

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, JANUARY 3, 2013**

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

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen; Kelly McLaughlin; Brian Sheley

REGULAR MEETING

Chairman Hassler called the Regular Meeting to order at 5:05 p.m.

MINUTES OF THE DECEMBER 6, 2012 PUBLIC HEARING AND REGULAR MEETING

Director Peck moved to approve the December 6, 2012 Public Hearing and Regular Meeting Minutes as submitted. Director Genova seconded and the motion passed unanimously.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to accept the Financial Report and Approve Accounts Payable Regular Checks of \$78,540.95 plus Benefits Checks of \$16,719.13 plus Supplemental Checks of \$75,866.65 for a total of \$171,126.73. Director Burger seconded the motion. Manager Tooker reported that he will work with Colorado National Bank to close the District's remaining accounts and move the funds to ANB. The payment transaction types were discussed, with customers continuing to increase their use of electronic payment methods. The motion passed unanimously.

- Accounting Technician Beebe left the meeting at 5:20 p.m.

MANAGER'S REPORTS

Manager Tooker presented the Manager's Reports for November, 2012. Water quality continues to be affected by low flows in the Colorado River and results in more costs for nanofiltration and reverse osmosis treatment. Overtime hours through November were over 1200 hours, for staff time in all three departments. Assistant Manager Reinertsen reported on project costs. Revising the project cost tables to include both contract and in-house costs was discussed.

INFORMATIONAL REPORTS

GVIC Water Share Auction Results – Assistant Manager Reinertsen presented an Informational Report (1-3-13 File, 2013 Staff Reports) regarding the District's acquisition of 23 GVIC Water Shares, for a total expenditure within budget of \$9,775, at the December 13, 2013 GVIC Annual Auction.

Customer Comments Regarding 2013 Water Rates – Manager Tooker presented an Informational Report (1-3-13 File, 2013 Staff Reports) summarizing the thirteen customer comments received to date regarding the District's announcement of 2013 Water Rates.

EXPRESS AGENDA

Director Burger moved to approve the Express Agenda items as presented. Director Genova seconded and the motion passed unanimously. The approved Express Agenda items are as follows:

- 1) District Christmas Party – The District Christmas Party was held the afternoon of Friday, December 21, 2012. District staff and Board member Dale Peck enjoyed good food, recognized Mark Dalley for 15 years of service and Cameron Deppe for 10 years of service, and recognized Karen Renner, Bryce Emerson and Brennen Graff as the Safety Awardees for their departments for 2012.
- 2) New Year's Office Closure – The District Office will be closed on Tuesday, January 1, 2013 for the New Year's Day Holiday.
- 3) Holiday Family Baskets – On December 20, 2012, District staff delivered food and gift baskets to two local families as part of the annual tradition for staff to "adopt" local families and provide them with a complete Christmas dinner along with toys and clothing.

UNFINISHED BUSINESS

Project 2012-03, 16" North Tank Waterline Construction Project – Bid Award – Assistant Manager Reinertsen presented a Staff Report (1-3-13 File, 2013 Staff Reports, Project File 2012-03) summarizing the six submitted Bids received for Project 2012-03, 16" North Tank Waterline Construction Project. The Engineer's Estimate was \$210,700. The six received Bids ranged from \$111,605.35 to \$134,300.00 in cost. The Board stated concern with the large variance between the Engineer's Estimate and the bid costs and requested additional review by the Engineer of the project scope and bid submittals. Director Genova moved to award the Bid for Project 2012-03, 16" North Tank Waterline Construction, to Ben Dowd Excavating, Inc., contingent upon additional review by the engineer of the original estimate, project scope, and areas that may need additional oversight and intensive inspection during the project, and Staff's approval of that review. Director Peck seconded and the motion passed unanimously.

Solar Farm Proposal – Manager Tooker reported that, regarding the Solar Farm Proposal discussed at the December 6, 2012 Board Meeting, the contractor has notified the District that their project is not currently moving forward.

Project 2009-04 Colorado River Intake Structure – Warranty Concerns – Assistant Manager Reinertsen presented a Staff Report (*1-3-13 File, 2013 Staff Reports, Project 2009-04 File*) itemizing five areas of unresolved issues with the completion of Project 2009-04 Colorado River Intake Structure. The contractor has thus far not completed the necessary warranty work. A Performance Bond remains in effect for the project. Staff will proceed send a Notice to contractor of a potential claim against the Performance Bond. Staff will proceed to obtain an evaluation of the unresolved issues from a qualified engineer. No action is required by the Board at this time.

NEW BUSINESS

Resolution Designating Time, Location and Posting of Meetings – Director Genova moved to adopt the Resolution Designating Time, Location and Posting of Meetings for 2013 (*1-3-13 File, Resolutions File*). Director Burger seconded and the motion passed unanimously. The text of the Resolution is as follows:

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

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

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

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

BE IT FURTHER RESOLVED, that this Resolution be adopted this 3rd day of January 2013.

Resolution Adopting Availability of Service Charge for 2013 – Manager Tooker presented the Staff Report (*1-3-13 File, 2013 Staff Reports*) and billing data from 2012 that was used to calculate the Availability of Service Charge for 2013. Director Genova moved to adopt the Resolution Adopting Availability of Service Charge for 2013, effective January 4, 2013. Director Burger seconded and the motion passed unanimously. The In-District Availability of Service Charge

for 2013 is \$12.81 per month per unit. The Out of District Availability of Service Charge for 2013 is \$19.22 per month per unit. The text of the Resolution is as follows:

RESOLUTION FOR THE AVAILABILITY OF SERVICE CHARGE FOR 2013

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

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

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

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

WHEREAS, in the 2013 Fiscal Year the District has indebtedness for Water Revenue Bonds; and

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

WHEREAS, in 2012 the average water usage charge for a Clifton Water District In-District customer was \$25.62/month per unit; and

WHEREAS, in 2012 the average water usage charge for a Clifton Water District Out-of-District customer was \$45.40/month per unit.

NOW THEREFORE BE IT RESOLVED, that the Clifton Water District Board of Directors establish the In-District Availability of Service Charge for the 2013 Fiscal Year at 50% of the In-District average water bill in 2012, which equals \$12.81 per month per unit and the Out-of-District Availability of Service Charge for the 2013 Fiscal Year at 42% of the Out-of-District average water bill in 2012, which equals \$19.22/month per unit.

BE IT FURTHER RESOLVED, that this Resolution be adopted this 3rd day of January 2013 and is effective January 4, 2013.

2013 Property Casualty and Liability Insurance Renewal – Manager Tooker reported that the District’s Property, Casualty and Liability Insurance for 2013 will again be with Colorado Special District’s Property and Liability Pool. The only change from 2012 coverage is the addition of the new River Pump Station. Director Burger moved to approve the 2013 Property, Casualty and Liability insurance as presented and authorize payment of that premium in the amount of \$51,369.33. Director Genova seconded and the motion passed unanimously.

2013 Workers Compensation Insurance Renewal – Assistant Manager Reinertsen presented a Staff Report (1-3-13 File, 2013 Staff Reports) regarding the District’s Workers Compensation coverage with the Colorado Special District’s Property and Liability Pool. The District has utilized a \$500 deductible program for the past two years and this has proven to be a cost-effective choice. Staff recommends utilizing a \$1,000 deductible program for 2013 for additional premium savings. Director Burger moved to approve the 2013 Workers Compensation with the \$1,000 deductible as presented, and authorize payment of that premium in the amount of \$15,566.23. Director Peck seconded and the motion passed unanimously.

Emergency Rate Annual Review – Manager Tooker presented the 2013 Exhibit A for the District’s Emergency Rate at 500% of the normal rate. Director Burger moved to adopt Exhibit A to the 2009 Resolution to Establish an Emergency Rate. Director Genova seconded and the

motion passed unanimously. Director Norman moved to continue to place the 2009 Resolution to Establish an Emergency Rate on holiday until further action of the Board. Director Genova seconded and the motion passed unanimously.

- Reinertsen, McLaughlin and Sheley exited the meeting at 8:05 p.m.

EXECUTIVE SESSION – MANAGER’S EVALUATION

Director Peck moved to go into Executive Session, as per C.R.S. 24-6-402 (4)(f) for the purposes of conducting the Manager’s Evaluation. Director Norman seconded and the motion passed unanimously. Directors Hassler, Genova, Norman, Peck and Burger were present, along with Manager Dale Tooker. The Executive Session was convened at 7:05 p.m.


- Manager Tooker exited the meeting at 8:08 p.m.

The Board adjourned the Executive Session at 8:10 p.m. Directors Hassler, Genova, Norman, Peck and Burger were present. No action was taken.

ADJOURNMENT

Director Burger moved to adjourn the meeting. Director Genova seconded and the motion passed unanimously. The January 3, 2013 Regular Meeting was adjourned at 8:11 p.m.

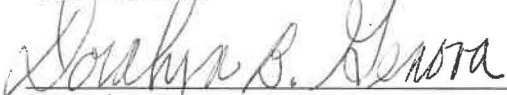
ATTEST:



Alan Hassler



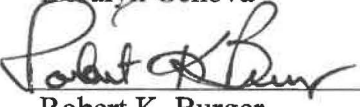
Dale Peck



Doralyn Genova



Robert Norman



Robert K. Burger

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, FEBRUARY 7, 2013**

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

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen

GUESTS: Mark Lichtwardt, Anthony Beeson, Jason Shaefer of Burns and
McDonnell Engineering

REGULAR MEETING

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

MINUTES OF THE JANUARY 3, 2013 REGULAR MEETING

Director Genova moved to approve the January 3, 2013 Regular Meeting Minutes as submitted. Director Peck seconded and the motion passed unanimously.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to accept the Financial Report and Approve Accounts Payable Regular Checks of \$66,749.37 plus Benefits Checks of \$16,900.23 plus Supplemental Checks of \$34,275.70 for a total of \$117,925.30. Director Norman seconded the motion. Manager Tooker stated that the 2012 year end adjustments will not be shown until after completion of the audit. Director Norman asked for clarification on the bank statement crossovers and showing of NSF amounts in the proper month. Manager Tooker stated that in the Profit and Loss Statement, the Water Treatment Facilities Equipment Repairs and the Construction Line Upgrades data shows the results of deferring projects that were budgeted in 2012 to 2013 and 2014.

The motion passed unanimously.

MANAGER'S REPORTS

Manager Tooker reported that the continued low flows in the Colorado River are negatively affecting water quality necessitating the need to run the Nanofiltration facility at capacity which increases operational costs. Manager Tooker also reported that future Staff overtime reports will

show the impacts of the extreme cold weather that the Grand Valley has experienced in the month of January.

INFORMATIONAL REPORTS

Value Enhancement Group 2012 Financial Oversight Review – Manager Tooker presented an Informational Report (2-7-13 File, 2013 Staff Reports) summarizing the 2012 Activity Report submitted by the Value Enhancement Group. The Report described the reconciliation activities performed on a monthly basis of the District’s bank statements and that no discrepancies were discovered.

Highway 50 Directional Bore Project – Assistant Manager Reinertsen presented an Informational Report (2-7-13 File, 2013 Staff Reports) regarding the status of the District’s efforts in securing the necessary BLM approvals to perform this critical construction project.

Frozen Service Lines and Meters – Manager Tooker presented an Informational Report (2-7-13 File, 2013 Staff Reports) regarding the District’s recent efforts in dealing with the abnormally low temperatures and the resulting increase in frozen water meters and customer service lines. The Report identified Staff efforts and overtime.

EXPRESS AGENDA

Director Genova moved to approve the Express Agenda items as presented. Director Peck seconded and the motion passed unanimously. The approved Express Agenda items are as follows:

- 1) Management and Leadership Institute – January 28 – February 1, 2013 – Water Treatment Plant Supervisor Sheley, Administrative Coordinator McLaughlin, and Water Treatment Plant Operator Talley attended the Public Works – Utilities – Waterworks Management Institute in Salt Lake City, Utah January 28 – February 1, 2013. Each will prepare an individual report of what they learned at the conference, and jointly they will provide a presentation/training to all District staff.
- 2) Project 2009-04 Colorado River Intake Structure – Warranty Concerns – The project contractor, Gould Construction, was onsite in January to address the previously identified warranty concerns and issues. They determined that a valve actuator was defective and it was removed and returned to the manufacturer for warranty repairs. Additionally, the non-functioning 24” butterfly valve was disassembled and evaluated for operational functionality. The findings are being reviewed by the original design engineer. The identified electrical warranty items were addressed by the electrical subcontractor. Concerns with Pump 3 will be addressed once the valve actuator is reinstalled and the valve deemed functional.

UNFINISHED BUSINESS

Project 2008-02 MF/UF Project – Representatives Mark Lichtwardt, Anthony Beeson, and Jason Shaefer from Burns and McDonnell Engineering Company made a presentation to the reviewing the original pilot study, identified options for constructability, plant capacity, membrane

manufacturers and membrane procurement methods. Burns and McDonnell identified a Decision Roadmap addressing the completion of the 10% design effort and the direction needed from the Board to move the project forward. The Board was requested to provide direction of the following items: 1) To Proceed or Not Proceed; 2) Retrofit Existing Building or Build New; 3) Initial and Ultimate Plant Capacity; 4) Membrane Manufacturer's to Consider and 5) Method of Membrane Procurement. Manager Tooker reviewed the information presented in the Staff Report (2-7-13 File, 2013 Staff Reports, Project File 2008-02) which summarized the decisions required to move the project to the 30% design level and lead further discussion with the Board in reviewing the Burns and McDonnell presentation and recommendations. Director Peck moved to direct Burns and McDonnell Engineering Company to proceed with development of the 30% design package. Director Norman seconded and the motion passed unanimously. Director Genova moved to have the project design incorporate the option to retrofit the existing building for the new filter plant. Director Peck seconded and the motion passed unanimously. Director Genova moved to have the new filter plant designed to an initial capacity of 12 million gallons per day with expansion capabilities to an ultimate capacity of 16 million gallons per day production. Director Peck seconded and the motion passed unanimously. Director Norman moved to have Burns and McDonnell Engineering Company evaluate pressure membrane manufacturers, Siemens Water Technologies, Corp. and Pall Corporation for project applicability. Director Genova seconded and the motion passed unanimously. Director Norman moved that the membrane procurement process be a negotiated process with the qualified membrane manufacturers. Director Genova seconded and the motion passed unanimously. After the Board decisions, Mark Lichtwardt, Anthony Beeson, and Jason Shaefer exited the meeting at 8:45 p.m.

Project 2012-03 16" North Tank Waterline Construction Project – Assistant Manager Reinertsen summarized the project status for the Board. The Contractor, Ben Dowd Excavating, was issued a Change Order that extended the performance time by two weeks reflecting the construction start delay requested by District staff due to the depth of frost that resulted from the extremely low temperatures prevalent in the Grand Valley during January. Information only, no Board action taken.

Grand Valley Drought Conditions Update – Manager Tooker presented the Staff Report (2-7-13 File, 2013 Staff Reports) discussing the current status of the Grand Valley drought situation. Should conditions continue to indicate possible future shortages, movement from Stage I to Stage II Drought Response may need Board consideration. Staff will continue to monitor the situation and report as needed to the Board.


