded and the motion passed.

Memorandum of Agreement (MOA) with the Colorado River Water Conservation District – Manager Tooker presented a draft agreement (*File 10/1/09, Colorado River District Agreement*) prepared by the Colorado River Water Conservation District to specify the use of funds approved toward the Programmatic Biological Opinion at the August 6, 2009 Board Meeting. The Board requested some additional clarification of terms in the agreement and by consensus deferred action on this agenda item to the November 5, 2009 Meeting.

NEW BUSINESS

Colorado River District Workshop Briefing – Manager Tooker and Assistant Manager Reinertsen updated the Board on information obtained at the Colorado River Water Conservation District's Annual Water Seminar held in Grand Junction September 18, 2009. Of particular interest were the amount of water allocated on the Colorado River, western slope releases, Lower Colorado River water usage, and the impacts of increasing dust on snowmelt and runoff.

Special District Association Conference Briefing – Director Ballagh, Manager Tooker, and Assistant Manager Reinertsen reported on conference topics from their attendance at the Special District Association Annual Conference held September 23 – 25, 2009 in Keystone. Director Ballagh reported the Special District Property, Liability and Worker's Compensation Pool is in solid condition but claims information discussed at the Pool meeting would suggest the District's need to re-evaluate vehicle policies and training. Manager Tooker reported that at the Special District Association utility rate workshop he attended with Director Woods, the District's need to consider moving maintenance/replacement expenses from the Non-Operating Fund to the Operating Fund and the consideration of those expenses within the rate structure was identified.

Special District Association SB 09-087 Compliance – Director Ballagh summarized the additional notification required of special districts to their electors and the District's ability to fully comply through several methods, including Staff's proposal to include the first Transparency Notice in a late fall District newsletter and on the District website with links to the Special District Association website.

Customer Service Issues – Manager Tooker distributed three charts (*File 10/1/09, 2009 Staff Reports*) titled: Availability of Service Statistics 2008 – 2009, Finals 2007 – 2009, and Shut Offs for Non Payment 2008 – 2009 to illustrate the data affecting Customer Service Issues.

a. Property Foreclosures and Transfers – Manager Tooker reported that increasing numbers of foreclosures have resulted in some displeasure from real estate professionals regarding District Policy to only bill the property owner or to require a written request from the property owner prior to initiation of Third Party Notification to another party such as the real estate professional. Foreclosures are also one cause of the increase in the number of customer accounts being billed as Availability of Service, thus reducing Operational Revenues.

b. Trends in Discontinuing Water Service and Customer Behavior - Manager Tooker advised the Board that customer behavior has generally become increasingly aggressive or desperate when water service is disconnected for non-payment. Water shut off numbers are also

increasing. He reminded the Board that water is not shut off for non-payment until three months and twenty five days have passed without a minimal payment amount being made.

c. Refund Requests – Manager Tooker also reported that increasing numbers of customers are requesting a District refund when the customer makes what they state was an inadvertent payment. There have been situations where a customer is requesting a refund when there is an outstanding balance on their account. It was also noted that currently the District does not have a fee for checks returned from the bank for insufficient funds.

2010 Budget – Manager Tooker reported the Budget Committee met prior to this Board Meeting regarding the Draft 2010 Budget. Manager Tooker noted that each department was asked to reduce expenditures by a minimum of 5%. Water Revenues are budgeted with no increase from 2009. A detailed review and discussion of the Draft 2010 Budget ensued. The Board concurred that current economic conditions will require close monitoring of revenues as the year progresses and a re-evaluation of the budget as necessary.

ADJOURNMENT – By consensus, the Board meeting adjourned at 8:00 p.m.


