

MINUTES OF THE ORGANIZATIONAL MEETING  
OF THE BOARD OF DIRECTORS  
OF THE

CLIFTON WATER DISTRICT

Held at Clifton, Colorado  
On March 8, 1951

There were present Directors R. L. Strain, M. L. Dilley, Ira Pond, R. W. Oberly, Fred Waters, and Attorneys James K. Groves and Thomas R. Walker. R. L. Strain was elected as temporary chairman of the meeting.

The attorneys presented for filing in the records of the District a copy of the order of the District Court of Mesa County, Colorado, dated March 5, 1951, creating this District. They announced that the District had been validly organized and that the following are the duly appointed and qualified Directors of the District:

Fred Waters, who shall hold office until the first biennial election of the District;

R. W. Oberly and Ira L. Pond, who shall hold office until the second biennial election of the District;

M. L. Dilley and R. L. Strain, who shall hold office until the third biennial election of the District.

The temporary chairman called for nominations of officers of the Board of Directors for the District. The following persons were nominated, the nominations being duly seconded:

R. L. Strain - - President and Chairman of the Board  
Fred Waters - - Secretary  
Ira Pond - - Treasurer.

There being no further nominations, nominations were closed and, upon ballots cast, the above named persons were unanimously elected to the respective offices.

James K. Groves presented a set of proposed by-laws. After study and discussion a motion was made by Mr. Dilley that such proposed by-laws be adopted as the by-laws of the Clifton Water District

and a copy thereof attached to the minutes of this meeting. Mr. Oberly seconded the motion and, upon vote, it was unanimously adopted.

There was a general discussion of the history of the Clifton Water District, including the means contemplated for obtaining water and facilities. The question of preliminary studies by competent engineers was discussed and it was determined to contact the various engineering sources available.

The problem of raising temporary funds was discussed and, upon motion duly seconded and unanimously adopted, R. W. Oberly and R. L. Strain were instructed to negotiate with the Palisades National Bank at Palisade, Colorado, for a loan to the District up to \$5,000.00 and to report the result of such negotiation to the Board as soon as practicable.

Upon motion duly seconded and unanimously adopted, a meeting was arranged with George Nesbitt of Palisade, Colorado to be held at Clifton, Colorado on March 9, 1951 at 2:30 o'clock p.m. to discuss the mutual problems of the District and the town of Palisade.

Mr. James K. Groves then announced that legal fees and expenses to date in the matter of the organization of the District amounted to approximately \$480.00 and further stated that the total legal fees and expenses to time of the forthcoming bond election would amount approximately to \$600.00.

It was unanimously voted that the next meeting of the Board should be at the office of W. F. Waters in Clifton, Colorado on March 9, 1951, at 2:30 o'clock p.m.

There being no further business to come before the Board, upon motion duly seconded and unanimously adopted, the meeting was adjourned.

Approved:

R. L. Strain  
R. W. Oberly  
W. F. Waters  
James K. Groves  
Directors

W. F. Waters  
Secretary



7 s attached to minutes of 2/2/57 meeting

BY - LA W S  
of the  
CLIFTON WATER DISTRICT

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ARTICLE I.

OFFICERS:

Section 1. The officers of the Clifton Water District shall consist of a Chairman of the Board and President of the District, a Secretary, and a Treasurer of the Board and of the District, who may or may not be members of the Board. The Secretary and the Treasurer may be one person.

Section 2. The officers shall hold office for a term of two years, or until the next biennial election, and until their successors shall have been elected and qualified.

ARTICLE II.

DUTIES OF OFFICERS:

Section 1. The President shall preside at all meetings of the Board of Directors. He shall sign all notices, obligations and all contracts or other papers requiring the corporate seal, and shall, in general, be the chief executive officer of the District.

Section 2. The Secretary shall keep, in a well bound book, a record of all of its proceedings, minutes of all meetings, certificates, contracts, bonds given by employees, and all corporate acts which shall be open to inspection of all owners of real property in the District, as well as to all other interested parties. He shall have custody of the corporate seal and shall affix the same to all contracts and conveyances requiring the same. He shall carry on all correspondence of the District, shall give notice of all meetings of the Board, shall give notice of elections and shall arrange such other details in connection therewith as the Board may direct.

Section 3. The Treasurer shall keep strict and accurate accounts of all moneys received by and disbursed for and on behalf of the District, in permanent records. He shall file with the Clerk of the Court, at the expense of the District, a corporate fidelity bond as required by law, conditioned on the faithful performance of the duties of his office.

#### ARTICLE III.

##### SALARIES:

Section 1. Each member of the Board shall receive as compensation for his services a sum not in excess of \$50.00 per annum, payable monthly. No member of the Board shall receive any compensation as an employee of the District or otherwise, other than that herein provided, and no member of the Board shall be interested in any contract or transaction with the District except in his official representative capacity.

#### ARTICLE IV.

##### MEETINGS:

Section 1. The Board of Directors shall have an annual meeting on the 2nd Wednesday in September in each calendar year at a place to be designated by the Board. Special meetings may be held as often as the needs of the District require, on the call of the President, or upon request of any three Board members, after notice has been mailed to each of the Directors at least three (3) days prior to the meeting. Notice of the meeting may be waived, and any meeting attended by all members of the Board shall be regular in all respects without notice or waiver of such meeting. Three members of the Board shall constitute a quorum at any meeting.

#### ARTICLE V.

##### ELECTIONS:

Section 1. On the second Tuesday of August, 1943, and on

the second Tuesday of August every second year thereafter, an election shall be held which shall be known as the biennial election of the District.

Section 2. At the first biennial election, and each sixth year thereafter, there shall be elected by the taxpaying electors of the District one member of the Board to serve for a term of six years; at the second biennial election and each sixth year thereafter, there shall be elected two members of the Board to serve for terms of six years; and at the third biennial election and each sixth year thereafter, there shall be elected two members of the Board to serve for terms of six years.

Section 3. Nominations for members of the Board may be filed with the Secretary of the Board not later than thirty (30) days before any such election. If a nominee does not withdraw his name before the first publication of a notice of the election, his name shall be placed on the ballot. The Board shall provide for holding such election and shall appoint judges to conduct it. The Secretary of the District shall give notice of election by publication, and shall arrange such other details in connection therewith as the Board may direct. The returns of the election shall be certified to and shall be canvassed and declared by the Board. The candidate or candidates, according to the number of Directors to be elected, receiving the most votes, shall be elected and shall assume office on September first following. Any new member of the Board shall qualify in the same manner as members of the first Board qualified, by taking oath and filing a bond.

#### ARTICLE VI.

##### VACANCIES:

Section 1. Any vacancy on the Board shall be filled by the remaining members or member of the Board, the appointee to act until the next biennial election when the vacancy shall be filled by election.

If the Board shall fail, neglect or refuse to fill any vacancy within thirty (30) days after the same occurs, the Court having jurisdiction shall fill such vacancy.

ARTICLE VII.

GENERAL POWERS OF THE BOARD:

Section 1. For and on behalf of the District the Board shall have the following powers:

- a. To have perpetual existence;
- b. To have and use the corporate seal;
- c. To sue and be sued and be a party to suits, actions and procedures.
- d. Except as otherwise provided by law, to enter into contracts and agreements affecting the affairs of the District, including contracts with the United States of America and any of its agencies or instrumentalities. Except in cases where a District will receive aid from a governmental agency, a notice shall be published for bids for all construction contracts for work or material, or both, involving an expense of \$5,000.00 or more. The District may reject any and all bids, and if it shall appear that the District can perform the work or secure the material for less than the lowest bid, it may proceed to do so.
- e. To borrow money and incur indebtedness and evidence same by certificates, notes or debentures, and to issue bonds, in accordance with the laws of this State.
- f. To acquire, dispose of and encumber real and personal property, water and water rights, and any interest therein, including leases and easements.
- g. To have the management, control and supervision of all the business and affairs of the District, and the construction, installation, operation and maintenance of District improvements therein.

- h. To hire and retain agents, employees, engineers and attorneys.
- i. To have and exercise the power of eminent domain and dominant eminent domain and in the manner provided by law for the condemnation of private property for public use to take any property necessary for the exercise of the powers herein granted, both within and without the District.
- j. To have and exercise all rights and powers necessary or incidental to or implied from the specific powers granted herein and to have and to exercise all other rights and powers not herein specified given to water districts by law.

ARTICLE VIII.

POWER TO LEVY TAXES:

Section 1. In addition to the other means providing revenue for such a District as is provided by law, the Board shall have the power and authority to levy and collect ad valorem taxes on and against all taxable property within the District.

Section 2. To levy and collect such taxes the Board shall, in each year, determine the amount of money necessary to be raised by taxation, taking into consideration other sources of revenue of the District, and shall fix a rate of levy which, when levied upon every dollar of assessed valuation of the taxable property within the District, and with other revenues, will raise the amount required by the District annually to supply funds for paying expenses of organization and the costs of construction, operating and maintaining the works and equipment of the District, and promptly to pay in full when due all interest on, and principal of bonds and other obligations of the District. The Board shall, on or before the first day of October of each year, certify to the Board of County Commissioners of Mesa County the rate so fixed with directions that at the time and in the manner required by law for levying taxes for County purposes, such

Board of County Commissioners shall levy such tax upon the assessed valuation of all the taxable property within the District, in addition to such other taxes as may be levied by such Board of County Commissioners at the rate so fixed and determined.

ARTICLE IX.

AUDIT:

Section 1. It shall be the duty of the Board of Directors to cause an audit to be made of all financial affairs of the District during each year, ending November 30th, which audit shall be made during the last month of each calendar year. A financial statement shall be certified by the person making such audit, which shall be published in a newspaper of general circulation in the District, in one issue during the first week of January, following such audit. Such audit shall be made by a registered accountant or certified public accountant who is not otherwise employed by the District.

ARTICLE X.

REMOVAL OF DIRECTORS:

Section 1. The Court having jurisdiction of the District shall have the power to remove directors for cause shown, on petition, notice and hearing, in the manner provided by law.

ARTICLE XI.

CONSTRUCTION AND AMENDMENT:

Section 1. It is the intent of these By-Laws that they conform with the statutes and laws of the state of Colorado and, in the event of any conflict between the provisions of the By-Laws and the provisions of the statutes and laws of Colorado now existing or becoming effective in the future, the provisions of such statutes and laws shall prevail and shall be deemed to be governing.

Section 2. The Board shall have the power to adopt and amend By-Laws, not in conflict with the Constitution and the laws of

the State, for carrying on the business, objects and affairs of the Board and of the District.

ARTICLE XII.

CORPORATE SEAL:

Section 1. The corporate seal of the District shall consist of the name "CLINTON WATER DISTRICT, COLORADO" around the circumference of a circle, with the word "SEAL" within the circle.



B Y - L A W S  
of the  
CLIFTON WATER DISTRICT

\* \* \*

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#### ARTICLE V.

##### ELECTIONS:

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the second Tuesday of August every second year thereafter, an election shall be held which shall be known as the biennial election of the District.

Section 2. At the first biennial election, and each sixth year thereafter, there shall be elected by the taxpaying electors of the District one member of the Board to serve for a term of six years; at the second biennial election and each sixth year thereafter, there shall be elected two members of the Board to serve for terms of six years; and at the third biennial election and each sixth year thereafter, there shall be elected two members of the Board to serve for terms of six years.

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- e. To borrow money and incur indebtedness and evidence same by certificates, notes or debentures, and to issue bonds, in accordance with the laws of this State.
- f. To acquire, dispose of and encumber real and personal property, water and water rights, and any interest therein, including leases and easements.
- g. To have the management, control and supervision of all the business and affairs of the District, and the construction, installation, operation and maintenance of District improvements therein.

- h. To hire and retain agents, employees, engineers and attorneys.
- i. To have and exercise the power of eminent domain and dominant eminent domain and in the manner provided by law for the condemnation of private property for public use to take any property necessary for the exercise of the powers herein granted, both within and without the District.
- j. To have and exercise all rights and powers necessary or incidental to or implied from the specific powers granted herein and to have and to exercise all other rights and powers not herein specified given to water districts by law.

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Board of County Commissioners shall levy such tax upon the assessed valuation of all the taxable property within the District, in addition to such other taxes as may be levied by such Board of County Commissioners at the rate so fixed and determined.

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Section 1. The Court having jurisdiction of the District shall have the power to remove directors for cause shown, on petition, notice and hearing, in the manner provided by law.

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CONSTRUCTION AND AMENDMENT:

Section 1. It is the intent of these By-Laws that they conform with the statutes and laws of the State of Colorado and, in the event of any conflict between the provisions of the By-Laws and the provisions of the statutes and laws of Colorado now existing or becoming effective in the future, the provisions of such statutes and laws shall prevail and shall be deemed to be governing.

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the State, for carrying on the business, objects and affairs of the Board and of the District.

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IN THE DISTRICT COURT IN AND FOR THE  
COUNTY OF MESA AND STATE OF COLORADO

No. 8104

In the Matter of the organization )  
of the CLIFTON WATER DISTRICT ) ORDER

This matter of the organization of the Clifton Water District coming on to be heard before the Court this 5<sup>th</sup> day of March, 1951, petitioners appearing by James K. Groves and Thomas R. Walker, their attorneys, and the Court having considered the evidence presented, including the Certificate of the Judges of the election held in such matter, and being fully advised in the premises, BOTH FIND:

1. That this proceeding has been instituted under the provisions of Chapter 175, 1939 Session Laws of the State of Colorado, as amended and reenacted, for the organization of water districts.
2. That a petition for the organization of the District has been signed by more than one hundred (100) taxpaying electors of the District and was signed and presented to the Court in conformity with the law in such cases made and provided.
3. That good and sufficient bond has been filed with security approved by the Court, sufficient to pay all expenses in connection with the proceedings in case the organization be not effected.
4. That a hearing upon such petition was set pursuant to order of Court on the 13th day of January, 1951, at 10:00 o'clock a.m., in the District Court room in the Court House in Grand Junction, Colorado; and that proper notice of said hearing was duly published in the manner provided by law; and that notice of said hearing was given to the Board of County Commissioners of Mesa County, Colorado.

5. That a hearing in the matter was held on the 24th day of January, 1951, such hearing having been regularly continued to such date, wherein the Court found that the petition was in all respects in conformity with the law in such cases made and provided.

6. That no protesting petition has been filed herein and no objections to these proceedings entered.

7. That upon said hearing the Court did, by order, direct that the question of the organization of the District be submitted to the taxpaying electors of the District at an election to be held for that purpose in the Clifton School House at Clifton, Colorado, on Wednesday, the 21st day of February, 1951, and did appoint three (3) taxpaying electors of the proposed District to act as judges of said election, to wit:

Arrow Burckhalter,  
Faye Hickman,  
Eulavee Taylor.

8. That pursuant to order of Court and in the manner provided by law, notice of said election was published in the Daily Sentinel, a newspaper of general circulation in the proposed District.

9. That upon the day and in the place designated such election was held and conducted as nearly as may be in the same manner as general elections in this State. That all persons voting thereat were duly qualified taxpaying electors of the District.

10. That the duly appointed judges of said election have certified returns of the election to the Court; and that a majority of the votes cast in said election were in favor of the organization of the District, two hundred twelve (212) votes being cast in favor and eleven (11) votes being cast against.

11. That the following taxpaying electors have received the number of votes for the Board of Directors of said District as follows:

1.	R. L. Strain	- - - - -	156
2.	M. L. Dilley	- - - - -	154
3.	Ira L. Bond	- - - - -	139
4.	R. W. Oberly	- - - - -	136
5.	Fred Waters	- - - - -	100
6.	W. A. Shriver	- - - - -	86



7.	W. A. Long - - - - -	84
8.	Grant Glenn- - - - -	80
9.	Oscar W. Jaynes- - - - -	75
10.	A. L. Cronk- - - - -	69
11.	N. N. Phillips - - - - -	67
12.	F. J. Strankman- - - - -	2
13.	Frank W. Bond- - - - -	1

13. That no single tract or parcel of property containing twenty (20) acres or more has been included in the District without the consent of the owner or owners thereof.

