

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, JANUARY 3, 2008**

BOARD MEMBERS PRESENT: John Ballagh, Chairman; Doralyn Genova, Vice-Chairman; Paul Teal, Treasurer; Robert Burger, Secretary; Brian Woods, Assistant Secretary

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen; Laure Watkins

REGULAR MEETING

Chairman Ballagh called the regular Board meeting to order at 5:08 p.m. and asked if there were any changes to the Agenda. Manager Tooker noted that two items were added to the agenda.

Director Woods was not present.

MINUTES OF THE DECEMBER 4, 2007 BOARD MEETING

Director Genova moved to accept the minutes of the December 4, 2007, Board Meeting with changes as shown below:

Public Meetings

- A (1) 2008 Budget Public Hearing - ...No public participants were present and **no written comments had been received, therefore,** the public hearing concluded at 5:01 p.m.
- A (2) Petition of Inclusion submitted by William and Sandra Heley - ...No public participants were present **and no written comments had been received, therefore,** the public hearing concluded at 5:17 p.m.

Staff Reports

- F (3) Energy Impact Grant – Update - ...Manager Tooker stated that based on information he obtained, the District could receive the full grant funds from the Department of Local Affairs Energy Impact Grant without jeopardizing the District's Enterprise status **because tap fees meet the definition of revenue, thus increasing total revenue for the year.** ...

Unfinished Business

- H (1) ...Director Genova moved for a continuation of the inclusion request for remaining parcels, 2943-022-00-008 and 2943-022-00-007, ~~until~~ **once** the easement matter has been resolved to the District's approval....
- H (3) Director Teal moved to adopt the 2008 Budget and appropriate funds for 2008 by approving **the** Appropriation Resolution of the Clifton Water District Board of Directors Acting By and Through Its Water Activity Enterprise For The 2008 Budget Year,

Director Teal seconded and the motion passed unanimously.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Teal moved to accept the financial report as presented and approve expenditures of \$207,892.86 plus \$54,365.00 on the supplemental statement, for a total of \$262,257.86. Director Genova seconded and the motion passed unanimously.

As requested by the Board at the December 2007 Board meeting, Manager Tooker presented a Bank Charge Recap report (*File 1/3/08*) and reviewed the report with the Board.

STAFF REPORTS

Water Issues – Colorado River Basin Proposal Update - Manager Tooker briefed the Board regarding the progress of the Colorado River Basin Proposal.

EXPRESS AGENDA

The Board reviewed the Express Agenda and pulled *Project 2007-02 I-70 / Highline Canal Bore – Update* to be discussed as unfinished business, and accepted the following items as presented:

Project 2006-01 South Finished Water Storage Tank – Update – Contractor personnel completed final closeout items associated with the tank interior. District staff has flushed all pipelines and have begun filling the tank for final water quality testing and evaluations. Remaining contractor closeout items are scheduled for completion the week of January 7, 2008. Final payment request is anticipated at the February 2008 Board meeting.

Utility Payment Processing Beta Testing - Update – Staff has stopped Electronic Payment Processing and has returned to the manual entry of payments. It was determined that the Electronic Payment Processing method was 2 to 3 times slower than manual entry. In addition, other benefits provided by electronically processing the payments were not sufficient to continue the beta test. Staff will be producing a full report of the evaluation for Board review.

Major Capital Improvement Plan (MCIP 2007-2012) Public Information Meeting – At the December 4, 2007 Board meeting, the Board of Directors set Thursday, January 24, 2008, as the date to conduct a public informational meeting to keep District customers apprised of the District's capital improvements planned for the next five year. Staff will establish a time and location for the public meeting and notify the Board.

UNFINISHED BUSINESS

Inclusion Request – William and Sandra Heley (Tax Parcels 2943-022-00-007, 2943-022-00-024 2943-021-00-008, 2943-021-00-010) – Assistant Manager Reinertsen reported that District's negotiations with the Heleys to acquire a waterline easement through their property were successful. The District has secured the easement and staff recommended approval of the Heley's inclusion request.

Director Teal moved to approve the Heley's Inclusion Request for parcels 2943-022-00-007 and 2943-022-00-024, for inclusion into the District's service boundary and noted that the District has received the appropriate petition for inclusion, a public hearing was held, and the District benefits from the inclusion of this property by having an adjacent extension of the District, which will allow for a looped distribution system for future water service in this area. Director Genova seconded and the motion passed unanimously. The Board also directed staff to submit and file the appropriate paperwork as it pertains to this inclusion.

Personnel Policy – Manager Tooker presented a redlined copy of the Personnel Policy – Section 8 (Compensation) (*File 1/3/08 and Personnel Policy*) for Board review. Director Genova moved to incorporate the revisions into the Personnel Policy Manual as approved by the Board at the December 4, 2007, Board meeting. Director Teal seconded and the motion passed unanimously.

Director Woods arrived at 6:00 p.m.

2008 Wage and Benefit – Manager Tooker presented wage and benefit recommendations as reviewed with the Personnel Committee. Director Woods moved to have the District fund \$1,500 into individual employee 125 flexible spending accounts within the guidelines defined by a 3rd Party Administrator. Director Teal seconded. Action on this motion was deferred and at the Board’s request Staff will provide additional information at the February Board Meeting.

Project 2007-02 I-70 / Highline Canal Bore – A Staff Report (*File 1/3/08, Staff Reports and Project 2007-02 I-70 / Highline Canal Bore*) detailing the construction bid award recommendations for Project 2007-02 was presented and reviewed with the Board. Director Teal moved to award the construction contract for Project 2007-02 I-70 / Highline Canal Bore to Palisade Constructors Inc, in the amount of \$317,211.75 and prepare the necessary documents to complete the bid contract. The Board also authorized staff to return the cashiers check accompanying the withdrawn bid from JDS Infrastructure, without penalty. Director Burger seconded and the motion passed unanimously.

NEW BUSINESS

Designation of Time, Place and Posting of Meetings – A Resolution (*File 1/3/08 and Resolutions*) designating the meeting time, place and 24-hour posting location was presented and reviewed. Director Genova moved to approve the *Resolution Designating Meeting Time, Place and 24-Hour Posting Location*. Director Teal seconded and the motion passed unanimously.

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 #2 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 2008.

2008 Workers Compensation Renewal – A Staff Report (*File 1/3/08, Staff Reports and Home Loan*) was presented to the Board detailing the search for competitive quotes from Workers’ Compensation Insurance providers through the District’s insurance agent, Home Loan and Investment. Director Genova moved to accept the Colorado Special Districts Property and Liability Pool Workers Compensation proposal in the amount \$17,304.16 and authorize signature of the payment to be issued to Colorado Special Districts Property and Liability Pool. Director Burger seconded and the motion passed unanimously.

2008 Availability of Service Charge Resolution – A Staff Report (*File 1/3/08, Staff Reports and Availability of Service Charge*) was presented for Board review. Director Teal moved to approve the *Resolution for the Availability of Service Charge 2008* which establishes the In-District Availability of Service Charge for the 2008 Fiscal Year to 50% of the In-District average water bill in 2007, which equals \$10.40 per month per customer and the Out-of-District Availability of Service Charge for the 2008 Fiscal Year to 43.9% of the Out-of-District average water bill in 2007, which equals \$15.60 per month per customer. Director Genova seconded and the motion passed unanimously.

RESOLUTION FOR THE AVAILABILITY OF SERVICE CHARGE FOR 2008

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 2008 Fiscal Year the District has indebtedness for Water Revenue Bonds and;

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

WHEREAS, in 2007 the average water usage charge for a Clifton Water District In-District customer was \$20.80/month per tap.

WHEREAS, in 2007 the average water usage charge for a Clifton Water District Out-of-District customer was \$35.52/month per tap.

NOW THEREFORE BE IT RESOLVED, that the Clifton Water District Board of Directors establish the In-District Availability of Service Charge for the 2008 Fiscal Year to 50% of the In-District average water bill in 2007, which equals \$10.40 per month per customer and the Out-of-District Availability of Service Charge for the 2008 Fiscal Year to 43.9% of the Out-of-District average water bill in 2007, which equals \$15.60 per month per customer.

Policy #410 Plant Investment Fees – Implementation for a projected hotel – Manager Tooker informed the Board that a hotel is projected for construction near the Central Distributing facility and verified with the Board that fee calculations as set in Policy #410 will apply to this type of user. Information only no Board action required.

Colorado River Water Users Association 2007 Annual Conference Briefing – Director Woods, Manager Tooker and Assistant Manager Reinertsen briefed the Board on the events of the Colorado River Water Users Association Conference held in Las Vegas, on December 12th – 14th, 2007.

City of Fruita Water Rights – The Board expressed interest in exploring the lease of Fruita Reservoir water rights that are currently held by the City of Fruita. Staff was directed to contact the appropriate authorities to obtain information about the water rights and report back to the Board.

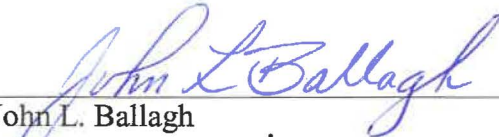
PERSONNEL ITEM

Staffing Restructure – Manager Tooker reported that Dennis Carlson is serving as the interim Plant Superintendent and that Randy Douady, Distribution Tech, is temporarily cross training in the plant to assist with daily plant maintenance operations. In-house pipeline Construction projects in the Distribution Department have been delayed until a new construction crew is formed.

ADJOURNMENT

By mutual consent the regular meeting adjourned at 7:30 p.m.

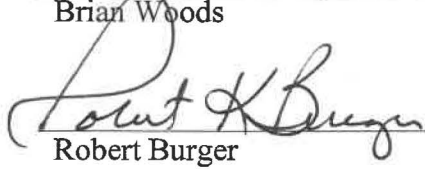
ATTEST:



John L. Ballagh



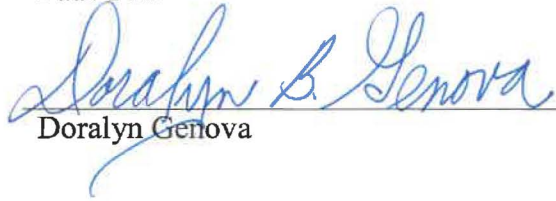
Brian Woods



Robert Burger

Excused

Paul Teal



Doralyn Genova

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, FEBRUARY 7, 2008**

BOARD MEMBERS PRESENT: John Ballagh, Chairman; Doralyn Genova, Vice-Chairman; Robert Burger, Secretary; Brian Woods, Assistant Secretary

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen; Laure Watkins

REGULAR MEETING

Chairman Ballagh called the regular Board meeting to order at 5:00 p.m. and asked if there were any changes to the Agenda. There were no changes or additions noted.

Director Teal was excused from this meeting as he was out of town.

MINUTES OF THE JANUARY 3, 2008 BOARD MEETING

Director Genova moved to accept the minutes of the January 3, 2008, Board Meeting, without changes. Director Woods seconded and the motion passed unanimously.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Woods moved to accept the financial report as presented and approve expenditures of \$311,518.05 plus \$9,273.36 on the supplemental statement, for a total of \$320,791.41. Director Genova seconded and the motion passed unanimously.

STAFF REPORTS

Utility Payment Processing Beta Test - Manager Tooker presented a Staff Report (*File 2/7/08, 2008 Staff Reports, and American National Bank Beta Testing*) that outlined the results of the Electronic Payment Beta Testing. In summary, Manager Tooker reported that the District has discontinued this payment processing method because it increased payment processing time and showed no measurable customer service or financial management efficiencies.

Credit Card Payments – Manager Tooker presented a Staff Report (*File 2/7/08 and 2008 Staff Reports*) outlining the utilization of credit card payments received by the District over a four-year period and noted that the District currently does not have a policy that allows the District to recover costs associated with this payment method. The Board directed staff to work with the Policy and Standards Committee to analyze the benefits and costs of this payment method and report back to the Board.

EXPRESS AGENDA

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

Project 2007-01 I-70/Highline Canal Main Line Upgrade - Update – The Contractor, Palisade Constructors Inc., mobilized equipment and materials on January 24, 2008. The boring subcontractor has completed the Highline Canal bore and is scheduled to perform the I-70 bore the week of February 4th, weather permitting.

Major Capital Improvement Plan (MCIP 2007-2012) Public Information Meeting – A public informational meeting was held on Thursday, January 24, 2008, from 4:00 to 7:00 p.m., at the Clifton Hall, for the purpose of presenting the District's MCIP 2007-2012. Board and Staff members were available to answer questions from the public.

American Public Works Association Project of the Year Award – The District's Plant Optimization Phase II project was recently awarded the "Public Works Project of the Year-Water Treatment and Distribution-Medium Community" by the Colorado Chapter of the American Public Works Association (APWA).