EXECUTIVE SESSION – MANAGER'S EVALUATION

It was the consensus of the Board to defer this item until the scheduled March 7, 2013 Board Meeting when the entire Board is present.

ADJOURNMENT

Director Genova moved to adjourn the meeting. Director Norman seconded and the motion passed unanimously. The February 7, 2013 Regular Meeting was adjourned at 9:25 p.m.

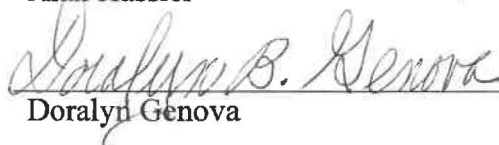
ATTEST:



Alan Hassler



Dale Peck



Doralyn Genova



Robert Norman

Excused

Robert K. Burger

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, MARCH 7, 2013**

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

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen; Kelly McLaughlin; Brian Sheley; Angie Beebe

GUESTS: Mr. Larry Sipes

REGULAR MEETING

Chairman Hassler called the Regular Meeting to order at 5:06 p.m. It was noted that one item was added to the agenda under Unfinished Business regarding the Regional Water Conservation Plan, and one item is being added under New Business, the creation of a Committee regarding Water Rights.

GUESTS

Customer Larry Sipes (Account #006648 – 413 30 ¼ Road) was present to discuss his request (3/7/13 File, Customer File) for relief of Availability of Service charges on Account #006648. He explained that the residence on this property had burned down and he has not yet been able to rebuild it. He suggested that there be a “meter off charge” to make a meter inactive and then a “meter on charge” to re-commence service, with no Availability of Service charged during the intervening months. The Board advised Mr. Sipes that District Revenue Bond obligations include the collection of Availability of Service charges on all accounts. A customer does have the option of abandoning a tap if they believe there will be no future use for the tap and they choose to not continue paying Availability of Service. Mr. Sipes questioned the purpose of the System Investment Fee and suggested that the amount be included within the monthly water rate, or the fee be titled something different. The Board thanked Mr. Sipes for his suggestions.

- Larry Sipes left the meeting at 5:25 p.m.

Relief of Availability of Service Charge Request Mr. Larry Sipes – This agenda item was moved up from New Business. The Board reviewed the Staff Report (3/7/13 File, 2013 Staff Reports) regarding this request. Director Genova moved that Staff send Mr. Larry Sipes a letter thanking him for attending the meeting and advising him that it is the consensus of the Board that no changes will be made to the Availability of Service Policy provisions at this time. Director Peck seconded and the motion passed unanimously.

MINUTES OF THE FEBRUARY 7, 2013 REGULAR MEETING

Director Genova moved to approve the February 7, 2013 Regular Meeting Minutes as presented. Director Peck seconded and the motion passed. Director Burger abstained as he had not been present at that meeting.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to Accept the Financial Report and Approve Accounts Payable Regular Checks of \$50,288.94 plus Benefits Checks of \$17,302.25 plus Supplemental Checks of \$34,515.04 for a total of \$102,106.23. Director Peck seconded the motion. Manager Tooker noted new items are included on the Profit and Loss Statement for System Investment Fee Revenue, and Depreciation expenses. The reporting of insurance premiums in January of 2013, and the itemization of credit card processing fees were discussed. The motion passed unanimously.

- Angie Beebe left the meeting at 5:55 p.m.

MANAGER'S REPORTS

Manager Tooker summarized the water quality data on the January Manager's Report. Low water levels continue to present higher dissolved solid levels for treatment. Overtime hours in January were significant due to extended cold temperatures resulting in after-hours calls regarding frozen meters and waterlines. Assistant Manager Reinertsen provided the report on Project 2012-03 16" North Tank Waterline costs. One item of note on the Credit Card Report was the replacement of outdated food supplies that are retained in the event of an emergency requiring staff to stay on-site.

INFORMATIONAL REPORTS

2012 Customer Trend Data – The Informational Report (3/7/13 File, 2013 Staff Reports) summarizing data from Customer Service and Billing activities was reviewed.

Grand Valley Drought Conditions Update – Assistant Manager Reinertsen presented a graph depicting the Upper Colorado River Basin Snowpack Summary (3/7/13 File), indicating snowpack levels continue to be well below average. Local water managers continue to meet to discuss potential water supply issues. A joint meeting of the District Board, the Grand Junction City Council, and Ute Water District Board members has been proposed for April 15, 2013, for the

three entities to discuss the joint presentation of public information and possible Stage 2 Drought implementation.

EXPRESS AGENDA

Director Genova moved to accept the Express Agenda items as presented. Director Burger seconded and the motion passed unanimously. The approved Express Agenda items are as follows. The Board also congratulated Brian Sheley for his promotion to Water Treatment Plant Supervisor.

- 1) AWWA Membrane Conference in San Antonio, TX – Water Treatment Plant Operators Matt Talley and Brennen Graff attended the AWWA Membrane Conference held in San Antonio, TX from February 25 – February 28, 2013. They will meet with Water Treatment Plant Supervisor Brian Sheley to discuss what they learned, and will each prepare a written summary of the conference.
- 2) Partnership for Safe Water Director’s Award 2012 - The District recently received the 2012 Director’s Award from the Partnership for Safe Water. This is the sixth consecutive year the District has received this award. The award recognizes the efforts of the Treatment Plant to maintain the highest water quality standards possible. A copy of the notification letter is included in the Board Packet.
- 3) Water Treatment Plant Supervisor – Brian Sheley has been appointed to the Water Treatment Plant Supervisor’s position. Brian has worked for the District for nearly 32 years and has recently stepped in to fill this position temporarily.
- 4) Project 2012-03 16” North Tank Waterline Construction Project – The Contractor has completed installation of approximately 1,500 lineal feet of the total pipeline length of 2,000 lineal feet. Project is progressing within the contract performance schedule.

UNFINISHED BUSINESS

Project 2008-02 MF/UF Project – Manager Tooker reported that Burns and McDonnell Engineering continue to work on development of plans as discussed at the February 2, 2013 Regular Meeting. Manager Tooker has identified two funding options for the project, from the Colorado Water Conservation Board and the Colorado Water Resources and Power Development Authority, and he will continue to develop the options as project costs are determined.

Financial Discrepancies Conclusion – Manager Tooker reported that the court process has completed regarding the Financial Discrepancies identified last year. The former employee has 60 days to pay restitution, and will serve two years of probation.

Regional Water Conservation Plan – Implementation Update – Assistant Manager Reinertsen provided and summarized a Staff Report (3/7/14 File, 2013 Staff Reports, Grand Valley Regional Conservation Plan) regarding the opportunity for grant revenue to be obtained from the Colorado Water

Conservation Board to fund implementation of specific elements of the Grand Valley Regional Conservation Plan. The City of Grand Junction will apply for and administer the grant and the City, Ute Water and the Clifton Water District will jointly participate in the efforts needed to achieve the 25% match requirements.

NEW BUSINESS

Museum of Western Colorado Request for Leak Adjustment on Account #013858 – Manager Tooker summarized a Staff Report (3/7/13 File, 2013 Staff Reports, Customer File) and letter from the Museum of Western Colorado requesting financial relief of the billing resulting from a water leak. The request does not comply with the provisions of Policy #420 - 10. – Unintentional Water Use. Director Genova moved to accept the Recommendation of Staff and deny the request for relief received from the Museum of Western Colorado for Account #013858, due to the customer being a non-residential account and the leak did not occur on the service line between the meter and the building. The Board directed Staff to send a letter to the Museum advising them of this decision and to allow for extended payment options at Staff's discretion. Director Norman seconded and the motion passed unanimously.

Reschedule July Regular Board Meeting Date – The July Regular Board Meeting is currently scheduled on the Independence Day July 4 holiday. Director Genova moved and Director Peck seconded to re-schedule the July 4, 2013 Regular Meeting to the new date of July 11, 2013.

Committee Regarding Water Rights – Manager Tooker reported that he has been working on the five-year Diligence Application regarding the Colorado Water Pipeline Decree. An objection has been received from the Grand Valley Irrigation Company. Manager Tooker requested that a new Committee of the Board be established regarding Water Rights. Director Burger moved to establish a Water Rights Committee and select Director Hassler and Director Norman to serve on that Committee. Director Genova seconded and the motion passed unanimously.

- Brian Sheley left the meeting at 7:25 p.m.

EXECUTIVE SESSION – MANAGER'S EVALUATION

Chairman Hassler announced that the Manager's Evaluation would be conducted in Executive Session unless Manager Tooker requested an open meeting. Manager Tooker stated he did not request an open meeting. Director Burger moved for the Board to go into Executive Session as per C.R.S. §24-6-402(4)(f) Personnel Matters for the purpose of conducting the Manager's Evaluation. Director Genova seconded and the motion passed unanimously. The persons to be present in the Executive Session were Directors Hassler, Peck, Genova, Norman and Burger, and District Manager Dale Tooker. The motion passed unanimously and the Board went into Executive Session at 7:30 p.m.

- David Reinertsen and Kelly McLaughlin left the meeting at 7:30 p.m.

The Executive Session concluded at 8:20 p.m. with Directors Hassler, Peck, Genova, Norman and Burger, and District Manager Tooker still present. Chairman Hassler reconvened the Regular Meeting. Director Genova moved that the salary for District Manager Dale Tooker be set at \$96,000 per year, retroactive to January 1, 2013. Director Norman seconded and the motion passed unanimously.


ADJOURNMENT

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


ATTEST:



Alan Hassler



Doralyn Genova



Robert K. Burger



Dale Peck



Robert Norman

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, APRIL 4, 2013**

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

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen; Kelly McLaughlin; Brian Sheley; Angie Beebe

REGULAR MEETING

Chairman Hassler called the April 4, 2013 Regular Meeting to order at 5:05 p.m. No changes were noted on the agenda.

MINUTES OF THE MARCH 7, 2013 REGULAR MEETING

Director Genova moved to approve the March 7, 2013 Regular Meeting Minutes (*2013 Minutes*) as submitted. Director Peck seconded and the motion passed unanimously.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to Accept the Financial Report and Approve Accounts Payable Regular Checks of \$202,589.08 plus Benefits Checks of \$17,379.29 plus Supplemental Checks of \$5,840.40 for a total of \$225,808.77 Director Norman seconded the motion. It was noted that Miscellaneous Revenue was up due to the receipt of an Insurance Settlement and from the sale of scrap metal. The Board reiterated the need for the collection of Convenience Fees to cover the costs of processing credit and debit card transactions. The motion passed unanimously.

MANAGER'S REPORTS

Manager Tooker presented the Manager's Reports from February, 2013 Overtime hours were higher than usual due to the continued freezing temperatures in early February. Assistant Manager Reinertsen reported that a Project Cost Summary is included for Project 2008-02 MF/UF Project. There were no other items of significant discussion.

INFORMATIONAL REPORTS

Joint Fluoride Statement - Manager Tooker presented the Board with an Informational Report (*4/4/13 File, 2013 Staff Reports*) regarding the District, Ute Water, and City of Grand Junction's staff development of a Joint Fluoride Statement to address citizen inquiries regarding the fluoridation

of drinking water. The Joint Statement references the scientific organizations that support community water fluoridation. In the meeting scheduled on April 15, 2013 among the Boards and staff of the three water utilities, this Joint Fluoride Statement may be a discussion topic. No action is needed by the Board at this time.

2012 Year End Health Reimbursement Arrangement (HRA) Status Report – Manager Tooker provided an Informational Report (4/4/13 File, 2013 Staff Reports) summarizing the under-utilization of the 2012 Health Reimbursement Arrangement (HRA). In 2012 the District spent \$103,215 less than budgeted (44%) in the HRA. In 2011 the HRA was under-utilized by \$99,510 or 42%. The Board has previously discussed utilizing the HRA savings for a District Wellness program.

Consumer Confidence Report Distribution – Administrative Coordinator McLaughlin reported that the 2012 Consumer Confidence Report (CCR) has been posted on the District’s website, and customers will be notified of its location there via a billing insert to be mailed to all customers in May, 2013, and a billing message during the month of June, 2013. This change is possible due to EPA regulation changes, and due to the recent upgrade of the District’s website. The cost savings associated with not mailing the CCR to all customers is \$4,000 less than mailing the document to all customers in 2011 and prior years.

- Angie Beebe left the meeting at 6:00 p.m.

EXPRESS AGENDA

Director Burger moved to approve the Express Agenda items as presented. Director Genova seconded and the motion passed unanimously. The approved Express Agenda items are as follows:

- 1) Springbrook Annual Conference – Customer Service/Billing Specialist Michelle Huff is attending the Springbrook Annual Conference being held in Portland, Oregon from April 2 – April 4, 2013. The focus of her training this year will be on attending the 13 session “Utility Billing Track”. This Conference is also a valuable opportunity to meet with Springbrook staff and other Springbrook users to share ideas and learn “tricks and tools” in the software.
- 2) Children’s Water Festival – The annual Children’s Water Festival for Grand Valley fifth graders is scheduled at Colorado Mesa University on May 20 and 21. Distribution Supervisor Mark Dalley is serving on the Water Festival Committee for this important community outreach event. District staff are scheduled to present three classroom sessions. If any Board member would like to participate, there are opportunities for assisting at the DRIP booth or feel free to just stop by CMU on either day and enjoy the fun learning.

UNFINISHED BUSINESS

Grand Valley Drought Conditions – Assistant Manager Reinertsen provided current snowpack and drought outlook information. The Board will meet jointly with the Boards of Ute Water and the City of Grand Junction on April 15, 2013 to discuss the coordinated response by all three entities to drought conditions and the possible implementation of the Stage II Drought Response Plan. Due to lowered river conditions the District moved to obtaining water through the canal several days earlier than anticipated.

Water Utility Meeting, Clifton, Grand Junction and Ute Water – This item was referenced in the previous agenda item.

Project 2008-02 MF/UF Project – Manager Tooker reported that Burns and McDonald continues with design efforts towards the 30% design threshold for this project. No Board action required at this time.

Project 2012-03 16” North Tank Waterline Construction Project – Assistant Manager Reinertsen presented a Staff Report (4/4/13 File, 2013 Staff Reports, Project 2012-03 File) identifying the six change orders associated with the completion of this project, resulting in a slight cost reduction for the project. Director Peck moved to authorize Staff to advertise for Final payment at the May 2, 2013 Board Meeting, once final paperwork has been completed by the contractor. Director Genova seconded and the motion passed unanimously.


NEW BUSINESS

Budget Transfer for LH Hurt Pump Water Right – Manager Tooker presented a Staff Report (4/4/13 File, 2013 Staff Reports) requesting authorization to utilize the LH Hurt Pump Right through the Grand Valley Canal as result of the projected low flows in the Colorado River and early senior diversion calls. Utilization of the LH Hurt Pump Water Right through the Alternative Point of Diversion has been determined to be the most effective utilization of District water rights for 2013. The cost for utilization of the LH Hurt Pump Water Right requires a Budget Transfer from Contingency. Director Genova moved to authorize a Budget Transfer of \$4,500 from Contingency to Water Assessment to enable the use of the 4 cfs LH Hurt Pump Right for 2013. Director Peck seconded and the motion passed unanimously.