ATTEST:



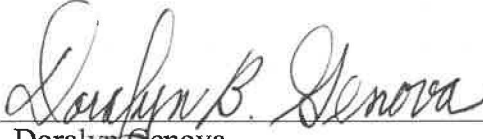
John L. Ballagh

Excused


Brian Woods



Robert Burger



Doralyn Genova



Alan Hassler

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, NOVEMBER 5, 2009**

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

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

PUBLIC HEARING

Chairman Ballagh noted a quorum was present and called a Public Hearing to order at 5:00 p.m. regarding the Proposed FY 2010 Budget, pursuant to C.R.S. 29-1-106 *Et.Seq.* Notice of this Public Hearing was published in the Grand Junction Daily Sentinel on October 25, 2009 and October 30, 2009 in accordance with C.R.S. 29-1-106(3)(a). No members of the public were present. Manager Tooker reported that no written comments or requests to comment were received regarding the Proposed FY2010 Budget. Chairman Ballagh closed the Public Hearing at 5:01 p.m.

REGULAR MEETING

Chairman Ballagh called the regular Board meeting to order at 5:01 p.m. Director Hassler arrived at the meeting at 5:06 p.m. Manager Tooker moved Item #4 – Project 2009-03 One Million Gallon Tank Painting from the Express Agenda to Unfinished Business. Chairman Ballagh moved Item #7 – SB 09-087 Compliance from the Express Agenda to Unfinished Business.

MINUTES OF THE OCTOBER 1, 2009 REGULAR MEETING

Director Genova moved to approve the October 1, 2009 Regular Meeting Minutes with additional clarification to the Lot 2 Uzelac Minor Subdivision item and the Colorado River District Agreement item. Director Burger seconded and the motion passed unanimously.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to accept the Financial Report and approve Accounts Payable in the amount of \$176,793.93 plus \$1,324.81 HRA Check Run plus \$25,735.03 Benefit Check Run plus \$20,978.12 Supplemental Check Run for a total of \$224,831.89. Director Woods seconded the motion. Positive Operating and Non Operating Cash Flows for September were noted. Staff responded to questions regarding year-to-date numbers on the Water Treatment Only line item of the Profit and Loss Statement. The motion passed unanimously.

MANAGER'S REPORT

The Manager's Report was reviewed with the Board. Manager Tooker reported that as a result of evaluating the trends of decreasing Water Sales with increasing effluent water production, a large leak was found and repaired this week. Additionally, it was reported that the effluent water meter will be replaced in an effort to improve accuracy of production effluent measurements.

EXPRESS AGENDA

The Board reviewed the Express Agenda and, with Items #4 and #7 being moved to Unfinished Business, accepted the remaining items as presented:

1. Project 2008-02 Pilot Testing Program – The design engineer, Burns and McDonnell, is finalizing the Preliminary Design Report and the Conceptual MF/UF Cost Evaluation. A meeting is scheduled in Denver on November 16, 2009 with the Construction Committee, Staff and Burns and McDonnell. The meeting will review Burns and McDonnell's findings and recommendations and a tour of the Westminster MF/UF facility is scheduled.
2. Highway 50 Bore (08-RU07) - Staff reviewed the design with the design engineer, Sharper Engineering, and identified additional field work needed for final tie-in design details. Final design plans are due to the District by mid December so Staff can begin the approval process with the US Bureau of Land Management.
3. Highway 50 Bore at Reeder Mesa (08-RU08) – Final design has been completed. This project will be “shelved” to be completed in FY 2011 unless additional Whitewater service taps are requested warranting installation sooner than 2011.
4. Project 2009-03 One Million Gallon Tank Painting – Moved to Unfinished Business
5. Project 2009-04 Colorado River Intake Preliminary Design – Staff has developed a Design/Build Proposal Package and will begin advertisement of the Request For Proposals (RFP) the week of November 2nd. Once proposals are received, the Construction Committee will review and select firms for interviews leading to final selection.
6. Colorado River Water Users Association Conference – The conference is scheduled for December 9-11, 2009 in Las Vegas. Staff has reserved rooms for Board members interested in attending the conference. A tentative Conference Agenda is included in the Board Packet.
7. SB 09-087 Compliance – Moved to Unfinished Business

UNFINISHED BUSINESS

Memorandum of Agreement (MOA) with the Colorado River Water Conservation District – Manager Tooker presented the proposed Agreement (*File 11/3/09, Colorado River District Agreements*) with the amendments requested by the Board at the October 1, 2009 Meeting. The Board requested an additional change to Paragraph G, and the addition of dates where appropriate. Director Genova moved to approve and execute the “Memorandum of Agreement between the Colorado River Water Conservation District, acting by and through its Colorado River Water Projects Enterprise (“River District”) and the Clifton Water District (“Clifton”), a Colorado Title 32 Special District, Acting By and Through its Water Activity Enterprise”, with the additional changes. Director Burger seconded and the motion passed unanimously.