Network Security Audit – Secure Network Systems, LLC (SNS), performed an internal Vulnerability Assessment of the District's computer network and SCADA systems on January 10, 2008, and an external assessment audit on January 19, 2008. The audit results indicate "the District's security posture for cyber/SCADA has improved significantly since the previous assessment (May 2004) and no High Vulnerabilities were discovered." Staff continues evaluation of recommendations presented in the final report submitted by SNS.

UNFINISHED BUSINESS

Inclusion Request – William and Sandra Heley - Resolution – A *Resolution to Include the Heley Private Property* (File Resolutions and Inclusion 2007 - Heley) was presented for Board approval and signature. Director Genova moved to adopt the *Resolution to Include the Heley Private Property*. Director Burger seconded and the motion passed unanimously. The Board also signed the *Certificate of Inclusion*.

RESOLUTION TO INCLUDE THE HELEY PRIVATE PROPERTY

WHEREAS on October 24, 2007, William and Sandra A. Heley, petitioned the Clifton Water District Board of Directors to include property within the boundaries of the Clifton Water District generally described as follows:

Tax Parcel:	2943-022-00-007
Description:	THAT PT SE4NW4 SEC 2 1S 1E N OF M C CNL + S OF I-70 EXC FOR GOV HILINE CNL ROW.
Tax Parcel:	2943-022-00-024
Description:	SE4NW4 SEC 2 1S 1E N OF GOVT HILI CNL + S OF MESA CO CNL EXCLUDED BY CLIFTON SAN DIST NO 2 FILED 6724 & EXC CNL ROW AS DESC IN B-1943 P-720/724 MESA CO RECORDS.

WHEREAS said owner desires domestic water service from the Clifton Water District, and,

WHEREAS the Board of Directors of the Clifton Water District has determined that it is in the District's best interest to include the stated property within the District's boundaries as it benefits the District by having an adjacent extension of the District, which will allow for a looped distribution system for future water service in this area.

NOW THEREFORE BE IT RESOLVED that the Clifton Water District Board of Director's approve the inclusion of the said property as described above, adopt the Order dated January 3, 2008, and authorize the Secretary and President of the Board to sign the Certificate of Inclusion and Order dated January 3, 2008.

Project 2006-01 South Finished Water Storage Tank – Authorize Final Payment Process – Assistant Manager Reinertsen reported that substantial completion of this project is anticipated for January 21, 2008, and requested Board authorization to proceed with the final payment process. Director Woods moved to authorize staff to proceed with the final payment process for Project 2006-01. Director Burger seconded and the motion passed unanimously.

2008 Wage and Benefits – Manager Tooker presented a Staff Report (*File 2/7/08 and 2008 Staff Reports*) describing Flexible Spending Account (FSA) vs. Health Reimbursement Account (HRA) and reported that the Personnel Committee had developed a plan to provide employees with dental and vision benefits. The Board established that the District will contribute \$1,000/year per employee into an HRA and authorized Staff to initiate a Health Reimbursement Account (HRA) contract with a third party administrator which defines details as specified by the Board. Staff will present the contract for review and approval at the March 6, 2008 Board meeting.

The Board also requested that Staff bring the personnel policy section addressing Sick Leave/Disability Leave to the Board for review and discussion.

City of Fruita Water Rights – Manager Tooker provided the Board with a verbal report of the information he obtained concerning the City of Fruita's lease of water from Glade Park. The Board directed Manager Tooker to continue researching the water rights lease and document the progression of events.

NEW BUSINESS

Audit Engagement Letter – Manager Tooker presented the Audit Engagement Letter (*File 2/7/08 and 2007 Audit*) from Mary Brenes, CPA, for Board approval and signature. Director Woods moved to accept the Audit Engagement Letter and authorized Director Ballagh to sign the letter. Director Burger seconded and the motion passed unanimously.

Fund and Wire Transfer Authorizations – Manager Tooker presented Fund and Wire Transfer Authorizations to the Board for approval and signature. Director Burger moved to approve and sign the Fund and Wire Transfer Authorizations for Palisades National Bank, American National Bank and Alpine Bank. Director Genova seconded and the motion passed unanimously.

Election 2008 – Appoint Designated Election Official for May 6, 2008, Election – Director Burger moved to appoint Assistant Manager Reinertsen as the designated election official for the May 6, 2008 Election and authorize the Board to sign the *Certificate of Appointment of Designated Election Official* (*File 2/7/08 and Election 2008*). Director Genova seconded and the motion passed unanimously.

CERTIFICATE OF APPOINTMENT OF DESIGNATED ELECTION OFFICIAL

THIS IS TO CERTIFY, that we have this day appointed, and do hereby appoint David A. Reinertsen as designated election official for the purposes of conducting our special district regular biennial election on May 6, 2008. The appointment includes the authority to act on behalf of the board of directors in planning and implementing the duties required in the success of an election. The designated election official will, with integrity and transparency, and according to law, conduct an election for the Clifton Water District, County of Mesa, State of Colorado. The designated election official has full power and authority to act in

an official capacity prior to, during, and until the results of the May 6, 2008 regular biennial election results are certified, unless this appointment should be sooner extended or revoked by resolution.

WITNESS our hand and seal this 7th day of February, 2008.

Director Genova moved to approve the *2008 Clifton Water District Election Resolution (File Resolutions and Election 2008)* and authorized the Board secretary to sign the resolution. Director Woods seconded and the motion passed unanimously.

2008 CLIFTON WATER DISTRICT ELECTION RESOLUTION

WHEREAS, the term of office of Directors Woods, Burger, and Teal shall expire after their successors are elected at the *regular* Special District election to be held on May 6, 2008 and take office; and

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

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

1. The regular election of the eligible electors of District shall be held on May 6, 2008, between the hours of 7:00 A.M. and 7:00 P.M. pursuant to and in accordance with the Act, Code, and other applicable laws. At that time, two Directors will be elected to serve a *four*-year term and one Director will be elected to serve a *two*-year term.
2. David A. Reinertsen shall be appointed as the Designated Election Official on behalf of District and is hereby authorized and directed to proceed with any action necessary or appropriate to effectuate the provisions of this Resolution and of the Act, Code, or other applicable laws. The Election shall be conducted in accordance with the Act, Code, and other applicable laws. Among other matters, the Designated Election Official shall appoint election judges as necessary, appoint the Board of Canvassers, arrange for the required notices of election (either by mail or publication) and printing of ballots, and direct that all other appropriate actions be accomplished. The appointed person shall be appointed by the board and swear or affirm an oath of office. This document will be submitted to the board as an official part of the election record. Exhibit A
3. One (1) walk-in voting place is established as set forth below:

David A. Reinertsen, DEO
Clifton Water District Business Office
510 34 Road
Clifton, CO 81520
District Office Telephone Number (970) 434-7328
District Office Facsimile (970) 434-7338
dreinertsen@cliftonwaterdistrict.com
Office Hours: 8:00 AM to 5:00 PM, Monday through Friday – walk-in voting place will be open on election day between 7:00 am and 7:00 pm.
4. Applications for mail-in ballots may be filed with the Designated Election Official at 510 34 Road, Clifton, CO 81520, not earlier than January 1, 2008, nor later than 5:00 P.M. on May 2, 2008.
5. Self Nomination and Acceptance petitions are available at the Designated Election Official's office located at the above address. All candidates must file a nomination petition with the Designated Election Official no later than 3:00 P.M. on **February 29, 2008**. A person who misses this deadline, but wishes to be a write-in candidate for office, shall file an affidavit of intent with the Designated Election Official no later than 5:00 P.M. on **March 3, 2008**.
6. If the only matter before the electors is the election of persons to office, and if at the close of business on **March 4, 2008**, there are not more candidates than offices to be filled at the election, including candidates filing affidavits of intent to be a write-in, the Designated Election Official shall cancel the Election and by Resolution declare the candidates elected. Notice of such cancellation shall be published and posted in accordance with the Code.
7. Severability. If any part or provision of this Resolution is adjudged to be unenforceable or invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this Resolution, it being the Board's intention that the various provisions hereof are severable.
8. Repealer. All acts, orders, and resolutions, or parts thereof, of the Board which are inconsistent or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict.

9. Effective Date. The provisions of this Resolution shall take effect immediately.

ADOPTED AND APPROVED this 7th day of February, 2008.

Board Member Recruitment – Assistant Manager Reinertsen informed the Board that there are three potential openings on the Board of Directors and the deadline to submit Self-Nomination forms is Friday, February 29, 2008.

The Board also directed staff to research alternative precinct locations and work with the other local special districts to perform a combined election.

PERSONNEL


Manager Tooker presented a request for temporary disability leave from employee Dave Larsen. Manager Tooker reviewed the District’s policy with the Board of Directors as it pertains to this request. Director Genova moved to grant Dave Larsen’s request for temporary disability leave. Director Burger seconded and the motion passed unanimously.

Manager Tooker conveyed to the Board that he had been selected as a nominee to serve on the American Water Works Association (AWWA) Board of Directors. Information only.

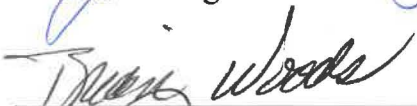
ADJOURNMENT

By mutual consent the regular meeting adjourned at 7:30 p.m.

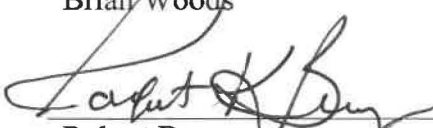
ATTEST:



John L. Ballagh




Brian Woods



Robert Burger

Excused

Paul Teal



Doralyn Genova

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, MARCH 6, 2008**

BOARD MEMBERS PRESENT: John Ballagh, Chairman; Doralyn Genova, Vice-Chairman;
Robert Burger, Secretary; Brian Woods, Assistant
Secretary

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

GUESTS PRESENT: Paul Fischer, Mark Lichtwardt – Burns & McDonnell
Engineering Company
Liza Fulton – FlexMagic Consulting, Inc.

REGULAR MEETING

Chairman Ballagh called the regular Board meeting to order at 5:12 p.m. and asked if there were any changes to the Agenda. Manager Tooker identified an additional item for New Business, 2008 Flood Insurance Status.

Director Teal was excused from this meeting as he was out of state.

GUESTS

Chairman Ballagh introduced Paul Fischer and Mark Lichtwardt of Burns & McDonnell Engineering Company. Mr. Fischer presented the Board with the Colorado Chapter of the American Public Works Association's 2007 Public Works Project of the Year Award for Water Treatment and Distribution - Medium Sized Community. Mr. Fischer and Mr. Lichtwardt exited the meeting at 5:18 p.m.

Chairman Ballagh introduced Liza Fulton of FlexMagic Consulting, Inc. Ms. Fulton reviewed the details and customization options of the Health Reimbursement Arrangement (HRA). FlexMagic Consulting, Inc. will serve as the District's Third Party Administrator for the HRA. Ms. Fulton exited the meeting at 5:52 p.m.

MINUTES OF THE FEBRUARY 7, 2008 BOARD MEETING

Director Genova moved to accept the minutes of the February 7, 2008, Board Meeting, with changes as shown below:

Unfinished Business

2008 Wage and Benefits - ...The Board established that the District will contribute \$1,000/year per employee into ~~an~~ HRA ~~account~~ and authorized Staff to initiate a Health Reimbursement Account (HRA) contract with a third party administrator which defines details as specified by the Board

New Business

Board Member Recruitment - Assistant Manager Reinertsen informed the Board that there are ~~two~~ **three** potential openings on the Board of Directors and the deadline to submit Self-Nomination forms is Friday, February 29, 2008.

Director Burger seconded and the motion passed unanimously.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to accept the financial report as presented and approve expenditures of \$193,434.52 plus \$93,983.58 on the supplemental statement, for a total of \$287,418.10. Director Burger seconded and the motion passed unanimously.

STAFF REPORTS

Water Issues – Colorado River Basin Proposal Update - (File 3/6/08) Manager Tooker briefed the Board regarding the progress of the Colorado River Basin Proposal.

EXPRESS AGENDA

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

Inclusion Request – William and Sandra Heley (Tax Parcels 2943-021-00-008, 2943-022-00-007, 2943-022-00-024, 2943-021-00-010). – Staff submitted the Heley Inclusion packet to the District's Attorney and all the appropriate paperwork has been filed with the District Court and official inclusion is complete.

Project 2007-02 I-70/Highline Canal Bore - Update – The Contractor, Palisade Constructors Inc., has completed installation of the new 16" water line south of the US Government Highline Canal. Work continues on the new water line between the canal and I-70. The boring subcontractor has experienced some difficulties with the I-70 bore, but continues to target completion within the contract time frames of March 27, 2008.