13. That the territory of said District lies entirely within the limits of the County of Mesa, State of Colorado, and that no municipalities have territory within the District, and that the Court has jurisdiction to make this order.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED:

That the said District be, and the same is hereby organized and given the corporate name of "CLIFTON WATER DISTRICT", by which name in all proceedings it shall hereafter be known;

That said District is and hereafter shall be a governmental subdivision of the State of Colorado, and a body corporate, with all powers of a public or quasi municipal corporation and with all powers conferred by law to water districts;

And that the boundaries of said District be and they are hereby defined as follows, to wit:

Beginning at the intersection of the South right of way of the Mesa County Irrigation District Canal (commonly known as the Subb Ditch) with the East line of Section 13, Township 11 South, Range 99 West of the 6th P.M.; thence Westerly along said right of way to the intersection of said right of way with the East line of Section 2, Township 1 South, Range 1 East of the Ute Meridian; thence South along said line to the North right of way of the Palisade Canal (commonly known as the Price Ditch); thence Westerly along said North right of way to the intersection of said right of way with the East line of Section 5, Township 1 South, Range 1 East of the Ute Meridian; thence South to the Southwest corner of the NW $\frac{1}{4}$  SW $\frac{1}{4}$ , Section 15, Township 1 South, Range 1 East of the Ute Meridian; thence East to the East line of Section 14, Township 1 South, Range 1 East of the Ute Meridian; thence North to the Southwest corner of the NW $\frac{1}{4}$  NW $\frac{1}{4}$ , said Section 14; thence East to the East line of said Section 14; thence North to the Southwest corner of Section 12, Township 1 South, Range 1 East of the Ute Meridian; thence East to the North bank of the Colorado River; thence Easterly along said North bank to its intersection with the West line of Section 7, Township 1 South, Range 2 East of the Ute Meridian; thence

North to the South bank of the Grand Valley Canal; thence Northeasterly along said South bank to the East line of Section 3, Township 1 South, Range 2 East of the Ute Meridian; thence North to the Northwest corner of Section 5, Township 1 South, Range 2 East of the Ute Meridian; thence East to the Southeast corner of Section 12, Township 11 South, Range 99 West of the 6th P.M.; thence North to the point of beginning;

EXCEPTING, however, the property of the Denver & Rio Grande Western Railroad Company, and excepting the following tracts of land containing twenty (20) acres or more, the owners of which have not consented to the inclusion of such tracts within the district:

The  $\frac{1}{2}$  NE $\frac{1}{4}$ , NW $\frac{1}{4}$ , NE $\frac{1}{4}$  NW $\frac{1}{4}$ , and E $\frac{1}{2}$  SW $\frac{1}{4}$  NW $\frac{1}{4}$ , Section 10; the E $\frac{1}{2}$  SE $\frac{1}{4}$  SW $\frac{1}{4}$ , and East 5 acres of W $\frac{1}{2}$  SE $\frac{1}{4}$  SW $\frac{1}{4}$ , Section 3; beginning at the Northeast corner of the SW $\frac{1}{4}$ , Section 10, thence West 1732 feet, thence South 853 feet to the right of way of the R & G Railroad Company, thence Northeasterly along said right of way to a point South of the point of beginning, thence North to the point of beginning; the E $\frac{1}{2}$  NW $\frac{1}{4}$  SE $\frac{1}{4}$ , Section 11; the E $\frac{1}{2}$  NW $\frac{1}{4}$  S $\frac{1}{2}$ , Section 11; the SW $\frac{1}{4}$  NE $\frac{1}{4}$ , Section 12, except 2 acres described as follows: (1) commencing at the Northeast corner of the SW $\frac{1}{4}$  NE $\frac{1}{4}$ , said Section 12, thence South 417.42 feet, thence West 208.71 feet, thence North 417.42 feet, thence East 208.71 feet to the point of beginning; and (2) all of the E $\frac{1}{2}$  NW $\frac{1}{4}$ , Section 12 lying South of the right of way of the Grand Valley Canal; all that portion of the NW $\frac{1}{4}$  SW $\frac{1}{4}$ , Section 12, lying North of the Grand Valley Canal, except a tract described as follows: Beginning 680 feet South of the Northwest corner of the SW $\frac{1}{4}$ , said Section 12, thence East 135 feet, thence South 135 feet, thence West 135 feet, thence North 135 feet to the point of beginning; and Lot 2, except the West 14 rods thereof, of Section 12; and the W $\frac{1}{2}$  NW $\frac{1}{4}$  NW $\frac{1}{4}$ , Section 12, except a 6.3-foot strip along the West side thereof; ALL IN Township 1 South, Range 1 East of the Ute Meridian.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the first Board of Directors of said District shall be composed of the following persons, namely:

Fred Waters, who shall hold office until the first biennial election of said District;

R. W. Oberly and Ira L. Pond, who shall hold office until the second biennial election of said District;

H. L. Dillely and R. L. Strain, who shall hold office until the third biennial election of said District.

DONE BY THE COURT this 5<sup>th</sup> day of March, 1951.

s/ Dan H. Hughes

Judge

MINUTES OF MEETING OF BOARD OF DIRECTORS  
of  
CLIFTON WATER DISTRICT

Held at Clifton, Colorado  
On March 9, 1951

There were present R. L. Strain, M. L. Dilley, Ira L. Pond, R. W. Oberly, Fred Waters, and George Nesbit of Palisade, Colorado.

The president, R. L. Strain, called the meeting to order.

The minutes of the organizational meeting of the Board of Directors, held on March 8, 1951, were read and approved.

A discussion of the mutual problems existing between the Clifton Water District and the town of Palisade in connection with the proposed delivery of water by the town to the district was held, with the town of Palisade represented by George Nesbit. Mr. Nesbit stated that in his opinion Palisade would cooperate with Clifton to the fullest possible extent in providing a water supply to the District. Mr. Nesbit stated that he would consult the Town Board of Palisade and obtain from that party an estimate of minimum and maximum amounts of water to be furnished to the District by the Town, and also an estimate of the price for that water.

Mr. Nesbit agreed to meet with the Board of Directors of the District to give his report on the results of his conference with the town on March 12, 1951.

A motion was made, seconded and, upon vote, unanimously adopted that the next meeting of the Board be at the office of W. F. Waters in Clifton, Colorado at 7:30 p.m. on March 12, 1951.

There being no further business to come before the Board at this time, the meeting was duly adjourned.

Approved:

*R. L. Strain*  
*Ira L. Pond*  
*M. L. Dilley*  
*R. W. Oberly*  
Directors

*W. F. Waters*  
Secretary

MINUTES OF MEETING OF BOARD OF DIRECTORS  
of  
CLIFTON WATER DISTRICT

Held at Clifton, Colorado  
On March 12, 1951

There were present R. L. Strain, M. L. Dilley, Ira L. Pond, R. W. Oberly and Fred Waters, and George Nesbit of Palisade, Colorado.

The president, R. L. Strain, called the meeting to order.

The minutes of the last meeting of the Board of Directors held on March 9, 1951 were read and approved.

Mr. Nesbit submitted the following figures which he indicated would be acceptable to the Town of Palisade in connection with the delivery of water to the District:

The Town of Palisade would deliver to the District a minimum monthly requirement of 3,000,000 gallons of water. The proposed price for that water would be \$.17 per thousand gallons. The master meter governing the system would be located in the Mt. Lincoln vicinity.

The Board discussed the matter of tap fees, costs of construction and other related subjects. It was determined that an engineer should be consulted for further information in this regard and the president, R. L. Strain, was requested to make an investigation of engineering firms that might be available for consultation. It was mentioned that the City of Delta may have had some experience with a water district and the secretary was instructed to write the City for confirmation of this and to see if an appointment with Delta officials by members of this Board could be arranged.

There being no further business to come before the Board, the meeting was duly adjourned.

Approved:

R. L. Strain  
Ira L. Pond  
M. L. Dilley  
R. W. Oberly  
Directors

Fred Waters  
Secretary

MINUTES OF MEETING OF BOARD OF DIRECTORS  
of  
CLIFTON WATER DISTRICT

Held at Clifton, Colorado  
On March 26, 1951

Mr. R. L. Strain, president, called the meeting to order. There were present R. L. Strain, M. L. Dilley, Ira L. Pond, R. W. Oberly and Fred Waters, Mr. O. J. Ripple of the firm of Ripple & Howe, of Denver, Colorado, Mr. Fred Barker, and Mr. Paul Youmans representing the firm of Garrett-Bromfield & Co. of Denver, Colorado, and attorneys James K. Groves and Thomas R. Walker.

Each of the directors waived notice of the meeting and stated that his signature of the minutes of this meeting would be evidence of such waiver.

The minutes of the last meeting of the Board of Directors held on March 12, 1951 were read and approved.

A general discussion of the construction of the water system for the District and the means of financing the system was held. The representatives of Garrett-Bromfield & Co. were of the opinion that the project could be satisfactorily financed.

The subject of the expense of a preliminary engineering survey of the requirements of the District was discussed. Mr. Barker stated that his firm would advance the costs of such survey and also furnish funds for the payment of organizational expenses of the District. He stated that his firm would advance up to \$5,000.00 upon the following terms:

Four per cent discount to the firm of Garrett-Bromfield & Co. with principal payable at least \$500.00 per year, plus interest at 5% on the unpaid balance, to be secured by promissory note or notes subject to call by the Board at any time.

Mr. Ripple of the firm of Ripple & Howe offered to make a preliminary engineering survey of the requirements of the District for a water system at a cost to the District of \$300.00. Mr. Ripple stated that there would be no obligation on the Board to employ his

firm for the final plans and specifications of such a water system.

Upon motion by Ira L. Pond, seconded by M. L. Dilley and, upon vote, unanimously adopted, Mr. Ripple was employed to make such a survey.

Mr. Ripple indicated that it would take approximately a month to finish that survey and prepare a written report of the results for the use of the Board.

Mr. Waters read the following letter from Miles Kara, Town Attorney for the Town of Palisade, Colorado, dated March 14, 1951 and addressed to the Board of Directors of the Clifton Water District:

"In response to your request to George Nesbit for information regarding the estimated amount of water which could be supplied to your district and a preliminary rate figure for water charges, I have been authorized by the Board of Trustees of the Town of Palisade to submit the following tentative figures:

- "1. Required minimum per month 3,000,000 gallons.
2. Maximum limit per month 6,000,000 gallons.
3. Tentative rate \$0.17 per gallon.

"It is to be strictly understood that this letter is not to be considered as an offer by the Town to supply water in the amounts and/or at the rate indicated. On the contrary the purpose of quoting the above figures is merely to provide your district with an estimate by the Town to be used as a starting point upon which further study of the proposed water supply agreement may be based in determining feasibility of the project."

Mr. Waters read the following letter received from K. C. O'Dell, City Clerk of the City of Delta, dated March 14, 1951 and addressed to Mr. Waters as secretary of this District:

"In receipt of your letter of March 13th, inst. The Commissioners of the City of Delta will be glad to meet with you at your convenience to give you what information they are able.

"You might also get in touch with Delta County Assessor J. B. Drake, who is sec'y of the Bone Mesa Water Assn. Mr. Drake may be able to give you additional information."

Attorneys Groves and Walker reported that they had been making tabulations of the assessments of the property embraced within the District and as to the general amount of such assessments, as it was expected they would be for the year 1951.

Such attorneys were instructed to obtain information as to

possible Federal aid in the construction of water works system by the District.

Other problems in connection with the construction and financing of a water system were discussed by the Board and the others present.

There being no further business to come before the Board, the meeting was duly adjourned.

Approved:

Secretary

R. L. Strain  
W. L. Pond  
M. L. Dibley  
W. L. Oberly  
 Directors

*[Handwritten Signature]*  
 Secretary

MINUTES OF MEETING OF BOARD OF DIRECTORS  
of  
CLIFTON WATER DISTRICT

Held at Clifton, Colorado  
On April 18, 1951

There were present Directors R. L. Strain, M. L. Dilley, Ira L. Pond, R. W. Oberly and Fred Waters, Attorney James K. Groves, and O. J. Ripple of the firm of Ripple & Howe.

President R. L. Strain called the meeting to order.

Each of the Directors waived notice of the meeting and stated that his signature of the minutes of this meeting would be evidence of such waiver.

The minutes of the last meeting of the Board of Directors held on March 26, 1951 were read and approved.

Mr. O. J. Ripple presented a report of the preliminary survey made covering requirements for the installation of a water system for the District. Mr. Ripple stated that the District can, with the capacities and requirements of the proposed water system, safely contract with the Town of Palisade to purchase as a minimum one and one-half million gallons of water per month, and that the District could, if conditions were favorable, increase this minimum to two million gallons of water per month. Mr. Ripple further stated that the District should have a maximum guarantee from the Town of Palisade of at least six million gallons of water per month. He further stated that, in his opinion, the District could feasibly finance the construction and operation of a workable water system. The report of Ripple & Howe upon the proposed water supply system was considered and discussed by the members of the Board.

Mr. Ripple indicated that the fees of the firm of Ripple & Howe in connection with the drawing of final plans and specifications for, and the supervision of the construction of the proposed water system, would be as follows:



If the cost of the system was \$250,000.00 or more, the fees would be 4~~2~~% of the total cost for plans and specifications, and 2% of the total cost for supervision;

If the cost of the system was under \$250,000.00, the fees would be 5% of the total cost for plans and specifications and 2% of the total cost for supervision.

The Board determined to study the report submitted by Mr. Ripple further and to take such action as the Board might deem necessary at a later date.

It was determined that it would be necessary to borrow funds without an election in order to make payment of expenses of organization, expenses of preliminary engineering report and to provide for anticipated future expenses in connection with the organization. The Board of Directors decided to consider the matter further at a later date.

It was moved by M. L. Dilley and seconded by Ira L. Pond that the Palisades National Bank of Palisade, Colorado be used as the depository for the funds of the Clifton Water District. Upon vote, the motion was unanimously carried.

Mr. James K. Groves read two letters from Frederick F. Barket of Garrett-Bromfield & Co. of Denver, Colorado, both under date of March 28, 1951, concerning ratification of an agreement between Garrett-Bromfield & Co. and members of the Water Committee for the organization of the Water District, this agreement having been made by individuals of the community before the organization of the Water district. Mr. Groves was instructed to hold a conference in Denver with Mr. Barker concerning this agreement and to make a report to the Board of Directors as to the results of that conference.

The letter from Miles Kara, attorney for the Town of Palisade, Colorado, set forth in the minutes of the meeting of March 26, 1951, concerning proposed terms of water delivery by the Town of Palisade to the Water District was discussed. Mr. Groves was further instructed to confer with Mr. Kara as to the possibility and details

of a contract with Palisade and make a full report to the Board of results of that conference.

The prospective terms of a contract with the Town of Palisade for the delivery of water to the District were discussed. It was reported that Mr. George Nesbit had made tentative figures of \$.17 for the first one million gallons of water, \$.16 for the second one million gallons of water, and \$.15 for the third one million gallons of water. These figures were discussed by the Board.

Mr. Groves reported as to information obtained from the Housing and Home Finance Agency of the Federal Government concerning assistance which that agency conceivably can give for the preparation of plans and specifications for public works.

There being no further business, the meeting was adjourned.

Approved:

R. L. Strain  
Ira L. Pond  
M. L. Dittley  
W. L. Worley  
Directors

W. J. Groves  
Secretary

MINUTES OF MEETING OF BOARD OF DIRECTORS  
of  
CLIFTON WATER DISTRICT

Held at Clifton, Colorado  
On April 26, 1951

There were present Directors R. L. Strain, M. L. Dilley, Ira C. Pond, Fred Waters and R. W. Oberly, George Nesbit, Miles Kara, James K. Groves and Thomas R. Walker.

President R. L. Strain called the meeting to order.

Each of the Directors waived notice of the meeting and stated that his signature of the minutes of this meeting would be evidence of such waiver.

Minutes of the last meeting of the Board of Directors held on April 18, 1951 were read and approved.