2010 Budget- Manager Tooker summarized the Committee recommendations identified in his Memorandum to the Board dated November 4, 2009 (*File 11/5/09, 2010 Budget*), as follows:

a. Personnel Committee Report – Recommendations include a zero increase to the Wages line item and retaining the same health insurance plan as 2009 with a reduction to generic-only prescription coverage. Employees will individually have the option to upgrade their prescription coverage at an additional cost. Continuing the health insurance cost sharing at 10% for dependent coverage is also recommended.

b. Budget Committee Report – Reductions in line item expenditures are proposed to reduce non-essential purchases and to more accurately align with historical utilization. Despite reduced expenditures an equipment maintenance and replacement program will be continued. Staff will seek opportunities to take advantage of reduced acquisition costs for projects and equipment due to current economic conditions.

The Board recognized the efforts of the Budget Committee and Staff in the preparation of a responsible 2010 Budget. Several line items were identified for further analysis prior to Budget adoption.

Project 2009-03 One Million Gallon Tank Painting – Assistant Manager Reinertsen reported the tank painting was completed today and he requested authorization to advertise for Final Payment. He has also obtained cost estimates for painting a logo on the water tanks if the Board wishes to pursue that in the future. Director Genova moved to authorize Staff to advertise for Final Payment for Project 2009-03 and to prepare payment for the December 3, 2009 Regular Meeting. Director Burger seconded and the motion passed unanimously.

SB 09-087 Compliance – Director Ballagh noted the potential costs related to the preparation and recording of boundary maps as part of SB 09-087 and suggested that compliance be achieved with minimal expenditure.

NEW BUSINESS

Request Proposals for Audit Services – Manager Tooker reported the last Request for Proposals for Audit Services was advertised in November of 2006 and subsequently awarded to Mary Brenes, CPA, for the three year period ending with the FY 2008 Audit. The Board stated satisfaction with the services provided by Brenes. Board consensus was to obtain a cost estimate from Brenes for the FY 2009 Audit and if not substantially increased to proceed on a year-to-year basis.

Grand Valley Irrigation Company Annual Meeting and Auction – Director Burger moved to authorize Director Woods to represent the District at the Grand Valley Irrigation Company (GVICo) Annual Meeting and Auction to be held December 5, 2009. Director Genova seconded and the motion passed 4 – 1.

Authorization to Utilize 2009 Vehicle Purchase Budget for the Purchase of a Front Loader – Manager Tooker reported that a front loader has not been identified for purchase but the cost

could be substantially discounted due to economic conditions. The District currently rents a front loader for the semi-annual pond cleaning and could utilize this equipment for additional tasks if available in-house. The Board concurred to have Staff continue the evaluation of acquisition options including the potential for lease purchase.

Holiday Ham or Turkey – Director Woods moved to continue the tradition of the District’s purchase of a ham or a turkey, for Thanksgiving or Christmas, for each employee and Board member. Director Burger seconded and the motion passed.

Vehicle Use Policy – Personnel Manual Section 21 – Director Ballagh reported the Special District Association’s recent Property and Liability Pool Annual Meeting suggested the need for review and possible revisions to the District’s Vehicle Use Policy. A meeting of the Policy and Standards Committee will be scheduled.