Environmental Protection Agency Risk Management Plan Inspection – (File 3/6/08) The District received notice from the USEPA that the October 30, 2007 onsite audit of the District's Risk Management Plan (RMP) identified no compliance deficiencies and the inspection process is considered 'closed'.

United Way Award – Edison Award – Staff members, Violet Church, Karen Renner and Todd Desmarais, accepted the Edison Award on behalf of the District at the United Way of Mesa County community recognition luncheon held on February 27, 2008. The Edison Award recognizes businesses that participated in workplace campaigns that utilized innovative and creative techniques to raise funds for United Way. This year's District campaign committee members, Violet Church, Karen Renner and Todd Desmarais, used a Pirate themed workplace campaign in which District employees raised over \$1,600 for the United Way 2008 fundraising campaign.

UNFINISHED BUSINESS

Project 2006-01 South Finished Water Storage Tank – Final Payment – Assistant Manager Reinertsen explained the outstanding items that require attention before a Final Payment

recommendation to the Board can be made. It was the consensus of the Board to advertise for Final Payment as soon as staff receives the required project closeout documentation from Burns & McDonnell. Additionally, the Board directed staff to proceed with issuance of a check for final payment as soon as the required advertising period is complete.

Election 2008 – The District’s Designated Election Official (DEO), Assistant Manager Reinertsen, cancelled the May 6, 2008 District Election since there were fewer candidates declared than openings available. DEO Reinertsen will proceed with election cancellation advertising and notifications as required in accordance with the provisions of the Special District Act and the Uniform Election Code of 1992.

2008 Wage and Benefits, Health Reimbursement Arrangement (HRA) – *(File 3/6/08 and 2008 Staff Reports)* Manager Tooker reviewed the Staff Report regarding the HRA and input received earlier during Ms. Fulton’s presentation. Director Woods moved to implement the proposed HRA with the following conditions:

- Effective Date: April 1, 2008
- A \$1,000 limit the first year for full-time employees and \$500 limit the first year for permanent part-time employees.
- Employee eligibility starts the first day of the month following 60 days of employment (same as the employee health insurance eligibility).
- The entire first year amount not expended in 2008 can be rolled over to 2009 for a total cap of \$2,000.
- Eligible reimbursement expenses will be those identified in the I.R.S. Code 213 allowable expenses, excepting any insurance premium cost.
- Authorize the Manager to enter into and sign the required agreements with FlexMagic, Inc. to administer the HRA on behalf of the District.

Director Burger seconded and the motion passed unanimously. It was the consensus of the Board for Staff to identify the budgetary transfers needed to fully fund the adopted HRA for FY2008 for Board action at the Regular Meeting in April.

NEW BUSINESS

House Bill 08-1259 – *(File 3/6/08 and 2008 Staff Reports)* Manager Tooker briefed the Board on the current status of House Bill 08-1259. Information only, no Board action required at this time.

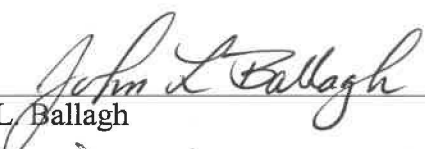
Fireline Request Riverwood Business Park – The Board reviewed a Staff Report pertaining to a property owner request for purchase of a dedicated fire line to a commercial establishment currently under construction. It was the consensus of the Board for staff to work within the existing District Policy and if a policy revision is needed to bring that to the Board at a future date.

2008 Flood Insurance Status – Manager Tooker stated that he was waiting for updated price quotes from Home Loan Insurance for 2008 Flood Insurance and he would provide recommendations at the Regular Meeting in April.


ADJOURNMENT

By mutual consent the regular meeting adjourned at 8:15 p.m.

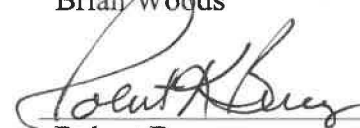
ATTEST:



John L. Ballagh



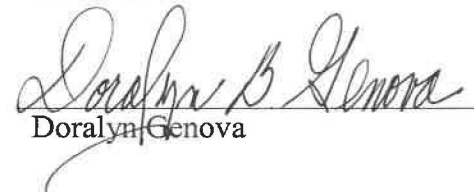
Brian Woods



Robert Burger

Excused

Paul Teal



Doralyn Genova

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, APRIL 3, 2008**

BOARD MEMBERS PRESENT: Doralyn Genova, Vice-Chairman; Robert Burger,
Paul Teal, Treasurer; Secretary; Brian Woods, Assistant
Secretary

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

GUESTS PRESENT: None

REGULAR MEETING

Vice-Chairman Genova called the regular Board meeting to order at 5:10 p.m. and asked if there were any changes to the Agenda. None were noted.

Director Ballagh was excused from this meeting for personal reasons. Director Woods arrived at 5:23 p.m.

MINUTES OF THE MARCH 6, 2008 BOARD MEETING

Director Teal moved to accept the Minutes of the March 6, 2008 Board Meeting as presented. Director Burger seconded and the motion passed.

NEW EMPLOYEES

Administrative Assistant Kelly Balch was introduced and will be taking Minutes of the Board Meetings. Customer Service Representative Susanne Hornback was also introduced.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Teal moved to accept the financial report as presented and approve expenditures of \$146,211.32 plus \$38,110.79 on the supplemental statement, for a total of \$184,322.11. Director Burger seconded and the motion passed.

General discussion ensued regarding the types of financial documents presented by staff and reviewed by the Board to assure that the checks and balances are in place to allow the opportunity for proper review and approval of the District's financial matters.

MANAGER'S REPORTS

The Board reviewed the Manager's Report. *(File 4/3/08)*

STAFF REPORTS

Water Issues – Colorado River Basin Proposal Update - Manager Tooker briefed the Board regarding the progress of the Colorado River Basin Proposal to the Denver Water Board. The Board asked that staff continue to monitor the progress of the proposal and report to the Board as necessary.

Policy and Programs Affecting Employee Retention - Manager Tooker presented a report (*File 4/3/08*), previously requested by the Board, summarizing policies and programs which positively or negatively affect employee retention and recruitment in an increasingly competitive labor market. Board members stated appreciation for Manager Tooker's thorough evaluation.

EXPRESS AGENDA

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

1. Project 2007-02 I-70/Highline Canal Bore - Update – All contract work associated with this project has been completed. A Staff Report is included in this packet recommending Board authorization to issue a Contract Change Order to Palisade Constructors, Inc. to install an additional 1600 lineal feet of 16” transmission line to complete the upgrade/replacement project to the North One Million Gallon Storage Tank.
2. Project 2006-01 South Finished Water Storage Tank – Staff received completion paperwork from Aslan Construction and advertised the Final Settlement in the Daily Sentinel issues of April 1 and April 5. The remaining completion items are to be completed under the warranty provisions of this Contract.
3. Election 2008– The Election 2008 cancellation notice has been published in the Daily Sentinel and all necessary paperwork has been forwarded to the Division of Local Affairs and to the Mesa County Elections Department. Director Woods and Burger will be sworn in to their respective positions at the Regular Board Meeting on June 5, 2008. The remaining “open” board position (two year term) will need to be filled by the Board between the June 5th and August 7th, 2008 Regular Board Meetings.
4. Colorado River Water Conservation District Reception for Dave Merritt – A reception honoring Dave Merritt's 23 year career with the Colorado River Water Conservation District will be held on Tuesday, April 15 from 5:30 to 7:30 p.m. at the Hotel Colorado in Glenwood Springs. A copy of the notice will be available at the meeting. If you would like to attend please let Kelly know by April 7.
5. Grand Valley Irrigation Company Canal Hazards Workshop – A public educational workshop focusing on safety issues and drowning prevention will be provided by the Grand Valley Irrigation Company on Monday, April 14 from 6:00 to 9:00 p.m. at the Ramada Inn at 752 Horizon Drive. A copy of the notice will be available at the meeting. No RSVP is required for this workshop.

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6. Mesa College Career Fair – Dale Tooker, David Reinertsen, Brian Sheley and Ben Hoffman participated in the day long Career Fair on March 27, 2008. The fair was an excellent opportunity to contact prospective employees and to identify the types of employment opportunities the District offers. Well over 100 people visited the District's booth.

UNFINISHED BUSINESS

Health Reimbursement Arrangement (HRA) Budget Transfer Request – Manager Tooker presented a recommendation (*File 4/3/08 and 2008 Staff Reports*) for a budget transfer to fund the Health Reimbursement Arrangement approved by the Board on March 6, 2008.

Director Teal moved to approve a transfer of \$27,160 from Contingency to be distributed in the Health Insurance line items of the General and Administrative, Transmission, Distribution, Water Treatment and Non-Operating Funds. Director Woods seconded and the motion passed unanimously.

Project 2007-02 I-70/Highline Canal Bore – Contract Amount Change Order Request - Assistant Manager Reinertsen presented a project status summary and recommendation (*File 4/3/08 and 2008 Staff Reports*) for installation of an additional 1,600 lf of new 16" water main line. This additional installation will complete the total line replacement/upgrade that was budgeted for FY2008. In order to complete this project in a timely manner, staff recommended issuance of a contract change order under the existing construction contract with Palisade Constructors, Inc. for this work.

Director Teal moved to authorize staff to issue a contract change order for Project #2007-02 – I-70/Highline Canal Bore to Palisade Constructors, Inc. in the amount of \$25,000 to complete the installation of the new 16" water main line. Director Burger seconded and the motion passed unanimously.

2008 Flood Insurance – Director Tooker presented a report (*File 4/3/08 and 2008 Staff Reports*) regarding the costs of obtaining flood insurance to cover District property. The insurance carrier requires coverage to be in place at least 72 hours prior to a loss. Discussion ensued regarding the loss potential and the protection priorities. Staff will evaluate estimated peak flows and flooding potential and act to protect the facilities accordingly.

Director Woods moved to transfer \$12,000 from Contingency to the Insurance line item. Director Burger seconded and the motion passed.

By consensus the Board agreed that Manager Tooker and Assistant Manager Reinertsen have the authority to obtain the flood insurance as needed.

NEW BUSINESS

Water Tank Logo - Director Burger moved to direct staff to explore options for putting the Clifton Water District logo in a visible location on the District's water tanks and to report the options back to the Board. Director Teal seconded and the motion passed.

ADJOURNMENT

By mutual consent the regular meeting adjourned at 7:20 p.m.

ATTEST:

Excused

John L. Ballagh

Brian Woods

Brian Woods

Robert H. Burger

Robert Burger

Paul A. Teal

Paul Teal

Doralyn B. Genova

Doralyn Genova

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, MAY 1, 2008**

BOARD MEMBERS PRESENT: John Ballagh, Chairman; Doralyn Genova, Vice-Chairman;
Paul Teal, Treasurer; Robert Burger, Secretary;
Brian Woods, Assistant Secretary

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

GUESTS PRESENT: None

REGULAR MEETING

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

MINUTES OF THE APRIL 3, 2008 BOARD MEETING

Director Genova moved to approve the Minutes of the April 3, 2008 Board Meeting as presented. Director Teal seconded and the motion passed.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Teal moved to accept the financial reports and accounts payable as presented and approve expenditures of \$116,867.27 plus \$72,087.70 on the supplemental statement for a total of \$188,954.97. Director Genova seconded and the motion passed unanimously.

MANAGER'S REPORTS

The Board reviewed the Manager's Report. *(File 5/1/08)*

STAFF REPORTS

Colorado River Basin Proposal (CRBP) Update – Manager Tooker reviewed recent correspondence *(CRBP File, File 5/1/08)* and meetings between the West Slope parties and the Denver Water Board regarding the Colorado River Basin Proposal. It was the consensus of the Board to have staff develop and present a position paper relating to the CRBP.

Flood Conditions – Manager Tooker reported that spring runoff is currently normal but river flow data will continue to be monitored. In preparation for above normal runoff a Flood Emergency Plan *(Emergency Response Plan File, File 5/1/08)* has been developed. Sand bags have been procured, initial earth work has been placed to protect some facilities, several contractors have been identified for emergency call in and essential equipment and records have been identified for removal if necessary.

Mesa County Whitewater Community Plan - Manager Tooker displayed a map depicting the District's 4800 foot contour line boundary and the County's proposed special improvement district in the Whitewater area. The County's proposal includes areas outside of the District's service boundary previously agreed upon in an Intergovernmental Agreement. The Board directed staff to prepare a report regarding potential exposures to the District related to the County's proposal.