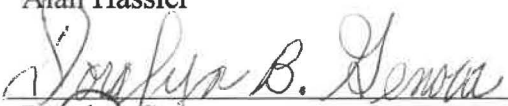
ADJOURNMENT

Director Burger moved to adjourn the April 4, 2013 Regular Meeting. Director Norman seconded and the motion passed unanimously. The Meeting was adjourned at 6:50 p.m.

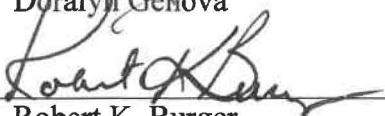
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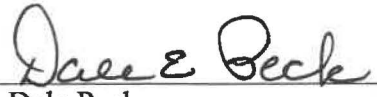
Alan Hassler



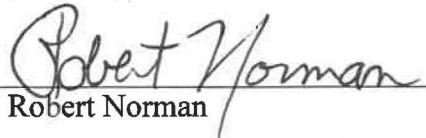
Doralyn Genova



Robert K. Burger



Dale Peck



Robert Norman

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, MAY 2, 2013**

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

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen; Kelly McLaughlin; Brian Sheley; Angie Beebe; Brennen Graff

REGULAR MEETING

Chairman Hassler called the meeting to order at 5:05 p.m. Director Burger was excused from the meeting.

MINUTES OF THE APRIL 4, 2013 REGULAR MEETING

Director Genova moved to approve the April 4, 2013 Regular Meeting Minutes as presented. Director Peck seconded and the motion passed.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to accept the Financial Report and Approve Accounts Payable Regular Checks of \$224,863.97 plus Benefits Checks of \$18,532.63 plus Supplemental Checks of \$6,260.16 for a total of \$249,656.76. Director Peck seconded the motion. Manager Tooker noted that Other Income is over budget due to receipt of a restitution amount owed the District. Treatment Plant Electricity is over budget due to this being the first year of operating the new River Pump Station, and running Nanofiltration more than usual for this time of year. The timing of Interest payments was discussed. Two checks to Ben Dowd Excavating were held out for review during Unfinished Business. The motion passed.

MANAGER'S REPORTS

Manager Tooker presented the Manager's Report for March, 2013. Water Tap Sales through March are 8 compared to 15 through March, 2012. Plant outflow and water sales are also down. Water treated by Nanofiltration was 75% of plant effluent in March, compared with 67% in 2012. This affected the electricity expense referenced during Financial Reports review. Assistant Manager Reinertsen summarized the Project Costs through March, 2013.

INFORMATIONAL REPORTS

AWWA Membrane Conference – Water Treatment Plant Operator Brennen Graff provided a PowerPoint presentation of the fundamentals of water treatment utilizing membranes based on what he learned at the American Water Works Association (AWWA) conference he attended in San Antonio in February, 2013. The presentation was informative and useful as the Board moves through decision-making regarding Microfiltration/Ultrafiltration plant upgrades.

- Brennen Graff left the meeting at 6:00 p.m.

First Quarter Water Revenue Comparison – An Informational Report (*5/2/13 File, 2013 Staff Reports*) was reviewed summarizing Water Revenue increases in 2011, 2012 and 2013 of approximately 20% each year. The increase in revenue is primarily driven by the increase in water rates since first quarter water consumption has remained relatively constant.

Purchase of Loader Backhoe – An Informational Report (*5/2/13 File, 2013 Staff Reports*) was reviewed summarizing the bid review process resulting in the purchase of 2013 Caterpillar 416F Loader Backhoe at a price of \$79,289. The 1994 Case Backhoe was traded in for a \$12,100 credit, resulting in a final price to the District of \$67,189 for the new Loader Backhoe.

EXPRESS AGENDA

Director Genova moved to approve the Express Agenda items as presented. Director Peck seconded and the motion passed. The approved Express Agenda items are as follows:

1. Grand Valley DRIP Update – The Grand Valley DRIP committee sponsored a water give-away booth at the City of Grand Junction's Southwest Arborfest held on April 20, 2013 at Lincoln Park. The water give-away was in conjunction with free collapsible water bottle give-away by the City Forestry Department. Staff members Reinertsen, Sheley, and Talley interacted with well over 1,000 attendees in getting the drought status and water conservation message out. The participation was well received by attendees based on comments received. A DRIP Committee Press Release was held on April 26th at the Junior Service League Park's Colorado River Boat Launch which provided a community update regarding the current water supply and Drought Response actions being taken and recommendations at this time. The community was cautioned that Stage 2 Drought designation may still occur this year depending on water supply status later in the summer.
2. Children's Water Festival – The annual Children's Water Festival for Grand Valley fifth graders is scheduled at Colorado Mesa University on May 20 and 21. Distribution Supervisor Mark Dalley is serving on the Water Festival Committee for this important community outreach event. District staff are scheduled to present three classroom session and to help out in various areas of the event. If any Board member would like to participate, there are opportunities for assisting at the DRIP booth or feel free to just stop by CMU on either day and enjoy the fun learning.
3. 2013 Lower Colorado Basin Tour – The Colorado Foundation for Water Education's 2013 Lower Colorado Basin Tour is scheduled from May 30 – 31, 2013 originating from Palisade. The Draft Itinerary and registration information is included in the Board Packet. Board members should let Kelly McLaughlin know, before May 1 if possible, if you would like to attend or at the Board meeting.

4. AWWA Annual Conference and Exposition (ACE) in Denver, Colorado – The American Water Works Association Annual Conference is being held in Denver June 9 – June 13, 2013. Manager Tooker and Director Peck are attending as paid registrants. Distribution Supervisor Dalley and Water Treatment Plant Operator Roten are assisting at the Conference and their attendance is at no charge.

UNFINISHED BUSINESS

Project 2008-02 MF/UF Project – Manager Tooker reported that Burns and McDonnell Engineering have delivered the Draft 30% Design for Project 2008-02 MF/UF, which Staff will review prior to presentation to the Board. Burns and McDonnell also submitted a 3D Mock up of the two membrane vendor options being considered. The 3-D Mock-up video was presented to the Board showing the amount of space that would be utilized within the existing building when installing Siemens and Pall membrane systems.

Current Drought Conditions – Assistant Manager Reinertsen provided current hydrographs of Colorado River flows and Upper Colorado Basin snowpack. On Friday, April 26, 2013 a Press Conference was held by The Drought Response Information Project announcing that Clifton Water, the City of Grand Junction, and Ute Water will maintain the Stage 1 Drought designation at this time.

Joint Meeting with City of Grand Junction and Ute Water – On Monday, April 15, 2013 Directors Hassler, Peck and Norman attended the Joint Meeting with the City of Grand Junction and Ute Water along with Staff members Tooker, Reinertsen and Sheley when each entity presented what they are doing related to drought planning.

Joint Fluoride Statement – Manager Tooker referenced the Informational Report (5/2/13 File, 2013 Staff Reports) regarding the Joint Fluoride Statement the District, Ute Water and the City of Grand Junction developed to inform the public of each entities' commitment to practice community water fluoridation. Director Genova moved that on May 2, 2013 the Clifton Water District Board of Directors affirmed the continued use of fluoridation in the water treatment process, and, further, adopted the "Drinking Water Providers – Community Water Fluoridation Statement" as identified in bold lettering on the Informational Report dated March 28, 2013. Director Peck seconded and the motion passed.

Project 2012-03, 16" North Tank Waterline – Final Payment – Assistant Manager Reinertsen presented a Staff Report – Project 2012-03 16" North Tank Waterline Final Project Cost Summary (5/2/13 File, 2013 Staff Reports, Project 2012-03 File) itemizing contractual and project cost changes amounts. He also reported that Final Payment for Project 2012-03, 16" North Tank Waterline was advertised twice in The Daily Sentinel, and no inquiries were received. Director Genova moved to increase the contract value for Project 2012-03 by \$1,089.25 to pay for the added change order work performed by the contractor. Director Norman seconded and the motion passed. Director Peck moved to authorize Final Payment of retained funds in the amount of \$11,269.46. Director Genova seconded and the motion passed. Final Payment to Ben Dowd was approved.

- Angie Beebe left the meeting at 7:15 p.m.

NEW BUSINESS

Employee Wellness Program – Unspent HRA – Manager Tooker presented a Staff Report (5/2/13 File, 2013 Staff Reports) outlining an incentive award for Employee Wellness as the result of underutilization of the Health Reimbursement Arrangement (HRA) of approximately \$100,000 annually in 2011 and 2012. The proposed Wellness Award recognizes employee wellness and their efforts to reduce District Benefit costs, and will be funded from the Wages Budgetary line item. Director Genova moved to approve the Employee Wellness Award out of the 2013 Budget, in recognition of employee wellness and reduction of District Health Insurance and Benefits costs. Director Norman seconded and the motion passed.

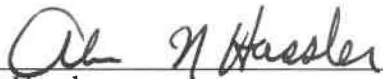
Project 2013-01 31 Road Main Line Upgrade/Replacement – Assistant Manager Reinertsen reported that Project 2013-01, 31 Road Main Line Upgrade/Replacement, has been designed and budgeted for 2013. The preliminary construction cost is \$150,000. He requested authorization to advertise for bids for this project, with award scheduled for July, 2013. Director Genova moved to authorize staff to advertise the Bid Package for Project 2013-01, 31 Road Main Line Upgrade/Replacement, to be scheduled for Bid Award at the Board Meeting scheduled for July 11, 2013. Motion passed.

Partnership for Safe Water 5 Year Directors Award – Manager Tooker reported that the District will receive the Partnership for Safe Water Five Year Director’s Award at the American Water Works Association (AWWA) Annual Conference in Denver on June 10, 2013. This Award places the District among an elite group of top performing facilities, and the District is the only water utility being recognized for Five Years at this year’s Conference. Staff members Tooker, Dalley and Roten will attend along with Director Peck.

ADJOURNMENT

The May 2, 2013 Regular Board Meeting was adjourned at 7:35 p.m.

ATTEST:




Alan Hassler



Doralyn Genova

Excused

Robert K. Burger



Dale Peck



Robert Norman

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, JUNE 6, 2013**

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

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen; Kelly McLaughlin; Angie
Beebe

GUESTS: Joe Drew (via phone)

REGULAR MEETING

Vice Chairman Peck called the June 6, 2013 Regular Meeting to order at 5:14 p.m. Chairman Hassler was excused from the meeting.

MINUTES OF THE MAY 2, 2013 REGULAR MEETING

Director Genova moved to approve the May 2, 2013 Regular Meeting Minutes (*6/6/13 File, 2013 Minutes*) as submitted. Director Norman seconded and the motion passed. Director Burger abstained as he had not been present at that meeting.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to accept the Financial Report and Approve Accounts Payable Regular Checks of \$144,446.48 plus Benefits Checks of \$16,789.93 plus Supplemental Checks of \$3,981.50 for a total of \$165,217.91. Director Norman seconded the motion. Director Burger noted the year-to-date revenue amounts in Other Income on the Profit and Loss Statement and requested documentation summarizing the insurance payment and court restitution amounts received by the District to complete the legal proceedings against a former employee. The motion passed unanimously.

MANAGER'S REPORTS

Manager Tooker summarized the April, 2013 Manager's Reports. There were no items of significant discussion.

INFORMATIONAL REPORTS

27" Effluent Waterline from Water Treatment Plant – Manager Tooker reported on the waterline break that occurred on the 27" effluent line exiting the Water Treatment Plant on May 17, 2013. This break required the District to shut down the Plant and drain the 27" effluent line to complete repairs. Due to the time required to do so and the water demand within the system, the District obtained water from Ute Water until the repair was complete. Two agenda items are scheduled under New Business to address overtime associated with this repair, and engineering services needed to address the infrastructure.

EXPRESS AGENDA

Director Burger moved to accept the Express Agenda items as presented. Director Genova seconded and the motion passed. The approved Express Agenda items are as follows:

- 1) Children's Water Festival – The 20th Annual Children's Water Festival was held on May 20 – 21. District Staff that conducted classroom presentations were Allison Dederick, Brennen Graff, and Cameron Deppe. Mark Dalley served on the Planning Committee for the event. Additional District Staff that attended and assisted with activities included Dale Tooker, David Reinertsen, Kelly McLaughlin, Michelle Huff, Karen Renner, Eric Pennal, Brian Sheley, Rachel Roten, and Tino Villarreal. A copy of the "Flamingo Pink" Children's Water Festival program is included in the Board Packet.
- 2) Clifton Fire Department Training – On May 28, 2013 the Clifton Fire Department conducted their monthly training session at the Water Treatment Plant Training Room and District staff provided them with a tour of the facility and the hazards for the Fire Department to be aware of should they need to respond to the facility.
- 3) Project 2013-01 31 Road Main Line Upgrade/Replacement – The construction bid package is on the street with the mandatory pre-bid tour scheduled for Tuesday, June 4, 2013. Public Bid Opening is scheduled for Thursday, June 27, 2013 at 4:00 pm. Bid award recommendations will be presented at the July 11, 2013 Regular Board Meeting.
- 4) Special District Association Board Member & District Manager Training – The Special District Association is offering a training called "Real Life Problems and Real Solutions for District Board Members and Managers" on Tuesday, June 18th at the Mesa County Courthouse. Please let Kelly know by Friday, June 14 if you would like to attend. A one-page training announcement is provided for the Board's reference.

UNFINISHED BUSINESS

Project 2008-02 MF/UF Project Financing – Joe Drew was present via speakerphone, beginning at 6:05 p.m., to summarize the District's financing options for Project 2008-02 MF/UF through Colorado Water Resources and Power Development Authority (CWRPDA). Manager Tooker submitted a Staff Report for Board review. (6/6/13 File, 2013 Staff Reports) The estimated project cost is \$15,000,000. He recommends that the District also refinance its existing 2003 Bond debt to reduce the annual repayment cost. District water rate increases in the previous two years have

placed the District in a strong position as a prequalified borrower for financing. Interest rates, terms, and loan reporting requirements were discussed.

Director Norman moved to direct Staff to obtain the additional information needed for the District to apply for refunding (refinancing) the 2003 Revenue Bond, and to further evaluate the two Colorado Water Resources and Power Development Authority funding options for financing Project 2008-02 MF/UF. Director Burger seconded and the motion passed.

- Joe Drew completed his participation in the meeting at 6:50 p.m.

Project 2008-02 MF/UF Project Request for Proposal for Final Design and Construction – This agenda item was moved to later in the meeting.

Grand Valley DRIP Update – Assistant Manager Reinertsen summarized the new Drought Response Information Project (DRIP) marketing campaign “Join the Flock”, including opportunities for citizens to sign up to make a commitment to conserve outdoor water this summer. Board members commented on additional items to consider in this valley-wide effort to encourage water conservation to domestic water customers. Assistant Manger Reinertsen will present Board comments at the next DRIP committee meeting.

