

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

Held January 2, 2003

Present were Chairman Ballagh, Vice-Chairman Rupp, Treasurer Morrow and Assistant Secretary Woods. Director Teal had an excused absence. Staff present were Dale Tooker, David Reinertsen, Dave Payne, Ruth Kubin and Lori Cosslett.

Chairman Ballagh called the Regular meeting to order at 5:00 p.m.

**MINUTES OF DECEMBER 4, 2002** - Director Woods moved to accept the minutes of the December 4, 2002 Board Meeting. Director Morrow seconded the motion. The motion to accept the minutes with corrections passed unanimously.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE** - Director Woods moved to approve expenditures of \$149,110.69 plus \$4,442.71 on the supplemental statement for a total of \$153,553.40. Director Morrow seconded the motion which passed unanimously.

**STAFF REPORTS** - Ruth Kubin presented a Staff Report (*Staff Reports, file 1-2-03*) on Customer Service Follow-up Surveys for the 4<sup>th</sup> Quarter of 2002.

Manager Tooker presented graphical data (*file 1-2-03*) showing values of the District's Reserves from 1998 through 2002.

**EXPRESS AGENDA** - The Directors reviewed the Express Agenda and accepted the following items as presented:

**Watermark of Excellence** - The District will be having our Watermark of Excellence Award Luncheon on Friday, January 17, 2003 at noon. Three Watermark of Excellence Award Nominees will be presented and the Watermark of Excellence Awardee will be identified.

**Chlorine Handling Facility** - Chlorine Handling Facility Water Treatment Plant design package was submitted to Mesa County for Conditional Use application.

**Bid for River Crossing** - The Board had previously approved advertising for bid for the River Crossing at 32 Road. Staff will be proceeding to complete the bid process and begin construction of the Colorado River Crossing before March 2003.

**Raw Water Settling Pond Project** - Red Mesa Consulting completed the Final Project Report and delivered the Notification of Completion of Rehabilitation to the State Engineer's Office on December 16, 2002. A final cost summary of remedial repairs will be presented at the February 2003 Board Meeting.

**SHOSHONE POWER PLANT WINTER WATER CALL** - Information and discussion only, no Board action was taken.

Minutes

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January 2, 2003

**OUT-OF-DISTRICT SERVICE REQUEST FOR GOODFELLOW PROPERTY,**

**REEDER MESA ROAD** - Assistant Manager Reinertsen presented a Staff Report (*Staff Reports, file 1-2-03*) concerning an Out-of-District service request from Donald Goodfellow. Director Woods moved to grant the inclusion of parcel 2969-173-00-058 (legal description N 1/2, SW 1/4, Sec 17, T2S, R2E) on Reeder Mesa Road, into the District's Out-of-District service area contingent upon Mr. Goodfellow's successful installation within 12 months of a main line extension of the District's existing water main on Reeder Mesa Road according to District Construction Specifications and installation of all necessary materials and labor required to tie into the existing Reeder Mesa Road Pump Station. Director Rupp seconded the motion which passed unanimously.

**PROJECT 2002-01 NEW WATER STORAGE TANK CONSTRUCTION CONTRACT**

**AWARD** - The Board was presented with a letter from Vincent Hart of Burns & McDonnell recommending award of Clifton Water District Project 2002-01 to Ellsworth-Paulsen Construction Company for \$1,534,000.00 (*file 1-2-03*). Director Rupp moved to accept the construction contract award recommendation for Clifton Water District Project 2002-01 of \$1,534,000.00 to Ellsworth-Paulsen Construction Company. Director Woods seconded the motion which passed unanimously.

**GRANT OF EASEMENT** - Director Woods moved to grant an easement to Grand Valley Power for installation of a new power line to the Middle Water Storage Tank Project location. Director Morrow seconded the motion which passed unanimously.

**DESIGNATE PLACE AND TIME FOR MEETINGS** - Director Morrow moved to keep the regular Board meeting on the first Thursday of each month at 5:00 p.m. with the location of the meeting being the Clifton Water District office located at 510 34 Road, with the posting places for the meetings being at the Clifton Sanitation District #2, the Clifton Fire Department and the Mesa County Clerk and Records Clifton Branch Office. Director Woods seconded the motion which passed unanimously.

**AVAILABILITY OF SERVICE** - Staff presented the calculation of the average annual usage charge for 2002 (*file 1-2-03*). Director Rupp moved to accept setting the Availability of Service Charge at 34.9% of the average monthly usage charge per user in 2002, for a charge of \$8.50 per month for Fiscal Year 2003, thus revising *Policy 430*, effective, January 2, 2003. Director Woods seconded the motion which passed unanimously.