EXPRESS AGENDA

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

1. Project 2006-01 South Finished Water Storage Tank – Final payment was made to Aslan Construction, Inc. on April 16, 2008 in the amount of \$67,816.17. Staff received no inquiries from the Final Payment Advertising that was published in the Daily Sentinel on April 1 and April 5, 2008. This project is complete pending receipt of final As-Constructed drawings from Burns & McDonnell. Staff will provide a final cost recap report at the June 5, 2008 Regular Board Meeting.
2. Request for Qualifications (RFQ) North Raw Water Settling Pond – Staff has placed legal notice advertisements in the Daily Sentinel calling for Request for Qualifications (RFQ) from interested engineering firms for design and construction management services for the North Raw Settling Pond Project #2008-01. Qualification packages are due to the District offices by Tuesday, May 20, 2008. The RFQ short-list will be presented for Board discussion at the June 5, 2008 Regular Board Meeting.
3. 2007 Audit – Mary Brenes was onsite the week of March 17, 2008 to perform the 2007 Audit. Presentation of the Draft 2007 Audit is scheduled for the June Board Meeting.
4. Health Reimbursement Arrangement (HRA) – The Health Reimbursement Arrangement (HRA) has been implemented. All paperwork has been completed and FlexMagic conducted an employee meeting on Tuesday, April 8, 2008. The benefit is well received by Staff.

UNFINISHED BUSINESS

Project 2007-02 I-70 Highline Canal Bore - Assistant Manager Reinertsen reported that this contract is complete and is requesting Board approval to proceed with advertising for Final Payment and if no issues arise, make payment without further Board action.

Director Genova moved to authorize Final Payment to Palisade Constructors Inc. in the amount of \$24,433.40 for the I-70 Highline Canal Bore, Project #2007-02. Director Burger seconded and the motion passed unanimously.

Partnership for Safe Water Award Presentation, Atlanta, Georgia – Manager Tooker informed the Board that the District will be recognized and will receive the Partnership for Safe Water Directors Award at the AWWA Conference in Atlanta, Georgia on June 9, 2008. Manager Tooker asked if a Board member would attend to represent the District. Chairman Ballagh and Director Woods will review their schedules and get back to Manager Tooker.

NEW BUSINESS

2008 General Liability Insurance – Manager Tooker reported that he has not yet received rate quotes from Home Loan for the liability insurance renewal due on May 20, 2008. Home Loan confirmed that coverage would continue until the Board can review the rates at its June 5, 2008 meeting, if necessary. The Board had also previously requested details on bonding coverage by limits, occurrence and aggregate and Manager Tooker summarized the current coverage. Further information will be obtained along with the insurance renewal quotes.

By consensus, the Board agreed that if the insurance quotes are within budget, Manager Tooker is authorized to renew the policy. If the quotes are greater than budgeted, a telephone poll will be conducted. The Board will ratify insurance at the June 5, 2008 meeting.

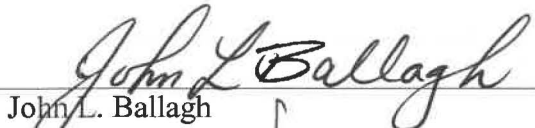
Variance Request for Waiver of Multiple Unit Plant Investment Fee for Eugene Hunt 3146 D ½ Road - Assistant Manager Reinertsen presented a request (*2008 Staff Reports, Customer's File, File 5/1/08*) for waiver of the Plant Investment Fee for a water line to a detached structure on a residential parcel. The property owner has also installed sewer to the detached structure but has stated the structure will not be used as a business or secondary residence. Clifton Water District Policy #420 requires 70% payment of the plant investment fee for multiple units on one property. The use of a Deed Restriction as a condition of approving the variance was discussed.

Director Woods moved to approve the Variance Request for Waiver of a Multiple Unit Plant Investment Fee for Eugene Hunt 3146 D ½ Road with the condition that a deed restriction is placed on the property to limit its use to a single family residence, and to require that a copy of the deed restriction be provided for the file. Director Burger seconded and the motion passed unanimously.

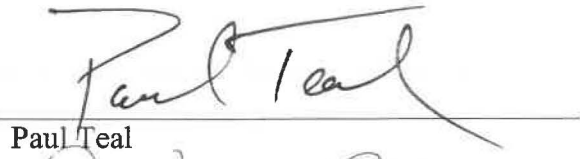
ADJOURNMENT

By mutual consent the regular meeting adjourned at 6:53 p.m.

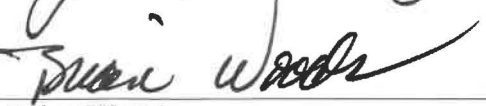
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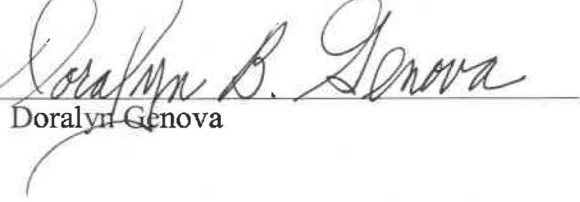
John L. Ballagh



Paul Teal



Brian Woods



Doralyn Genova



Robert Burger

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, JUNE 5, 2008**

BOARD MEMBERS PRESENT: John Ballagh, Chairman; Doralyn Genova, Vice-Chairman;
Paul Teal, Treasurer; Robert Burger, Secretary;
Brian Woods, Assistant Secretary

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

GUESTS PRESENT: None

REGULAR MEETING

Chairman Ballagh called the regular Board meeting to order at 5:04 p.m. No changes to the agenda were requested.

MINUTES OF THE MAY 1, 2008 BOARD MEETING

A second draft of the May 1, 2008 Board Meeting Minutes was presented to the Board replacing the minutes delivered in the Board Packet. Director Woods moved to approve the Minutes of the May 1, 2008 Board Meeting as presented in the second draft. Director Burger seconded and the motion passed unanimously.

OATH OF OFFICE – Chairman Ballagh administered the Oath of Office and installed Robert Burger to the Board of Directors for a four year term, and Brian Woods to the Board of Directors for a two year term. Directors Burger and Woods signed the Oath of Office for each. *(2008 Election File, File 6/5/08)*

The term for Director Teal is now concluded.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

The Board questioned the Cash Flow Report and identified an error in the Report. Manager Tooker will have the report corrected and distributed to the Board at the July meeting. Director Genova moved to accept the financial reports and accounts payable as presented and approve expenditures of \$218,438.53 plus \$98,501.15 on the supplemental statement for a total of \$316,939.68. Director Burger seconded and the motion passed unanimously.

MANAGER'S REPORTS

The Board reviewed the Manager's Report. *(File 6/5/08)*

STAFF REPORTS

2008 Flood Status and Property Tour – Manager Tooker made a PowerPoint presentation showing the current snowmelt runoff forecast along with actual and projected flow rates of the Colorado River at the Cameo and Grand Valley Irrigation monitoring stations. There have been

several peaks in the river flow rates and staff will continue to monitor the data and the District property for any flood preventive actions which may be necessary. A tour of the property followed.

Colorado River Basin Proposal (CRBP) Update – Manager Tooker reported that the next meeting of the Grand Valley interests is scheduled for June 23, 2008 at which time the Colorado River Conservation District will make a presentation and will discuss how to proceed with the negotiations.

EXPRESS AGENDA

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

1. Project 2007-02 – I-70/Highline Canal Bore – Final payment was made to Palisade Constructors Inc. (PCI) on May 29, 2008 in the amount of \$24,433.40. Staff received no inquiries from the Final Payment Advertising that was published in the Daily Sentinel on May 12 and May 21, 2008. Staff did receive an inquiry after the published due date/time from a material supplier for a subcontractor of PCI. PCI has since resolved the payment issue regarding the subcontractor. The project is complete and considered closed out.
2. Variance Request Eugene Hunt 3146 D 1/2 Road – Mr. Hunt has been contacted and informed of the conditions of a “Deed Restriction” that would allow the multiple unit tap. Rich Krohn, the District’s attorney has been contacted and an Agreement will be prepared and will be ready for Mr. Hunt’s signature by June 13, 2008.

UNFINISHED BUSINESS

2008 General Liability Insurance - Manager Tooker reported that the District’s General Liability Insurance has been renewed through Home Loan effective May 21, 2008. The Board directed staff to schedule Jamie Hamilton from Home Loan and Insurance to review the District’s coverage at the August 7, 2008 meeting

2007 Audit – Manager Tooker reported that the 2007 Audit was received on June 5, 2008 and that Staff has not had the opportunity to review the document. The 2007 Audit will be presented for review by the Board at the July 3, 2008 meeting.

Request for Qualifications for North Raw Water Settling Pond - Assistant Manager Reinertsen reported that fifteen packages were sent to requestors and three responses were received. Two of the three responses meet the criteria for consideration. The Board directed staff to interview the three respondents, and present a recommendation to the Board at the July 3, 2008 meeting.

NEW BUSINESS

Board Reorganization - Director Woods moved to retain John Ballagh as the Chairman and Doralyn Genova as the Vice Chairman, and to appoint Brian Woods as Treasurer and Robert Burger as Secretary. Director Genova seconded and the motion passed unanimously.

The Board discussed and decided upon the following committee assignments:

- Ballagh and Woods – Budget Committee
- Ballagh and Woods – Construction Committee
- Genova and Burger – Personnel Committee
- Genova and Burger – Policy and Standards Committee

Out of District Service Request Curt Haskins Parcel #2969-072-00-287 – Assistant Manager Reinertsen presented a request and Staff Report (2008 Staff Reports, File 6/5/08, Out of District Requests) for Out of District service for Parcel #2969-072-00-287 from Mr. Curt Haskins. The parcel is in the Whitewater area and is above the 4800 foot elevation line which is the boundary of service provided by the District.

Director Genova moved to direct Staff to draft a letter to Mr. Haskins explaining the District cannot honor the request at this time due to the Intergovernmental Agreement with Mesa County establishing the 4800 foot contour boundary. Director Burger seconded and the motion passed unanimously.

Vacant Board Member Position - The Board discussed potential candidates to fill the vacant Board position. The Board will take the time until the next Board Meeting to develop a candidate list for consideration.

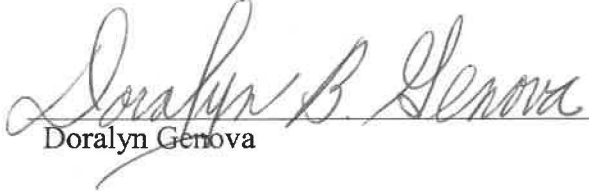
ADJOURNMENT

By mutual consent the regular meeting adjourned at 7:30 p.m.

ATTEST:



John L. Ballagh



Doralyn Genova



Brian Woods



Robert Burger

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, JULY 3, 2008**

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

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

GUESTS PRESENT: None

REGULAR MEETING

Chairman Ballagh called the regular Board meeting to order at 5:10 p.m. No changes to the agenda were requested. Director Burger was excused.

MINUTES OF THE JUNE 5, 2008 BOARD MEETING

Director Genova moved to approve the Minutes of the June 5, 2008 Board Meeting, with one correction, Director Woods seconded and the motion passed.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Ballagh moved to accept the financial reports and accounts payable as presented and approve expenditures of \$60,387.79 plus \$136,939.15 on the supplemental statement for a total of \$197,326.94. Director Genova seconded and the motion passed.

The Board reviewed the Check Approval Report identifying and matching the sequential check numbers with the payables that are presented.

The Board questioned the bank charges associated with customers using credit cards for a payment method. Manager Tooker reported that credit card use has increased over the past three years and is becoming a common method for customers to pay their water bills and that the associated charges will continue to increase. The Board discussed instituting a policy to charge customers for credit card payments. The Board directed staff to prepare a report regarding the number of customers using credit cards as well as the number of customers delinquent, shut off, and the late fees assessed.

MANAGER'S REPORTS

The Board reviewed the Manager's Report. *(File 7/3/08)*

David Foster exited the meeting at 6:00 pm.

STAFF REPORTS

2008 Flood Mitigation Efforts - Manager Tooker summarized the actions and costs *(Emergency Response Plan, 2008 Staff Reports, File 7/3/08)* associated with preventive efforts undertaken to mitigate potential flood damages in May and June.

Colorado River Basin Proposal – Manager Tooker and Director Genova summarized information obtained at the June 23 CRBP meetings they attended regarding negotiations with Denver Water.