PERSONNEL

Manager’s Evaluation – Director Genova moved to convene an Executive Session as per C.R.S. 24-6-402(4)(f) for the purpose of conducting the District Manager’s annual evaluation. Director Woods seconded and the motion passed unanimously. Staff members Reinertsen, Foster, and McLaughlin exited the meeting at 7:19 p.m. The Board of Directors went into Executive Session at 7:20 p.m. with Manager Tooker being present.

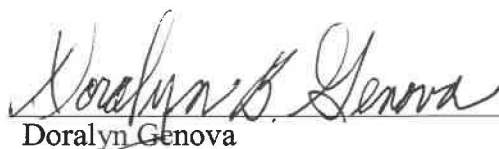
Director Hassler moved to exit the Executive Session. Director Woods seconded and the motion passed unanimously. The Regular Meeting was re-convened at 8:13 p.m. No action was taken.

ADJOURNMENT – By consensus, the Board meeting adjourned at 8:13 p.m.

ATTEST:



John L. Ballagh



Doralyn Genova



Brian Woods



Alan Hassler



Robert Burger

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, DECEMBER 3, 2009**

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

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

REGULAR MEETING

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

GUESTS

Jamie Hamilton of Home Loan and Investment was present to summarize the 2010 General Liability, Property and Casualty insurance proposals obtained from the Colorado Special Districts Property and Liability Pool (2010 Insurance File, 12/3/09 File) and the Rural Special Districts. The cost submitted by the Colorado Special Districts Property and Liability Pool is \$44,203.47. Rural Special Districts submitted a cost in the amount of \$53,715. Differences in coverage between the two carriers were summarized by Hamilton. Board action is scheduled during New Business. Jamie Hamilton exited the meeting at 5:20 p.m.

MINUTES OF THE NOVEMBER 5, 2009 REGULAR MEETING

Director Genova moved to approve the November 5, 2009 Regular Meeting Minutes with corrections to the 2010 Budget section. Director Hassler seconded and the motion passed.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to accept the Financial Report and approve Accounts Payable in the amount of \$86,976.65 Regular Check Run plus \$25,020.00 Special Check Run plus \$2,304.70 HRA Disbursement plus \$24,384.34 Benefits Check Run plus \$100,870.66 Supplemental Check Run for a total of \$239,556.35. Director Woods seconded the motion. A discrepancy on the Transaction Types Report was noted for staff investigation and correction. The motion passed.

MANAGER'S REPORT

The Manager's Report was reviewed with the Board. Manager Tooker reported that the continued gap between water sales and water production has led to the identification and repair of several leaks and meter malfunctions.

STAFF REPORTS

Personnel Policy Section 21 Vehicle Use – Manager Tooker reported the Personnel Committee met and identified the use of electronic devices, alcohol and drug usage/testing, annual validation of drivers licenses, personal vehicle use, and on-call vehicle use as areas for possible revision in Section 21 of the Personnel Policy. Legal counsel will also be consulted. Proposed amendments will be presented to the Board at a future meeting.

Developer Water Share/Rights Acquisition – Staff will develop a policy for Board consideration that addresses potential opportunities to purchase and develop additional water rights.

Construction Committee – Project 2008-02 MF/UF – Manager Tooker, Assistant Manager Reinertsen, Treatment Plant Supervisor Dennis Carlson, and Board members Ballagh and Hassler met in Denver last week with Burns and McDonnell Engineering to discuss recommendations developed from the MF/UF Pilot Testing Program. The trip also included the tour of a treatment plant that is currently using the recommended equipment. Chairman Ballagh and Director Hassler noted there would be operational efficiencies associated with a new system but stated concern with the high costs involved in installing a new MF/UF membrane treatment system given the current economy. Manager Tooker stated the intent of the MF/UF Pilot Testing Program was to evaluate options to address capacity and efficiency issues with the existing sand filtration system and the next step is to compile final information from Burns and McDonnell for the Board's long-range planning.

Project 2008-01 North Raw Water Settling Pond – Manager Tooker and Assistant Manager Reinertsen met in Denver last week with URS Engineering to review the preliminary design of the North Raw Water Settling Pond. Due to issues with groundwater and pumping on the proposed site URS was asked to conduct a brief evaluation of an option to locate a pond on the District's island property.