**3293 D ½ ROAD SERVICE TAP ISSUES** - Staff briefed the Board concerning a customer dispute regarding the purchase and the availability of a water service tap for 3293 D ½ Road. No Board action was taken.

**OBERDING PROPERTY, 3261 D ½ ROAD** - Staff presented the details concerning the planned relocation of an existing tap at 3261 D ½ Road to a yet to be determined address on 32 ½ Road (same parcel). The relocation is being performed in accordance with the District's new tap relocation Policy. No Board action was taken.

**OUT-OF-DISTRICT SERVICE REQUEST FOR A 40-ACRE PARCEL ON CALLOW CREEK LANE, WHITEWATER** - Assistant Manager Reinertsen presented a Staff Report (*Staff Reports, file 1-2-03*) concerning an Out-of-District service request from Mr. Curt Haskins. Director Woods moved to grant the inclusion of parcel 2967-122-00-154 (legal description SW 1/4, NW 1/4, SEC 12, T2S, R1E) north and west of Callow Creek Lane, into the District's Out-of-District service area for one single residential service tap for the parcel, and, if at some point in the future this parcel is subdivided, system infrastructure improvements, such as an eight-inch main line, may be required. Director Morrow seconded the motion which passed unanimously.

**EXECUTIVE SESSION** - At 6:21 p.m., Director Woods moved to enter into Executive Session to discuss "the purchase, acquisition, lease, transfer or sale of any property interest" 24-6-402(4)(a), C.R.S. and for "determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators" 24-6-402(4)(e), C.R.S. Director Morrow seconded the motion which passed unanimously.

At 8:15 p.m., Director Morrow moved to exit Executive Session. Director Woods seconded the motion which passed unanimously.

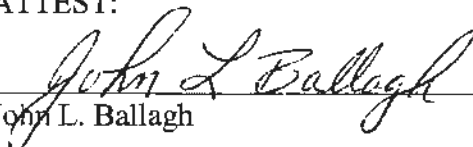
**PROPERTY ACQUISITION** - Director Woods moved to offer \$365,000.00, with earnest money of \$3,650.00, for the two properties located at 3390 E 1/4 Road, reallocating funds budgeted from the 2003 Pond Renovation Line Item. Director Morrow seconded the motion which passed unanimously.

**31 ROAD PROJECT ISSUES** - Manger Tooker presented issues and concerns regarding the necessary cleanup of the contaminated spoils from the 31 Road Project. Director Rupp moved to authorize Staff to cooperate with Central Grand Valley Sanitation District on a cost share arrangement to help clean up the contaminated spoils resulting from the 31 Road Project. Director Woods seconded the motion which passed unanimously.

**OTHER BUSINESS** - It was the consensus of the Board to have a Special Meeting at 5:00 p.m. on Wednesday, January 15, 2003.

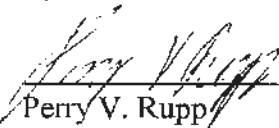
Director Morrow moved to adjourn the meeting at 8:27 p.m. Director Woods seconded the motion which passed unanimously.

ATTEST:

  
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John L. Ballagh

Excused

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Paul Teal

  
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Perry V. Rupp

  
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Larry F. Morrow

  
\_\_\_\_\_  
Brian Woods

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

Held January 15, 2003

Present were Chairman Ballagh, Vice-Chairman Rupp, Secretary Teal, Treasurer Morrow and Assistant Secretary Woods. Staff present were Dale Tooker, David Reinertsen, Dave Payne, and Lori Cosslett.

Chairman Ballagh called the Special meeting to order at 5:00 p.m.

**EXECUTIVE SESSION** - At 5:01 p.m., Director Teal moved to enter into Executive Session to discuss "the purchase, acquisition, lease, transfer or sale of any property interest" 24-6-402(4)(a), C.R.S. Director Morrow seconded the motion which passed unanimously.

At 6:02 p.m., Director Teal moved to exit Executive Session. Director Rupp seconded the motion which passed unanimously.

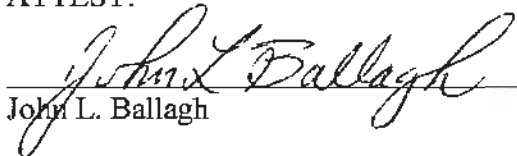
**PROPERTY ACQUISITION** - Director Morrow moved to offer \$430,000 for the two properties (parcel numbers 2943-124-00-179 and 2943-124-00-190) located at 3390 E 1/4 Road, contingent upon a land survey paid by the District, that confirms the property matches the legal description, 100% resolution of any property encroachment and confirmation of the transfer of 32 shares of water from the Grand Valley Irrigation Company. Director Teal seconded the motion which passed unanimously.