The prospective terms of a contract for the delivery of water by the Town of Palisade to the District were discussed by those present, with the Town of Palisade represented by George Nesbit and Miles Kara. It was tentatively agreed by the Board that the District could contract for a minimum of two million gallons of water per month and a maximum of four million gallons per month, for the first two years of the contract, the first 2-year period to commence at the completion of the initial construction contract or when 413 taps have been connected to the system, whichever event first occurs. Until such time as the completion of the construction contract or connection of 413 taps, the minimum and maximum figures would bear the same ratio to the two- and four-million figures as the number of taps connected bear to 413 taps of 5000 gallons of water per tap per month.

The Board determined that the contract should provide for an option in the District to purchase the water from the Town of Palisade on the above basis, such option to run from six months from the date of the contract with the Town of Palisade, to assure the Board that the District's obligation under the contract will be

dependent upon the success of the forthcoming bond election. The Board determined that after the 2-year period, the minimum would be three million gallons of water per month. It was determined that the contract be not less than 21 years and possibly more, depending on the requirements of the various bond firms. These terms were presented to Mr. Nesbit and Mr. Kara who indicated that a special session of the Town Board of Palisade would be held to consider the prospective terms.

Mr. Groves gave a report of the results of his conference with representatives of the Garrett-Bromfield & Co. in Denver, Colorado and informed the Board that the fee for services of Garrett-Bromfield & Co. would not exceed \$1,500.00. As to a contract which Garrett-Bromfield & Co. had requested, as appears in the minutes of the meeting of April 18, 1951, Mr. Groves advised that Garrett-Bromfield & Co. representatives told him orally in Denver on April 24, 1951 that it would be satisfactory with them to defer the matter of execution of any agreement until the District developed its plans further and the situation can be viewed with more clarity. He further reported that the possibilities of a firm bid for the bonds from Garrett-Bromfield & Co. were discussed at that conference. Mr. Pond moved that the matter of a contract with Garrett-Bromfield & Co. for the handling of a sale of a bond issue be tabled. Mr. Dilley seconded the motion and, upon vote, it was unanimously adopted.

M. L. Dilley then moved the adoption of the following resolution:

#### RESOLUTION

WHEREAS, under the law and the by-laws of the Clifton Water District, the Board of Directors has full power to borrow money, incur indebtedness and evidence the same by certificates, notes or debentures, up to \$5,000.00, without the necessity of an election by the tax-paying electors of the District authorizing the Board to do so; and

WHEREAS, the District desires to make payment of expenses in connection with the organization of the District,

including costs of preliminary engineering survey of the District by the firm of Ripple & Howe of Denver, Colorado, and to provide further funds for anticipated future expenses in connection with such organization; and

WHEREAS, the Board of Directors desires to borrow from Garrett-Bromfield & Co. of Denver, Colorado a sum not to exceed \$4,500.00 and to evidence the said sum by promissory notes of the District; NOW, THEREFORE,

BE IT RESOLVED: That the Clifton Water District borrow the sum of \$4,500.00 from Garrett-Bromfield & Co. of Denver, Colorado at a discount to Garrett-Bromfield & Co. of four per cent, said sum payable in installments of \$500.00 a year plus interest on the unpaid balance thereof at the rate of 5% per annum, and that R. L. Strain, president, and Fred Waters, secretary, are hereby directed and authorized to make and execute on behalf of said District nine promissory notes in the principal amount of \$500.00 each, payable on or before one, two, three, four, five, six, seven, eight and nine years from the date, respectively, such notes to be in words, figures and substance as follows:

\$500.00

Clifton, Colorado  
April 26, 1951

On or before one (1) (2, 3, 4, 5, 6, 7, 8 or 9, as the case may be) year after date, for value received, the undersigned hereby promise to pay to the order of  
GARRETT-BROMFIELD & CO. at Denver, Colorado,  
- - - FIVE HUNDRED AND 00/100 DOLLARS - - -  
with interest at the rate of five (5) per cent per annum, payable annually.

The makers and endorsers hereof severally waive presentment for payment, protest, notice of non-payment and of protest, and agree to any extension of time of payment and partial payments before, at or after maturity, and if this note or interest thereon is not paid when due, or suit is brought, agree to pay all reasonable costs of collection, including attorney's fees.

Attest:

CLIFTON WATER DISTRICT

\_\_\_\_\_  
Secretary

By \_\_\_\_\_  
President

and

BE IT FURTHER RESOLVED: That the Board of Directors of the Clifton Water District certify to the Board of County Commissioners of Mesa County, Colorado, such levies on all taxable property within the District as are necessary to make payment of such notes at maturity.

The motion was duly seconded by R. W. Oberly and, upon vote, the resolution was unanimously adopted.

Nine promissory notes were signed by R. L. Strain and Fred Waters in accordance with the resolution.

There being no further business to come before the Board, the meeting was adjourned.

Approved:

R. L. Strain  
Wm. L. Pond  
M. L. Dillies  
STW Wilson  
Directors

*[Signature]*  
Secretary

MINUTES OF THE MEETING OF THE BOARD OF  
DIRECTORS OF  
CLIFTON WATER DISTRICT

Held at Clifton, Colorado  
On May 18, 1951

There were present Directors R. L. Strain, M. L. Dilley, Ira Pond, R. W. Oberly and Fred Waters, and Attorney James K. Groves.

Mr. R. L. Strain, president, called the meeting to order.

Each of the Directors waived notice of the meeting and stated that his signature of the minutes of this meeting would be evidence of such waiver.

The minutes of the meeting of April 26, 1951 were read and approved.

Mr. Groves submitted his office copy of the letter of August 17, 1950 of Garrett-Bromfield & Co. and Bosworth, Sullivan & Co. to members of the Water Committee of Clifton, Colorado, the original of which letter was signed by certain individuals in the Clifton community, such copy being attached to these minutes. He further presented a proposal of these two bond houses dated May 9, 1951 to the Board of Directors of the Clifton Water District, a copy of which is attached to these minutes. He then read to the Board the following correspondence:

His letter of April 30, 1951 to Frederick F. Barker of Garrett-Bromfield & Co., which reads as follows:

"The Board of Directors met with George Nesbit and the Palisade attorney, Miles Kara, on April 25th. Arrangements were made to submit the following plan to the Town Board of Palisade:

"A minimum of 2,000,000 gallons and a maximum of 4,000,000 per month for the first two years of full operation of the District, and thereafter a minimum of 4,000,000 and a maximum of 6,000,000. The two-year period is to commence at the end of completion of construction when 413 taps are in operation. Until that time the District will pay for water on a pro-rata basis with a minimum of 5,000 gallons per month for each tap.

"The contract will be in the nature of an option to be exercised by the District at any time within six months upon completion of a successful bond election and bond issue. The term of the contract will be not less than 20 years. The rate will be 17¢ per 1,000 gallons.

"Strain, Nesbit, Kara and I are going to meet with the Town Board tonight, at which time Strain and I will argue, perhaps unsuccessfully, for a lesser rate for water taken above minimum requirements.

"The Board asked me to inquire of you and Mr. Youmans as to whether it would be better from a bond standpoint to have the term of the contract for a period in excess of 20 years, i.e. longer than the last maturity date of the proposed bond. I will appreciate your reaction on this point from the standpoint of the bond issue.

"In accordance with our understanding, I am enclosing herewith a certified copy of a resolution of the Board authorizing notes and nine promissory notes payable to Garrett-Bromfield & Co., each in the amount of \$500.00, and each executed by the officers of the District. If you find these papers to be in proper form, we will appreciate receipt of the net amount of the loan, being \$4,320.00. If changes need to be made, kindly return these papers and we will make them. A seal of the District has been ordered but has not yet arrived. If you desire, I can send it to you in a few days and you can impress it on each of the documents.

"The Board asked me to express its continued confidence in you and Mr. Youmans. It is adopting the suggestion upon which the three of us concluded on April 24th that execution of any agreement with you be deferred until we can view the situation with somewhat more clarity."

His letter of May 8, 1951 to Mr. Barker which read as follows:

"At a special meeting of the Board of the Town of Palisade on April 30th attended by Mr. Strain and me, the Board indicated that it would enter into an agreement with the Clifton Water District at a flat rate of 17¢ per 1,000 gallons, with a pro-rate during our construction period, a minimum of 2,000,000 gallons and a maximum of 4,000,000 for two years, and a permanent minimum of 3,000,000 and maximum of 6,000,000. However, it wanted opportunity to re-negotiate the rate in the event that total costs of delivery exceeded present costs by more than 25% after ten years from now. We have consulted with the Public Utilities Commission and find that this agreement will be under its jurisdiction anyway, and are preparing the agreement so that, if costs change more than 25% either way after a designated period, the PUC will fix the rate. This rate applied only on water purchased from Palisade and not to the sales price of the Clifton District. Unless the Clifton District sells to users outside its limits, it will not be under the jurisdiction of the Public Utilities Commission. Since about 50 per cent of the Palisade costs are fixed, any change in rate would come about only when general wage and material costs vary around 50 per cent.

"How is the \$4,500.00 loan coming along?"

The letter of Mr. Frederick F. Barket to Mr. Groves of May 9, 1951, which reads as follows:



"We have your letter of April 30th and I am sorry that I have delayed in answering it. We have been very busy with a lot of school bond issues from all over the State and I have not been too well in the last week.

"Without questioning the legality of the resolution you prepared or the notes which you sent, we have determined that we will have to be guided by the regular procedure of our bond counsel and will ask him to prepare suitable bond forms for this issue. To all intents and purposes, this issue will have full force and effect as a separate bond issue from the larger financing that is planned, except that it will be subject to refunding and inclusion in the larger amount. In case, however, the whole project did not materialize, it would be necessary for us to have merchantable bonds to sell. Neither Bosworth-Sullivan or ourselves are banking houses in the sense that we buy such obligations for our own investment and it might well be that these would run their full length of maturity.

"In the enclosed proposal, a copy of which has been sent to Mr. Strain, we attempt to outline what has been done and what we will do in connection with the larger financing and have reduced our fee to some extent, due to the larger amount of bonds contemplated.

"It is our opinion that the terms are, in substance, as agreed upon on the occasion of your visit to us a couple of weeks ago, and in our proposal we simply endeavor to reduce the first understanding to definite terms. At that time you seemed to feel that we should present a definite program and the suggested terms. The determination of a levy and other income must be present before formal commitment on our part. This is our suggested pattern of action. Please note that we have suggested that a contract with the City of Palisade run for 30 years, for the reason that such a contract should extend beyond the contemplated bond maturities and, in the event of the refunding becoming necessary, the contract would cover such a refunding period.

"In our letter to Mr. Strain, we have also suggested that steps be taken as soon as possible to ascertain the number of connections upon which commitments can be obtained and have urged that the project move forward without delay, due to the possibility of difficulties in obtaining material and labor priorities later on this year. Mr. Strain has indicated that he would immediately call a meeting of the Board to consider this proposal, which simply ratifies and confirms all that has gone before and the work which we expect to do in the future."

His letter of May 12, 1951 to Mr. Barker, which reads as follows:

"I have received your letter of May 9th with the enclosed copy of proposal. I note in the second paragraph of your letter that you are having your bond counsel prepare bonds for the \$4,500.00 loan, although you do not state whether this matter is going forward at this time, and from the proposal that this loan is made a part of the contract under paragraph numbered 11. When we conferred in Denver this matter of whether the loan was dependent upon a contract was discussed specifically and, I thought, the fact that it was an independent matter was definitely determined. I shall greatly appreciate a letter from you advising as to the present status of the loan matter and whether you now regard it as contingent upon the execution of a contract with the District.

"I greatly appreciate your suggestion of a 30-year contract with

Palisade and it may be that we will be able to make it for that length of time, although as indicated in a recent letter, rates may be adjusted in the interim.

"I have some questions as to paragraph numbered 7 of the proposal but, of course, it will be up to the Board to make a decision in this respect. I wonder if the proposal contemplates services by you in the sale of the bonds and, if so, the extent of these services.

"I am hopeful that you will be in position to give an early reply to this letter prior to the time I attend a meeting of the Board."

There is attached to these minutes a copy of Mr. Groves' letter of May 19, 1951 to Mr. Youmans which accurately sets forth the discussion and action by the Board which followed.

While Mr. R. L. Strain urged the execution of the citizens committee contract of August 17, 1950, a copy of which is attached to these minutes, the Board took no action in this respect.

The Board expressed some concern over items in the engineering report of O. J. Ripple of \$27,000.00 for fire hydrants and \$30,000.00 for engineering fees. The Board requested Mr. Groves to write Mr. Ripple and ascertain a breakdown on the \$27,000.00 for hydrants and determine whether, if fire hydrants were eliminated from the water system, the item of \$27,000.00 could be saved.

Mr. Groves indicated that the contract with the City of Palisade was now being prepared and should shortly be completed for submission to the Board of the Clifton Water District and Palisade.

There being no further business to come before the Board, the meeting was duly adjourned.

Approved:

R. L. Strain  
W. L. Bond  
M. L. Dilley  
J. W. Bailey  
 Directors

J. W. Bailey  
 Secretary

Denver, Colorado  
August 17, 1950

Members of the Water Committee  
Clifton, Colorado

Gentlemen:

We understand that the residents of Clifton, Colorado and the surrounding area wish to organize a Water District for the purpose of procuring water from Pallisade, Colorado and distributing the same as a domestic water supply in your District.

To accomplish this purpose, we suggest that the area to be served be organized and incorporated into a Water and Sanitation District so that it may act to issue bonds, to defray the costs of the improvement under the Water and Sanitation District Act of Colorado. Until such incorporation of a Water District shall have been accomplished, there exists no person or group of persons with whom we might legally contract to supply our services. We, therefore, make this offer to you, and your acceptance is an undertaking on your part to see that the terms hereof are accepted by the Board of Directors of such a Water District when duly organized.

Our services will be as follows:

1. We will supply, upon the advice of Municipal bond attorneys, the petition forms on which your local workers will obtain signatures of petitioners for the formation of a Water District.
2. We will supply a sample of a Court Order calling for an organization election, which sample may be helpful in this connection.
3. We will supply ballots for the organization election.
4. We will supply proceedings, resolutions, etc. for the organization by the Directors.
5. We will supply proceedings in blank, resolutions, etc. for calling a bond election, and the ballots for such election.
6. If voted, we will use our best efforts to effect a sale of such bonds for you. In this connection, we may bid for our own account.
7. We will furnish the printed bonds for official signatures, and the approving opinion as to their legal issuance by recognized bond attorneys.

Our fee for such services shall be \$20 per \$1,000 bond but not less than \$300. Should any election fail to carry, we will make no charge for services to that point. We suggest you employ local counsel for court hearings in Grand Junction, as our services do not include such personal representation. The costs of printing election notices, paying election judges, and other similar items are not to be paid by us.

Respectfully submitted,

GARRETT-BROMFIELD & COMPANY

BOSWORTH, SULLIVAN & COMPANY, INC.