EXPRESS AGENDA

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

1. Project 2007-02 – I-70/Highline Canal Bore – Included in the Board Packet is a final cost summary for this project. Remaining items to complete include the removal and disposal of the abandoned AC pipe and recording of abandoned waterline easements. Staff has received Project Closeout Evaluations from the Engineer and Contractor involved with this project.
2. Out of District Service Request Curt Haskins Parcel # 2969-072-00-287 – Staff sent a letter to Mr. Haskins informing him of the Board’s decision to not provide water service to his parcel at this time. Staff subsequently spoke with Mr. Haskins regarding the Board’s decision and he is willing to wait for service conditions to change before again requesting Out of District service.
3. Variance Request Eugene Hunt 3146 D 1/2 Road – A Revocable License Agreement provided by Attorney Krohn was signed by Mr. Hunt on June 17, 2008 and recorded.
4. General Liability Insurance – Staff had planned to have Jamie Hamilton attend the July 3, 2008 meeting to discuss the District’s insurance coverage and Bonding levels. However, Mr. Hamilton had a conflict and we have rescheduled him for the August 7, 2008 meeting.
5. District Tank Logos – Staff continues to research costs to place the District logo on the water storage tanks. The preliminary cost for a 20 ft tall logo is \$7,500 per application.
6. Special District Association Annual Conference – The Special District Association Annual Conference is scheduled for September 17, 18, and 19, 2008, in Breckenridge, Colorado. Board members interested in attending the conference need to contact Kelly, at the District office, to make early hotel registration arrangements.

UNFINISHED BUSINESS

2007 Audit - The Board reviewed the draft 2007 Audit (*2007 Audit, File 7/3/08*). Mary Brenes will attend the August meeting to review the 2007 Audit with the Board. Director Genova moved to accept the 2007 Audit and authorize Staff to distribute as appropriate. Director Woods seconded and the motion passed.

Request for Qualifications for North Raw Water Settling Pond - Assistant Manager Reinertsen summarized the interviews with URS and Buckhorn Geotech. Staff recommended (*2008 Staff Reports, File 7/3/08*) that the Board accept the proposal from URS and also direct staff to complete the necessary contracts for the design and construction oversight of the North Raw Water Settling Pond.

Director Genova moved to select URS as the engineering firm for the North Raw Water Settling Pond project and direct Staff to negotiate the Design Agreement for Board signature. Director Woods seconded and the motion passed.

Resolution for Director Teal – Director Genova moved to adopt the Resolution in Honor of Paul Teal, for recognition of former Director Teal’s service on the Clifton Water District’s Board of Directors from September 24, 1997 to June 5, 2008. Director Woods seconded and the motion passed.

Vacant Board Position – The Board discussed potential candidates for the vacant Board position. Chairman Ballagh and Manager Tooker will contact potential candidates to determine their interest.

AWWA Conference Briefing – Director Ballagh and Manager Tooker reported on the sessions they and Water Treatment Plant Supervisor Dennis Carlson attended at the American Water Works Association annual conference held in Atlanta June 8 – 11, 2008.

NEW BUSINESS

Request for Qualifications for Engineering Services – UF/MF Pilot Testing – Manager Tooker requested Board approval to advertise for Requests for Qualifications beginning the process to pilot test Ultrafiltration and Microfiltration at the water treatment plant. Additionally, Manager Tooker requested approval to submit a request for an Energy and Mineral Impact Grant to fund up to \$200,000 of the ultrafiltration and microfiltration pilot testing program.


Director Woods moved to authorize Staff to prepare a Request for Qualifications for engineering services for the UF/MF Pilot Testing Program, and to proceed with the application process for Energy Impact Assistance funding in the Department of Local Affairs' August 1, 2008 grant cycle. Director Genova seconded and the motion passed.

Water Tank Logo – Director Woods stated his continued interest in pursuing a water tank logo project. Staff advised the Board that CDOT and County sign clearances would need to be obtained and the District's sign vendor is pursuing specific requirements.

ADJOURNMENT

By mutual consent the regular meeting adjourned at 7:12 P.M.


ATTEST:



John L. Ballagh



Doralyn Genova



Brian Woods

Excused

Robert Burger

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, AUGUST 7, 2008**

BOARD MEMBERS PRESENT: John Ballagh, Chairman; Doralyn Genova, Vice-Chairman;
Brian Woods, Assistant Secretary, Robert Burger, Secretary

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

GUESTS PRESENT: Jamie Hamilton, Home Loan and Investment
Mary Brenes, CPA
Alan Hassler

REGULAR MEETING

Chairman Ballagh called the regular Board meeting to order at 5:03 p.m. The agenda item Disaster Recovery Plan was moved from Unfinished Business to New Business.

MINUTES OF THE JULY 3, 2008 BOARD MEETING

Director Genova moved to approve the Minutes of the July 3, 2008 Board Meeting, with two corrections, Director Burger was excused absence and under New Business it should read August 1, 2008 Grant Cycle. Director Woods seconded and the motion passed unanimously.

2008 INSURANCE

Jamie Hamilton, CEO of Home Loan and Investment, summarized the coverage for the District's property and casualty insurance, liability insurance and fidelity bonding in effect until May 21, 2009. Hamilton stated that the District is appropriately covered for its exposures.

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

2007 AUDIT

Mary Brenes, CPA, provided a summary of the District's Audited Financial Statements for 2007. The Board and Staff discussed Standard Operating Procedures and a Fraud Risk Assessment and Monitoring Plan utilized by staff and the Board providing a system of checks and balances to protect the District's finances.

Mary Brenes exited the meeting at 6:05 p.m.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to accept the financial reports and accounts payable as presented and approve expenditures of \$109,099.15, the HRA Disbursement Report in the amount of \$733.59 plus \$63,313.52 on the supplemental statement for a total of \$173,146.26. The Board discussed the Bank Charges Report, the various reports used to track the monthly Labor Expenses, wire

transfer fees and confirmed the Restricted Cash amount on the Balance Sheet. Director Burger seconded and the motion passed unanimously.

Assistant Manager Reinertsen reported on the details of a reimbursement to the tenant of a property that was flooded when a water main broke on 31.5 Road.

David Foster exited the meeting at 6:38 p.m.

MANAGER'S REPORTS

The Board reviewed the Manager's Report. *(File 8/7/08)*

STAFF REPORTS

Radio Read Meter Replacement – Manager Tooker presented a report *(2008 Staff Reports, File 8/7/08)* showing the reduced meter reading times associated with the installation of radio read meters over the past six years. The Board requested that Manager Tooker also provide data for labor cost savings and the capital expenditures for the radio read meter installations.

Credit Card Bill Payment Report – Manager Tooker presented a report *(2008 Staff Reports, File 8/7/08)* summarizing the number of transactions, revenues and costs of credit card payments. Through June, 2008 there has been a 75% increase in net sales and an 80% increase in overall transactions from 2007. The annual cost to the District for accepting credit card payments is estimated at \$12,000.

EXPRESS AGENDA

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

1. Repairs to New Whitewater Finished Water Storage Tank – D&R Commercial Divers performed repairs to the water quality sample lines inside the new Whitewater one million gallon storage tank. The lines were broken during the filling and flushing activities of the final performance testing. Repair documentation has been submitted to the District's Project Engineer for warranty reimbursement evaluation.
2. Mainline Upgrade 33 & E.25 Road Intersection – The District pipeline construction crew has completed the new water line installation for this county project. The main line was replaced in conjunction with a joint effort between the Grand Valley Drainage District and the Clifton Sanitation District.
3. 2008 District Fire Hydrant Flushing Program – Distribution crews completed the 2008 Fire Hydrant Flushing Program on July 15, 2008. Efforts were concentrated on uni-directional flushing of the District's main distribution lines, eight inch diameter and larger. Four hydrants were identified for maintenance repairs along with two main line valves.
4. Phase II Two Year Warranty Walk-Though Inspection – Representatives of Burns & McDonnell Engineering Company and District Staff performed the two-year warranty

inspection on July 21, 2008. Nine items were identified and notification was sent to the Contractor (Garney Construction) with the various repairs being scheduled for August and September.

5. Project 2008-01 North Raw Water Setting Pond – Staff continues Design Agreement negotiations with the selected firm, URS. Once the final Agreement is signed by all parties, the Project Kick-Off Meeting will occur, currently scheduled for the week of August 18, 2008.
6. Project 2008-02 MF/UF Pilot Testing Program – There have been 22 RFQ packages sent out to interested firms. A facility tour is scheduled for interested firms on Wednesday, August 6, 2008 with final proposals due Thursday, August 14, 2008. Staff will schedule interviews of short-list selected firms with a final selection recommendation to be presented at the September 4, 2008 Regular board Meeting.

UNFINISHED BUSINESS

2008 Insurance - The Board stated their appreciation for the excellent service the District receives from Home Loan and Investment and had no additional questions.

2007 Audit - The Board stated they had approved the 2007 Audit at the July meeting and no further action is needed. It was noted that Mary Brenes, CPA is in the second year of a three year agreement.

Vacant Board Position – Chairman Ballagh introduced District resident Alan Hassler as a potential new Board member. Alan Hassler summarized his professional experience and stated his willingness to serve the District as a Board member.

Director Woods moved to appoint Alan Hassler to the Board of Directors at the September 4, 2008 meeting, Director Burger seconded and the motion passed unanimously.

NEW BUSINESS

Annual Leave Policy - Directors Genova and Burger summarized the Personnel Committee's proposal to amend the District's annual leave policy and add a new longevity recognition as part of the Personnel Manual. The proposal is intended as an incentive to attract and retain employees. The Board directed Staff to include the same eligibility criteria used in qualifying for the District's Health Insurance in Section 11.4 Leave Not Based Upon Length of Service.

Chairman Ballagh moved to defer a decision until the September 4, 2008 meeting, Director Burger seconded and the motion passed unanimously.

2009 Budget – Appoint Person to Prepare the 2009 Budget - Director Genova moved to appoint Manager Tooker to prepare the 2009 Budget, Director Woods seconded and the motion passed unanimously.

District's Investments – Manager Tooker reported that District's Investment portfolio interest rates continue to dip below 3% and he has explored options with local banks to achieve a higher rate of return with Certificates of Deposit in the amount of \$100,000 for a 24 month term. District Policy #910 was provided and reviewed by the Board. By consensus the Board reiterated its agreement with the Policy's intent to grant authority to the Manager in making these financial decisions.

Grand Valley Communications Contract – Manager Tooker reported that the District has an Agreement with Grand Valley Internet providing them space to house an antenna and in return the District receives internet service and web hosting. Manager Tooker reported that he will be sending Grand Valley Internet a letter advising them of the District's intent to terminate the Agreement because the services are no longer being used.

SDA Nomination of Director – Chairman Ballagh's term is expiring on the Special District Association of Colorado's (SDA) Board of Directors and he stated a desire to serve again. Director Woods moved to nominate John Ballagh to the SDA Board of Directors, Director Genova seconded and the motion passed unanimously.

Disaster Recovery Plan – The Board discussed the need for a Disaster Recovery Plan for the information and data held within the District. Manager Tooker briefly reviewed existing procedures to back up critical computer data and the storage of hard copy files. It was Board consensus to have Manager Tooker prepare a report and Disaster Recovery Program to protect and/or replace certain assets in the event of a disaster.

Pipeline Upgrades/Replacement Project Status – Assistant Manager Reinertsen presented a summary (2008 Staff Reports, File 8/7/08) of current cost estimates for materials required to complete pipeline upgrade projects planned for 2008. Reinertsen reported that costs are substantially higher than budgeted and as a result, projects will need to be re-prioritized to stay within budget. Reinertsen requested Board authorization to proceed with a Construction Bid Package to combine the four main line bores identified in the FY2008 General Construction Upgrades budget line item. Each project individually is estimated to cost more than the \$60,000 statutory bid limit. The Board stated concern with proceeding with all four projects and directed staff to develop a proposed project re-prioritization. Staff identified two critical projects RU4 and RU05 and will reprioritize the remaining General Construction Upgrade projects.

Director Woods moved to direct staff to commence a Construction Bid Process for two road bores identified within the District projects, RU04 and RU05, along the I-70 Business Loop for which CDOT Utility Permits have been obtained. Director Genova seconded and the motion passed unanimously.

Meeting Continuance – Chairman Ballagh noted that the time was approaching 8:00 p.m. and the Board had previously agreed to adjourn by that time unless extended by the Board. Director Woods moved to continue the meeting past 8:00 p.m., Director Genova seconded and the motion passed unanimously.

EXECUTIVE SESSION

Chairman Ballagh moved for the Board to go into executive session as allowed by C.R.S.24-6-402(4)(a) concerning the purchase, acquisition, lease, transfer or sale of any property interest; and as allowed by C.R.S. 24-6-402(4)(f) for personnel matters; Director Genova seconded and the motion passed unanimously.