NEW BUSINESS

Request for Relief from Unauthorized Use Penalties – Collenette Corson, 3176 North Torrey’s Peak #A - Assistant Manager Reinertsen presented a Staff Report (6/6/13 File, 2013 Staff Reports, Customer File) and letter from customer Collenette Corson regarding her request for relief from Unauthorized Use Penalties assessed to Account #017648-000 in the amount of \$3,450. This was due to a frozen service line at 3176 North Torrey’s Peak #A going unrepaired from February 12, 2013 until April 22, 2013, during which time water service was provided to Unit #A from a temporary line extended, without District knowledge, from 3176 North Torrey’s Peak #B. The Unauthorized Use Penalty was calculated at \$50 per day for 69 days. The Board discussed the length of time which passed before the service line was repaired, and the lack of notification to the District regarding the temporary water line connection. Director Genova moved that the Unauthorized Use Penalty be reduced to 22 days, for the time period April 1, 2013 to April 22, 2013, at \$50 per day for a total of \$1,100, based on the repair being feasible by April due to stabilized weather conditions. Director Norman seconded and the motion passed,

Budget Transfer for Emergency Overtime – A Staff Report (6/6/13 File, 2013 Staff Reports) requesting a Budget Transfer to fund Emergency Overtime associated with the 27” Effluent Waterline Break May 17, 2013, and the 32 Road Waterline Break on May 21, 2013 was reviewed by the Board. Director Norman moved to authorize a Budget Transfer of \$6,200 from Contingency, to be split as \$4,700 to Overtime Wages – Distribution and \$1,500 to Overtime Wages – Water Treatment Plant. Director Genova seconded and the motion passed.

Effluent Pipe and Manifold Engineering Services – Manager Tooker reported that the break of the 27” Effluent Line from the Water Treatment Plant illuminated the need to obtain engineering services to develop a rehabilitation plan for that critical line. This is an unbudgeted need and funds are required from Contingency. Director Genova moved to authorize a Budget Transfer

from Contingency to Engineering Services in the amount of \$20,000. Director Burger seconded and the motion passed.

Project 2008-02 MF/UF Project Request for Proposal for Final Design and Construction – Manager Tooker stated that he obtained an opinion from legal counsel regarding requirements for obtaining proposals for Final Design and Construction for Project 2008-02 MF/UF. A Confidential Memo from attorney Chris McInany was provided to the Board.

Director Genova moved that the Board go into Executive Session as per C.R.S. 24-6-402(4)(b) to discuss legal advice contained in a Confidential Memo from legal counsel regarding Project 2008-02 MF/UF Final Design and Construction. Director Burger seconded and the motion passed.

The Executive Session commenced at 7:53 p.m. with the following persons present: Directors Peck, Norman, Genova and Burger; and staff members Tooker, Reinertsen, and McLaughlin.

The Board came out of Executive Session at 8:12 p.m. and called the Regular Meeting back to order.

Director Genova moved to authorize staff to initiate the Request for Proposal contracting process for a Final Design/Build construction contract for Project 2008-02 MF/UF. Director Burger seconded and the motion passed.

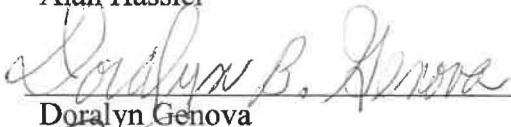
ADJOURNMENT

Director Genova moved to adjourn the June 6, 2013 Regular Meeting. Director Burger seconded and the motion passed. The Meeting was adjourned at 8:15 p.m.

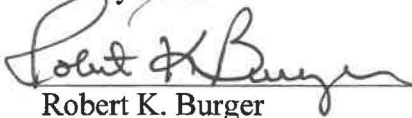
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Excused

Alan Hassler



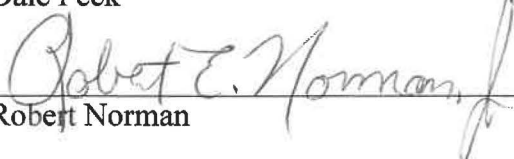
Doralyn Genova



Robert K. Burger



Dale Peck



Robert Norman

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, JULY 11, 2013**

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

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen; Kelly McLaughlin; Brian Sheley; Angie Beebe

GUESTS: Mike Nelson, Chadwick Steinkirchner and Davis, P.C.

REGULAR MEETING

Chairman Hassler called the meeting to order at 5:08 p.m.

MINUTES OF THE JUNE 6, 2013 REGULAR MEETING

Director Genova moved to approve the June 6, 2013 Regular Meeting Minutes (*2013 Minutes*) as submitted. Director Peck seconded and the motion passed. Chairman Hassler abstained as he had not been present at that meeting.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to Accept the Financial Report and Approve Accounts Payable Regular Checks of \$181,339.84 plus Benefits Checks of \$18,246.21 plus Supplemental Checks of \$11,683.94 plus Special Check of \$14,826.00 for a total of \$ 226,095.99. Director Peck seconded the motion. Director Burger noted that the requested documentation regarding the District's receipt of restitution earlier this year has not yet been provided to the Board. Manager Tooker discussed the Period Budgeting that was established for the 2013 Financial Reports. He said that actual expenditures sometimes occur outside of their allocated period and cause the Profit and Loss Statement to show a temporary budget overage. Discussion ensued regarding the insuring of District funds. District Auditor Mike Nelson was present and commented that he sees no collateralization issues for the District with its financial institution. The motion passed unanimously.

2012 AUDIT

Mike Nelson of Chadwick, Steinkircher and Davis, P.C. was present to review the District's 2012 Financial Audit. (*7/11/13 File, 2012 Audit*) He reported that the three items noted in the 2011 Audit, 1) Lack of Journal Entry documentation; 2) Checks not being restrictively endorsed; and 3) Check stock being retained in an unlocked room, have all been satisfactorily corrected. He

summarized the process to determine depreciation and the adjusting Journal Entries. Mr. Nelson noted that the rate changes implemented by the District, beginning in 2011, have resulted in an Operating Income for the first time in at least ten years. The rate increase was implemented in part to fund the annual Debt Service increase of \$244,154 for the 2003 Colorado Water Resources and Power Development Authority. The District's use of the modified accrual accounting method was explained, the Budget to Actual 2012 comparison to 2011 was reviewed, and how major projects are accounted for when expenses carry over to a subsequent year was summarized. The Audit is due to the State no later than July 31, 2013. Director Genova moved to approve the District's FY 2012 Financial Audit, with clarification language to be inserted regarding Debt Service, and authorize the Audit's submittal to the State. Director Burger seconded and the motion passed unanimously.

MANAGER'S REPORTS

Manager Tooker presented the Manager's Reports for May, 2013. Tap Sales through May were down 13% from 2012. Water Production and Water Sales are also down. Overtime hours for May were substantial as the result of two major leaks that were discussed at the June 6, 2013 Board Meeting. One item was added to the Pending Items list – Financial Discrepancies Restitution Report. The credit card report included registration and lodging costs associated with the AWWA ACE Conference in Denver June 10-13, 2013.

INFORMATIONAL REPORTS

SDA Workshop – Chairman Hassler reported on the Special District Association (SDA) Board Member and Manager Workshop that he and Assistant Manager Reinertsen attended on June 18, 2013 in Grand Junction. He suggested the need for the District to monitor Legislation affecting special district disclosures and debt, and to establish an emergency meeting policy and procedure.

EXPRESS AGENDA

Grand Valley DRIP Update – Assistant Manager Reinertsen reported that the 2013 DRIP campaign "Join The Flock" has included the opportunity for area water customers to commit to water conservation and receive a pink flamingo or a sign to place in their yard to show their participation. DRIP Booths are being conducted at the Palisade and Grand Junction Farmers Markets, and at the Mesa County Fair.

UNFINISHED BUSINESS

Ratify Telephone Poll to Prepare a Request for Proposal for 2003 CWPRDA Loan Refinancing – Manager Tooker noted that on June 14, 2013 he contacted all Board members to request authorization to proceed with a Request for Proposal to refinance the District's 2003 CWPRDA Loan, and formal ratification is needed for that telephone poll. The deadline for Proposals is July 15, 2013. Director Genova moved to ratify the Board's unanimous authorization, by telephone

poll on June 14, 2013, to proceed with a Request for Proposal for the 2003 CWPRDA Loan Refinancing. Director Burger seconded and the motion passed unanimously.

Financial Consulting Contract – Joe Drew – Manager Tooker summarized the draft contract (7/11/13 File) for consulting services with Joe Drew. The Board requested clarification in the contract regarding the existence of liability insurance, and the maximum cost per issue.

Project 2008-02 MF/UF Project Financing – Manager Tooker reported that he met in Denver, on June 27, 2013, with representatives of the Colorado Water and Power Resources Development Authority and the State Revolving Loan Fund, financial consultant Joe Drew, and from Burns and McDonnell Engineering to review the reporting requirements and Davis Bacon requirements necessary when proceeding with State financing of the MF/UF Project. Manager Tooker does not feel the requirements are detrimental to the District and the majority of the Financial Management and Site Assessment requirements are already completed by the District for other purposes.

Project 2013-01 31 Road Main Line Upgrade/Replacement – Assistant Manager Reinertsen presented a Staff Report (7/11/13 File, 2013 Staff Reports, Project 2013-01 File) summarizing the bid opening results and recommendations for Project 2013-01, 31 Road Main Line Upgrade/Replacement. This project was included in the 2013 Budget for \$225,000 including engineering. Director Genova moved to award the construction contract for project 2013-01 31 Road 10” Main Line Upgrade/Replacement to MA Concrete Construction, Inc. in the amount of \$179,104.86 with an additional \$20,000 in budgeted funds available for construction contingencies should they arise during the course of construction. Director Norman seconded and the motion passed unanimously.

NEW BUSINESS

FY2012 Audit – This agenda item was completed earlier in the meeting.

Project 2013-02 New 12” 32 ½ Road Water Line Project – Assistant Manager Reinertsen presented a request to initiate the Bid process for Project 2013-02, 32 ½ Road New 12” Water Line. This project was included in the 2013 Budget for \$680,000 with Bid Opening the end of August and construction projected to begin in September. The new line was identified as a key project to re-route water from the existing aging water line in 32 Road. Director Genova moved to authorized staff to initiate the Bid process for Project 2013-02, New 12” 32 ½ Road Water Line Project. Director Peck seconded and the motion passed unanimously.

AWWA ACE 2013 Conference Briefing – Director Peck reported on his attendance at the American Water Works Association (AWWA) ACE 2013 Conference held in Denver June 10 – 13, 2013. In addition to attending workshops with nearly 11,000 participants, he toured several membrane filtration treatment plants along with Manager Tooker and Water Treatment Plant Operator Roten. The District received the Partnership for Safe Water 5 year Directors Award at the Conference. This distinguished award was presented to the District by Mr. James Chaffee, American Water Works Association President, and Mr. Peter Grevatt, Director, United States Environmental Protection Agency Office of Ground Water and Drinking Water.

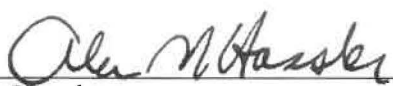
Overbilling for Mismatched Head and Meter – Manager Tooker requested this additional item be placed on the agenda to obtain Board guidance regarding the overbilling of three accounts that were recently found to have a 1” Head on a 5/8” Meter. This mismatching results in the meter showing consumption of approximately 3 times the correct amount. All three accounts had the 1” Head installed on February 15, 2007. Previously the Board has stated that billing errors are corrected back for a twelve month period. Regarding the three accounts with mismatched head and meter, increased consumption was noted and leak checks were conducted, but the incorrect head was not identified on each until recently. By consensus the Board agreed that credit for overbilling should go back to the time the incorrect Head installation occurred in 2007.

Request for Relief of Account Balance - 3178 ½ E Road Account #009191 Joan Anderson – Manager Tooker reported that the meter was turned off at 3178 ½ E Road in 2007 following a leak and water service has not been restored since that time. The District has received reports that there continues to be a person living in the home, and has received an inquiry requesting relief of the account balance which currently totals \$3,096.11 for water and sewer. One option for the District would be to file a lien on the account for the water balance, and require the customer to stay current on all future charges once the lien is filed and service is restored. Clifton Sanitation District would need to file a lien on the sewer balance. The Board agreed to consider a lien but requested that more information be obtained, including identification of the designated representative of the owner by Power of Attorney if applicable.


ADJOURNMENT

Director Genova moved to adjourn the July 11, 2013 Regular Meeting. Director Burger seconded and the motion passed unanimously. The meeting was adjourned at 7:40 p.m.

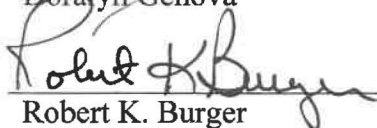
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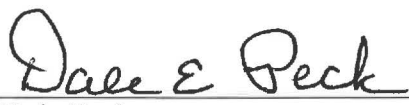
Alan Hassler



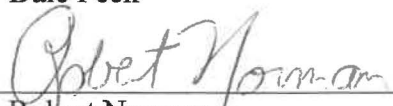
Deralyn Genova



Robert K. Burger



Dale Peck



Robert Norman

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, AUGUST 1, 2013**

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

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen; Kelly McLaughlin; Brian
Sheley; Angie Beebe

GUESTS: Bryce Palo, Gary Curtis, Joey Brennen, John Dyer

Joe Drew

REGULAR MEETING

Chairman Hassler called the meeting to order at 5:10 p.m. Director Burger was excused from attendance at the meeting.

MINUTES OF THE JULY 11, 2013 REGULAR MEETING

Director Genova moved to approve the July 11, 2013 Regular Meeting Minutes as submitted. Director Peck seconded and the motion passed.

CONSIDERATION OF PLANT INVESTMENT FEE FOR A FIRELINE TAP

Guests Bryce Palo, Gary Curtis, Joey Brennen and Jon Dyer were present to provide their input on their request for the District to review and revise its existing Policy regarding the cost for a Plant Investment Fee and a wet tap to serve a fire suppression system being installed at 545 31 Road, Tax Parcel ID #2943-094-00-167. Documents (*8/1/13 File, Customer File, 2013 Staff Reports*) provided in the Board Packet included the email request from Bryce Palo, and a Staff Report "District Fire Line Policy". Mr. Palo summarized his request for revisions to the Plant Investment Fee structure and a reduction in cost from the estimated \$50,000 stated in his request. He suggested that the designed fire suppression system would put out a fire quicker than water obtained from fire hydrants, resulting in less impact to the overall water distribution system. Gary Curtis described the fire suppression system being installed in the building and its requirement of a 4" water line to service the system. He stated that the fire suppression system does not require a constant flow from the District's distribution system. Manager Tooker stated the importance of collecting Plant Investment Fees for the ongoing maintenance of District infrastructure, and the need to prevent a fireline from being used for other domestic use. Staff developed three fee structure options in response to the request. The applicants stated their concurrence with Staff Recommended Option #1, the assessment of a Plant Investment Fee that better reflects costs associated with system demand and capacity of a fire line. Board members stated concern with a request to amend Policy for a specific situation, without Policy Committee

review. Due to the length of this discussion item and another Guest scheduled to make a presentation, the Board stated they would further discuss this item later in the meeting. Contact information was obtained for the Guests making this presentation in the event the Board had further questions.