By:

-----  
As sponsoring organization, we accept the above terms and agree to use our best efforts to have them incorporated in a legal contract with a Water District in Clifton if such a District is organized.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



May 9, 1951

Board of Directors  
Clifton Water District  
Clifton, Colorado

Gentlemen:

In connection with your proposed bond issue in an amount of \$290,000 more or less, said bonds to be general obligations of your District, payable from ad valorem taxes levied against all taxable property thereon, which taxes you propose to abate, as monthly charges to be levied against the users of water become available in satisfactory amounts, we propose to you as follows:

1. Your Citizens Committee which undertook the organization of your District did on August 17, 1950 contract for our services, agreeing to pay 1% of \$10.00 per \$1,000 bond on all bonds issued by your District, agreeing to use its best efforts to have a contract along this line validated by your Directors.
2. We have heretofore rendered our services in connection with the organization of the District, said services including legal advice from our attorneys, consultation with you and various affidavits, resolutions and other documents necessary for the organization of the District.
3. We have advised you to have a preliminary engineering survey made and a feasibility report passed thereon, giving a more accurate figure of the estimated cost of this project and the manner in which this cost may be paid, which report you now have.
4. You have advised us that you are satisfied with an agreement under which you will buy water from the Town of Palisade, Colorado, and we suggest that said contract run for a period of thirty (30) years because
  - a. Your proposed bond issue may run twenty (20) years and your water purchase contract should extend beyond the expiration of the bonds.
  - b. Should it be necessary to refund your bonds, it would be advisable to have the water purchase contract cover such estimated refunded life of the bonds.
5. Our services, from this date forward, all of which were encompassed in our original agreement with the Citizens Committee, will specifically cover the following points:
  - a. We will supply, upon the advice of our attorneys, the various resolutions, affidavits, etc. by means of which an election may be called by you for voting the proposed bond issue.
  - b. We will supply the ballots to be used in said election.
  - c. We will supply the proceedings in blank, resolutions, etc. for the issuance of the bonds if they are voted at said election.
  - d. We will furnish the printed bonds for official signatures and the approving legal opinion of recognized bond attorneys.
6. We propose that your bonds be dated June 1, 1951, and mature serially on December 1, with the first maturity being December 1, 1953 and the last maturity being December 1, 1970, with not more than \$10,000 of bonds maturing within each of the years 1953 to 1957, inclusive, and with the balance maturing in the years 1958 to 1970, inclusive, on an amortized scale; all bonds maturing after December 1, 1953 be redeemable on said date or any subsequent interest payment date at 100% plus accrued interest; that said bonds bear 4½% interest, payable semi-annually; that said bonds shall represent a first lien on the earnings to be derived from the operation of the water system, as well as from ad valorem taxes and that the Board of Directors adopt rates for the use of water which rates will bring in an income sufficient to pay at least 60% of principal and interest charges of said bonds.



May 9, 1951

7. You agree to sell said bonds to us at their par value plus accrued interest and we agree to buy said bonds subject only to our satisfaction of the sufficiency of the security after you have determined through wise meetings and other means the number of persons who might immediately connect to said water system and the payment they will make at the time of such connection, and subject to our confirmation of purchase as aforesaid on or before thirty (30) days beyond the date upon which said bonds shall have been favorably voted.
8. We will, of course, advise with you as to every phase of the setup of these bonds that might render them the more salable and therefore the better, from the standpoint of the District, and for these services, as well as all other services outlined above, you will pay for, out of the proceeds of said bonds when sold, \$7.50 per \$1,000 bond. We are proposing the smaller fee per \$1,000 than heretofore agreed upon with your Committee for the reason that the original amount of \$125,000 to \$150,000 has been expanded to approximately \$290,000, diluting some, but not all, of the basic costs.
9. This agreement will supersede the agreement had with your Citizens Committee.
10. We propose that immediate action be taken to prepare a definite plan upon which a bond issue may be based so that a vote on the bond issue can be taken promptly.
11. In order that you may pay expenses heretofore contracted by you, we agree to purchase at 96% \$4,500 legally issued debentures of your District bearing 5% interest per annum, payable semi-annually and maturing at the rate of \$500 on June 1, 1952 to 1960, inclusive, the form of said debentures and the legal proceedings incident to their issuance to be prepared by us for your adoption. These notes will be callable at the option of the District on thirty (30) days notice, at par.

Respectfully submitted,

BOENORTH, SULLIVAN & COMPANY  
GARRETT-BROMFIELD & COMPANY and Associates

By \_\_\_\_\_

-----  
The above proposal is accepted this \_\_\_\_\_ day of \_\_\_\_\_, 1951.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



JAMES K. GROVES  
ATTORNEY AT LAW  
SUITE 601 FIRST NATIONAL BANK BLDG.  
GRAND JUNCTION, COLORADO

May 19, 1951

Mr. Paul E. Youmans  
Bosworth, Sullivan & Company  
660 Seventeenth Street  
Denver 2, Colorado

Re: Clifton Water District

Dear Mr. Youmans:

At a meeting of the Board yesterday the following papers were read: my letter of April 30th to Barker; my letter of May 12th to Barker; Barker's letter to me of May 9th; proposal of May 9th; my letter to Barker of May 12th; and your letter to me of May 14th. I made a statement of facts and substance as follows:

1. As to paragraph numbered 7 of the proposal, at our conference in Denver on April 24th; Mr. Barker stated that he had previously mentioned to Mr. Strain that he might wish to obtain an option on the bonds and that he would like to have an option on 4% bonds at par. I replied that I doubted that the Board would be interested in an option, but undoubtedly would be interested in a firm contract to purchase, and that I realized that it was too early in the proceedings for your two firms to obligate themselves to purchase. You stated that, after a contract with Palisade is made, a mass meeting is held and possibly commitments are obtained from the users of the District, you and Barker might be able to offer a firm contract to purchase. You further suggested that we let the matter of any contract between the District and your two firms await these developments, and I agreed with this proposal. Paragraph numbered 7 now submitted amounts to an option.

2. At the April 24th conference I expressed the opinion that a fee of 1% on a \$300,000.00 bond issue was too high. You agreed and suggested to Barker that it be handled for a fee of \$1,000.00 to \$1,200.00. I observed that I regarded such a fee as too low and suggested \$1,500.00.



JAMES K. GROVES  
ATTORNEY AT LAW  
SUITE 501 FIRST NATIONAL BANK BLDG.  
GRAND JUNCTION, COLORADO

Mr. Paul E. Youmans

-2-

May 19, 1951

3. At the April 24th conference you confirmed the belief of the Board that the matter of sale of less than \$5,000.00 of debentures was entirely independent of any agreement between the District and your firms.

The Board then asked for my observations and recommendations. I stated that I was considerably disturbed by the proposal of May 9th and your letter of May 14th; that I thought there was a moral obligation upon the District to pay the actual expenses of Mr. Barker and you since the execution of the memorandum by the Citizens Committee last August; that the Board should be interested in a contract with someone, such as you and Mr. Barker, to procure the issuance and sale of the bonds at the highest possible figure for the lowest possible rate of interest; that the Board should be interested in a contract of someone to purchase the bonds at a set rate of interest for a definite figure; that at this time no one could be expected to enter into the latter type of contract; that the Board should not be interested in any option; that if, as may be the case, a bond issue of \$200,000.00 or so will suffice, a fee of \$7.50 per \$1,000.00 bond for all services in the issuance and sale of the bonds would not be unreasonable; that, if the bond issue is going to be \$300,000.00 or so, I was inclined to the belief that a fee of \$5.00 per \$1,000.00 bond would be sufficient; that the proposal of May 9th amounts to the granting of an option without consideration; that I was reluctantly forced to the present opinion, in which I hope I am mistaken, that the matter of the temporary loan is being used as a lever to force the execution of a contract; that, in order to prevent the latter result, I would be willing to wait for payment for my fees and moneys expended; that, if necessary, I would be willing to take and discount the District's note in order that Mr. Ripple might be paid his \$300.00; and that the proposal of May 9th should not be executed.

After further discussion, the Board took the following action:

1. That negotiations and the drafting of a contract with the Town of Palisade proceed without delay.
2. That, as soon as a contract with the Town of Palisade is executed, a mimeographed summary concerning the proposed water system and its operation be prepared and distributed among the residents of the District.

JAMES K. GROVES  
ATTORNEY AT LAW  
SUITE 601 FIRST NATIONAL BANK BLDG.  
GRAND JUNCTION, COLORADO

Mr. Paul E. Youmans

-3-

May 19, 1951

3. That shortly thereafter a mass meeting of the residents of the District be called at which sentiment be obtained and, if the sentiment is predominately in favor of the water system, it be ascertained the extent to which commitments can be obtained from prospective users.

4. That the Board later consider whether to employ a person to obtain commitments and payments from members of the District.

5. That the proposal of May 9, 1951, of Bosworth, Sullivan & Company and Garrett-Bromfield & Company and Associates not be executed (In this connection, Mr. R. L. Strain urged the execution of the Citizens Committee memorandum made last August).

6. That I submit to Mr. Frederick F. Barker and Mr. Paul E. Youmans a summary of this meeting of the Board.

During the meeting the Board indicated that it did not feel too much pressure to make immediate payment to Mr. Ripple as he had stated that he could wait for payment until a bond issue was completed.

I might add the following observations which, I think, express the sentiment of the Board but the Board is not committed to them. It is interested in the \$4,500.00 loan, but will treat it only as a separate matter. It is interested in employing services to the end that bonds will be legally issued and sold for the best price obtainable. When a firm is employed to perform these services and at the same time has an option to purchase the bonds, it is serving two masters. The Board, of course, would consider a firm offer to purchase the bonds. While I feel rather strongly that the May 9th proposal and your letter of May 14th are not in accord with our oral understandings of April 24th, particularly as to the items that you were not going to press for a contract until after we had an agreement with Palisade and held a mass meeting and that the \$4,500.00 loan would be made immediately, if you have any further proposals they will receive immediate and friendly consideration.

I greatly regretted to learn that Fred has been in the hospital and hope that he is much on the mend at this time.

Yours very truly,

James K. Groves

JKG:t  
cc: Mr. Frederick F. Barker  
Mr. R. L. Strain



MINUTES OF MEETING OF BOARD OF DIRECTORS  
of  
CLIFTON WATER DISTRICT

Held at Clifton, Colorado  
On June 12, 1951

There were present Directors R. L. Strain, M. L. Dilley, Ira C. Pond, Fred Waters and R. W. Oberly, and Attorney Thomas R. Walker.

President R. L. Strain called the meeting to order.

Each of the Directors waived notice of the meeting and stated that his signature of the minutes of this meeting would be evidence of such waiver.

Minutes of the last meeting of the Board of Directors held on May 18, 1951 were read and approved.

Mr. Walker reported that during the past several weeks there have been long and intensive conferences with representatives of the Town of Palisade in an attempt to negotiate and prepare a satisfactory agreement for the sale and purchase of water, that Mr. Kara had submitted a draft of an agreement which necessitated rewriting, and that Mr. Groves and he had developed a draft of a proposed agreement, a copy of which was studied by the Board and is attached to these minutes, being marked "Draft of June 9, 1951". After discussion, the Board requested Mr. Walker to make certain changes in this draft and to submit it to Mr. Miles Kara, attorney for the Town of Palisade. The changes requested are reflected in the copy of draft of agreement which is attached to these minutes and marked "June 21, 1951 Draft".

No further business appearing, the meeting duly adjourned.

Approved:

R. L. Strain  
Ira C. Pond  
M. L. Dilley  
F. W. Oberly  
Directors

W. F. Walker  
Secretary

A G R E E M E N T

THIS AGREEMENT, made this \_\_\_\_\_ day of \_\_\_\_\_, 1951, by and between the TOWN OF PALISADE, a municipal corporation, acting by and through its Board of Trustees, party of the first part, hereinafter referred to as "Town", and GLIFTON WATER DISTRICT, a municipal corporation, acting by and through its Board of Directors, party of the second part, hereinafter referred to as "District",

WITNESSETH:

WHEREAS, at present the Town has or can develop and make available a surplus of water above that needed for supplying its own inhabitants, of the amounts to be delivered to the District as mentioned hereinafter, and sufficient for the needs of the District;

WHEREAS, the District intends to construct, in order to supply consumers of the District with a water supply, a water system, and the District further intends to submit to the taxpaying electors within its boundaries the question of whether bonds should be issued to finance such constructions; and

WHEREAS, the Town desires to sell, and the District desires to purchase, a water supply sufficient to serve the needs of the District;

NOW, THEREFORE, in consideration of the premises, the covenants contained herein, and other good and valuable considerations, the sufficiency whereof is hereby acknowledged, IT IS MUTUALLY AGREED BY THE PARTIES AS FOLLOWS:

1. In the manner, at the places, and in the amounts hereinafter specified, the Town shall deliver domestic water to the District for a period of thirty (30) years from the date of this agreement. The Town agrees to charge, and the District agrees to pay, a rate of seventeen cents (17¢) per one thousand (1,000) gallons of water delivered to the District, subject to such adjustments as are provided hereinafter.

2. The District shall purchase minimum amounts of water, and the Town shall deliver maximum amounts of water, as follows:

a. For a period of two (2) years after the date of completion of the initial construction of the water system of the District, a minimum of two million (2,000,000) gallons of water per month and a maximum of four million (4,000,000) gallons of water per month; the initial construction shall be deemed complete at the time when the District, from water mains of the District, is delivering water to consumers through four hundred and thirteen (413) water taps.

b. After such 2-year period, a minimum of three million (3,000,000) gallons of water per month and a maximum of six million (6,000,000) gallons of water per month.

c. Until such time as such initial construction is completed, a minimum in the same ratio to 2,000,000 and a maximum in the same ratio to 4,000,000, as the number of water taps through which the District is delivering water to consumers of the District bears to 413.

3. The Town agrees to furnish and deliver such water supply at a quality equal to that currently furnished the inhabitants of the Town and in accordance with the standards of the State of Colorado and all agencies thereof.

4. Such water shall be delivered by the Town at a minimum pressure of one hundred (100) pounds per square inch and a maximum pressure of one hundred and twenty-five (125) pounds per square inch, to points of delivery described as follows:

At the intersection of the 4-inch and 6-inch water mains owned by the Town, such intersection located approximately at the Southwest corner of the SE $\frac{1}{4}$  SE $\frac{1}{4}$ , Section 36, Township 11 South, Range 99 West, 6th P.M., being on 8th Street at Mt. Lincoln, in Mesa County, State of Colorado; and

At the intersection of 8th Street, being the Ute Baseline in the County of Mesa and State of Colorado, and United States Highway No. 6-24, located in Section , Town-

ship 1 South, Range 2 East, of the Ute Meridian.

5. Master water meters, capable of accurately measuring the flow of water delivered to the District, shall be installed at such points of delivery. The cost, expenses of installation, repair and maintenance of such water meters shall be shared equally by the Town and the District and properly authorized of both the District and the Town may inspect such meters at any and all times.

6. The Town shall not be responsible for collection of charges for services to consumers of the District, and the Town assumes no responsibility for any facility beyond the water works system owned and controlled by the Town.

7. The Town shall render a statement to the District for water delivered to the District on the 5th day of the month following such delivery, by mailing such statement to the Board of Directors of the District at Clifton, Colorado, and payment shall be made by the District on or before the 15th day of the same month.

8. The Town agrees to furnish a statement, marked "Exhibit A" attached hereto and made a part hereof, setting forth the cost to the Town of the present water system of the Town, the present cost per year to the Town of the administration, operation and maintenance of such water system, and the present cost per year of water to the Town. The Town further agrees, as soon as the cost figures are available to the Town, to furnish a statement setting forth the costs necessarily incurred by the Town in complying with the terms of this agreement, such statement to be attached hereto and made a part hereof as "Exhibit B".

9. In the event that, after a period of ten (10) years from the date of this agreement, the costs per year to the Town of the maintenance, operation and administration of its water system have either increased or decreased at least 25% from what such costs per year would have been at the date of this agreement had the Town been delivering to the District a minimum of 4,000,000 gallons of water per month and a maximum of 6,000,000 gallons of water per month,



either party, upon thirty (30) days' written notice to the other party, may request the Public Utilities Commission of the State of Colorado to make, after a hearing at which both parties may be present and present such evidence as they deem advisable, a just a sufficient determination of a rate which will afford the Town a reasonable return upon its capital investment in its water system. The determination of the Public Utilities Commission shall be binding upon the parties for a period of ten (10) years from the date of such determination. If, after the expiration of 10 years from the date of such determination, such costs per year have increased or decreased 25% from such costs per year at the date of the first determination of the Public Utilities Commission, either party may again request, under the procedure outlined above, another and further determination of a rate which will afford the Town such reasonable returns, and such second determination shall be binding upon the parties during the remainder of the term of this agreement. It is specifically agreed that costs of, or increases of such costs per year due to, future expansion or development by the Town of any kind or in any manner, including any future expansion or development of the water system of the Town, other than is necessary for compliance by the Town with the terms of this agreement providing for delivery to the District of specified amounts of water, shall not be included nor considered in the determination of such 25% increase or decrease or in the determination of such reasonable return.