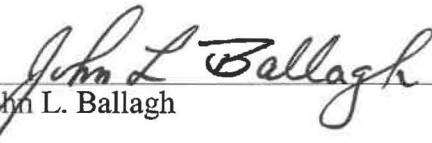
The Board went into executive session at 8:00 p.m.

The Board exited executive session at 8:35 p.m.

ADJOURNMENT

By mutual consent the regular meeting adjourned at 8:36 p.m.

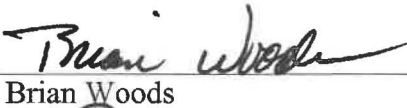
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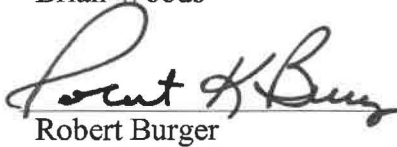
John L. Ballagh



Doralyn Genova



Brian Woods



Robert Burger

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, SEPTEMBER 4, 2008**

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

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

GUESTS PRESENT: Phil Bertrand and Charlie Gunther - Grand Valley Irrigation Company

REGULAR MEETING

Chairman Ballagh called the regular Board meeting to order at 5:02 p.m. Oath of Office was moved ahead of Minutes approval on the agenda.

OATH OF NEW OFFICER

Chairman Ballagh administered the Oath of Office to incoming Board member Alan N. Hassler, who read and signed the Oath which was then notarized.

MINUTES OF THE AUGUST 7, 2008 BOARD MEETING

Director Genova moved to approve the Minutes of the August 7, 2008 Meeting with the correction of one typographical error and one change to the section regarding Grand Valley Internet. Director Woods seconded and the motion passed unanimously.

GRAND VALLEY IRRIGATION Company

Phil Bertrand and Charlie Gunter of Grand Valley Irrigation Company summarized their grant application to the Bureau of Reclamation for a salinity reduction and canal lining project. The canal lining project is projected to take three years and will concentrate on lower sections of the canal. The project is anticipated to improve canal efficiency and reduce seepage in turn reducing the salinity leaching from the surrounding soils. Shareholders should expect minimal assessment increases when completed.

Bertrand and Gunther exited the meeting at 5:20 p.m.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to accept the financial reports and accounts payable as presented in the amount of \$145,645.38, plus \$1934.12 in the HRA Disbursement Report, plus \$53,717.01 the supplemental statement for a total of \$201,296.51. It was noted that the line item Other Income

was for repairs billed to other entities; vehicle expenses continue to be higher due primarily to fuel costs and unscheduled repairs; and the security of Fannie Mae, Federal Home Loan Mortgage Corp and Federal Home Loan Bank investments were confirmed. Director Burger seconded and the motion passed unanimously.

MANAGER'S REPORTS

The Board reviewed the Manager's Report. (*File 9/4/08*). Following review of legal costs associated with a recent license agreement the Board directed staff to develop a policy for the Policy Committee to review that assess application fees to recoup direct costs associated with waiver requests.

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

STAFF REPORTS

Radio Read Replacement Program Update – Manager Tooker presented a report (*2008 Staff Reports, File 9/4/08*) regarding the labor cost savings resulting from the installation of radio read meters.

FY2008 General Construction Line Update Project Reprioritization – Assistant Manager Reinertsen presented a report (*2008 Staff Reports, File 9/4/08*) detailing the planned and budgeted projects for 2008, status and cost of projects completed to date, and remaining projects planned for completion this year. Staff has reprioritized the remaining projects to be completed in 2008 within the General Construction Line Upgrade 2008 budgeted amount, as directed by the Board at the August 7, 2008 meeting.

Customer Payment Methods Survey – Manager Tooker presented a report (*2008 Staff Reports, Customer Payment Methods Survey, File 9/4/08*) summarizing the results of the survey sent out with all customer billings in July of 2008. Nearly 30% of all customers returned a survey and of those respondents 26% indicated interest in viewing and/or paying their bill on the District website. Responses were also tallied regarding options to schedule a recurring credit card payment, and receiving bills via email. Staff will evaluate the availability and costs for online billing and payments.

EXPRESS AGENDA

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

1. Project 2008-01 North Raw Water Settling Pond – Staff has sent Design Agreement to selected engineer, URS, and is waiting for return of redline comments. Once final wording is complete and acceptable to both parties, staff will present the Final Design Agreement for Board representative signatures.
2. Pipeline Upgrades at Whitewater Pump Station and Old Million Gallon Storage Tank
The District's pipeline construction crew has installed 2,100 feet of new 12" main line so that the old (lower) one million gallon storage tank operates as a part of a looped system to the new one million gallon storage tank. Previous pipe layout did not accommodate flow-through operation resulting in a tank that 'floated' with the rest of the distribution system. This upgrade will improve short and long term water quality for the Whitewater Service Area.

UNFINISHED BUSINESS

Policy Revision Section 11 Annual Leave – Manager Tooker presented the revised policy with the revisions requested by the Board at the August 7, 2008 meeting. Director Genova moved to approve the revisions to the Personnel Manual Section 11 –Annual Leave. Director Burger seconded and the motion passed unanimously.

Project 2008-02 MF/UF Pilot Testing Program Engineer Selection – Assistant Manager Reinertsen presented a report (*2008 Staff Reports, File 9/4/08*) summarizing the review of Statements of Qualifications from engineering firms interested in preparing a MF/UF Membrane Pilot Testing Program, and the interviews/evaluation of Burns & McDonnell Engineering Company, Integra Engineering, HDR and Tetra Tech/RTW. Staff recommended that the Board select Burns & McDonnell based primarily on the relevant experience Burns & McDonnell has with similar sized MF/UF systems. Director Woods moved for Staff to proceed to negotiate a contract with Burns & McDonnell for the MF/UF Pilot Testing Program. Director Genova seconded and the motion passed unanimously.

NEW BUSINESS

Signature Cards for Financial Institutions - Director Genova moved to authorize Board signature on the Fund and Wire Transfer Authorizations letter to Alpine Bank, American National Bank and Palisades Bank. Director Woods seconded and the motion passed unanimously. By consensus the Board authorized signature of the banking and investment signature cards with the acknowledgment that some of the forms will need to be corrected.

Board Member Committee Assignments -- By consensus the Board agreed to revise the 2008 Committee assignments, as follows:

Budget: John Ballagh, Brian Woods (no change)
Construction: John Ballagh, Alan Hassler
Personnel: Robert Burger, Alan Hassler
Policy & Standards: Doralyn Genova, Robert Burger (no change)

Vehicle Expense Budget Transfer Request – Manager Tooker presented a Staff Report (*2008 Staff Reports, File 9/4/08*) summarizing the increased costs associated with fuel and vehicle repairs in 2008. Manager Tooker requested a \$22,500 Budget Transfer for the increased vehicle expense. Director Woods moved to approve a Budget Transfer of \$22,500 from Contingency to the Vehicle Expense Line Item because of increased fuel costs and unexpected vehicle repairs. Director Genova seconded and the motion passed unanimously.

SDA 2008 Annual Business Meeting – Directors Ballagh and Woods will attend the Special District Association’s Annual Meeting, therefore, no voting proxy is needed.

Manager’s Review – Manager Tooker was directed to prepare and send an electronic summary to the Board members for review prior to the October 2, 2008 meeting.


ADJOURNMENT

By mutual consent the regular meeting adjourned at 7:55 p.m.

ATTEST:



John L. Ballagh



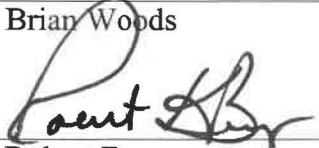
Doralyn Genova



Brian Woods



Alan Hassler



Robert Burger

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, OCTOBER 2, 2008**

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

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

REGULAR MEETING

Chairman Ballagh called the regular Board meeting to order at 5:05 p.m. Colorado River Basin Proposal (CRBP) Report was moved from Staff Reports to Unfinished Business.

MINUTES OF THE SEPTEMBER 4, 2008 BOARD MEETING

Director Genova moved to approve the Minutes of the September 4, 2008 Meeting with two corrections noted. Director Burger seconded and the motion passed unanimously.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to accept the financial reports and accounts payable as presented in the amount of \$182,860.76 plus \$328.50 the HRA Disbursement plus \$234,517.17 the supplemental statement for a total of \$417,706.43. Items of note were new formats for the payroll report and check register, and the amount of bank charges related to credit card usage. Director Burger seconded and the motion passed unanimously. David Foster exited the meeting at 5:15 p.m.

MANAGER'S REPORTS

The Board reviewed the Manager's Report. The amount of overtime associated with line breaks and the current use of copper pipe for improved durability were discussed.

EXPRESS AGENDA

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

1. RU04 I-70B Line Upgrade Project – The District's Pipeline Construction Crew began installation of the new 12" main line between F ¼ and F Roads along the I-70 B frontage road. This Line Upgrade Project involves installation of approximately 1,800 lf of 12" PVC pipe.

-
2. DOLA Grant Award for Project 2008-02 MF/UF Pilot Testing Project – At the Special District Association Annual Conference, Jack Kirtland from DOLA unofficially informed David Reinertsen that the District's Grant Application was approved for the MF/UF Pilot Testing Project. In addition, a letter was received today from Governor Bill Ritter Jr. advising the District of the grant award.
 3. Project 2008-02 - MF/UF Pilot Testing – Staff is scheduled to meet with representatives of Burns and McDonnell on Tuesday, September 30 to discuss Engineering Services Agreement work scope and begin initial data reviews and compilations.
 4. Wage and Benefit Survey – The 2009 Wage and Benefit Survey has been sent and the submitted information is being compiled. The District experienced excellent participation again this year with thirty one comparable organizations and businesses participating. The data will be presented to the Personnel Committee and Budget Committee.

UNFINISHED BUSINESS

Signature Cards for Financial Institutions – The Board members signed the remainder of signature cards authorized at the September 4, 2008 meeting.

Project 2008-01 North Raw Water Settling Pond – Design Contract – Assistant Manager Reinertsen reported that the contract is not ready for review at this month's meeting and will be deferred to the November meeting.

FY2009 Budget – Manager Tooker presented Draft FY 2009 Budget Worksheets and Budget Explanation. Line items showing significant increases or reductions were discussed. The Board will continue to review the Draft Budget.

CRBP Update – Manager Tooker provided copies of two letters prepared by attorney Mark Hermundstad regarding the recommended withdrawal of the Grand Valley entities from the Colorado River Basin Proposal mediation process with Bickerman Dispute Resolution, PLLC due to a lack of progress. Director Genova moved that the District withdraw from the mediation process, Director Burger seconded and the motion passed unanimously.

NEW BUSINESS

Mesa County Request for Out of District Service – Whitewater Public Works Campus – Manager Tooker presented the request from Mesa County for Out of District Service to County property owned near Highway 50 and 32 Road. A map of the property was reviewed with the request, including road locations. Director Genova moved to accept the request from Mesa County for Out of District Service with the stipulation that there be a written document itemizing the items necessary for the District to move forward, as follows:

-
1. Mesa County will provide a location for the water line either in a road right-of-way or where a road right-of-way is not available, provide a 16 foot wide exclusive easement as required to extend the 12” existing main line from the current termination point at the Mesa County landfill meter vault.
 2. Mesa County will insure that a minimum separation of 20 feet be maintained between the water line and any sewer lines. Preferably, the sewer line would be located on the opposite side of any road.
 3. Mesa County will be responsible for all costs associated with the 12” main line extension from the main connection to the point where Coffman Road exits the parcel to the southeast.
 4. Water service will be confined to an elevation of 4800 feet or less. No water service will be allowed above the 4800 foot contour line.
 5. Mesa County recognizes the pressure limitations and will be responsible for providing additional pressure above what is delivered by the District.

Director Woods seconded and the motion passed unanimously.

Special District Association (SDA) Annual Conference Briefing – Chairman Ballagh, Director Woods and Assistant Manager Reinertsen reported on the sessions they attended at the SDA Annual Conference held in Breckenridge September 17-19. Chairman Ballagh was also re-elected to the SDA Board of Directors.

Project 2008-02 MF/UF Pilot Testing Project – Assistant Manager Reinertsen presented an engineering services contract with Burns & McDonnell Engineering for Project #2008-02 MF/UF Pilot Testing Project. The Burns & McDonnell Preliminary Design Contract amount is not to exceed cost of \$235,877 for the project. In addition, the District would need to enter into separate agreements for the pilot testing skids at an estimated cost of \$225,000 for the five month duration of the project. The contracts for the pilot testing skids will be presented at the November meeting. Funding for the project is budgeted and includes a grant award from the Department of Local Affairs. Director Genova moved to accept the preliminary design agreement with Burns & McDonnell for Project #2008-02 MF/UF Pilot Testing Project and authorize Chairman Ballagh to sign the document, Director Woods seconded. Director Hassler suggested additional contract language to protect the District’s ownership of proprietary information obtained and developed in this project. Director Genova moved to amend the motion to include the additional language and Director Woods seconded. The amendment passed unanimously. The motion passed unanimously.