- Guests Palo, Curtis, Brennen and Dyer exited the meeting at 6:08 p.m.

FINANCIAL CONSULTING CONTRACT – JOE DREW

Guest Joe Drew was present and summarized his professional experience in bond financing, including previous work on behalf of the District. A contract for his services to work on the District's refunding of the 2003 Bond, and financing of the MF/UF Project, had been reviewed by the Board at the July 11, 2013 Regular Meeting. Mr. Drew clarified his hourly rates for a maximum cost of \$6,500 per issue, and summarized the insurance coverage he maintains. Director Peck moved to approve the Financial Consulting Contract with Joe Drew at a cost not to exceed \$6,500 per issue. Director Norman seconded and the motion passed.

REQUEST FOR PROPOSALS FOR 2003 CWPRDA LOAN REFINANCING

Guest Joe Drew summarized his review included in his Memo dated 7/24/13, (*8/1/13 File, 2003 CWPRDA Loan File*) evaluating the three submittals received by the District in response to the Request for Proposals for Refinancing the 2003 CWPRDA Loan. The proposals were received from: Stifel, George K. Baum, and Baird and Company. Mr. Drew summarized his experience with all three companies; and his evaluation of each based upon their experience in the State of Colorado, demonstration of understanding of the District's needs, fees, and marketing experience. The anticipated net savings to the District with refinancing is \$25,000 - \$40,000 per year. After reviewing the proposals, Director Genova moved to accept the Proposal submitted by Stifel for the Refinancing of the 2003 CWPRDA Loan. Director Peck seconded and the motion passed. Director Peck moved to establish a gross savings of at least \$200,000 to proceed with the refinancing. Director Genova seconded and the motion passed.

- Guest Joe Drew exited the meeting at 6:50 p.m.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to Accept the Financial Reports and Approve Accounts Payable Regular Checks of \$93,191.13 plus Benefits Checks of \$17,196.43 plus Supplemental Checks of \$27,459.27 for a total of \$137,846.83. Director Peck seconded and the motion passed unanimously. There were no items of question by the Board or additional notation from Staff.

MANAGER'S REPORTS

Manager Tooker commented that Plant production is down 10%, and Water Sales is down 12% through June, 2013, as compared to the same period in 2012.

INFORMATIONAL REPORTS

Financial Discrepancies Restitution Report - Manager Tooker summarized the Informational Report (8/1/13 File, 2013 Staff Reports) itemizing the Insurance Claim amount of \$8,325.04, and the Restitution Claim amount of \$3,442.25, that were received earlier in 2013 pertaining to the Financial Discrepancies court case against a former employee.

Refunds to Accounts with Mismatched 1" Head on 5/8" Meter – An Informational Report (8/1/13 File, 2013 Staff Reports) was reviewed by the Board itemizing the refunds to three accounts, totaling \$9,447.45, that were processed due to overbilling associated with the incorrect installation of 1" Heads on 5/8" Meters in February of 2007.

EXPRESS AGENDA

Director Genova moved to accept the Express Agenda items. Director Peck seconded and the motion passed. The approved Express Agenda items are as follows:

- 1) FY2012 Audit – The District's FY2012 Audit was submitted electronically to the State Auditor and the Colorado Water and Power Resources Development Authority on July 17, 2013.
- 2) DRIP Booth at the Mesa County Fair – A total of thirteen District Staff members provided coverage for a number of time slots at the DRIP Booth at the Mesa County Fair from Tuesday, July 16 through Saturday, July 20, 2013. The DRIP presence at the Mesa County Fair was an effort to continue the public awareness campaign "Join the Flock", and to provide the valuable community service of free chilled water to Fair attendees.
- 3) SDA Annual Conference – This year's SDA Annual Conference is being held in Keystone, Colorado. The SDA University is Wednesday, September 18 with the remainder of the Conference on Thursday, September 19 and Friday, September 20. A preliminary conference agenda is included in the Board Packet. Please notify Kelly McLaughlin by August 23, 2013 if you wish to attend the Conference, and which nights you would like lodging reservations.

Director Peck stated he would like to attend the SDA Annual Conference.

- 4) Historical Pitcher Pump Donated to District from Charles Strain Family – In 1984 the District's Board of Directors presented former District Manager Charles Strain with a historic Pitcher Pump that belonged to the family who homesteaded Gunderson Island, where the District facilities are now located. This pump was restored by District staff and mounted on an oak platform. The Strain Family has now donated this Pitcher Pump back to the District for display in the front lobby. A copy of the 1984 presentation document, from the Board to Charles Strain, is included in the Board packet.
- 5) Project 2013-01 31 Road Main Line Upgrade/Replacement – The Notice to Proceed has been provided to M.A. Concrete, with a start date on this Project scheduled for no later than August 2, 2013.

-
- 6) Drought Response Plan – A Staff Report is included in the Board Packet identifying the current status of water storage conditions in the Colorado River Basin and summarizing District water rights in use. Staff recommendation is that no updates are currently necessary to the Drought Response Plan or to Drought Stage restrictions.
 - 7) Relief Request for 3178 ½ E Road – Account #009191 Joan Anderson – This item is included on the Express Agenda because Staff has been unable to talk with Ms Anderson and at this time, no action is requested.

UNFINISHED BUSINESS

The first two Agenda Items, Financial Consulting Contract with Joe Drew, and the Request for Proposals for 2003 CWPRDA Loan Refinancing were completed earlier in the meeting.

Project 2008-02 MF UF Project Financing – Manager Tooker stated that no action is needed at this time. Joe Drew has provided an initial review of financing options for Board discussion at the September 5, 2013 Regular Meeting.

NEW BUSINESS

Consideration of Plant Investment Fee for a Fireline Tap – The Board continued consideration of the request from the property owner, presented earlier in the meeting, regarding a fireline tap needed for 545 31 Road. The Board also stated concern with establishing a change in Policy regarding firelines for this specific request. Manager Tooker suggested the Board direct Staff to develop Policy changes regarding firelines, for Board review and consideration, separate from today's specific request. Manager Tooker advised the Board that current District Policy requires Board approval for the sale of any tap greater than 3" in size. The fireline tap being requested for 545 31 Road is 4" in size. The Staff recommended Option 1 for fees associated with dedicated private fire lines was reviewed. The Fire Line Plant Investment Fee, 5% of the current Fee for a 4" Domestic Use Tap, would be \$2,300, plus \$2,000 for a 4" Double Check Detector Meter with Radio Read Capability, for a total of \$4,300. This recommendation takes into consideration a demand on the system that is not constant. A \$1,000 Wet Tap Fee and all other meter installation costs would be assessed in addition to the identified \$4,300. Manager Tooker pointed out that the Board can take this action without changing current District Policies.

Director Genova moved to authorize a 4" Fireline Tap for the property at 545 31 Road, at the identified Fire Line Plant Investment Fee of \$2,300 plus the Meter of \$2,000, and, further, that all other Policies currently approved by the Board shall be applicable. The fireline shall not be allowed for any domestic use, and misuse of this fireline service shall be fined to the maximum extent allowable under Policy. Director Peck seconded and the motion passed.

Designate Person to Prepare 2014 Budget – Director Genova moved to designate Manager Dale Tooker as the Person to Prepare the 2014 Budget. Director Peck seconded and the motion passed.

Request for Budget Transfer to Purchase Membranes – Manager Tooker presented a Staff Report (8/1/13 File, 2013 Staff Reports) and summary of the request for a Budget Transfer to Purchase Nano Filtration/Reverse Osmosis Membranes in 2013. The 2013 Budget included \$70,000 for membranes which was completed in May with the replacement of membranes in Skid # 1. Staff has evaluated the current operating costs of Skid #4 and has determined that Skid #4 is not producing the desired water quality, and is operating at a cost to the District of \$1,966 per month in electrical, chemical cleaning, labor and water quality costs. Director Genova moved to authorize a Budget Transfer of \$70,000 from Contingency to WTP Equipment Repair and Maintenance to fund the Membrane replacement of Skid #4. Director Peck seconded and the motion passed.

Audio Visual System Presentation – Assistant Manager Reinertsen and Administrative Coordinator McLaughlin provided the Board with a brief presentation regarding the capabilities of the recently installed Audio Visual System in the Board Meeting Room

ADJOURNMENT

The August 1, 2013 Regular Meeting was adjourned at 8:20 p.m. by consensus.

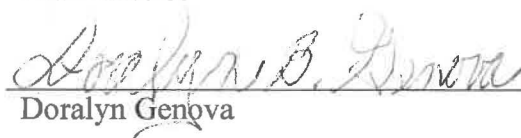
ATTEST:



Alan Hassler



Dale Peck



Doralyn Genova



Robert Norman

Excused

Robert K. Burger

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, SEPTEMBER 5, 2013**

BOARD MEMBERS PRESENT: Alan Hassler, Chairman; Dale Peck, Vice-Chairman;
Robert Norman, Secretary

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen; Kelly McLaughlin; Brian
Sheley; Angie Beebe

GUESTS: Joe Drew

REGULAR MEETING

Chairman Hassler called the September 5, 2013 Regular Meeting to order at 5:17 p.m. Director Burger and Director Genova were excused from attendance at the meeting.

UNFINISHED BUSINESS

2003 CWPRDA Loan Refinancing – By Board consensus, this Agenda Item was moved to the beginning of the Meeting. Guest Joe Drew was present for discussion and Board action. Manager Tooker provided the Board with a Memorandum Summarizing the Action Items needed for the 2003 CWPRDA Loan Refinancing, a copy of the Preliminary Official Statement, a Memorandum Regarding Debt Service Reserve Fund Options, and a Memorandum from Joe Drew titled Refinancing Update. *(9/5/13 File, 2003 CWPRDA Loan Refinancing)* Joe Drew advised the Board that the interest rate on refinancing will not be final until the proposed October 3, 2013 marketing date, however the projected net interest cost is currently projected to be 2.54%, with a total savings on the remainder of the 2003 Loan to be nearing \$400,000. An October 17, 2013 closing date is proposed.

Four options for the Debt Service Reserve Fund were discussed. 1) No Debt Service Reserve Fund; 2) Purchase a Bond; 3) Increase Bond proceeds to fund Debt Service Reserve Fund; and 4) Fund Debt Service Reserve Fund using “restricted cash”. The first three options would be an additional expenditure to the District. Option #4 would require that an additional \$455,000 of existing District funds become restricted. Joe Drew and Manager Tooker recommended Option #4. The status of the District’s current Unrestricted and Restricted Cash Balances was discussed. Director Norman moved that the District Fund the Debt Service Fund through identifying existing Reserves as Restricted Cash. Director Peck seconded and the motion passed.

The Preliminary Official Statement was prepared by Sherman and Howard, LLC, Bond Counsel, with information provided by District Staff. A review of the Preliminary Official Statement scheduled for September 6, 2013 between District Staff, Joe Drew, and representatives of Sherman and Howard, and Stifel Nicolaus is scheduled. Chairman Hassler stated that he would also like to participate in that review call. Discussion ensued regarding items in the Preliminary

Official Statement pertaining to official representatives, allocation of Plant Investment Fees, a correction needed in payroll costs being mis-stated as retirement funds, and the need to eliminate reference to Clifton Sanitation District revenues the District bills but does not retain.

A Standard and Poor's credit rating necessary for rating of the Bonds requires an engagement letter to proceed. The cost of the rating service, \$13,000, is to be included in the costs of the Bonds. Director Peck moved to approve the Standard and Poor's Rating Services Letter as requested, with the \$13,000 cost to be included in the Bond costs. Director Norman seconded and the motion passed.

A Special Meeting was requested for the purpose of Board adoption of the Resolution specifying certain parameters required to complete the 2003 CWRPDA Loan Refinancing. Director Norman moved to set a Special Meeting for September 16, 2013 at 5:00 p.m. for the purpose of adopting a Resolution establishing parameters and other documents required to proceed with the 2003 CWRPDA Loan Refinancing. Director Peck seconded and the motion passed.

- Joe Drew exited the meeting at 6:50 p.m.

MINUTES OF THE AUGUST 1, 2013 REGULAR MEETING

Director Peck moved to approve the August 1, 2013 Regular Meeting Minutes with the suggestions from Director Norman identified in red on the Draft Minutes provided. Director Norman seconded and the motion passed.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Peck moved to Accept the Financial Report and Approve Accounts Payable Regular Checks of \$334,265.11 plus Special Check Run Checks of \$72,912.00 plus Benefits Checks of \$17,196.43 plus Supplemental Checks of \$22,061.43 for a total of \$446,434.97. Director Norman seconded the motion. A summary of Credit Card Expenses, and Convenience Fee Revenues offsetting Credit Card Expenses, was noted on the Notes to Financials. The Board was advised that the System Investment Fees Revenue is over Budget year-to-date primarily due to the Fees being budgeted using the number of customers rather than the number of units. The motion passed.

MANAGER'S REPORTS

The Manager's Reports for July, 2013 were reviewed. The one item of discussion was that water sales are down 10% from last year, which could be a combination of weather conditions, water conservation efforts, and rate increases.

INFORMATIONAL REPORTS

Middle 3.7MG Tank Mixer – An Informational Report (9/10/13 File, 2013 Staff Reports) was reviewed summarizing the efforts completed by the District to install a tank mixer at the Middle 3.7MG Tank to resolve chlorine stratification issues, and to improve the ability to effectively add chlorine to the tank in emergency conditions.

Vehicle Purchases – An Informational Report (9/10/13 File, 2013 Staff Reports) was presented itemizing the three new service trucks purchased by the District after obtaining price quotes and delivery details.

EXPRESS AGENDA

Director Peck moved to approve the Express Agenda items as presented. Director Norman seconded and the motion passed. The approved items are as follows:

- 1) SDA Annual Conference – The Special District Association (SDA) Annual Conference is being held September 18 – September 20, 2013 in Keystone, Colorado. Directors Hassler and Peck are registered to attend. The SDA Annual Business Meeting will be conducted on Thursday, September 19, 2013 beginning at 1:45 p.m. at the Keystone Conference Center. The Annual Business Meeting Agenda, 2012 Annual Business Meeting Agenda Minutes, and Voting Proxy are copied in the Board Packets. The Voting Proxy does not require Board action unless a Board Member is unable to attend and vote on behalf of the District.
- 2) Colorado River District Annual Seminar – The Colorado River District 2013 Annual Seminar in Grand Junction is scheduled for Friday, September 13, 2013 from 9:00 am to 3:30 p.m. in the Two Rivers Convention Center. A Press Release summarizing the seminar topics is included in the Board Packet. Please let Kelly know by September 3, 2013 if you would like to attend.

UNFINISHED BUSINESS

Major Capital Improvement Plan 2013 – 2020 – Manager Tooker noted that the Board was presented with the District's Major Capital Improvement Program 2013 – 2020 at the December 6, 2012 Regular Meeting. As part of the process to secure financing for Project 2008-02 MF/UF, the Major Capital Improvement Plan (MCIP) needs to be formally adopted. It was discussed that the MCIP is used to plan and prioritize projects within the Budget process, and is subject to regular review and revisions. Director Norman moved to adopt the Clifton Water District Major Capital Improvement Plan 2013 – 2020 as a Planning document with the understanding that specific projects must be budgeted for, and there is no requirement that any project within the Plan must be completed. Director Peck seconded and the motion passed.