10. In the event that the taxpaying electors of the District do not, within six months of the date of this agreement, approve the issuance of bonds for the construction of a water system for the District, or in the event that such construction is not commenced within \_\_\_\_\_ months after the date of this agreement, either party, upon 30 days' written notice to the other party, may withdraw from the obligations of this agreement and the provisions thereof shall be null and void.

11. The covenants, rates, terms and conditions of this agreement shall be subject to the approval of the Public Utilities



Commission of the State of Colorado, and it is the express intent of the parties to comply with all rules, regulations and laws of the State of Colorado and agencies thereof, anything contained herein to the contrary notwithstanding.

TOWN OF PALISADE

Attest:

By \_\_\_\_\_

Mayor

\_\_\_\_\_  
Secretary

CLIFTON WATER DISTRICT

Attest:

By \_\_\_\_\_

President

\_\_\_\_\_  
Secretary



Draft of June 9, 1951

A G R E E M E N T

THIS AGREEMENT, made this \_\_\_\_\_ day of \_\_\_\_\_, 1951, by and between the TOWN OF PALISADE, a municipal corporation, acting by and through its Board of Trustees, party of the first part, hereinafter referred to as "Town", and CLIFTON WATER DISTRICT, a municipal corporation, acting by and through its Board of Directors, party of the second part, hereinafter referred to as "District",

WITNESSETH:

WHEREAS, at present the Town has or can develop and make available a surplus of water above that needed for supplying its own inhabitants, of the amounts to be delivered to the District as mentioned hereinafter, and sufficient for the needs of the District;

WHEREAS, the District intends to construct, in order to supply consumers of the District with a water supply, a water system, and the District further intends to submit to the taxpaying electors within its boundaries the question of whether bonds should be issued to finance such constructions; and

WHEREAS, the Town desires to sell, and the District desires to purchase, a water supply sufficient to serve the needs of the District;

NOW, THEREFORE, in consideration of the premises, the covenants contained herein, and other good and valuable considerations, the sufficiency whereof is hereby acknowledged, IT IS MUTUALLY AGREED BY THE PARTIES AS FOLLOWS:

1. In the manner, at the places, and in the amounts hereinafter specified, the Town shall deliver domestic water to the District for a period of thirty (30) years from the date of this agreement. The Town agrees to charge, and the District agrees to pay, a rate of seventeen cents (17¢) per one thousand (1,000) gallons of water delivered to the District, subject to such adjustments as are provided

**A G R E E M E N T**

THIS AGREEMENT, Made this \_\_\_\_\_ day of \_\_\_\_\_, 1951, by and between the TOWN OF PALISADE, a municipal corporation, acting by and through its Board of Trustees, party of the first part, hereinafter referred to as "Town", and CLIFTON WATER DISTRICT, a municipal corporation, acting by and through its Board of Directors, party of the second part, hereinafter referred to as "District",

**WITNESSETH:**

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WHEREAS the District intends to construct, in order to supply consumers of the District with a water supply, a water system, and the District further intends to submit to the taxpaying electors within its boundaries the question of whether bonds should be issued to finance such constructions; and

WHEREAS the Town desires to sell, and the District desires to purchase, a water supply sufficient to serve the needs of the District;

NOW THEREFORE, in consideration of the premises, the covenants contained herein, and other good and valuable considerations, the sufficiency whereof is hereby acknowledged, IT IS MUTUALLY AGREED BY THE PARTIES AS FOLLOWS:

1. In the manner, at the places, and in the amounts hereinafter specified, the Town shall deliver domestic water to the District for a period of thirty (30) years from the date of this agreement.

The Town agrees to charge, and the District agrees to pay, a rate of seventeen cents (17¢) per one thousand (1,000) gallons of water delivered to and consumed by the District, subject to such adjustments as are provided hereinafter.

2. The District shall purchase minimum amounts of water, and the Town shall deliver maximum amounts of water, as follows:

a. For a period of two (2) years after the date of completion of the initial construction of the water system of the District, a minimum of two million (2,000,000) gallons of water per month and a maximum of four million (4,000,000) gallons of water per month; the initial construction shall be deemed complete at the time when the District, from water mains of the District, is delivering water to consumers through four hundred thirteen (413) water taps.

b. After such 2-year period, a minimum of three million (3,000,000) gallons of water per month and a maximum of six million (6,000,000) gallons of water per month.

c. Until such time as such initial construction is completed, a minimum in the same ratio to 2,000,000 and a maximum in the same ratio to 4,000,000, as the number of water taps through which the District is delivering water to consumers of the District bears to 413.

3. The Town agrees to furnish and deliver such water supply at a quality equal to that currently furnished the inhabitants of the Town and in accordance with the standards of the State of Colorado and all agencies thereof.

4. Such water shall be delivered by the Town at a minimum pressure of one hundred (100) pounds per square inch and a maximum pressure of one hundred and twenty-five (125) pounds per square inch, to points of delivery described as follows:

At the intersection of the 4-inch and 6-inch water mains owned by the Town, such intersection located approximately at the Southwest corner of Lot 6 of Section 7, Township 11 South, Range 98 West, 6th P.M., being on 8th Street at Mt. Lincoln School in Mesa County, State of Colorado; and

At the intersection of 8th Street, being the Wte Baseline in the County of Mesa and State of Colorado, and United States Highway No. 6-24, located in Section 8, Township 11 South, Range 98 West, 6th P.M.

5. Master water meters, capable of accurately measuring the flow of water delivered to and returned to the Town by the District, shall be installed at such points of delivery. The cost, expenses of installation, repair and maintenance of such water meters shall be shared equally by the Town and the District and properly authorized of both the District and the Town may inspect such meters at any and all times.

6. The Town shall not be responsible for collection of charges for services to consumers of the District, and the Town assumes no responsibility for any facility beyond the water works system owned and controlled by the Town.

7. The Town shall render a statement to the District for water delivered to and consumed by the District on the 5th day of the month following such delivery, by mailing such statement to the Board of Directors of the District at Clifton, Colorado, and payment shall be made by the District on or before the 15th day of the same month.

8. The Town agrees to furnish a statement, marked "Exhibit A" attached hereto and, subject to the approval of the District, made a part hereof, setting forth the cost to the Town of the present water system of the Town, the present cost per year to the Town of the administration, operation and maintenance of such water system, and

the present cost per year of water to the Town. The Town further agrees, as soon as the cost figures are available to the Town, to furnish a statement setting forth the costs necessarily incurred by the Town in complying with the terms of this agreement, such statement to be attached hereto and, subject to the approval of the District, made a part hereof as "Exhibit B". The Town agrees further to furnish a statement every ten (10) years from the date of this agreement, to be attached hereto and, subject to the approval of the District, made a part hereof, setting forth the cost per year to the Town at the date of such statement for the administration, operation and maintenance of its water system. In any proceeding before the Public Utilities Commission of the State of Colorado as hereinafter provided, such statement shall not be binding in any manner upon the district.

9. In the event that, after a period of ten (10) years from the date of this agreement, the costs per year to the Town of the maintenance, operation and administration of its water system have either increased or decreased at least 25% from what such costs per year would have been at the date of this agreement had the Town been delivering to the District a minimum of 4,000,000 gallons of water per month and a maximum of 6,000,000 gallons of water per month, either party, upon thirty (30) days' written notice to the other party, may request the Public Utilities Commission of the State of Colorado to make, after a hearing at which both parties may be present and present such evidence as they deem advisable, a just and sufficient determination of a rate which will afford the Town a reasonable return upon its capital investment in its water system. The determination of the Public Utilities Commission shall be binding upon the parties for a period of ten (10) years from the date of such determination. If, after the expiration of 10 years from the date of such determination, such costs per year have increased or decreased 25% from such costs

per year at the date of the first determination of the Public Utilities Commission, either party may again request, under the procedure outlined above, another and further determination of a rate which will afford the Town such reasonable returns, and such second determination shall be binding upon the parties during the remainder of the term of this agreement. It is specifically agreed that costs of, or increases of such costs per year due to, future expansion or development by the Town of any kind or in any manner, including any future expansion or development of the water system of the Town, other than is necessary for compliance by the Town with the terms of this agreement providing for delivery to the District of specified amounts of water, shall not be included nor considered in the determination of such 25% increase or decrease, of such capital investment of the Town, or of such reasonable return.

10. In the event that the taxpaying electors of the District do not, within six months of the date of this agreement, approve the issuance of bonds for the construction of a water system for the District, or in the event that such construction is not commenced within six (6) months after the date of this agreement, unless such construction is delayed by causes beyond the control of the District, either party, upon 30 days' written notice to the other party, may withdraw from the obligations of this agreement and the provisions thereof shall be null and void.

11. In the event a surplus of water above that needed by the Town to serve the present consumers of the Town is developed by or made available to the Town, before the Town sells to others in the District, the Town agrees to offer to sell such surplus to the District, and the District shall have the option to purchase such surplus or any part thereof for a period of sixty (60) days from the date of such offer, such option exercisable by giving



written notice thereof to the Town, (upon the same terms and conditions and rates as are set forth herein.) *To be changed*

12. The covenants, rates, terms and conditions of this agreement shall be subject to the approval of the Public Utilities Commission of the State of Colorado, and it is the express intent of the parties to comply with all rules regulations and laws of the State of Colorado and agencies thereof, anything contained herein to the contrary notwithstanding.

TOWN OF PALISADE

Attest:

By \_\_\_\_\_  
Mayor

\_\_\_\_\_  
Secretary

CLIFTON WATER DISTRICT

Attest:

By \_\_\_\_\_  
President

\_\_\_\_\_  
Secretary



MINUTES OF MEETING OF BOARD OF DIRECTORS  
of  
CLIFTON WATER DISTRICT

Held at Clifton, Colorado  
On July 9, 1951

There were present all members of the Board, Mr. Robert Strain, Mr. Roy George, Mr. McKinney of Johns Manville Company, and Attorney Thomas R. Walker.

President R. L. Strain called the meeting to order.

Each of the Directors waived notice of the meeting and stated that his signature of the minutes of this meeting would be evidence of such waiver.

Mr. McKinney presented a moving picture showing the manufacture, production and use of transite pipe produced by Johns Manville Company. The picture brought out the following facts:

1. The pipe is a composite of cement, asbestos and silica.
2. The pipe is produced and cured by steam.
3. The pipe is not subject to tuberculation; that is, accumulation on the inside of the pipe because of bacteria in the water; nor is it affected by electrolysis because of its non-metallic composition.
4. The installation, according to facts brought out in the picture, is relatively simple, consisting of one coupling and two rubber rings.

Mr. McKinney pointed out that deterioration due to alkali in the soil is caused by the electrolysis action in the pipe. He reiterated that the pipe is not subject to this action of electrolysis. He stated that delivery of the pipe could be made within 90 to 100 days, and less if the circumstances required. The price, as he quoted, for 150 test pipe was 82¢ for 4-inch pipe, 94¢ for 6-inch pipe and \$1.41 for 8-inch pipe. He quoted the following installation costs on 150 inch pipe taken from records compiled in Idaho. For installation of 1131 feet, a total of 8 hours with a 3-man crew, comprising 1449 minutes, was required. He stated that the company furnished

supervision of installation by a competent, registered engineer furnished by the company.

He gave a list of locations which had used transite pipe; included were Montrose, Durango, Farmington, Salida, Canon City, Pueblo, Colorado Springs, Denver, Fowler, Rocky Ford, Collbran, Grand Junction and Las Animas. He gave a specific instance of pipe installed at Durham, Colorado, located north of Grand Junction, by the Denver & Rio Grande Western Railroad Company. The pipe was installed in 1936 in alkali soil. In 1948 the pipe was dug up and examined by Mr. Chester E. Trammel, an employee of the railroad company. It was found that the pipe was not affected by the alkali in the soil nor had any tuberculation taken place. He suggested that the Board contact Mr. Trammel. He also pointed out that the pipe was installed at the experimental oil shale reclamation project located near Rifle. He also stated that the pipe had the approval of the fire underwriters.

A general discussion of the pipe was held by the Board and others present.

It was agreed that the next meeting should be held at 501 First National Bank Building, Grand Junction, Colorado, on July 13, 1951 at 7:30 p.m. and each Director waived notice thereof.

No further business appearing, the meeting duly adjourned.

Approved:

*R. L. Strain*  
*W. F. Pond*  
*W. L. Delley*  
*J. W. Berly*  
 Directors

*W. M. Bates*  
 Secretary

MINUTES OF MEETING OF BOARD OF DIRECTORS  
of  
CLIFTON WATER DISTRICT

Held at 501 First National Bank Building  
Grand Junction, Colorado  
On July 13, 1951 at 7:30 p.m.

There were present Directors R. L. Strain, M. L. Dilley, Fred Waters and R. W. Oberly, and Attorneys James K. Groves and Thomas R. Walker. Ira C. Pond was absent.

President R. L. Strain called the meeting to order.

Minutes of the last meeting of the Board of Directors held on July 9, 1951 were read and approved.

Mr. Groves presented a draft of a proposed agreement with the Town of Palisade designated as "District Draft of July 6, 1951". He pointed out that there were two basic changes in this draft from that submitted by Mr. Walker at the meeting on June 12, 1951, namely:

1. A change from the theory of protecting the Town against loss because of certain rises in cost to a theory of allowing the Town the same ratio between base rate of 17¢ per 1,000 gallons of water and base gallonage cost of water delivered to the District; and
2. A change from 25% to 10% over the present cost to the Town of furnishing water to the District in computing an increase or decrease for the purpose of adjustments in rates.

The possibility of water from the proposed Collbran Project was discussed. Mr. Groves advised that there was some question as to the power of the Town of Palisade to furnish water other than surplus water for the needs of the District. He stated that an opinion covering this matter would be submitted to the Board at a later date.

A motion was duly made, seconded and, upon vote, unani- mously adopted that the "District Draft of July 6, 1951", with minor changes which President R. L. Strain had authority to authorize be adopted and that the officers of the District be authorized to execute and deliver the same.

Mr. Groves reported that he had made inquiry of Mr. D. J. Ripple as requested by the Board in its meeting of May 18, 1951 and that Mr. Ripple had replied as follows:

"In reply to your letter relative to the item of \$27,400.00 for hydrants, valves and fittings as listed on page 3 of our Report for the Clifton Water District.

"You may deduct approximately \$15,000.00 from the above amount if no hydrants are installed, but tees and plugs are placed in the mains so that hydrants may be installed later, without cutting the main pipe lines.

"If additional information is desired, we will be glad to furnish same."

A letter from the Kolyn Engineering Company under date of July 10, 1951 was read and considered by the Board. It was determined that the Board should give an opportunity to representatives of that company to present its ideas in connection with the future engineering of the water system of the District.

It was further determined that the proposals from any and all engineering firms that wished to submit same should be considered carefully by the Board.

Mr. Groves submitted the papers concerning the loan by Garrett-Bromfield & Co. and associates of \$4,500.00 to the District, a copy of which are attached to these minutes. Mr. M. L. Dilley moved the adoption of the resolution appearing in such attachment. The resolution was discussed by the Board and Mr. Groves pointed out the phrase "in accordance with their contract of purchase", appearing on page 6 in paragraph 4 and on page 11 of the proposed resolution. It should be definitely understood and agreed between the District and Garret-Bromfield that the only contract which was involved was the purchase of the particular debentures for \$4,500.00, at the agreed discount of 4% to Garrett-Bromfield, and that no other contract or agreement in connection with future bond issues by the District had been entered into. The motion was duly seconded by Fred Waters and, upon vote, the resolution was unanimously adopted. Mr. Groves was instructed to write a letter to Garrett-Bromfi&ld pointing out that there were no agreements between the District and Garrett-Bromfield other than the particular and separate agreement concerning the \$4,500.00 in debentures of the District.

There being no further business to come before the Board,  
the meeting was duly adjourned.