EXPRESS AGENDA

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

1. Memorandum of Agreement with Colorado River Water Conservation District - The Agreement between the District and the Colorado River District for funding toward the 10825 NEPA Process has been fully executed.
2. Project 2009-03 One Million Gallon Tank – The project is complete with final payment advertising in the Daily Sentinel being certified as published on November 18 and 20, 2009. Final payment will be made at the meeting unless a formal unpaid claim is received prior to payment authorization at this meeting. No disputes were received and payment is authorized for release.
3. Project 2009-04 Colorado River Intake – Advertising for the Design/Build Request For Proposal has been completed and the District has received strong interest in the project. A mandatory pre-proposal/site visit meeting is scheduled for December 9, 2009 at 10:00 a.m. Proposals are due in the District's main office by 4:00 p.m., December 22, 2009.

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4. Grand Valley Irrigation Company (GVICo) Share Purchase – The District purchased two shares of GVICo for \$700.
 5. Bill Print and Mail Services – Staff revised the Request For Proposal for Bill Print and Mail services and submitted it to the interested vendors. Proposals will be received by December 11, 2009 and a full report will be presented to the Board.
 6. Clifton Water District Christmas Party – The Christmas party is scheduled for 6:30 p.m. on December 11 at the Distribution Shop. This year's theme is "South of the Border" with Mexican food and entertainment provided along with the traditional white elephant gift exchange. If you have not already responded, please let Kelly know if you and guest(s) will be attending.

UNFINISHED BUSINESS

2010 Budget - A Public Hearing regarding the proposed 2010 Budget was conducted on November 5, 2009. No public comments have been received. Following the November 5 meeting Staff amended the proposed Budget regarding the Health Reimbursement Arrangement, vehicle, distribution and treatment plant equipment expenditures and the Budget Committee met for final review and recommendations on the Budget.

The Board reviewed the Budget Explanation, Budget Worksheet, Budget Summary, Budget Message, Appropriation Resolution, Public Notice of Budget, and Memorandum of Funds Received from Taxable Property (2010 Budget, 12/3/09 File).

Director Genova moved to adopt the *Appropriation Resolution of the Clifton Water District Board of Directors Acting By and Through Its Water Activity Enterprise For the 2010 Budget Year* in the amount of Ten Million, One Hundred Thirty Three Thousand and Seventeen Dollars (\$10,133,017) for the general expenses of the District, and that this appropriation be a continuing appropriation whether said funds be expended during 2010 or thereafter. Director Woods seconded and the motion passed.

Resolution text as follows:

**APPROPRIATION RESOLUTION OF THE CLIFTON WATER DISTRICT BOARD OF DIRECTORS
ACTING BY AND THROUGH ITS WATER ACTIVITY ENTERPRISE FOR THE
2010 BUDGET YEAR**

A resolution appropriating sums of money to the various accounts, in the amounts and for the purposes as set forth below, for the Clifton Water District Acting By and Through its Water Activity Enterprise, Mesa County, Colorado, for the 2010 Budget Year.

WHEREAS, the Directors have adopted the annual Budget for 2010 in accordance with the Local Government Budget Law, on the 3rd day of December, 2009, and;

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

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

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

2010 Budget

ESTIMATED BEGINING BALANCE \$5,983,777

ESTIMATED EXPENDITURES

Operating Expenses

Source of Supply	\$18,365
Water Treatment	\$863,840
Transmission & Distribution	\$394,690
General & Administrative	\$305,260
Labor Expenses	\$1,559,015
<i>Total Operating Expenses</i>	<i>\$3,141,170</i>

Nonoperating Expenses

Capital Expenses	\$2,360,588
Bond Principal & Interest	\$259,350
Emergency Fund	\$275,088
Reserve Fund	\$622,386
Contingency	\$3,474,435
<i>Total Nonoperating Expenses</i>	<i>\$6,991,847</i>