Project 2008-02 MF/UF Project Financing – Manager Tooker reported that Staff continue to prepare documents necessary for the State Revolving Loan Fund financing application for Project 2008-02. A Preliminary Engineering Report is due to the State by November 1, 2013 with the complete application due in December, 2013.

Project 2013-01 31 Road Main Line Upgrade/Replacement – Assistant Manager Reinertsen presented a Staff Report (9/10/13 File, 2013 Staff Report, 2013-01 Project File) regarding the status of the 31 Road Main Line Upgrade/Replacement project. All service line connections have been completed and the waterline has been placed into service. The final completion date is scheduled for September 17, 2013, allowing time for advertisement for Final Payment at the Regular Board Meeting in October. Director Peck moved to authorize staff to advertise for Final Payment, to include the release of retained contract funds, for the October 3, 2013 Regular Board Meeting. Director Norman seconded and the motion passed.

Project 2013-02 New 12" 32 ½ Road Water Line Project – Assistant Manager Reinertsen presented a Staff Report (9/10/13 File, 2013 Staff Report, 2013-02 Project File) regarding the Bid Opening for Project 2013-02, 32 ½ Road Water Line installation. One bid was received, from MA Concrete Construction. The bid is 9% greater than the Engineer's cost estimate. The Engineer has provided an analysis of directional bore and open trench pipe installation costs and options. The project had been designed with a 2,400 foot long directional bore due to the line's proximity to an elementary school. The Engineer is recommending that the District consider an alternative design to include directional boring only in the vicinity of the D ½ Road crossing near the school. This project is critical to the District's distribution system, however, Staff recommends that the Board not award the contract to the bidder due to a non-competitive bid response; have the Engineer generate an alternative design; and re-open the project for Bids with a project completion this winter. Director Peck moved to decline the bid due to there being a lack of a competitive environment for the benefit of our customers, and authorize Staff to re-initiate the bid process with an alternative design. Director Norman seconded and the motion passed.

2014 Budget – The first Budget Committee Meeting, in preparation of the 2014 Budget, was scheduled for Monday, September 16, 2013.

NEW BUSINESS

Grand Valley's Principles for Colorado State Water Plan – Manager Tooker reported that he has been attending the meetings with representatives from Grand Valley water utilities and irrigators to develop a unified statement regarding the Colorado State Water Plan. The Board was presented with the Draft statement for review and comment. The Board will be asked to adopt the Grand Valley Principles at the October Regular Meeting, and were asked to provide their comments to Manager Tooker after reviewing the document.

Lock Box – Manager Tooker advised the Board that Staff have been evaluating the costs and efficiencies that would be associated with utilizing a Lock Box payment processing system. Customer payments would be mailed to another location where the processor would create a data deposit the checks and prepare a data file for the District to import into the Springbrook Utility Billing system. Staff time saved on processing checks in the office would be spent on other customer service duties such as scanning and attaching documents to customer accounts. The Board concurred with further evaluation and testing of the Lock Box system.

ADJOURNMENT

Director Norman moved to adjourn the meeting. Director Peck seconded and the motion passed. The September 5, 2013 Regular Board Meeting was adjourned at 8:45 p.m.

ATTEST:




Alan Hassler

excused

Doralyn Genova

excused

Robert K. Burger



Dale Peck



Robert Norman

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
SPECIAL MEETING
MONDAY, SEPTEMBER 16, 2013**

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

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen; Kelly McLaughlin; Angie Beebe

GUESTS (via phone): Kim Crawford and Cory Kalanick, Bond Counsel
Bill Frey and Chris McAnany, District Counsel
Joe Drew, Financial Consultant

SPECIAL MEETING

Chairman Hassler called the September 16, 2013 Special Board Meeting to order at 5:04 p.m. All meeting participants were identified, as above.

RESOLUTION AUTHORIZING ISSUANCE OF WATER REVENUE REFUNDING BONDS

Chairman Hassler noted that he had participated in the phone conference on September 6, 2013 regarding the Preliminary Official Statement documents, and concurs with page 13, Section 210 of the proposed Resolution to authorize Manager Tooker to issue the Preliminary Official Statement. Chairman Hassler stated that he has reviewed the Resolution Authorizing the Issuance of Water Revenue Refunding Bonds, along with the signature documents prepared by Sherman and Howard LLC, and as provided to the Board. He reiterated statements made within the Resolution: Section 213 regarding the interest rate, principal amount and maturity schedule; Section 402 – Mandatory Sinking Fund Redemption; Section 601 – Pledge Securing Bonds; Sections 603- 605 regarding the payment of District operations and maintenance expenses; and Section 920 Reasonable and Adequate Charges. Kim Crawford noted Section 803 allowing the District to issue additional Parity Bonds to fund future upgrades so long as the Net Pledged Revenues are no less than 110% of the Combined Maximum Annual Principal and Interest Requirements. She stated the District is currently at 350%. She also noted Sections 920 and 921 regarding rate maintenance covenants.

Staff confirmed that the September 16, 2013 Special Meeting Notice was posted in three locations in the District boundaries, and at the Office of the Mesa County Clerk and Recorder, on Wednesday, September 11, 2013. Manager Tooker stated that District Counsel requested, on Friday, September 13, 2013, that the Bonds be issued by the District through Its Water Activity Enterprise, and that change has been made to the Resolution documents.

Joe Drew stated that today he spoke with Keith McLaughlin of the Colorado Water Resource Power and Development Authority regarding the refinancing, who advised that they cannot do a Conditional Call, and must do an Absolute Call to close by October 1, 2013. This moves the timeline up from previously stated. Dates for the rating call, posting of the Preliminary Official Statement, and sale of the bonds were identified in order to close on October 1, 2013. This will require Chairman Hassler and Board Secretary Norman to be available to sign documents the week of September 23, 2013. The projected savings to the District continues to be near \$400,000 for the remaining term of the 2003 Bond.

Director Peck moved to adopt Resolution 2013-03, A RESOLUTION OF CLIFTON WATER DISTRICT, MESA COUNTY, COLORADO, ACTING BY AND THROUGH ITS WATER ACTIVITY ENTERPRISE, AUTHORIZING THE ISSUANCE AND SALE OF WATER REVENUE REFUNDING BONDS, SERIES 2013, PROVIDING FOR THE SOURCES OF PAYMENT OF THE SERIES 2013 BONDS, AND PROVIDING OTHER DETAILS CONCERNING THE 2013 BONDS AND THE SYSTEM. Director Genova seconded the motion.

Chairman Hassler asked for clarification, and Joe Drew responded, regarding aggregate values and purchases price in the sale of the Bonds.

The motion passed unanimously on a roll call vote.


ADJOURNMENT

Director Peck moved to adjourn the September 16, 2013 Special Meeting. Director Genova seconded and the motion passed. The meeting was adjourned at 5:37 p.m.


ATTEST:



Alan Hassler



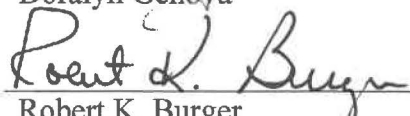
Dale Peck



Doralyn Genova



Robert Norman



Robert K. Burger

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, OCTOBER 3, 2013**

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

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen; Kelly McLaughlin; Angie Beebe

REGULAR MEETING

Chairman Hassler called the October 3, 2013 Regular Meeting to order at 5:10 p.m. Director Genova was noted as an excused absence.

MINUTES OF THE SEPTEMBER 5, 2013 REGULAR MEETING

Director Peck moved to approve the September 5, 2013 Regular Meeting Minutes as submitted. Director Norman seconded and the motion passed. Director Burger abstained as he had not been present at the September 5, 2013 Meeting.

MINUTES OF THE SEPTEMBER 16, 2013 SPECIAL MEETING

Director Peck moved to approve the September 16, 2013 Special Meeting Minutes, as amended by Chairman Hassler to clarify on page 2 that "The motion passed unanimously on a roll call vote." instead of itemizing the roll call within the Minutes. Director Burger seconded and the motion passed.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Peck moved to Accept the Financial Report and Approve Accounts Payable Regular Checks of \$102,048.52 plus Benefits Checks of \$18,204.72 plus Supplemental Checks of \$73,046.98 plus Special Check Run Checks of \$2,180.94 for a total of \$195,481.16. Director Norman seconded the motion. Manager Tooker reported that the Colorado National Bank account remains open with a very small balance. The motion passed.

MANAGER'S REPORTS

Manager Tooker presented the Manager's Reports for August, 2013. Water Sales and Water Production are down 9% compared to 2012. Tap Sales are 33 in 2013 compared to 45 in 2012.

Overtime hours year-to-date are 1021 hours compared with 893 in 2012. It was noted that there were two significant waterline breaks earlier in 2013 that increased the number of hours. The Board stated concern with the large number of overtime hours being worked.

EXPRESS AGENDA

Colorado River District Annual Seminar - Director Peck summarized the information that was presented at the Colorado River District Annual Seminar held in Grand Junction on Friday, September 13, 2013.

UNFINISHED BUSINESS

2003 CWPRDA Loan Refinancing – Manager Tooker presented a Staff Report summarizing the completion of refinancing of the District’s 2003 Loan with the Colorado Water and Power Resources Development Authority. The refinancing closed on October 1, 2013 and the entire process took 61 days from Board initiation to completion. The amount saved by the District over the remaining ten year loan term is \$459,994.77.

Project 2008-02 MF/UF Project Request for Proposals for Final Design and Construction – Manager Tooker reported that the District received two submittals in response to the Request for Proposals for Final Design and Construction of the MF/UF Water Treatment Plant project. He recommended that the Board conduct interviews with submitters Burns and McDonnell Engineering, and Carollo Engineering. Director Norman moved to schedule a Special Meeting of the Board of Directors for Thursday, October 24, 2013 beginning at 2:00 pm for the purpose of conducting interviews regarding the Project 2008-02 MF/UF Project Request for Proposals for Final Design and Construction. Director Peck seconded and the motion passed.

Project 2013-01 31 Road Main Line Upgrade/Replacement - Assistant Manager Reinertsen stated that there are some unresolved issues regarding asphalt amounts billed for Project 2013-01 31 Road Main Line Upgrade/Replacement. The Second Pay Application was paid at tonight’s meeting for items agreed upon in the contract. Final Advertisement will occur once the asphalt items are resolved.

Project 2013-02 New 12” 32 ½ Road Water Line Project - Assistant Manager Reinertsen reported that the re-design is complete and advertised for bid of the new 12” Water Line for 32 ½ Road, Project 2013-02, with bid opening scheduled for October 31, 2013.

SDA Annual Conference - Directors Hassler and Peck, and Assistant Manager Reinertsen commented on the presentations they attended at the SDA Annual Conference held in Keystone, Colorado September 18 – 20, 2013.

2014 Budget - The Draft FY 2014 Budget was presented to the Board. Manager Tooker reported that the Budget Committee met on September 16, September 23 and October 1, 2013. At this time the Budget is presented with Water Sales Revenue remaining the same as in 2013. The General and Administrative Budget is currently proposed with a 1.4% reduction from 2013. It was noted that 2014 is an Election year and has been considered in the Budget. The Transmission and Distribution Budget is currently proposed with a 12.3% increase primarily attributed to the Repair and Maintenance line items. Discussion ensued regarding the System Investment Fee implemented in 2013 that is intended to be used to offset depreciation addressed in the Repair and Maintenance items, and discussion regarding how the District budgets for Outside Agency Support. The Water Treatment Plant Budget is currently proposed with a 3.4% decrease in expenses from 2013. Equipment Repair and Maintenance items are still being evaluated for possible additions. The Operational Income identified on the Draft Budget is \$1,737,900 less the Bond payment and Depreciation amount of \$108,546. The Capital Budget, and Wages and Benefits Budget are still being developed. The Board discussed having the District's auditor make a presentation regarding the "how's and why's" of budgeting for depreciation.

NEW BUSINESS

Policy #420 (8) Right of Exclusive Control and (12.1) Unauthorized Water Use Penalty - A Staff Report was presented summarizing District Policy regarding the Right of Exclusive Control and penalties assessed to all customers when it is identified there has been access to their meter pit by non-District personnel. The reasons for unauthorized access to the meter pit range from a customer turning off water at the meter pit when they have water leaking into their home, when repairs need to be made, or persons accessing the meter pit to turn water on when it has been off for Discontinuation of Service. Staff has applied the penalty the same to all customers regardless of the situation, which at times causes customers to request the penalty be removed due to their defining that their issue was an emergency that required their immediate access without waiting for District personnel who are on call 24 hours a day 7 days a week to access the meter pit. Following discussion between the Board and staff regarding the various circumstances, Manager Tooker recommended that Staff further evaluate Policy and implementation to include a decision making tree when determining the application of penalties.

Bank Account – ANB Bank – 2013 Water Revenue Refunding Bonds, Series 2013 Reserve Fund – Manager Tooker reported that, as part of the 2003 CWRPDA Loan Refinancing and 2013 Water Revenue Refunding Bonds, a new bank account was established at ANB Bank to retain the Reserve Fund necessary for the 2013 Bonds. Director Burger moved to authorize the opening of an account at ANB, the account titled 2013 Water Revenue Refunding Bonds, Series 2013 Reserve Fund, and authorize the Board Secretary and District Manager to sign the required documents as presented. The motion passed. It was noted that a full set of signature documents for all Board members to sign will be obtained.

PERSONNEL

Manager's Evaluation – September is the typical month for the initiation of the District Manager's Annual Evaluation. No action was taken at this time.

ADJOURNMENT

Director Peck moved to adjourn the October 3, 2013 Regular Board Meeting. Director Burger seconded and the motion passed. The Meeting was adjourned at 8:10 p.m.


ATTEST:



Alan Hassler

Excused

Doralyn Genova



Robert K. Burger



Dale Peck



Robert Norman

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
SPECIAL MEETING
THURSDAY, OCTOBER 24, 2013**

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

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen; Kelly McLaughlin; Brian Sheley

GUESTS As Identified in Text

SPECIAL MEETING

Chairman Hassler called the September 16, 2013 Special Board Meeting to order at 2:00 p.m.

PROJECT 2008-02 MF/UF DESIGN BUILD REQUEST FOR PROPOSALS

Manager Tooker reported that the District received two submittals in response to the Request for Proposals for Project 2008-02 MF/UF Design Build. Due to the complexity and importance of this Project, interviews have been scheduled today with both firms submitting proposals. Each are allowed two hours for their presentation to the Board, including a question and answer period. Evaluation sheets were provided to the Board to utilize during the interview process.

Director Norman stated that in his professional capacity he has had contracts with Burns and McDonnell Engineering, and has worked with Carollo Engineering as well. Chairman Hassler acknowledged the information and stated that Mr. Norman does not have a conflict of interest in this matter.

CAROLLO ENGINEERING PROPOSAL

Guests Introduced: Vinnie Hart, Ken Slota, Matt Brown, Dan Hugaboom, Gary Sagehorn, Chris Carvalho.