Approved:

B. L. Stagin  
Chas. F. Pond  
Wm. L. Willey  
W. W. Boyl  
 Directors

[Signature]  
 Secretary

(District Draft of July 6, 1951)

A G R E E M E N T

THIS AGREEMENT, Made this \_\_\_\_\_ day of \_\_\_\_\_, 1951, by and between the TOWN OF PALISADE, a Colorado municipal corporation, acting by and through its Board of Trustees, party of the first part, hereinafter referred to as "Town", and GLIFTON WATER DISTRICT, a Colorado municipal corporation, acting by and through its Board of Directors, party of the second part, hereinafter referred to as "District",

WITNESSETH:

WHEREAS at present the Town has or can develop and make available a surplus of water above that needed for supplying its own inhabitants, and other contract customers, of the amounts to be delivered to the District as mentioned hereinafter; and

WHEREAS the District desires to construct, in order to supply consumers of the District with a water supply, a water system, and the District intends to submit to the taxpaying electors within its boundaries the question of whether bonds should be issued to finance such construction; and

WHEREAS the Town desires to sell, and the District desires to purchase, domestic water in the amounts hereinafter mentioned to serve the needs of users in the District;

NOW, THEREFORE, in consideration of the premises, the covenants contained herein, and other good and valuable considerations, the sufficiency whereof is hereby acknowledged, IT IS MUTUALLY AGREED BY THE PARTIES AS FOLLOWS:

1. In the manner, at the places, and in the amounts hereinafter specified, the Town shall deliver domestic water to the District for a period of thirty (30) years from the date of



this Agreement. The Town agrees to charge, and the District agrees to pay, at the rate of seventeen cents (17¢) per one thousand (1,000) gallons of water delivered to the District, subject to such adjustments as are provided hereinafter.

2. The District shall purchase, and shall pay for at the rate set forth above, minimum amounts of water, and the Town agrees to make available for delivery maximum amounts of water, as follows:

- (a) For a period of two (2) years after the date of completion of the primary construction contract of the water system of the District, a minimum of two million (2,000,000) gallons of water per month and a maximum of four million (4,000,000) gallons of water per month. The term "primary construction contract" as used herein is defined as any contract which when completed will have in operation a water system capable of serving four hundred fifty (450) potential consumer-units, which units are now in existence. The date of completion of the primary construction contract shall be deemed to be at the time that the Supervising Engineer of the District certifies to the District that construction thereof is complete, or when the District mains are completed to the extent that water can be delivered to consumers through six hundred (600) water taps, or when water is first delivered by the District to consumers through four hundred (400) or more taps, whichever is prior in time.
- (b) After such 2-year period, a minimum of three million (3,000,000) gallons of water per month and a maximum of six million (6,000,000) gallons of water per month.

(a) During the period after which the District first delivers water to a consumer and until such time as the 2-year period set forth in subparagraph (a) above becomes effective, a minimum in the same ratio to 2,000,000 gallons and a maximum in the same ratio to 4,000,000 gallons as the number of water taps through which the District is delivering water to consumers of the District bears to 400.

3. The Town agrees to furnish and deliver such water supply at the delivery points hereinafter defined at a quality equal to that furnished the inhabitants of the Town and in accordance with the standards of the State of Colorado and all agencies thereof.

4. Such water shall be delivered by the Town at a minimum pressure of seventy (70) pounds per square inch and a maximum pressure of one hundred and twenty-five (125) pounds per square inch, at points of delivery described as follows:

(a) At the intersection of the 4-inch and 6-inch water mains owned by the Town located approximately at the Southwest corner of Lot 6 of Section 7, Township 11 South, Range 98 West, 6th P.M., being on 8th Street at Mt. Lincoln School in Mesa County, State of Colorado; and

(b) At the intersection of 8th Street, being the Ute Baseline in the County of Mesa and State of Colorado, and United States Highway No. 6-24, located in Section 8, Township 11 South, Range 98 west, 6th P.M.

5. Master compound water meters, capable accurately of measuring the flow of water delivered to the District by the Town, in accordance with specifications of American Waterworks Association,

shall be installed at such points of delivery. The cost, expenses of installation, repair and maintenance of such water meters shall be shared equally by the Town and the District and properly authorized personnel of both the District and the Town may inspect such meters at any and all times, and the same shall be checked regularly for accuracy.

6. The Town shall not be responsible for collection of charges for services to consumers of the District, and the Town assumes no responsibility for any facility beyond the water works system owned and controlled by the Town.

7. The Town shall render a statement to the District for water delivered to the District and the minimum charge to it may be payable on the 5th day of the month following such delivery, by mailing such statement to the District at Clifton, Colorado, and payment shall be made by the District on or before the last day of such month.

8. The Town agrees to furnish to the District a statement, a copy of which will be attached hereto, setting forth the original construction costs, so far as the same are available, to the Town of the component facilities of the water system of the Town, depreciation of the same, and the costs for the year 1950 to the Town for administration, operation and maintenance of such water system. The Town further agrees, as soon as the cost figures are available to the Town, to furnish to the District a statement setting forth the actual costs of construction for additional facilities presently under construction or added to said water system in the future insofar as the same affect, or in any manner contribute to, the operation of said system in the furnishing of water to the District. The Town agrees further to furnish to the District an annual statement setting forth the cost to the Town for administration, operation and maintenance of the water system for each calendar year, together with a statement of gallonage consumption of water used by the Town.

9. In the event that after the elapse of any 10-year period following the commencement of operations under paragraph 2(b) hereof the cost to the Town of furnishing water to the District shall have increased or decreased at least ten per centum (10%) or more, the rate to be charged and paid by the District may be adjusted in order to reflect such change in cost in the following manner and in accordance with the following terms, conditions and definitions:

(a) The "Town's water system", as used in this paragraph 9 and its sub-paragraphs, and in the determination of rates, shall be deemed to mean the Town's water system as it now exists and such expansion, enlargements, developments and changes as may be necessary to furnish an adequate supply of water for the Town's present inhabitants and customers, for the District, and for contemplated use of future customers and inhabitants of the Town not to exceed an aggregate of one million five hundred thousand (1,500,000) gallons per month. In any computations of rate, any expansion, enlargements, developments and changes beyond that specified immediately above, and the costs of, and costs of operation of, any expansion, enlargements, developments and changes beyond the above-limited shall not be considered, and rather shall be eliminated from consideration.

(b) Except in the case of a second adjustment of rate, "base rate", as used herein, shall mean seventeen cents (17¢) per one thousand (1,000) gallons of water and the "Town's base cost of water delivered to the District", as used herein, shall mean the same portion of the Town's aggregate cost of operation of the Town's water system

during the first year of operation under paragraph 2(b) hereof (i.e., the period during which the District is obliged to pay for a minimum of 3,000,000 gallons and a maximum of 6,000,000 gallons of water per month) as the amount of water delivered to the District during such year bears to the total amount of water delivered by the Town during such year to all its inhabitants and customers, including the Town itself and the District (but as above limited in paragraph 9(a)). The term "base gallonage cost of water delivered to the District", as used herein, shall mean the Town's base cost of delivering water to the District divided by the number of gallons delivered to the District during the year involved. In determining the Town's base cost of delivering water to the District the following ~~among~~ any other applicable matters shall be considered:

- (1) The expense of maintenance, operation and administration of the Town's water system.
- (2) A fair ~~rate~~<sup>return</sup> on the capital investment in the Town's water system.
- (3) Reasonable depreciation of the component facilities of the Town's water system.

(c) In the event that, after the elapse of ten (10) years from the date at which the 2-year period set forth in paragraph 2(b) hereof becomes effective, either party hereto believes that the gallonage cost of water delivered to the District for any year following the elapse of such 10-year period (computed for such year in the same manner as base gallonage cost of water delivered to the

District is to be computed) shall have increased or decreased ten percentum (10%) or more of the amount of such base gallonage cost, such party may request an adjustment of rate by giving written notice to the other party. The parties shall commence negotiations with respect to the proposed adjustment of rate within 30 days from the time such notice is given and each of the parties shall furnish the other with all information in its possession relating to the subject matter. If within 60 days from the time of giving such notice the parties have been unable to agree upon any adjustment of rate, either party may then request the Public Utilities Commission of Colorado to fix the amount of an adjusted rate (if any adjustment is found to be proper under this agreement) after conducting a hearing at which the parties hereto may be present and present evidence. Notice of hearing, the manner of conduct thereof and rules relating to the admission or rejection of evidence shall be as fixed by such Commission. Such Commission is hereby granted jurisdiction, subject to the provisions of this agreement, with respect to the matter of determination of whether or not the rate shall be adjusted and, if so, the amount of the adjusted rate. Subject to any appeal permitted by law, the determination of such Commission shall be binding upon the parties during the remainder of the term of this agreement or until the rate is again adjusted, whichever event shall first occur. The adjusted rate shall become effective on the date agreed by the parties or, in the absence of an agreement by the parties, upon the first day of the month following the determination by such Commission.

(d) Any adjusted rate per 1,000 gallons of water shall be that which bears the same ratio to the base rate as the base gallonage cost of water delivered to the District bears to the gallonage cost of water delivered to the District for the year under consideration (computed as defined in paragraph 9(c) hereof).



(e) ~~IX~~ In the event that notice as provided in paragraph 9(c) hereof shall have been given and a change of rate shall have not been effected either by agreement of the parties or by determination of such Commission, either party may proceed toward an adjustment of rate in the same manner as provided in said paragraph 9(c) at any time after the elapse of 10 years following the date of giving such notice or following the date that such Commission determined that a change in rate was not allowable, whichever event shall last occur.

(f) ~~IX~~ In the event that such rate shall be adjusted, either party may seek a further adjustment of rate by proceeding in the manner herein provided for a first adjustment at any time after the elapse of 10 years from the effective date of the adjusted rate; PROVIDED that, in any second adjustment negotiation or proceeding, the rate as first adjusted shall be deemed to be the base rate and the Town's base cost of delivering water to the District and base gallonage cost of water delivered to the District shall be computed as provided in paragraph 9(b) hereof using costs, expenses and amounts of water involved during the year upon which the first adjusted rate was based.

10. In the event that the taxpaying electors of the District do not, within five months of the date of this agreement, approve the issuance of bonds for the construction of a water system for the District, or in the event that such construction is not commenced within four (4) months after the date of such approval of issuance of bonds, unless commencement of such construction is delayed by causes beyond the control of the District, either party



may terminate this agreement upon thirty (30) days' written notice to the other party, and thereupon this agreement and all rights and obligations created hereunder shall be fully terminated.

11. A copy of this agreement shall be filed with the Public Utilities Commission of Colorado.

12. The provisions of this agreement shall inure to the benefit of and be binding upon the assigns and successors of the respective parties hereto.

ATTEST:

\_\_\_\_\_  
Secretary

TOWN OF PALISADE

By \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Secretary

CLIFTON WATER DISTRICT

By \_\_\_\_\_  
President

PALISADE - CLIFTON WATER AGREEMENT

DIFFERENCES BETWEEN PALISADE DRAFT AND DISTRICT DRAFT OF JULY 6, 1951

(except paragraphs 9 through 11 of Palisade draft which have been completely re-worded in District draft.)

PALISADE DRAFT

CLIFTON DRAFT

Page 1, First Paragraph

TOWN OF PALISADE, a municipal corporation

TOWN OF PALISADE, a Colorado municipal corporation

CLIFTON WATER DISTRICT, a municipal corporation

CLIFTON WATER DISTRICT, a Colorado municipal corporation

Page 1, Fourth Paragraph

a water supply in the amounts  
needs of the district;

domestic water in the amounts  
needs of users in the District;

Paragraph 1

agrees to pay a rate of seventeen cents (17¢)

agrees to pay at the rate of seventeen cents (17¢)

Paragraph 2 (a)

The primary construction contract shall be deemed complete at the time that

The second sentence was the last sentence in the Palisade Draft.

The date of completion of the primary construction contract shall be deemed to be at the time that

capable of serving 400 existing, potential consumer-units

capable of serving 450 potential consumer units, which units are now in existence

mains are completed to a point where water can be delivered

mains are completed to the extent that water can be delivered

Paragraph 4

125 pounds per square inch, at points of delivery described as follows:

125 pounds per square inch, at points of delivery described as follows:

6-inch water mains owned by the Town,  
such intersection located approximately

6-inch water mains owned by the Town  
located approximately

Paragraph 7

by mailing such statement to the Board  
of Directors of the District at  
Clifton, Colorado

by mailing such statement to the  
District at Clifton, Colorado

Paragraph 12

~~XXXXXXXXXX~~

either party, upon 30 days' written  
notice to the other party, may with-  
draw from the obligations of this  
agreement and the provisions thereof  
shall be null and void.

Paragraph 10

either party may terminate this  
agreement upon thirty (30) days'  
written notice to the other party,  
and thereupon this agreement and  
all rights and obligations created  
hereunder shall be fully terminated.

Paragraph 13

A copy of this agreement shall be  
filed with the Public Utilities  
Commission of the State of Colorado,  
or other appropriate administrative  
agency.

Paragraph 11

A copy of this agreement shall be  
filed with the Public Utilities  
Commission of Colorado.

Paragraph 14

This agreement shall be binding  
upon the assigns

The provisions of this agreement  
shall inure to the benefit of and  
be binding upon the assigns





STATE OF COLORADO  
COUNTY OF MESA  
CLIFTON WATER DISTRICT

ss.

The Board of Directors of Clifton Water District, Mesa County, Colorado, met at \_\_\_\_\_ Clifton, Colorado, on the \_\_\_\_\_ day of June, 1951, at the hour of \_\_\_\_\_ o'clock \_\_, M., and there were present:

Chairman and President: \_\_\_\_\_

Secretary: \_\_\_\_\_

Directors: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Absent: \_\_\_\_\_

Thereupon Director \_\_\_\_\_ introduced and moved the adoption of the following Resolution, to-wit:

R E S O L U T I O N

WHEREAS, Clifton Water District has been duly organized and its officers have been duly elected and qualified; and

WHEREAS, the Board of Directors of said District has determined and hereby determines that the interest of the District and the public interest and necessity demand the acquisition of a waterworks system for the purpose of supplying water to said District and its inhabitants; and

WHEREAS, it is necessary to incur an indebtedness of the District to pay the costs and expenses incident thereto, the amount of such indebtedness being \$4,500;

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF CLIFTON WATER DISTRICT:

1. That the officers of this District be and they are

hereby authorized forthwith to take such steps or proceedings as may be necessary to acquire such system.

2. That for such purpose, the District shall issue its negotiable Certificates of Indebtedness, in the aggregate amount of \$4,500, consisting of 9 Certificates in the denomination of \$500 each, numbered 1 to 9, inclusive, payable in lawful money of the United States of America, to bear interest from and after July 1, 1951, at the rate of 5% per annum, payable semi-annually on the 1st days of January and July in each year, such interest to be evidenced by coupons attached to said Certificates. Said Certificates shall be due and payable, \$500 on July 1st in each of the years 1952 to 1960, inclusive, but shall be redeemable at the option of the District any time after their date, in inverse numerical order. The principal of and interest on said Certificates shall be payable at the office of the County Treasurer in Grand Junction, Colorado. Said Certificates shall be signed by the Chairman of the Board of Directors of said District, shall bear the impression of the seal of the District, attested by the Secretary thereof, and the coupons shall bear the original or facsimile signature of the Chairman of the Board of Directors.

3. Said Certificates and the coupons thereto attached shall be in substantially the following form, to-wit:

UNITED STATES OF AMERICA

STATE OF COLORADO

COUNTY OF MESA

CLIFTON WATER DISTRICT  
CERTIFICATE OF INDEBTEDNESS

NO. \_\_\_\_\_

\$500.00

Clifton Water District, in the County of Mesa and State of Colorado, for value received, hereby acknowledges itself indebted and promises to pay to the bearer hereof the principal sum of

FIVE HUNDRED DOLLARS

in lawful money of the United States of America, on the 1st day of July, A. D. 19\_\_\_, with interest thereon at the rate of five per centum (5%) per annum, payable semi-annually on the 1st day of January and the 1st day of July in each year, as evidenced by interest coupons hereto attached, principal and interest being payable at the office of the County Treasurer, in Grand Junction, Colorado, upon presentation of said coupons and this Certificate of Indebtedness, respectively.