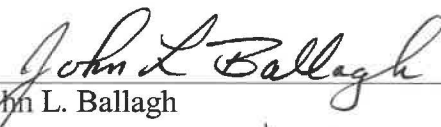
Project 2008-02 MF/UF Pilot Testing Project Third Party Overview - Manager Tooker suggested that this project will include a significant amount of technical information and the District may benefit from having a third party review the information. The Board requested Manager Tooker develop a more specific Scope of Service for the review process and bring it back to the Board.

Manager's Review – Manager Tooker presented a summary memo to the Board for review. The Manager's Review was deferred to the November 6, 2008 Regular Meeting.

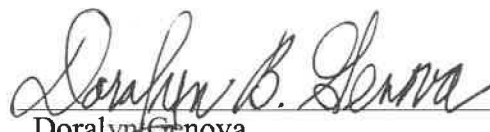
ADJOURNMENT

By mutual consent the regular meeting adjourned at 7:10 p.m.

ATTEST:



John L. Ballagh



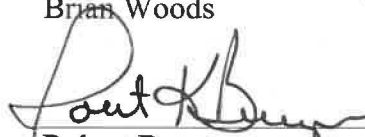
Doralyn Genova



Brian Woods



Alan Hassler



Robert Burger

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, NOVEMBER 6, 2008**

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

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

REGULAR MEETING

Chairman Ballagh called the regular Board meeting to order at 5:14 p.m. Director Hassler had not yet arrived.

MINUTES OF THE OCTOBER 2, 2008 BOARD MEETING

Director Genova moved to approve the Minutes of the October 2, 2008 Regular Meeting. Director Woods seconded and the motion passed.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to accept the Financial Report and accounts payable as presented in the amount of \$179,413.06 plus \$1,413.97 for the HRA Disbursement and \$40,471.08 on the supplemental statement for a total of \$221,298.11. The Board noted the addition of the Net Payroll Amount on Schedule A to verify the payroll amount reported on the Statement of Cash Flow and the Wire Transfer Report. The Board questioned the accuracy of the Profit and Loss Statement 89% utilization of the 2009 Budget in the General and Administrative Payroll YTD Expense. The Board requested that Staff verify the data and report their findings at the next meeting. Director Woods seconded and the motion passed unanimously.

Director Hassler arrived at 5:25 p.m., during discussion of the above motion.

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

MANAGER'S REPORT

The Board reviewed the Manager's Report (*File 11/6/08*)

STAFF REPORTS

FTC Rule on Identity Theft – Manager Tooker presented information (*Identity Theft Policy & Procedures, File 11/6/08*) from the Special District Association regarding Federal Trade Commission enforcement of the “Red Flags Rule” pertaining to the development and implementation of written identify theft

prevention programs. Staff will work with the Board to develop procedures regarding maintaining the security of customer identity and financial information.

EXPRESS AGENDA

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

RU04 I-70B Line Upgrade Project – The District’s Pipeline Construction Crew has completed the installation of the new 12” water main between F and F ¼ Roads. All surface restoration work is complete. Staff has requested price quotes from various contractors to provide the boring and casing for the continuation of this line across F Road to the south.

Colorado River Water Users Association 2008 Annual Conference – A copy of the program (*File 11/6/08*) is in the packet for this December 15-17, 2008 conference in Las Vegas.

The Bronze Award item listed on the agenda was not available.

UNFINISHED BUSINESS

Project 2008-02 MF/UF Pilot Testing Program – Assistant Manager Reinertsen presented a Staff Report (*Project 2008-02 MF/UF Pilot Testing Program Reports, Staff Reports, File 11/6/08*) summarizing project cost estimates, a request to include \$400,000 for the MF/UF Pilot Testing Program in the 2009 Budget and authorization to proceed with the MF/UF Pilot Testing program contracts. The pilot testing portion of the project is scheduled to be conducted from January, 2009 through May, 2009.

Director Genova moved to include \$400,000 for Project 2008-02 MF/UF Membrane Pilot Testing Program in the 2009 Budget and to authorize staff to sign the Pilot Skid Rental Agreements in the amounts of \$40,000 (Zenon), \$31,000 (Siemens) and \$31,000 (Pall). Director Hassler seconded and the motion passed unanimously.

Project 2008-01 North Raw Water Settling Pond Design Agreement – Assistant Manager Reinertsen presented the Engineering Design Services Agreement (*Project 2008-01 North Raw Water Settling Pond*) with URS for the North Raw Water Settling Pond Project for discussion. The Scope of Work has been reduced to a Phase I Preliminary Design Study at a cost not to exceed \$194,556 with completion scheduled for June of 2009. Director Woods moved to authorize Board signature of the Preliminary Engineering Design Services Agreement with URS for Project 2008-01 North Raw Water Settling Pond. Director Genova seconded and the motion passed unanimously.

December Meeting Date – Due to prior commitment conflicts, it was Board consensus to change the December 2008 meeting date to Wednesday, December 3, 2008.

FY 2009 Budget - Set Budget Hearing Date – Director Burger moved to set the 2009 Budget Hearing for December 3, 2008 at 5:00 p.m., Director Genova seconded and the motion passed unanimously.

FY2009 Budget – Manager Tooker presented the Non-Operating Revenues and Expenses (*File 11/6/08 and 2009 Budget*) proposed for the FY2009 Budget. It was noted that the Budget Committee met on October 29, 2008 and discussed the relationship of the 2009 Budget and the uncertain growth and economic conditions. As a result of the uncertain economic conditions, the Proposed 2009 Budget shows a 16% reduction of Non-Operating Revenue and a 32% reduction of Non-Operating Expenditures from 2008 budgetary levels.

NEW BUSINESS

Multiple Unit to Condominium Policy for Plant Investment Fee – Manager Tooker presented a Staff Report (*Staff Reports, File 11/6/08*) and a letter from Ryan Thompson, 3309 Delicious (*Customer File, File 11/6/08*) regarding the conversion of a single parcel having multiple units to separate parcels with a separate owner for each unit. Manager Tooker reported that in addition to 3309 Delicious, there is also a similar situation at 110 1/2 Anna Court that is currently scheduled to be sold. Staff reported that there are approximately 600 existing single parcel multiple units that have the potential to be converted to individually owned parcels. Staff requested direction from the Board on 3309 Delicious and 110 1/2 Anna Court so that the the current owners can proceed. Additionally, Staff requested Board direction regarding the potential future conversion of the other multiple units in the District.

Director Woods exited the meeting at 6:38 p.m. due to a previous commitment.

The Board directed staff to reach a solution with the owners of 3309 Delicious and 110 1/2 Anna Court. The Board added that no additional requests concerning the conversion of single parcel with multiple units to separate parcels with separate owners will be considered until the Board and Staff review existing Policy and develop a policy to address future conversions.

Budget Transfer From Contingency to WTP Equipment Repair and Maintenance – Manager Tooker presented a Staff Report (*Staff Reports, 2008 Budget, and File 11/6/08*) describing unanticipated expenses incurred in 2008 for Water Treatment Plant Equipment and a request for transfer of budgeted funds. Director Genova moved to authorize the transfer of \$16,000 from Contingency to Water Treatment Plant Equipment and Repair to accommodate the remaining planned repair and maintenance activities at the Water Treatment Plant. Director Burger seconded and the motion passed.

Personnel Policy Section 12 Sick Leave/Disability Leave – Manager Tooker presented a Staff Report (*Staff Reports, and File 11/6/08*) with the details of a proposal to revise the District's Sick Leave Policy and initiate a short term (STD) and long term disability (LTD) insurance program. Costs to the District as a result of the current policy were discussed compared to the disability insurance proposed. By consensus the Board directed Manager Tooker to discuss the proposal with employees for their feedback and to develop the proposal further for consideration at the December, 2008 Regular Meeting.

Alpine Bank CD Signatures – The Board signed signature cards for Certificate of Deposit held at Alpine Bank.

Proposed Office Closures – Manager Tooker presented a Staff Report (*Staff Reports and File 11/6/08*) requesting authorization to close the District Office for the day after Christmas and the day after

New Year's Day. Staff will be required to take the time off as Vacation, Personal Leave or Comp Time. By consensus the Board authorized closure of regular District operations on Friday, December 26, 2008 and Friday, January 2, 2009.

Reschedule January 1, 2009 Board Meeting – By consensus the Board changed the first regular meeting in 2009 to Thursday, January 8, 2009.

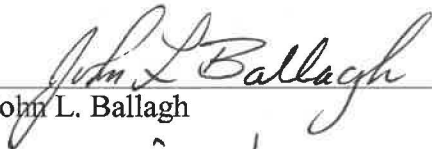
Holiday Turkey/Ham – Director Genova moved to continue the annual tradition of the District providing a ham or turkey to all District employees and Board members for the Thanksgiving or Christmas holiday. Director Burger seconded and the motion passed.

Manager's Review – Manager Tooker presented a letter to the Board identifying his two primary goals for 2009. The Manager's Review was postponed to the December 3, 2008 Regular Meeting.

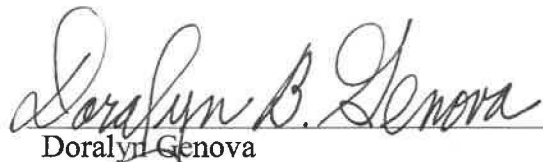
ADJOURNMENT

By mutual consent the regular meeting adjourned at 8:15 p.m.

ATTEST:



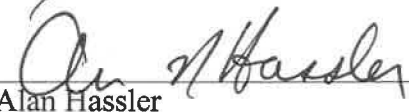
John L. Ballagh



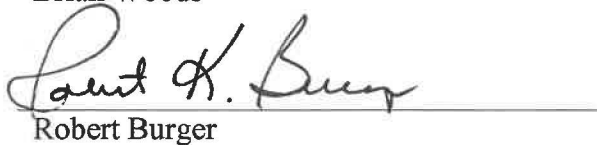
Doralyn Genova



Brian Woods



Alan Hassler



Robert Burger

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
WEDNESDAY, DECEMBER 3, 2008**

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

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

PUBLIC HEARING

Chairman Ballagh called a Public Hearing to order at 5:02 p.m. regarding the Proposed FY 2009 Budget, pursuant to C.R.S. 29-1-106 *Et. Seq.* Notice of this Public Hearing was published in the Grand Junction Daily Sentinel on November 23, 2008 and November 26, 2008 in accordance with C.R.S. 29-1-106(3)(a). No members of the public were present. Manager Tooker reported that no written comments or requests to comment were received regarding the Proposed FY2009 Budget. Chairman Ballagh closed the Public Hearing at 5:03 p.m.

REGULAR MEETING

Chairman Ballagh called the regular Board meeting to order at 5:03 p.m. Manager Tooker reported that the scheduled guest, Greg Trainor, postponed his presentation to a future date.

MINUTES OF THE NOVEMBER 6, 2008 BOARD MEETING

Director Genova moved to approve the Minutes of the November 6, 2008 Meeting with one typographical correction noted. Director Burger seconded and the motion passed unanimously.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to accept the Financial Reports and Accounts Payable as presented in the amount of \$58,998.64 plus \$2,389.81 HRA Disbursement plus \$23,365.92 the supplemental statement for a total of \$84,754.37.

At the November 2008 Board Meeting, the Board questioned financial data reported in the Profit and Loss Statement concerning the General and Administrative Payroll Expense. Accountant Foster explained that a reporting error had been made and the 2008 Wage and Benefit Increase and a Budget transfer made in March 2008 had not been properly included.

In review of the Budget and Cash Flow Statement, the Board identified that the final payment of \$1,284,075 for the 1996 Revenue Bond that was paid in November of 2007 had not been reported correctly in the November 2007 Cash Flow Statement and the Draft 2009 Budget.

Manager Tooker assured the Board that the payment had been made and the reporting error will be corrected.

Director Burger seconded and the motion passed

David Foster exited the meeting at 5:23 p.m.

MANAGER'S REPORTS

The Board reviewed the Manager's Report (*File 12/3/08*)

Director Woods arrived to the meeting at 5:35 p.m.

STAFF REPORTS

Middle Finished (3.7 million gallon) Water Storage Tank Leak - Manager Tooker reported that the tank has been drained and inspected and the leak does not appear to be within the tank. Repainting of the tank interior will occur prior to re-fill. The leak is suspected to be in a 30" exterior line. This will be inspected at the conclusion of the Treatment Plant Backwash Pond cleaning that is currently being conducted.