Mr. Hart summarized the experience of the team that will be assigned to the District's project. The project would include a series of meetings with the District and stakeholders, 3-D modeling, on-site staff present throughout the construction, on-site staff during the start-up of the membranes, and final presentation of an Operations and Maintenance Manual.

The submittal from the Carollo Design Build Group was presented with a focus on their primary identified areas of 1) System Flexibility; 2) Cost Control; and 3) Enhanced Treatment. The Open Platform approach to multiple membrane system options was presented. The cost and operational differences between Open Platform, with multiple membrane manufacturer options, and using one of the proprietary membranes Pall or GE were discussed. Procurement of membranes was suggested to be more competitive when multiple membrane manufacturers are being considered. Designing a system that fits and is easily operated and maintained within the existing facility, and including room for future growth, were identified as important considerations. Other items discussed included State regulations regarding chlorine contact time, temporary and permanent modifications to the existing facility as part of construction, operation of the Plant during construction, use of local subcontractors, ability to stay on budget, on-site staff identified throughout the project, process assurance, professional licensing and insurance, and electrical service to areas of the treatment plant.

The presentation concluded at 4:05 p.m. and the guests exited the meeting.

BURNS AND MCDONNELL ENGINEERING PROPOSAL

Guests Introduced: Mark Lichtwardt, Eric Moltz, Darin Brickman, Anthony Beeson, Mike Butler, Abe Monajjem, Willie Dominguez.

The submittal from the Burns & McDonnell and Moltz Construction Joint Venture (BMCI JV) was presented with their identified areas of focus as 1) Team Overview; 2) Relevant Experience; 3) Project Approach; 4) Budget; 5) Schedule; and 6) Procurement. The use of proprietary membranes would be included in the design. Two work packages were summarized as a method to streamline the project through Colorado Department of Public Health and Environment approval processes. Construction would begin in June of 2014, a short interruption of Plant operations would be scheduled during a period of low demand, and final completion would be June of 2015. For procurement of the membranes, it was noted that the State Revolving Loan Fund process requires multiple suppliers to have the opportunity to submit quotes. Other items discussed included on-site staff during construction and membrane start-up, performance assurance, and, the need to determine chlorine contact time requirements early in design and for on-site staff identification needs for this project. The joint venture status as related to project responsibility and liability was discussed.

The presentation concluded at 6:00 p.m. and the guests exited the meeting.

ADJOURNMENT

Director Norman moved to adjourn the October 24, 2013 Special Meeting. Director Genova seconded and the motion passed unanimously. The meeting was adjourned at 6:05 p.m.

ATTEST:



Alan Hassler



Dale Peck



Doralyn Genova



Robert Norman



Robert K. Burger

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, NOVEMBER 7, 2013**

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

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen; Kelly McLaughlin; Brian Sheley; Angie Beebe

REGULAR MEETING

Chairman Hassler called the November 7, 2013 Regular Meeting to order at 5:10 p.m. Director Genova was noted as an excused absence.

MINUTES OF THE OCTOBER 3, 2013 REGULAR MEETING

Director Peck moved to approve the October 3, 2013 Regular Meeting Minutes (*11/7/13 File, 2013 Minutes*) with one change to amend the last line in the Manager's Reports regarding the Board's concerns with the number of overtime hours worked. Director Norman seconded and the motion passed.

MINUTES OF THE OCTOBER 24, 2013 SPECIAL MEETING

Director Burger moved to approve the October 24, 2013 Special Meeting Minutes (*11/7/13 File, 2013 Minutes*) as distributed. Director Peck seconded and the motion passed.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Peck moved to Accept the Financial Report and Approve Accounts Payable Regular Checks of \$103,808.05 plus Benefits Checks of \$19,768.91 plus Supplemental Checks of \$27,361.54 plus Special Check of \$8,955.00 for a total of \$150,938.20. Director Burger seconded the motion. Discussion ensued regarding the review of Accounts Payable including Petty Cash and customer refunds; and the identification of depreciation as an operational expense on the Profit and Loss Statement. It was also noted that the Budget Committee met with the District's auditor on November 4, 2013 to discuss the method to budget for depreciation. The motion passed.

MANAGER'S REPORTS

Manager Tooker summarized the Manager's Reports for September, 2013. Effluent production and water sales continue to be down by nearly 10%. The Board requested that the date an item is added to the Pending Items page be provided in the future.

INFORMATIONAL REPORTS

Colorado River Headwaters Tour – Water Treatment Plant Supervisor Sheley presented an Informational Report (11/7/13 File, 2013 Informational Reports) regarding his participation in the Colorado River Headwaters Tour conducted October 3-4, 2013.

Health Insurance – Manager Tooker presented a Memo to the Board (11/7/13 File, 2013 Memos) identifying that the District's health insurance premiums are going down slightly in 2014, and underutilization of the District's Health Reimbursement Arrangement Plan continues. Recommendations for 2014 Employee Wages and Benefits will be finalized within the upcoming weeks for review by the Board.

Unauthorized Water Use – Assistant Manager Reinertsen summarized the Informational Report (11/7/13 File, 2013 Informational Reports) as a follow up item to the October 3, 2013 Board Meeting discussion regarding penalties associated with Unauthorized Access and Water Use. The review criteria utilized by the District Manager or Assistant Manager for considering customer requests to adjust the penalties were identified.

UNFINISHED BUSINESS

2014 Budget – Manager Tooker presented an updated Budget worksheet and narrative to the Board replacing the same items that were included in the Board Packet. The updated information includes depreciation as discussed by the District's auditor and the Budget Committee on November 4, 2013. The Board agreed to identify depreciation as discussed with the auditor, and to move Distribution Line Replacement expense from Operating to Non-Operating. After review of the Budget, Director Norman moved to set the Budget Hearing regarding the District's FY2014 Budget for Thursday, December 5, 2013 at 5:00 p.m. Director Burger seconded and the motion passed.

The Board discussed conditions pertaining to the MF/UF Project and future debt service and the need to adjust the District's current water rate structure. The Budget Committee and Staff will present recommendations for water rate adjustments at the December 5, 2013 Regular Meeting with a suggestion to hold a Special Meeting in December. Director Norman moved to set a Special Meeting for Tuesday, December 10, 2013 at 5:00 p.m. to discuss the water rate structure, MF/UF State Revolving Loan, future debt service and final adoption of the 2014 Budget. Director Burger seconded and the motion passed.

The Board requested that a new Pending Item be added to the Manager's Report to develop a Policy to allow Board participation via phone.

Project 2008-02 MF/UF Request for Proposals – Design Build Selection – Manager Tooker presented a Memorandum to the Board (*11/7/13 File, 2013 Memos, Project 2008-02 MF UF Design Build*) summarizing Staff review and recommendations regarding the Request for Proposals for Project 2008-02 MF/UF Design Build. The Board conducted interviews, at a Special Meeting on October 24, 2013, of the two firms submitting proposals – Carollo Engineering, and Burns and McDonnell Engineering. Staff Review focused on the following areas: 1) Project Approach; 2) Project Team; 3) Start-up Team; 4) Design Option; and 5) Concept, Chlorine Contact Basin, Permits and Approvals. Staff recommended Carollo Engineering for completion of the project. Staff further recommended that Burns and McDonnell be retained as the Owner's Representative to administer the project. Manager Tooker reported that Director Genova provided him with her comments before the meeting due to her planned absence.

Director Burger moved to accept Staff's Recommendation regarding Project 2008-02 MF/UF Design Build and name Carollo Engineering as the Design Build firm for completion. Director Norman seconded. The Board acknowledged Staff's expertise in reviewing the technical, administrative and financial matters included in the Recommendation. It was noted that the next step would be for Carollo to reach 40% Design for Board review. The motion passed.

ANB Bank Account – 2013 Water Revenue Refunding Bonds, Series 2013 Reserve Fund – The Board completed signature of documents associated with the ANB Bank Account – 2013 Water Revenue Refunding Bonds, Series 2013 Reserve Fund, the account that was authorized at the October 3, 2013 Regular Meeting.

Project 2008-02 MF/UF State Revolving Loan Fund Process – Manager Tooker reported that the status of the State Revolving Loan Fund application process for Project 2008-02 MF/UF is:

- The Eligibility Assessment and Preliminary Engineering Report (PER) Submittal requirements and transmittal was completed on October 29, 2013, in advance of the November 1, 2013 deadline.
- Technical, Financial and Managerial Assessment – Staff continue to finalize the information required in this Assessment document and will transmit the documents to the State prior to the December 15, 2013 deadline.
- Public Meeting – A Public Meeting will need to be completed as part of the State Revolving Loan Fund Process. That date will be determined at a later time.

Project 2013-01 31 Road Main Line Upgrade/Replacement Final Payment – Assistant Manager Reinertsen presented a Staff Report (*11/7/13 File, 2013 Staff Reports, Project 2013-01 File*) summarizing the final costs associated with Project 2013-01, 31 Road Main Line Upgrade/Replacement, totaling \$199,800.36. Final Payment has been advertised and no payment contest notices were received.

One item that had delayed project close-out, was regarding Final Volume Summary for asphalt. Resolution has been reached and the Project is now considered final and complete. Director Peck moved to authorize Final Payment of \$8,955.00. Director Norman seconded and the motion passed.

Project 2013-02 New 12" 32 ½ Road Water Line Project Bid – Assistant Manager Reinertsen presented a Staff Report (*11/7/13 File, 2013 Staff Reports, project 2013-02 File*) summarizing the October 31, 2013 Bid Opening results for Project 2013-02 New 12" 32 ½ Road Water Line, and the six bids received. This project is part of the District's efforts to enhance the distribution system delivery to Whitewater and the D Road service corridor. This project was originally bid in August with one bid submitted that was not accepted by the Board. At the September 5, 2013 Regular Meeting, the Board requested to have the project re-designed to reduce the original directional bore length. The project was re-advertised for Bid with an October 31, 2013 public bid date. Six bids were received and reviewed by the District's consulting engineer on the project. Director Peck moved to Award the construction contract for Project 2013-02, New 12" Water Line Installation – 32 ½ Road, to Dirtworks Construction LLC, in the amount of \$249,502.52, with an additional \$25,000 in budgeted funds available for construction contingencies should they arise during the course of construction. Director Burger seconded. The motion passed unanimously.

NEW BUSINESS

Chlorine Incident – Assistant Manager Reinertsen reported to the Board on the chlorine incident that occurred on Friday, October 11, 2013, during a routine change-out of chlorine containers. An incident investigation revealed a failure to follow established Standard Operating Procedures as the root cause. Subsequent events identified additional areas in need of additional staff training and further development of Standard Operating Procedures. Since this incident was considered minor, responding agencies (Clifton Fire and Grand Junction Fire Hazardous Material Responders) performed their actions as a training drill for their staff. One District employee did receive medical observation at the emergency room due to the initial exposure during the incident. Following the incident, Staff has identified equipment and procedural improvements needed to prevent or respond to future incidents involving chlorine.

Clifton Christian Church Water Tap Fees Request – Assistant Manager Reinertsen presented a letter from Clifton Christian Church representative Bob Lee, requesting a reduction in the fees paid in July (2013) for a 1" x 4" combination meter for domestic and fire line service, and a Staff Report (*11/7/13 File, 2013 Staff Reports, Customer File*) summarizing the discussions related to that purchase. It was noted that the Board made a decision, on August 1, 2013, regarding a different property owner and fire line service connection, a decision that Clifton Christian Church would like to be considered as precedence in calculating their fees. Staff advised the Board that the August 1, 2013 decision was for a fire line service only, whereas the Clifton Christian Church had both, domestic and fire line, needs. The Board asked about the differences in meters and whether the Church had other options, such as installing a separate domestic line and a separate fire line. Director Peck moved to table the Clifton Christian Church Water Tap Fees Request, to

the December 5, 2013 Regular Meeting, and direct Staff to discuss additional options with the Clifton Christian Church representatives. Director Burger seconded and the motion passed.

Holiday Turkey or Ham – Director Peck moved to continue the District’s long-standing tradition of providing each employee and Board member with their choice of a turkey or a ham for their choice of the Thanksgiving holiday or the Christmas holiday. Director Norman seconded and the motion passed.

PERSONNEL

Manager Tooker reported that one Distribution Technician has left the District to begin employment at Ute Water District.

Manager’s Evaluation – Director Burger moved to table to Manager’s Evaluation to the December 5, 2013 Regular Meeting. Director Peck seconded and the motion passed.

ADJOURNMENT

Director Burger moved to adjourn the November 7, 2013 Regular Meeting. Director Peck seconded and the motion passed. The meeting was adjourned at 9:25 p.m.


ATTEST:



Alan Hassler

Excused

Doralyn Genova



Robert K. Burger



Dale Peck



Robert Norman

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, DECEMBER 5, 2013**

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

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen; Kelly McLaughlin; Angie Beebe

PUBLIC HEARING

Chairman Hassler called to order the Public Hearing at 5:08 p.m. regarding the District's Proposed FY2014 Budget, in accordance with C.R.S. 29-1-106 *Et.Seq.* The Notice of Public Hearing (12/5/13 File, 2014 Budget File, Daily Sentinel Legal Notices file) was confirmed as published in the Grand Junction Daily Sentinel in accordance with C.R.S. 29-1-106(3)(a). Manager Tooker reported that no comments have been received regarding the Proposed Budget from members of the public. No members of the public were present. The Public Hearing was closed at 5:10 p.m.

REGULAR MEETING

Chairman Hassler called the December 5, 2013 Regular Meeting to order at 5:10 p.m.

MINUTES OF THE NOVEMBER 7, 2013 REGULAR MEETING

Director Burger moved to approve the November 7, 2013 Regular Meeting Minutes, as presented. Director Peck seconded and the motion passed. Director Genova abstained as she had not been present at that Meeting.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to Accept the Financial Report and Approve Accounts Payable Regular Checks of \$103,808.05 plus Benefits Checks of \$19,768.91 plus Supplemental Checks of \$27,361.54 plus Special Check of \$8,955.00 for a total of \$150,938.20. Director Peck seconded the motion. The Board requested clarification regarding an expenditure to Burns and McDonnell Engineering. Manager Tooker reported that this item was for the completion of the Preliminary Engineering Report necessary for the Project 2008-02 MF UF State Revolving Loan Fund application. The motion passed unanimously.

MANAGER'S REPORTS

Manager Tooker reported that Tap Sales, Water Sales, and Water Production through October, 2013 continue to be down from the previous year. Pending items, project costs, and attorney costs were briefly reviewed.

INFORMATIONAL REPORTS

2013 DRIP Activities - Assistant Manager Reinertsen presented an Informational Report (12/15/13 File, 2013 Staff Reports) regarding the Drought Response Information Project (DRIP) activities and costs for 2013.

UNFINISHED BUSINESS

Project 2008-02 MF/UF State Revolving Loan Fund – Manager Tooker reported that the State Revolving Loan Fund Application, and the Technical, Managerial and Financial Assessment for Project 2008-02 MF/UF were submitted to the State on December 2, 2013. A requirement of the State Revolving Loan Fund is that the District hold a Public Hearing regarding the project and application prior to receipt of funds.