This Certificate is redeemable at the option of the District any time after its date, in its inverse numerical order in the issue of which it is one.

This Certificate is issued by the Board of Directors of Clifton Water District for the purpose of paying the costs and expenses incident to the acquisition of a system to supply water to said District and its inhabitants, by virtue of and in full conformity with the Constitution of the State of Colorado, Chapter 175, Session Laws of Colorado, 1939, as amended, and as re-enacted, and all other laws of the State of Colorado thereunto enabling; and it is hereby certified and recited that all the requirements of law have been fully complied with by the proper



officers in issuing this Certificate.

It is further hereby certified, recited and warranted that the total indebtedness of said District, including that of this Certificate, does not exceed any constitutional or statutory limitation of the State of Colorado.

The faith and credit of said District are hereby pledged for the punctual payment of the principal of and the interest on this Certificate.

IN TESTIMONY WHEREOF, the Board of Directors of said Clifton Water District has caused this Certificate to be signed by its Chairman, sealed with the seal of said District, attested by the Secretary thereof, and the coupons to be signed with the facsimile signature of its Chairman, as of this first day of July, A. D. 1951.

---

Chairman

( S E A L )

ATTEST:

---

Secretary

(Form of Coupon)

No. \_\_\_\_\_

\$12.50

On the 1st day of <sup>January,</sup> July, A. D. 19\_\_\_\_, unless the Certificate to which this coupon is attached has been called for prior redemption, Clifton Water District, Mesa County, Colorado, will pay to bearer

TWELVE AND 50/100 DOLLARS

in lawful money of the United States of America, at the office of the County Treasurer, in Grand Junction, Colorado, being six months' interest on its Certificate of Indebtedness dated July 1, 1981, bearing

No. \_\_\_\_\_

\_\_\_\_\_  
(Facsimile Signature)  
Chairman

4. Said Certificates shall be sold to Garrett-Bromfield & Co., and associates, of Denver, Colorado, in accordance with their contract of purchase and the proceeds derived therefrom shall be used exclusively for the purpose recited in said Certificates, but neither the purchasers nor the holder of any of said Certificates shall be responsible for the application of the proceeds thereof by said District or any of its officers.

5. For the purpose of paying the interest on said Certificates as the same shall become due, and providing for the ultimate redemption of said Certificates, there is hereby certified to the Board of County Commissioners of said Mesa County, Colorado, and said Board shall levy on all of the taxable property in said District, in addition to all other taxes, direct annual taxes in the years 1951 to 1959, inclusive, sufficient to pay the interest on and principal of said Certificates when the same shall become due and payable, respectively. Said taxes, when collected, shall be deposited in a separate and special fund to be known as "Clifton Water District Certificate of Indebtedness Fund," and shall be applied solely to the payment of said interest and principal, until said Certificates and the interest thereon shall be fully paid, satisfied and discharged. Nothing herein contained shall be so construed as to prevent said District from applying any other funds that may be in the treasury of the District and available for that purpose, to the payment of interest or principal as the same respectively mature, and upon the application of any other funds as aforesaid, the levy or levies provided herein may thereupon to that extent be diminished; and the foregoing provisions of this Resolution are hereby declared to be the certificate of the Board of Directors of said District to the Board of County

Commissioners of Mesa County, showing the aggregate amount of taxes to be levied for the purposes aforesaid by said Board of County Commissioners from time to time as required by law, for the purpose of paying the principal of said Certificates and the interest thereon, as the same shall hereafter become due.

6. Said taxes shall be levied, assessed, collected, and enforced at the time and in the form and manner and with like interest and penalties as other general taxes in the State of Colorado, and when collected said taxes shall be applied, as provided herein. In the event any of said tax levies shall fail to produce an amount sufficient to pay the interest on and principal of said Certificates when the same become due, the deficit shall be made up in the next levy, and taxes shall continue to be levied until said Certificates and the interest thereon shall be paid in full.

ADOPTED AND APPROVED This \_\_\_\_\_ day of June, A. D. 1951.

\_\_\_\_\_  
Chairman and President

( S E A L )

ATTEST:

\_\_\_\_\_  
Secretary

The motion to adopt the foregoing Resolution was duly seconded by Director \_\_\_\_\_, put to a vote and unanimously carried on the following recorded vote:

Those voting AYE:

Directors: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Those voting NAY: \_\_\_\_\_

Thereupon the President, as Chairman of the meeting, declared said Resolution duly adopted.

There being no further business, the meeting thereupon adjourned.

\_\_\_\_\_  
Secretary

( S E A L )

STATE OF COLORADO )  
COUNTY OF MESA ) ss.  
CLIFTON WATER DISTRICT )

I, \_\_\_\_\_, Secretary of Clifton Water District, Mesa County, Colorado, do hereby certify that the foregoing pages numbered 1 to 8, inclusive, are a true, correct and complete copy of the record of the proceedings of the Board of Directors of said District, adopted at a meeting of said Board, held at Clifton, Colorado, on \_\_\_\_\_, the \_\_\_\_ day of June, A.D. 1951, at the hour of \_\_\_\_ o'clock \_\_. M., as recorded in the regular official book of records of said proceedings of said District, kept in my office; that said proceedings were duly had and taken, and that said meeting was duly held, and the persons therein named were present at said meeting as therein shown.

WITNESS my hand and the seal of said District, affixed at Clifton, Colorado, this \_\_\_\_ day of June, 1951.

\_\_\_\_\_  
Secretary

( S E A L )

STATE OF COLORADO

COUNTY OF MESA

CLIFTON WATER DISTRICT

ss.

Each of the undersigned being first duly sworn on oath deposes and says:

That they are, respectively, the Chairman of the Board of Directors, the Secretary and the Treasurer of Clifton Water District, in Mesa County, Colorado; that said District has been regularly and duly organized, the order and decree of the District Court of Mesa County, Colorado, declaring the District duly organized having been entered on the \_\_\_\_\_ day of \_\_\_\_\_, A. D. 1951, and a copy of such order and decree having been filed with the County Clerk and Recorder of Mesa County, Colorado, on \_\_\_\_\_, 1951; that \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_ are the duly elected and qualified directors of said District; that \_\_\_\_\_ is the duly chosen Chairman of the Board of Directors and President of the District; that \_\_\_\_\_ is the duly chosen Secretary and \_\_\_\_\_ is the duly chosen Treasurer thereof; that all of said officers have duly qualified for their respective offices and are now acting in their official capacities.

That the last equalized assessed valuation of the taxable property within the boundaries of said District is \$ \_\_\_\_\_ and that said District has outstanding indebtedness of \$ \_\_\_\_\_ including its 5% Certificates of Indebtedness dated July 1, 1951, in the sum of \$4,500.

That on the \_\_\_\_\_ day of July, 1951, said 5% Certificates of said District, dated July 1, 1951, in the principal amount of \$4,500, were delivered to Garrett-Bromfield & Co., and associates of Denver, Colorado, in accordance with their contract of purchase, and said District acknowledges receipt of the full purchase price therefor.

That there is no litigation threatened or pending relating in any way to the validity of the organization of the District, the right of its officers to hold their respective positions, or the legality of any of said Certificates.

\_\_\_\_\_  
Chairman and President

\_\_\_\_\_  
Treasurer

\_\_\_\_\_  
Secretary

Subscribed and separately sworn to before me this \_\_\_\_\_ day of July, A. D. 1951.

My commission expires \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

( S E A L )





MINUTES OF MEETING OF BOARD OF DIRECTORS  
of  
CLIFTON WATER DISTRICT

Held at Clifton, Colorado  
On July 23, 1951

There were present Directors R. L. Strain, M. L. Dilley, Ira Pond, R. W. Oberly and Fred Waters, Attorneys James K. Groves and Thomas R. Walker, and Linn Geraldts of Kolyn Engineering Co.

President R. L. Strain called the meeting to order.

Each of the Directors waived notice of the meeting and stated that his signature of the minutes of this meeting would be evidence of such waiver.

The minutes of the last meeting of the Board, held on July 13, 1951, were read and approved.

The relative merits of transite pipe and cast iron pipe were discussed in connection with the proposed water system of the District. R. W. Oberly presented a section of transite pipe for viewing by the Board. It was determined that appropriate representatives of the cities which had employed the use of transite pipe should be contacted by the District's attorneys and their observations recorded.

Mr. Geraldts from Kolyn Engineering Co. gave his views and comments in connection with the prposed system. He stated that he, in his past experience, had been dissatisfied with transite pipe. He also stated, in connection with fees for engineering, that the American Society for Civil Engineers had prescribed a fee scale in cases of simple construction, such as a water system for the District. These fees were given as follows: 10% of the cost and labor on jobs up to \$75,000.00; 8% of cost and labor on projects costing \$75,000.00 to \$150,000.00; 6% on projects costing \$150,000.00 to \$250,000.00; and on projects in excess of \$250,000.00 such fees as are negotiated between the parties. He also indicated that, in

jobs of this type, constant supervision was necessary by the consulting engineer. He stated that he would investigate the matter further and submit to the Board, for their consideration, his estimates of cost and fees.

The possibility of local financing for the \$4,500.00 needed by the District for organizational expense was discussed. Mr. R. L. Strain indicated that there was a good possibility of obtaining that amount by use of local finance. Mr. Groves then placed a call to Mr. Fred Barker of Garrett-Bromfield & Co. in Denver and was instructed that that company would raise no objection to such local financing.

The contract with Palisade for water to the District was discussed. Several matters were suggested in connection with the contract and the Board determined to table further discussion of the problem until further and more definite information had been received from the Town of Palisade.

There being no further business to come before the Board, the meeting was duly adjourned.

Approved:

R. L. Strain  
Ara L. Pond  
Wm. L. Dillberg  
H. W. Oberly  
 Directors

W. F. M. Groves  
 Secretary

MINUTES OF MEETING OF BOARD OF DIRECTORS  
of  
CLIFTON WATER DISTRICT

Held at Clifton, Colorado  
On August 7, 1951

There were present Directors R. W. Oberly, M. L. Dilley, Ira L. Pond, R. L. Strain and Fred Waters, and Attorney James K. Groves.

President R. L. Strain called the meeting to order.

Each of the Directors waived notice of the meeting and stated that his signature of the minutes of this meeting would be evidence of such waiver.

The minutes of the last meeting of the Board of Directors, held at Clifton, Colorado, on July 23, 1951, were read and approved.

Mr. Strain read a letter dated August 1, 1951 from H. M. Gill, Clerk and Recorder of the Town of Palisade, as follows:

"At a special meeting of the Town Board of Palisade, Colorado, on July 31st, 1951, the following motion was made, seconded and carried:

" That the present negotiations with Clifton Water District be dropped because of our inability to serve them at the present time."

The Board instructed James K. Groves to prepare and submit a letter for signature by all members of the Board, addressed to the Town Board of Palisade, and inquiring of the reasons for the cessation of negotiations between the Town of Palisade and the District.

Letters received by Mr. Groves with respect to the merits of transite pipe manufactured by Johns Manville Company were read and discussed.

It was reported that Mr. Charles A. Miller of Clifton, Colorado was willing to loan the District the sum of \$1,500.00. After discussion, Mr. Oberly moved the adoption of the following resolution:

RESOLUTION

WHEREAS, Clifton Water District has been duly organized and its officers duly elected and qualified; and under the law and the by-laws of Clifton Water District the Board of Directors has full power to borrow money, incur indebtednesses and evidence the same by certificates, notes or debentures, up to \$5,000.00, without the necessity of an election by the taxpaying electors of the District authorizing the Board to do so; and

WHEREAS, the Board of Directors of the District has determined and hereby determines that the interest of the District and the public interest and necessity dictates the payment of preliminary expenses in connection with the acquisition of a waterworks system for the purpose of supplying water to said District and its inhabitants; and

WHEREAS, it is necessary to incur an indebtedness of the District to pay a portion of such expenses, the amount of such indebtedness being \$1,500.00;

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF CLIFTON WATER DISTRICT:

1. That for such purpose Clifton Water District shall issue its negotiable Certificates of Indebtedness in the aggregate amount of One Thousand Five Hundred Dollars (\$1,500.00) consisting of seven (7) certificates in denominations of Two Hundred Dollars (\$200.00) each, numbered one to seven, inclusive, and one certificate in the denomination of One Hundred Dollars (\$100.00), numbered eight, payable in lawful money of the United States of America, to bear interest from and after August 1, 1951, at the rate of five (5) per cent per annum, payable semi-annually on the first day of February and the first day of August of each year. Said certificates one through seven shall be due and payable Two Hundred Dollars (\$200.00) on August first and February first, commencing August 1, 1952, and continuing in each of the years 1953 to 1955, inclusive, and said certificate numbered eight shall be due and payable on February 1, 1956; but all such certificates shall be redeemable at the office of the District at any time after their date, in inverse numerical order. The principal of and interest on said certificates shall be payable at the office of the County Treasurer in Grand Junction, Colorado, on their presentation to such County Treasurer on their due date. Said certificates shall be signed by the Chairman and President of the Board of Directors of said District, shall bear the impression of the seal of the District, and attested by the Secretary thereof.

2. Said certificates shall be in substantially the following words, figures and form, to wit:

UNITED STATES OF AMERICA

STATE OF COLORADO

COUNTY OF MESA

CLIFTON WATER DISTRICT

CERTIFICATE OF INDEBTEDNESS

No. \_\_\_\_\_

\$200.00

Clifton Water District, in the County of Mesa and State of Colorado, for value received, hereby acknowledges

itself indebted and promises to pay to the bearer hereof the principal sum of

TWO HUNDRED DOLLARS

in lawful money of the United States of America, on the first day of February (August), A.D. 19\_\_\_, with interest thereon at the rate of five (5) per cent per annum, payable semi-annually on the first day of February and the first day of August of each year, principal and interest being payable in the office of the County Treasurer in Grand Junction, Colorado, upon presentation of this Certificate of Indebtedness.

This certificate is redeemable at the option of the District at any time after date in its inverse numerical order in the issue of which it is one.

This certificate is ordered by the Board of Directors of Clifton Water District for the purpose of paying preliminary expenses incident to the acquisition of a system to supply water to said District and its inhabitants, by virtue of and in full conformity of the Constitution of the State of Colorado, and Chapter 175, Session Laws of Colorado, 1939, as Amended and Reenacted, and all other laws of the State of Colorado thereunto enabling; and it is hereby certified and recited that all the requirements of law have been fully complied with by the proper officers issuing this certificate.

It is further hereby certified that the total indebtedness of said District, including that of this certificate, does not exceed any constitutional or statutory limits of the State of Colorado.

The faith and credit of said District are hereby pledged for the punctual payment of the principal of and the interest on this certificate.

IN TESTIMONY WHEREOF the Board of Directors of said Clifton Water District has caused this certificate to be signed by its Chairman and President, sealed with the seal of said District, attested by the Secretary thereof, as of the 1st day of August, A.D. 1951.

((SEAL))

\_\_\_\_\_  
Chairman and President

ATTEST:

\_\_\_\_\_  
Secretary

3. Said certificates shall be sold to Charles A. Miller of Clifton, Colorado, and the proceeds derived therefrom shall be used exclusively for the purposes recited in said certificate, but neither the purchasers nor the holders of any of said certificates shall be responsible for the application of the proceeds thereof by said District or any of its officers.

4. For the purpose of paying the interest and principal on said certificates as the same shall become due, the

Board of Directors of Clifton Water District shall certify to the Board of County Commissioners of Mesa County, State of Colorado, such levies on all taxable property within the District as are necessary to make such payments.

The motion to adopt the foregoing resolution was duly seconded by Director M. L. Dilley, put to vote and unanimously carried on the following recorded vote:

Those voting "AYE": Directors: R. L. Strain  
Ira L. Pond  
Fred Waters  
M. L. Dilley  
R. W. Oberly

Those voting "NAY": None

Thereupon the President, as Chairman of the meeting, declared said Resolution duly adopted.