TOTAL ESTIMATED EXPENDITURES \$10,133,017

ESTIMATED REVENUES

Operating Revenue

Sale of Water	\$3,327,100
Sanitation District	\$21,600
Penalty Fees	\$30,800
Turn Fees	\$38,000
<i>Total Operating Revenue</i>	<i>\$3,417,500</i>

Nonoperating Revenue

Plant Investment Fees	\$500,000
Main Line Extension Fees	\$4,000
Disposal of Assets	\$2,500
Availability of Service	\$30,000
Interest	\$182,000
Bond/Grant Proceeds	\$0
Property Taxes	\$0
Lease Income	\$8,640
Construction Reimbursements	\$0
Tap Installation	\$1,600
Miscellaneous	\$3,000
<i>Total Nonoperating Revenue</i>	<i>\$731,740</i>

TOTAL ESTIMATED REVENUE \$4,149,240
Estimated From Reserves \$5,983,777

TOTAL FUNDS AVAILABLE \$10,133,017
ESTIMATED ENDING BALANCE (\$0)

IT IS FURTHER RESOLVED, that there is appropriated from the funds of the District Acting By and Through its Water Activity Enterprise, Ten Million, One Hundred Thirty Three Thousand and Seventeen Dollars (\$10,133,017) for the general expenses of the DISTRICT, and that this appropriation be a continuing appropriation whether said funds be expended during 2010 or thereafter.

I hereby certify the forgoing is a true copy of a Resolution adopted by the Board of Directors of the Clifton Water District Acting By and Through its Water Activity Enterprise at the Regular Board of Directors Meeting held on December 3, 2009. Said Budget was displayed for inspection and notice of said display for inspection was duly published in accordance with C.R.S. § 29-1-106.

Dated December 3, 2009

2009 Audit Services - Manager Tooker presented the letter (2009 Audit, 12/3/09 File) from Mary Brenes, CPA, proposing to conduct the District's 2009 Audit for the fee of \$4,675 which is the same as her services in preparing the 2008 Audit. Director Genova moved to secure the services

of Mary Brenes, CPA for the 2009 Audit and to authorize execution of the engagement letter as presented. Director Hassler seconded and the motion passed.

NEW BUSINESS

Transfer of Funds from Contingency to Purchase of Water Shares – The Grand Valley Irrigation Company’s Annual Shareholder Meeting and Auction is scheduled for December 10, 2009. Director Woods moved to authorize the transfer funds from Contingency to Purchase of Water Shares if shares are available at the Auction. Director Genova seconded and the motion passed.

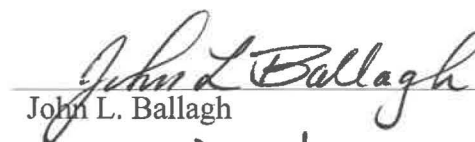
2010 Property, Casualty and Liability Insurance – Director Woods moved to accept the proposal submitted from Colorado Special Districts Property and Liability Pool for Property, Casualty and Liability Insurance for the January 1, 2010 to January 1, 2011 policy period and to authorize Staff to issue payment for this coverage prior to the next Board meeting in the amount of \$44,203.47. Director Genova seconded and the motion passed.

David Foster exited the meeting at 7:10 p.m.

Colorado Riverfront Trail – Assistant Manager Reinertsen advised the Board that he continues to participate in discussions with Mesa County regarding their planning for the extension of the Colorado Riverfront Trail near District property.

ADJOURNMENT – By consensus, the Board meeting adjourned at 7:20 p.m.

ATTEST:


John L. Ballagh


Doralyn Genova


Brian Woods


Alan Hassler

excused

Robert Burger

**APPROPRIATION RESOLUTION OF THE CLIFTON WATER DISTRICT BOARD OF DIRECTORS
ACTING BY AND THROUGH ITS WATER ACTIVITY ENTERPRISE FOR THE
2010 BUDGET YEAR**

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

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

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Dated December 3, 2009

By: John L. Ballagh
John L. Ballagh, President

ATTEST: Brian Woods
Brian Woods, Treasurer