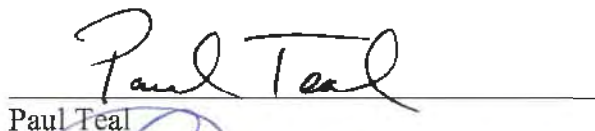
**CONSIDER PUBLIC MEETING** - The Board and staff discussed having a Public Meeting in March or April to update the District's drought related issues.

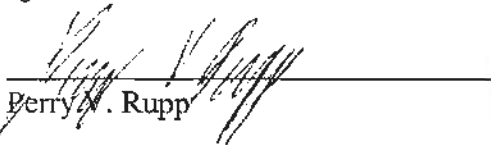
**ASBESTOS PIPE POLICY/CONSTRUCTION SPECIFICATIONS** - Staff will come up with a policy and present it to the Board.

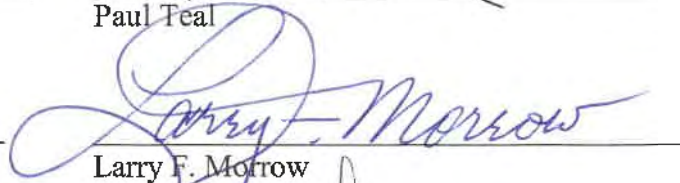
**CONSTRUCTION POLICY** - Staff will develop an updated Five Year Plan and a "hot spot map" to the Board.

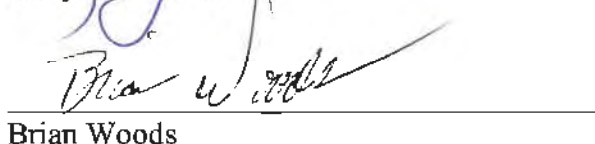
ATTEST:

  
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John L. Ballagh

  
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Paul Teal

  
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Perry W. Rupp

  
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Larry F. Morrow

  
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Brian Woods

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

Held February 6, 2003

Present were Chairman Ballagh, Vice-Chairman Rupp, Secretary Teal, Treasurer Morrow and Assistant Secretary Woods. Staff present were Dale Tooker, David Reinertsen, Dave Payne, Ruth Kubin and Lori Cosslett. Laird Milburn of Dufford, Waldeck Milburn & Krohn was present as Attorney for the District.

Chairman Ballagh called the Regular meeting to order at 5:00 p.m.

**EXECUTIVE SESSION** - At 5:03 p.m., Director Teal moved to enter into Executive Session for "conferences with an attorney for the District for the purpose of receiving legal advice on specific legal questions" 24-6-402 (4)(b) C.R.S. Director Morrow seconded the motion which passed unanimously.

At 6:03, Director Woods moved to exit Executive Session. Director Teal seconded the motion which passed unanimously. Mr. Milburn then exited the meeting.

**MINUTES OF JANUARY 2, 2003** - Director Teal moved to accept the minutes of the January 2, 2003 Board Meeting. Director Woods seconded the motion which passed unanimously.

**MINUTES OF JANUARY 15, 2003** - Director Teal moved to accept the minutes of the January 15, 2003 Special Board Meeting. Director Rupp seconded the motion which passed unanimously.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE** - Director Teal moved to approve expenditures of \$168,373.14 plus \$8,235.75 on the supplemental statement for a total of \$176,698.89. Director Rupp seconded the motion which passed unanimously.

At 6:10 p.m, Don Bell entered the meeting as a guest. Chairman Ballagh acknowledged Mr. Bell and identified his request for consideration of reinstatement of an expired Plant Investment Fee credit. Director Woods made a motion to reinstate a Plant Investment Fee Credit that expired in 2000 for Mr. Bell's property in the amount of \$9,312 for a period of 12 months and in exchange, the District will receive a 175.5 foot X 20 foot Right-of-Way extending south from the termination of Anna Court to the District's property line. Director Teal seconded the motion which passed 3-2. Mr. Bell then exited the meeting.

**EXPRESS AGENDA** - The Directors reviewed the Express Agenda and accepted the following items as presented:

**SCADA Monitoring System** - Phase II of our SCADA system is complete. Phase II allows us to communicate and monitor the Whitewater pump station and Plant I locations. Monitoring capabilities include; intrusion alarms at both locations, chlorine residual and chlorine leak detection, individual pump status and control, pumping flow-rate and production, and 100,000 gallon tank level. All data is stored in a historical trending database. Plant I location will also serve as the "store & forward" unit for Desert Road and Reeder Mesa pump stations. The desert Road location is budgeted for completion in 2003.

Drought - Staff has met with other Grand Valley entities on January 7, 2003 and we will be meeting again on February 11, 2003, where we are nearing the completion of a unified drought response plan for all of the water utilities. It is staff's plan to present the Drought Response Plan to the Board at the next Planning meeting.