Mr. Dilley moved that all previous actions of the Board with respect to borrowing the sum of \$4,500.00 from Garrett-Bromfield & Co. and their associates be rescinded and that Mr. Groves be instructed to effectuate the return of the promissory notes in the amount of \$4,500.00 previously submitted to that firm. Mr. Pond seconded the motion and, upon vote, it was unanimously adopted.

Mr. Groves stated that the charges of his firm for services to date were approximately \$1,300.00; that he had expended approximately \$200.00 on behalf of the District; that he realized, in view of the failure of negotiations with the Town of Palisade, that the value of these services to the District is not \$1,300.00; that he would be willing to accept any amount which the Board might determine reasonable and particularly would be willing to accept \$800.00 for the services rendered to date and to be rendered in perfecting the records of the District, except that he might ask further compensation for past services if a contract with Palisade were later negotiated. Mr. Groves excused himself from the meeting and the matter was discussed in his absence.

Upon motion made by M. L. Dilley, seconded by R. W. Oberly and, upon vote, unanimously adopted, the officers of the District

were directed to pay the following accounts:

To the firm of Ripple & Howe of Denver, Colorado  
for preliminary survey and services . . . . . \$300.00

Upon submission of a written statement by James  
K. Groves for services rendered similar to that  
orally submitted by Mr. Groves . . . . . \$800.00

All amounts expended on behalf of the District  
by James K. Groves

Statutory amounts to be paid to the judges serving  
at the organizational election of the Clifton  
Water District.

There being no further business to come before the Board,  
the meeting was duly adjourned.

Approved:

W. H. Hales  
Secretary

R. L. Strain  
Chas. L. Pond  
Wm. L. Dille  
J. W. Dorey  
Directors



MINUTES OF MEETING OF BOARD OF DIRECTORS  
of  
CLIFTON WATER DISTRICT

Held at Clifton, Colorado  
On September 25, 1951

There were present Directors R. L. Strain, M. L. Dilley,  
Ira C. Pond, Fred Waters and R. W. Oberly.

President R.L. Strain called the meeting to order.

Each of the Directors waived notice of the meeting and  
stated that his signature of the minutes of this meeting would be  
evidence of such waiver.

Minutes of the last meeting of the Board held on August  
7, 1951 were read and approved.

The letter of the Board dated August 9, 1951 to the Town  
Board of the Town of Palisade (a copy thereof) was ordered attached  
to the minutes of this meeting.

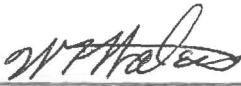
The letter of Mr. Miles Kara to the Clifton Water District  
dated September 18, 1951, a copy of which is attached to these  
minutes, was read.

A motion was duly made, seconded and carried that the rate  
of mill levy for revenue purposes of Clifton Water District be  
established as one (1) mill per dollar of assessed valuation and that  
said rate of tax be levied against all taxable property within the  
Clifton Water District at the time and in the manner required by law  
for levying taxes for county purposes for the year 1951, and for  
each subsequent year until further action of the Board of Directors  
of the Clifton Water District.

There being no further business, the meeting duly adjourned.

Approved:

R. L. Strain  
Ira C. Pond  
M. L. Dilley  
R. W. Oberly  
Directors

  
Secretary

Clifton, Colorado  
August 9, 1951

Town Board  
Town of Palisade  
Palisade, Colorado

Gentlemen:

Receipt is acknowledged of Mr. Gill's letter of August 1st.

The residents of our district have watched with considerable interest the negotiation between our two municipal corporations. Now that you have advised that you are not in position to proceed, we are receiving numerous inquiries as to the cause of the failure to reach a contract and, particularly since we have been to some expense, we feel impelled to issue a statement of the events that have transpired. While we interpret your letter to mean that you do not have sufficient water to meet our needs, we are confronted with repeated, unofficial remarks to the effect that this is not the real reason. Unless advised to the contrary, we will of course state that the reason for failure of a contract was your present realization that your supply of water is not as large as previously believed. If, however, there are other substantial reasons for your decision which you can disclose, we shall be greatly appreciative of your advice as to their nature.

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Members of the Board of Directors  
of the Clifton Water District.

C O P Y

M I L E S K A R A  
Attorney at Law  
First National Bank Building  
Grand Junction, Colorado

September 18, 1951

Clifton Water District  
c/o Fred Waters, Secretary  
Clifton, Colorado

Gentlemen:

In response to the request of your Board for a statement in writing from the Board of Trustees of the Town of Palisade, relative to the reasons why the Town Board voted to terminate discussion of the proposed sale of water to the Clifton Water District, I have been asked by the Town Trustees to outline these reasons as they were more fully explained to the Members of your Board at a joint meeting of the two Boards held on August 21, 1951.

The primary consideration which determined the action taken by the Town Board arose from the alarming decrease of flow in the Town's water supply which developed during the past summer in the water shed area and which similarly affected other areas in this region. If the supply sources of the Town's water system had not been enlarged late in July by the tying in of additional water sources, the Town itself would have been unable to meet the demands of the present water users of its system without the imposition of use restrictions, a situation with which the Town has not been confronted in recent years, and the severity of which was not apparent until the latter part of July of this year. In view of this unforeseen and serious situation, it did not appear feasible to the Town Trustees to contract to supply water to your District when there was not sufficient assurance of adequacy and certainty of supply in future years to meet its own requirements during summer months, disregarding the obligation to supply water to your District which would have been assured by the execution of a contract.

Related to this problem of certainty of supply is the question of additional storage facilities which, if constructed, are a possible solution to the supply problem by providing a reserve which would be available for use during periods of shortage. The present reserve facilities of the Town total about 900,000 gallons, and that storage capacity does not presently assure to the Town a safe margin of operation for its own requirements.

C O P Y

Clifton Water District

To adequately serve your District, it would then be necessary to plan and to construct additional storage facilities almost immediately to assure sufficient water to meet the requirements of the users of your District. Such additional storage facilities would of necessity have to be of greater capacity than would be needed by the Town itself. To provide such extra facilities the Town accordingly would have to expand its bonded indebtedness in excess of the amount needed to correct the situation with regards to the Town. The Town Board does not feel justified in adding to the burden of taxation to the residents of the Town in this manner, even though the Town would secure additional revenues from the sale of water to your District.

Please be assured that the Town Board thoroughly considered and discussed the action which it felt obligated to take, and was guided by the feeling that it was better to terminate discussions rather than to enter into a contract obligation which the Town might not then be able to fulfill with any margin of safety. A shortage of supply would, of course, also react to the detriment of your District in so far as water available might not meet your requirements and water sale revenues might possibly be diminished below the point necessary for your District to meet the bonded indebtedness obligations which would have to be assumed.

I trust that the members of the Clifton Board, as well as the citizens of your District, will fully appreciate the necessity for the decision to terminate contract discussions when it became apparent that the Town was not in a position to assure a dependable supply of water to meet the anticipated use of your District.

Very truly yours,

/s/ Miles Kara

Town Attorney  
Town of Palisade

COPY

MINUTES OF MEETING OF BOARD OF DIRECTORS  
of  
CLIFTON WATER DISTRICT

Held at 501 First National Bank Building  
Grand Junction, Colorado  
on October 26, 1951

There were present Directors R. L. Strain, M. L. Dilley,  
Ira C. Pond, Fred Waters and R. W. Oberly, and Attorney James K.  
Groves.

President R.L. Strain called the meeting to order.

Each of the Directors waived notice of the meeting and  
stated that his signature of the minutes of this meeting would be  
evidence of such waiver.

Minutes of the last meeting of the Board of Directors held  
on September 25, 1951 were read and approved.

It was regularly moved, seconded and, upon vote, adopted  
that the Board issue a statement to the taxpaying electors and  
patrons of the Clifton Water District, a copy of which is attached  
to the minutes of this meeting.

There being no further business, the meeting duly adjourned.

Approved:

R. L. Strain  
Ira C. Pond  
M. L. Dilley  
R. W. Oberly  
Directors

W. H. Adams  
Secretary

Clifton, Colorado  
October 26, 1951

TO: THE TAXPAYING ELECTORS AND PATRONS OF THE CLIFTON WATER DISTRICT

As your representatives and as representatives of the Clifton Water District, we, as members of the Board of Directors of the District, wish to take this opportunity to review the organization of the District and the subsequent negotiations carried on between the District and the Town of Palisade regarding an adequate water supply for the District.

The Clifton Water District was formed by Order of the District Court of Mesa County in March of this year, for the purpose of supplying water users within the District with a dependable and adequate water supply. The efforts towards organizing primarily were motivated by favorable assurances from the Town of Palisade as to the availability of water from the Town's facilities. Negotiations and conferences with the Town concerning a water supply for the District were carried on prior to the final organization of the District, commencing with conferences in the summer of 1950. After the final organization, we continued further and extensive negotiations with the Town, authorized and obtained an engineering report determining the feasibility of a water system for the District, and made tentative arrangements for the financing of such a system through issuance of bonds to be authorized by an election held for that purpose.

On July 31, of this year, we received notification from authorized representatives of the Town of Palisade that the Town would be unable to continue negotiations relative to a water supply because of the Town's inability to serve the District at that time. Since this was our first intimation that the negotiations would terminate other than favorably, we requested that the Town state further its reasons for the termination of negotiations. The Town replied that the negotiations had been terminated because unforeseen shortages in the water supply of the Town rendered impractical an obligation on the Town's part to furnish water to the District. The Town stated that, in addition, to serve the District, it would be necessary to provide additional storage facilities of a greater capacity than that needed by the Town, with an additional bonded indebtedness and attending increase of taxation upon Town residents. It had been our understanding that such increases in storage facilities had been taken into consideration by the Town when negotiations were in an early stage.

Since the District has been formed and operated at an expense of approximately \$1,500.00, including engineering expense, we feel obligated and also desire to inform you of the circumstances



The Taxpaying Electors and Patrons of the Clifton Water District  
October 26, 1951  
Page 2

surrounding these recent negotiations and their termination. We wish to point out and emphasize that the District still is in position to negotiate for other and more dependable water supplies, and we desire to assure you of our continued efforts in that behalf.

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BOARD OF DIRECTORS  
CLIFTON WATER DISTRICT

IN THE DISTRICT COURT IN AND FOR THE  
COUNTY OF MESA AND STATE OF COLORADO

NO. 8104

In the Matter of the Organization)  
of the CLIFTON WATER DISTRICT )

O R D E R

This matter coming on to be heard on the petition of the Board of Directors of the Clifton Water District appearing by their attorneys, James K. Groves and Thomas R. Walker; and it appearing that on the 5th day of March, 1951, the Court entered an order organizing the Clifton Water District, setting the boundaries thereof and excepting from the boundaries of the Clifton Water District certain tracts of land containing 20 acres or more, the owners of which had not consented to the inclusion of such tracts within the District; and it further appearing that in such description of such exceptions the words and figures "(1)" and "and (2)" were erroneously inserted because of clerical error and should have been omitted from the description of such exceptions, and the Court being fully advised in the premises;

IT IS THEREFORE ORDERED AND DECREED that such description of such exceptions in such Decree should have been and was intended to be, and is hereby corrected to read as follows:

The  $W\frac{1}{2}NE\frac{1}{4}NW\frac{1}{4}$ ,  $NE\frac{1}{4}NE\frac{1}{4}NW\frac{1}{4}$ , and  $E\frac{1}{2}SW\frac{1}{4}NW\frac{1}{4}$ , Section 10; the  $E\frac{1}{2}SE\frac{1}{4}SW\frac{1}{4}$ , and East 5 acres of  $W\frac{1}{2}SE\frac{1}{4}SW\frac{1}{4}$ , Section 10; beginning at the Northeast corner of the  $SW\frac{1}{4}$ , Section 10, thence West 1732 feet, thence South 853 feet to the right of way of the R O J Railroad Company, thence Northeasterly along said right of way to a point South of the point of beginning, thence North to the point of beginning; the  $E\frac{1}{2}NW\frac{1}{4}SE\frac{1}{4}$ , Section 11; the  $E\frac{1}{2}NW\frac{1}{4}SW\frac{1}{4}$ , Section 11; the  $SW\frac{1}{4}NE\frac{1}{4}$ , Section 12, except 2 acres described as follows: commencing at the Northeast corner of the  $SW\frac{1}{4}NE\frac{1}{4}$ , said Section 12, thence South 417.42 feet, thence West 208.71 feet, thence North 417.42 feet, thence East 208.71 feet to the point of beginning; all of the  $E\frac{1}{2}NW\frac{1}{4}$ , Section 12 lying South of the right of way of the Grand Valley Canal; all that portion of the  $NW\frac{1}{4}SW\frac{1}{4}$ , Section 12, lying North of the Grand Valley Canal, except a tract described as follows: Beginning 660 feet South of the Northwest corner of the  $SW\frac{1}{4}$ , said Section 12, thence East 135 feet, thence South 155 feet, thence West 135 feet, thence North 155 feet to the point of beginning; and Lot 2, except the West 14 rods thereof, of Section 12; and the  $E\frac{1}{2}NE\frac{1}{4}NE\frac{1}{4}$ , Section 15, except a 6.6-foot strip along the West side thereof; All in Township 1 South, Range 1 East of the Ute Meridian;



DONE BY THE COURT, this 17th day of October, 1951.

Charles E. Blaine

Judge

STATE OF COLORADO )  
                          ) ss  
COUNTY OF MESA     )

I, Lucy E. Hogan, Clerk of the District Court, Mesa County, Colorado, do hereby certify that the foregoing is a full, true and correct copy of the original order now on file in my office.

WITNESS my hand and the seal of said Court this 17th day of October, 1951.

Lucy E. Hogan

Clerk of the District Court

MINUTES OF MEETING OF BOARD OF DIRECTORS  
of  
CLIFTON WATER DISTRICT

Held at 501 First National Bank Building  
Grand Junction, Colorado  
on October 26, 1951

There were present Directors R. L. Strain, M. L. Dilley,  
Ira C. Pond, Fred Waters and R. W. Oberly, and Attorney James K.  
Groves.

President R.L. Strain called the meeting to order.

Each of the Directors waived notice of the meeting and  
stated that his signature of the minutes of this meeting would be  
evidence of such waiver.

Minutes of the last meeting of the Board of Directors held  
on September 25, 1951 were read and approved.

It was regularly moved, seconded and, upon vote, adopted  
that the Board issue a statement to the taxpaying electors and  
patrons of the Clifton Water District, a copy of which is attached  
to the minutes of this meeting.

There being no further business, the meeting duly adjourned.

Approved:

R. L. Strain  
Ira C. Pond  
M. L. Dilley  
F. W. Oberly  
Directors

W. H. Adams  
Secretary

Clifton, Colorado  
October 26, 1951

TO: THE TAXPAYING ELECTORS AND PATRONS OF THE CLIFTON WATER DISTRICT

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On July 31, of this year, we received notification from authorized representatives of the Town of Palisade that the Town would be unable to continue negotiations relative to a water supply because of the Town's inability to serve the District at that time. Since this was our first intimation that the negotiations would terminate other than favorably, we requested that the Town state further its reasons for the termination of negotiations. The Town replied that the negotiations had been terminated because unforeseen shortages in the water supply of the Town rendered impractical an obligation on the Town's part to furnish water to the District. The Town stated that, in addition, to serve the District, it would be necessary to provide additional storage facilities of a greater capacity than that needed by the Town, with an additional bonded indebtedness and attending increase of taxation upon Town residents. It had been our understanding that such increases in storage facilities had been taken into consideration by the Town when negotiations were in an early stage.

Since the District has been formed and operated at an expense of approximately \$1,500.00, including engineering expense, we feel obligated and also desire to inform you of the circumstances

The Taxpaying Electors and Patrons of the Clifton Water District  
October 26, 1951  
Page 2

surrounding these recent negotiations and their termination. We wish to point out and emphasize that the District still is in position to negotiate for other and more dependable water supplies, and we desire to assure you of our continued efforts in that behalf.

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BOARD OF DIRECTORS  
CLIFTON WATER DISTRICT