Water Treatment Plant Renovation (Plant Tour) - The Board postponed the tour of the Plant Renovation.

EXPRESS AGENDA

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

1. Project 2008-02 MF/UF Pilot Testing Program – Pilot skid rental agreements have been signed and return to the various vendors. Staff has secured the services of an electrical subcontractor to perform the needed electrical modifications for skid operation. Staff continues research on pump and plumbing modifications needed to accommodate the testing program.
2. Project 2008-01 North Raw Water Settling Pond Design – The Preliminary Design contract has been signed. Staff and representatives of URS will meet in December for the Project Kick-Off Meeting formally starting the design process.
3. HDR Engineering River Pump Station and Water Rights Evaluation – Dave Merrit of HDR Engineering met with Staff on Friday, November 21, 2008 to inspect and review preliminary findings regarding the River Pump Station and the evaluation of the District's water rights. A preliminary report is expected in December.
4. Water Treatment Plant Backwash Pond Cleaning – An extended reach trackhoe was rented and Distribution Staff has been working on cleaning the Water Treatment Plant Backwash Pond since Tuesday, November 11, 2008. Approximately 12,000 cubic yards of material have been removed from the pond. This project is about 80% complete.

-
5. Clifton Water District Christmas Party - The annual Christmas Party will be held in the District's Maintenance Building beginning at 6:30 p.m. on Friday, December 12, 2008.

UNFINISHED BUSINESS

2009 Budget – Resolution Adopting 2009 Budget and Appropriating Revenues - The FY2009 Draft Budget and Budget Explanation (*2009 Budget, File 12/3/08, Resolutions*) were presented and reviewed. Director Genova moved to adopt the *Appropriation Resolution of the Clifton Water District Board of Directors Acting By and Through Its Water Activity Enterprise for the 2009 Budget Year*, in the amount of Thirteen Million, Two Hundred Twenty Three Thousand, Seven Hundred Forty Three Dollars. Manager Tooker reported that the Budget Committee and Personnel Committee had met numerous times over the past few months to develop the 2009 Proposed Budget. Manager Tooker summarized the Wage and Benefit portion of the Budget and the Board discussed the details of the budget amounts. The Board discussed a number of budget items and requested that a proposed expense of \$50,000 for Video and Entry Security System be removed from the Budget awaiting a Staff Report detailing the justification of the system. Director Woods seconded and the motion passed unanimously.

Director Woods moved to continue the employee's cost share for dependent health insurance at 10% for 2009. Director Genova seconded and the motion passed unanimously.

Personnel Policy Section 12 Sick Leave/Disability Leave – Manager Tooker presented a Staff Report (*Personnel Policy, Staff Reports 2008, File 12/3/08*) proposing the change in the Sick Leave Policy adding Short-term and Long-term Disability. Director Burger moved to adopt revisions to the District's Personnel Policy 12 Sick Leave/Disability Leave, effective January 1, 2009, to include, 8 hours of Sick Leave accrued monthly to a maximum of 96 hours (12 days), unused Sick Leave in excess of 96 hours (12 days) is forfeited, elimination of the "wellness contribution" for unused Sick Leave, addition of a Short-Term Disability Plan with 60% wage replacement for 12 weeks, 8 day waiting period, max weekly benefit \$1,500, and an addition of a Long-Term Disability Plan for 24 months, 90 day waiting period, max monthly benefit \$6,000. Director Woods seconded and the motion passed unanimously.

Director Hassler moved to transition to the new Sick Leave/Disability Leave policy by, reducing accrued Sick Leave, as of December 31, 2008 to 96 hours per employee, "pay out" at 25% of value any Sick Leave balance greater than 96 hours per employee, as of December 31, 2008, receive a 25% "pay out", and transfer \$19,000 from Contingency to Labor Expense in the FY2008 Budget to fund the pay out of Sick Leave balances. Director Woods seconded and the motion passed unanimously.

NEW BUSINESS

Grand Valley Irrigation Company 2008 Annual Shareholders Meeting – Manager Tooker reported that the Grand Valley Irrigation Company Annual Shareholders meeting will be held Saturday, December 6, 2008 and he will attend this meeting.

MANAGER'S REVIEW

Director Genova moved for the Board enter into Executive Session regarding personnel matters, as allowed under C.R.S.24-6-402(4)(f), for the purpose of conducting Manager Tooker's annual review. Director Woods seconded and the motion passed unanimously. The Board entered into executive session at 7:30 p.m.

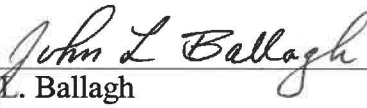
The Board exited the executive session at 8:35 p.m.

Director Woods moved to increase Manager Tooker's salary by 4% to \$85,102.16 to be retroactive to September 1, 2008. Director Burger seconded and the motion passed unanimously.

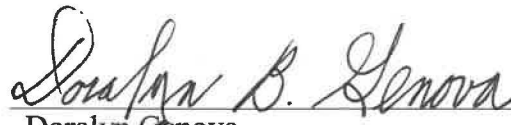
ADJOURNMENT

By mutual consent the regular meeting adjourned at 8:55 p.m.

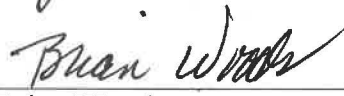
ATTEST:



John L. Ballagh



Doralyn Genova



Brian Woods



Alan Hassler



Robert Burger

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
WEDNESDAY, DECEMBER 17, 2008**

BOARD MEMBERS PRESENT: John Ballagh, Chairman;
Brian Woods, Assistant Secretary; Alan Hassler, Director
Doralyn Genova, Vice-Chairman; (via phone)

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

SPECIAL MEETING

Chairman Ballagh called the special Board meeting to order at 12:10 p.m.

NOTICE OF MEETING

Chairman Ballagh confirmed that this Special Meeting was properly posted and the Board members were properly notified.

BUDGET RESOLUTION

Manager Tooker summarized a change necessary in the Contingency line item of the 2009 Budget. This change is the result of the pay off of revenue bonds in December of 2007 that did not get carried into the final FY2008 Budget worksheets used to prepare the FY2009 Budget. Thus, a correction was needed to the FY2009 Budget Resolution after its adoption by the Board at the December 3, 2008 Regular Meeting. Director Woods moved to adopt the Amended "*Appropriation Resolution of the Clifton Water District Board of Directors Acting By and Through Its Water Activity Enterprise for the 2009 Budget Year*" in the total appropriation amount of Eleven Million Two Hundred Thirty Three Thousand Four Hundred Fifty Seven Dollars (\$11,233,457), to correct the previous Appropriation Resolution adopted by the Board on December 3, 2008. Director Genova seconded and the motion passed. Resolution text inserted below:

**APPROPRIATION RESOLUTION OF THE CLIFTON WATER DISTRICT BOARD OF
DIRECTORS
ACTING BY AND THROUGH ITS WATER ACTIVITY ENTERPRISE FOR THE
2009 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 2009 Budget Year.

WHEREAS, the Directors have adopted the annual budget for 2009 in accordance with the Local Government Budget Law, on the 17th day of December, 2008, 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:

2009 Budget

ESTIMATED BEGINING BALANCE \$5,983,777

ESTIMATED EXPENDITURES

-
 -
 Operating Expenses
 Source of Supply \$22,095
 Water Treatment \$816,368
 Transmission & Distribution \$418,216
 General & Administrative \$352,890
 Labor Expenses \$1,547,897
 Total Operating Expenses \$3,157,466

 Nonoperating Expenses
 Capital Expenses \$2,520,921
 Bond Principal & Interest \$260,560
 Emergency Fund \$283,920
 Reserve Fund \$757,452
 Contingency \$4,253,138
 Total Nonoperating Expenses \$8,075,991

TOTAL ESTIMATED EXPENDITURES \$11,233,457

ESTIMATED REVENUES

 Operating Revenue
 Sale of Water \$3,430,000
 Sanitation District \$25,200
 Penalty Fees \$26,400
 Turn Fees \$44,000
 Total Operating Revenue \$3,525,600

 Nonoperating Revenue
 Plant Investment Fees \$1,250,000
 Main Line Extension Fees \$10,000
 Disposal of Assets \$5,000
 Availability of Service \$21,840
 Interest \$225,000
 Bond/Grant Proceeds \$200,000
 Property Taxes \$0
 Lease Income \$8,640
 Construction Reimbursements \$0
 Tap Installation \$1,600
 Miscellaneous \$2,000
 Total Nonoperating Revenue \$1,724,080

TOTAL ESTIMATED REVENUE \$5,249,680
Estimated From Reserves \$5,983,777

TOTAL FUNDS AVAILABLE \$11,233,457
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, Eleven Million, Two Hundred Thirty Three Thousand, Four Hundred Fifty Seven Dollars (\$11,233,457) for the general expenses of the DISTRICT, and that this appropriation be a continuing appropriation whether said funds be expended during 2009 or thereafter.

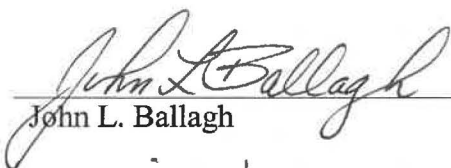
I hereby certify the forgoing is a true copy of a resolution adopted by the Board of Directors of the Clifton Water District acting by and through its Water Activity Enterprise at a Special Meeting of the Board held on December 17, 2008. Said budget was displayed for inspection and notice of said display for inspection was duly published in accordance with C.R.S. § 29-1-106.

Dated December 17, 2008

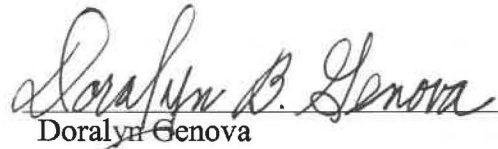
ADJOURNMENT

By mutual consent the regular meeting adjourned at 12:22 p.m.

ATTEST:



John L. Ballagh



Doralyn Genova



Brian Woods



Alan Hassler

Absent

Robert Burger

**APPROPRIATION RESOLUTION OF THE CLIFTON WATER DISTRICT BOARD OF DIRECTORS
ACTING BY AND THROUGH ITS WATER ACTIVITY ENTERPRISE FOR THE
2009 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 2009 Budget Year.

WHEREAS, the Directors have adopted the annual budget for 2009 in accordance with the Local Government Budget Law, on the 17th day of December, 2008, 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:

2009 Budget

ESTIMATED BEGINING BALANCE	\$5,983,777
<u>ESTIMATED EXPENDITURES</u>	
-	-
Operating Expenses	
Source of Supply	\$22,095
Water Treatment	\$816,368
Transmission & Distribution	\$418,216
General & Administrative	\$352,890
Labor Expenses	\$1,547,897
Total Operating Expenses	\$3,157,466
Nonoperating Expenses	
Capital Expenses	\$2,520,921
Bond Principal & Interest	\$260,560
Emergency Fund	\$283,920
Reserve Fund	\$757,452
Contingency	\$4,253,138
Total Nonoperating Expenses	\$8,075,991
TOTAL ESTIMATED EXPENDITURES	\$11,233,457
<u>ESTIMATED REVENUES</u>	
Operating Revenue	
Sale of Water	\$3,430,000
Sanitation District	\$25,200
Penalty Fees	\$26,400
Turn Fees	\$44,000
Total Operating Revenue	\$3,525,600
Nonoperating Revenue	
Plant Investment Fees	\$1,250,000
Main Line Extension Fees	\$10,000
Disposal of Assets	\$5,000
Availability of Service	\$21,840
Interest	\$225,000
Bond/Grant Proceeds	\$200,000
Property Taxes	\$0
Lease Income	\$8,640
Construction Reimbursements	\$0
Tap Installation	\$1,600
Miscellaneous	\$2,000
Total Nonoperating Revenue	\$1,724,080
TOTAL ESTIMATED REVENUE	\$5,249,680
Estimated From Reserves	\$5,983,777
TOTAL FUNDS AVAILABLE	\$11,233,457
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, Eleven Million, Two Hundred Thirty Three Thousand, Four Hundred Fifty Seven Dollars (\$11,233,457) for the general expenses of the DISTRICT, and that this appropriation be a continuing appropriation whether said funds be expended during 2009 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 a Special Meeting of the Board held on December 17, 2008. Said budget was displayed for inspection and notice of said display for inspection was duly published in accordance with C.R.S. § 29-1-106.

Dated December 17, 2008

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

ATTEST: Robert K. Burger
Robert K. Burger, Secretary