Project 2008-02 MF/UF Final Design Agreement – Manager Tooker reported that the District's legal counsel is reviewing the contract with Carollo Design for the 40% Design of Project 2008-02 MF/UF. The contract will be presented to the Board at the December 10, 2013 Special Meeting.

Clifton Christian Church Water Tap Fees Request – Assistant Manager Reinertsen presented a Staff Report (12/5/13 File, 2013 Staff Reports) following up on the request from Clifton Christian Church, Account #24681, 615 I-70 Business Loop, for a water tap fee refund. The Board reviewed the request at the November 7, 2013 Board Meeting. Director Genova stated for the record that she was contacted by one of the property representatives but she remains objective in her decision-making following that contact. Staff subsequently met with the property representatives and discussed domestic and fire line alternatives and recommendations. Director Peck moved to accept the Staff recommendation for Clifton Christian Church to purchase an additional 1 ½ inch water service connection for domestic use and to use the existing 1 x 4 inch combination metered water service as the 4 inch dedicated fire line and to issue a refund in the amount of \$25,970 reflecting the difference between the original Plant Investment Fee paid of \$50,700 and the \$15,000 cost of the 1 ½ inch Plant Investment Fee for domestic water use and the calculated Plant Investment Fee of \$9,730 for a dedicated 4 inch fire line. Director Norman seconded and the motion passed unanimously.

2014 Budget – Manager Tooker presented the FY2014 Budget worksheets (12/5/13 File, 2014 Budget), including the proposed Water Revenue amount of \$5,380,251 based on the rate structure proposed by the Budget Committee. Budget Committee members Robert Norman and Dale Peck have identified areas in the Budget that were historically underutilized and reduced funding to those areas. Director Norman stated that they recognize this may lead to the need for Budget

Transfers from Contingency should actual expenses warrant additional funds. One line item that was reduced in the Budget was the Health Reimbursement Arrangement (HRA) based on underutilization. After discussion by the Board, it was agreed that the Budget would include the full HRA amount. It was noted that Distribution Construction expenses were moved from the Operating Budget to the Non-Operating Budget. The Board reviewed Summary Page 1 of the Budget Worksheet, presenting three Operating Loss/Gain scenarios including Current and Future Debt Service Expense, and Current Rates/Rate Increase Revenues. The Depreciation amount being used for the Budget was identified in the FY2012 Audit. Manager Tooker presented a Memo (12/5/13 File, 2014 Memos, 2014 Budget) to the Board including two Cost of Service Analysis Summaries to identify the calculation of a Base Rate with Current and Future Debt, and a proposed Water Rate Structure that would generate an additional \$545,421 of annual Water Revenue in 2014. The objectives of the Water Rate Increase are: 1) Position the District to begin to fund the MF/UF Project Debt Service; 2) Continue to collect Depreciation Expense in Water Rates; 3) Take a multiple year approach in systematically increasing rates conservatively; and 4) Encourage reduced water usage by increased block rates. Director Genova moved that, based on the Cost of Service Analysis presented, to adopt the District's 2014 Water Rates effective December 31, 2013 to be:

- Base Rate increase from \$17.50 to \$19.50 = (\$2.00 increase)
- Tier 1 - 3,000 to 10,000 gal - Increase from \$2.50 to \$2.60/1,000 gallons (\$0.10 increase)
- Tier 2 – 10,000 to 18,000 gal – Increase from \$3.35 to \$3.60/1,000 gallons (\$0.25 increase)
- Tier 3 – 18,000 gal + - Increase from \$4.50 to \$5.50/ 1,000 gallons (\$1.00 increase)

These water rates will be calculated for outgoing Bills beginning on February 1, 2014. The \$2.50 per unit System Investment Fee will continue to same for 2014. Director Burger seconded and the motion passed unanimously. Manager Tooker presented a Memo (12/5/13 File, 2014 Memos, 2014 Budget) summarizing Wage and Benefit Recommendations included in the Draft 2014 Budget. There were no changes identified by the Board. It was noted that Budget Adoption is scheduled for the December 10, 2013 Special Board Meeting.

NEW BUSINESS

Grand Valley Irrigation Company – Manager Tooker reported that Staff will attend the Grand Valley Irrigation Company Annual Auction, and the District has \$10,000 budgeted for the purchase of available shares.

Budget Transfer for Vehicle Expense - Manager Tooker presented a Staff Report (12/15/13 File, 2013 Staff Reports) summarizing the unexpected repairs to the District's 2002 Case Backhoe that necessitate a Budget Transfer. Director Genova moved to authorize a Budget Transfer of \$15,000 from Contingency to Distribution Vehicle expense as presented. Director Norman seconded and the motion passed unanimously.

January, 2014 Regular Meeting – Due to the proximity of the New Year's Day holiday to the regular meeting day of the Board, Director Genova moved to conduct the January, 2014 Regular Board Meeting on January 9, 2014 instead of January 2, 2014. Director Burger seconded and the motion passed unanimously.

PERSONNEL

Manager's Evaluation – By consensus, the Board tabled this Agenda Item to the December 10, 2013 Special Meeting.

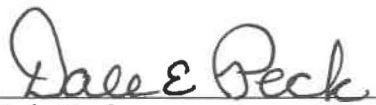
ADJOURNMENT

Director Burger moved to adjourn the December 5, 2013 Regular Meeting. Director Peck seconded and the motion passed. The meeting was adjourned at 7:45 p.m.

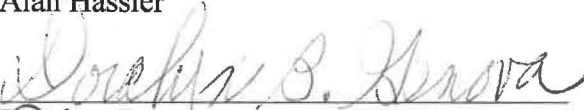
ATTEST:



Alan Hassler



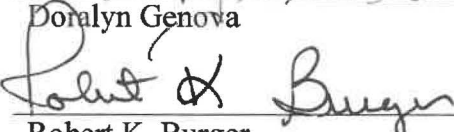
Dale Peck



Doralyn Genova



Robert Norman



Robert K. Burger

**MINUTES OF BOARD OF DIRECTORS SPECIAL MEETING
CLIFTON WATER DISTRICT
TUESDAY, DECEMBER 10, 2013**

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

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

GUESTS: Slade Connell, Mark Ritterbush

SPECIAL MEETING

Chairman Hassler called the December 10, 2013 Special Meeting to order at 5:00 p.m.

CLOUD SEEDING

Guests Slade Connell and Mark Ritterbush, representing the Water Enhancement Authority, presented information on their cloud seeding program operated on the Grand Mesa via a Colorado Water Conservation Board permit. The purpose of the program is to increase water runoff for water supplies. The program's operations, budget, and financial supporters were summarized. The Board thanked Connell and Ritterbush for their presentation.

UNFINISHED BUSINESS

Project 2008-02 MF/UF Final Design Agreement - The Project 2008-02 MF/UF 40% Design Build Contract with Carollo Design Build Group, and the Carollo Design Build Scope of Services for the project (12-10-13 File, Project 2008-02 MF/UF File) were presented by Manager Tooker. The District's legal counsel prepared the contract. Director Genova moved to approve the Design/Build Contract for Project 2008-02 MF/UF 40% Design Services. Director Norman seconded the motion. Discussion followed regarding ownership of the work to be completed, additional assurances needed in the contract referencing the Request for Proposals for Design/Build, exit clauses, guaranteed maximum price, and the need to complete the membrane manufacturer selection.

Manager Tooker reported that a Budget Transfer will be necessary to fund this project. Director Peck moved to authorize a Budget Transfer from Contingency to Project 2008-02 MF/UF Engineering Services in the amount of \$427,947.00. Director Burger seconded and the motion passed unanimously.

Discussion continued regarding the 40% Design Build Contract, and a review of the requested contract edits. Director Genova moved to amend the motion approving the contract, to include authorization for Manager Tooker to negotiate all contract modifications discussed today, and authorizing the Chairman to sign the contract following Carollo Design Group review. Director Peck seconded and the motion passed unanimously.

Project 2008-02 MF/UF State Revolving Loan Fund Application – Manager Tooker advised the Board that a Public Hearing is required for the State Revolving Loan Fund Application process, to solicit and receive public input regarding Project 2008-02 MF/UF. A Legal Notice must be published at least 30 days in advance. Director Genova moved to set a Public Hearing for Thursday, February 6, 2014 at 5:00 p.m. for the purpose of informing citizens and soliciting public input regarding the Clifton Water District Water Treatment Plant and Preliminary Engineering Report for Project 2008-02. Director Burger seconded and the motion passed unanimously.

2014 Budget – Manager Tooker presented the 2014 Budget Explanation, 2014 Budget Worksheets, Resolution Appropriating Funds for 2014, and Memo identifying the 2013 assessed valuation of the District; and the dollars being received from mill levy as \$0. *(All documents in 2014 Budget File, 12/10/13 Meeting File).* It was noted that the Budget includes \$16 million in revenue requested from the State Revolving Loan Fund for Project 2008-02 MF/UF, however, not all of those funds will be expended in 2014 due to the duration of the project. Two Operating Expense items; storage tank repairs and a cooperative project with the Clifton Sanitation District have been added to the Budget since it was last reviewed by the Board. The full amount of the HRA Expense was added back into the Budget based on Board input at the December 5, 2013 Regular Meeting.

Director Genova moved to adopt the 2014 Budget as presented. Director Burger seconded the motion. Director Hassler suggested that Manager Tooker consult with the District's auditors regarding the Beginning Balance adopted herein not including the Budget Transfer amount of \$427,940 approved earlier in this meeting, and possibly amend the 2014 Budget at the January meeting if deemed appropriate. The motion to adopt the 2014 Budget passed unanimously.

Director Norman moved to adopt the Appropriation Resolution of the Clifton Water District Board of Directors Acting By and Through Its Water Activity Enterprise For the 2014 Budget Year; and further resolve that there is appropriated from the funds of the District Acting By and Through its Water Activity Enterprise, Twenty Nine Million Two Hundred Nineteen Thousand Two Hundred and Eighty Seven Dollars (\$29,219,287) for the general expenses of the DISTRICT, and that this appropriation be a continuing appropriation whether said funds be expended during 2014 or thereafter. Director Burger seconded and the motion passed unanimously.

Resolution Text inserted as follows:

**APPROPRIATION RESOLUTION OF THE CLIFTON WATER DISTRICT BOARD OF DIRECTORS
ACTING BY AND THROUGH ITS WATER ACTIVITY ENTERPRISE FOR THE
2014 BUDGET YEAR**

A resolution appropriating sums of money to the various accounts, in the amounts and for the purposes as set forth below, for the Clifton Water District Acting By and Through its Water Activity Enterprise, Mesa County, Colorado, for the 2014 Budget Year.

WHEREAS, the Directors have adopted the annual Budget for 2014 in accordance with the Local Government Budget Law, on the 10th day of December, 2013, and;

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

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

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

ESTIMATED BEGINNING BALANCE	\$6,718,415
<u>ESTIMATED EXPENDITURES</u>	
Operating Expenses	
Source of Supply	\$24,532
Water Treatment	\$993,012
Transmission & Distribution	\$628,705
General & Administrative	\$315,657
Labor Expenses	\$1,883,481
<i>Total Operating Expenses</i>	<i>\$3,845,388</i>
Nonoperating Expenses	
Capital Expenses	\$17,892,350
Bond Principal & Interest	\$1,312,725
Emergency Fund	\$1,086,888
Reserve Fund	\$436,000
Contingency	\$4,645,936
<i>Total Nonoperating Expenses</i>	<i>\$25,373,899</i>
TOTAL ESTIMATED EXPENDITURES	\$29,219,287
<u>ESTIMATED REVENUES</u>	
Operating Revenue	
Sale of Water	\$5,380,251
System Fees	\$411,780
Sanitation District	\$36,680
Penalty and Fees	\$76,620
Turn Fees	\$102,600
<i>Total Operating Revenue</i>	<i>\$6,007,931</i>
Nonoperating Revenue	
Plant Investment Fees	\$375,000
Main Line Extension Fees	\$6,000
Disposal of Assets	\$5,000
Availability of Service	\$39,900
Interest	\$52,800
Bond/Grant Proceeds	\$16,000,000
Property Taxes	\$0
Lease Income	\$8,640
Construction Reimbursements	\$0
Tap Installation	\$1,600
Miscellaneous	\$4,000
<i>Total Nonoperating Revenue</i>	<i>\$16,492,940</i>
TOTAL ESTIMATED REVENUE	\$22,500,871
Estimated From Reserves	\$6,718,415
TOTAL FUNDS AVAILABLE	\$29,219,287
ESTIMATED ENDING BALANCE	\$0

IT IS FURTHER RESOLVED, that there is appropriated from the funds of the District Acting By and Through its Water Activity Enterprise, Twenty Nine Million Two Hundred Nineteen Thousand Two Hundred and Eighty Seven Dollars (\$29,219,287) for the general expenses of the DISTRICT, and that this appropriation be a continuing appropriation whether said funds be expended during 2014 or thereafter.

I hereby certify the forgoing is a true copy of a Resolution adopted by the Board of Directors of the Clifton Water District Acting By and Through its Water Activity Enterprise at the Regular Board of Directors Meeting held on December 10, 2013.

PERSONNEL

Manager's Evaluation – Manager Tooker excused himself from the room to attend to some items in his office.


- David Reinertsen and Kelly McLaughlin exited the meeting at 7:05 p.m.

The Board reviewed the Manager's performance during 2013. Manager Tooker returned to the meeting, and consented to continuing the meeting as a public meeting. The Board of Directors agreed that the Manager exhibits good leadership, appears to be supervising quite well, and continues to delegate. The delegation, supervision, and training factors were discussed in relation to the need for succession planning. Communication was noted as enthusiastic and informative, and that it demonstrated the Manger's extensive, detailed knowledge of the Plant and all operations. With regard to customer service, the Board believes the District needs to find ways to soften some of its approaches in process and procedure. Examples given include availability of arearage information for buyers, lenders, and others interested in the property. A balance must be found between strict interpretation of the red flag rules, and reasonably releasing information. Also discussed was seeking smoother and easier ways to document transfer of taps and responsible party information. As a similar matter, the Manager offered up the Policy regarding access to meter pits, compared to other water providers and whether or not the current Policy is legally and practically necessary. The Board discussed budget, responsibility of the position, and area market for the position. Director Genova moved to grant Mr. Tooker a raise to \$100,000 per year, commencing January 1, 2014. Director Peck seconded the motion and the motion passed unanimously. It was noted that the current and the adopted 2014 budget provide sufficient funding for this salary increase.


ADJOURNMENT

Director Genova moved to adjourn the meeting. Director Burger seconded the motion and the motion passed unanimously. The December 10, 2013 Special Meeting was adjourned at 8:05 p.m.

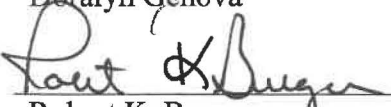
ATTEST:




Alan Hassler



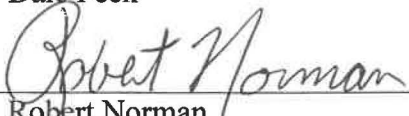
Daralyn Genova



Robert K. Burger



Dale Peck



Robert Norman