Project 2002-01 Middle Water Storage Tank - The project pre-construction conference was held on January 23, 2003 and site work is scheduled to begin on Monday, February 3, 2003.

VEHICLE USE AGREEMENTS - Director Teal moved to accept the Vehicle Use Agreements (*Personnel Files and Clifton Water District Employee Agreements file*) for Manager Tooker, Assistant Manager Reinertsen and Plant Supervisor Payne according to District Personnel Policy #21. Director Woods seconded the motion which passed unanimously.

PROJECT 98-01 RAW WATER SETTLING POND REMEDIATION - This project is complete and the District has received the final approval from the State Engineer for operation of the facility as designed and constructed. Therefore, Staff is requesting the Board approve final payment to Red Mesa Consulting, Inc. after advertising for release of \$15,989.333 in retained funds. Director Morrow moved to authorize staff to advertise for final payment to Red Mesa Consulting, Inc. for release of retained funds. Director Teal seconded the motion which passed unanimously.

PROJECT 2002-02 PHASE I WHITEWATER TRANSMISSION LINE, RIVER CROSSING PORTION - Assistant Manager Reinertsen presented the Bid Evaluation. Bids were received until 4:00 p.m. on February 4, 2003. A detailed review was done by the Project Engineer, GR Williams Engineering and indicated a 'balanced' bid as per the submitted Bid Schedule. Director Teal moved to accept the bid of MA Concrete Construction, Inc., for Project 2002-02, Phase I, Whitewater Transmission Line for the revised bid price of \$271,277.17. Director Woods seconded the motion which passed unanimously.

PROPERTY ACQUISITION - Board discussion only, no action taken.

BUDGET ADJUSTMENT WATER SHARE ASSESSMENT - Board discussion only, no action taken.

DRAFT HOUSE BILL - ELECT WATER CONSERVANCY DISTRICT BOARD - Staff provided information to Board and no action was taken.

PLANNING MEETING - A Directors' Planning Meeting was set for 5:00 p.m., February 20, 2003. Drought issues will be the topic of discussion.

AGREEMENT WITH CDOT, 32 ROAD AND I-70 BUSINESS LOOP IMPROVEMENTS - Assistant Manager Reinertsen presented a Staff Report (*file 2-20-03 and Staff Reports*) identifying a highway construction project that the Colorado Department of State (CDOT) is planning for the intersection of Highway 141 (32 Road) and I-70 Business Loop. The project will result in the relocation of approximately 100 feet of existing distribution lines. Director Woods moved to have staff enter into a cost-reimbursement agreement with CDOT in support of their proposed project at Highway 141 and I-70 Business Loop. Director Teal seconded the motion which passed unanimously.

**EXECUTIVE SESSION** - At 7:02 p.m., Director Teal moved to enter into Executive Session to discuss "personnel matters" 24-6-402 (4)(f), C.R.S. Director Woods seconded the motion which passed unanimously.


At 7:12 p.m., Director Teal moved to exit Executive Session. Director Morrow seconded the motion which passed unanimously.

**EXECUTIVE SESSION** - At 7:26 p.m., Director Woods moved to enter into Executive Session to discuss "conferences with an attorney for the district for the purpose of receiving legal advice on specific legal questions" 24-6-402 (4)(e) C.R.S. Director Rupp seconded the motion which passed unanimously.

At 7:36 p.m., Director Teal moved to exit Executive Session. Director Morrow seconded the motion which passed unanimously.

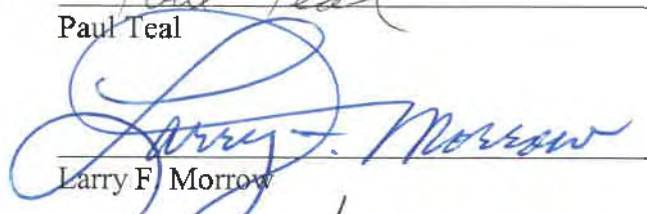
The meeting was adjourned by mutual consent at 7:36 p.m.

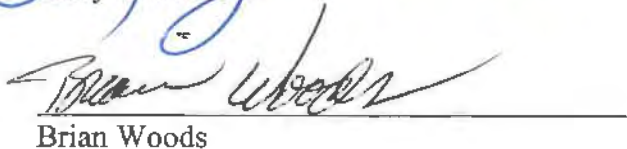
ATTEST:

  
John L. Ballagh

  
Paul Teal

  
Perry V. Rupp

  
Larry F. Morrow

  
Brian Woods

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

Held February 20, 2003

Present were Chairman Ballagh, Vice-Chairman Rupp, Secretary Teal, Treasurer Morrow and Assistant Secretary Woods. Staff present were Dale Tooker, David Reinertsen and Lori Cosslett.

Chairman Ballagh called the Planning meeting to order at 5:02 p.m.

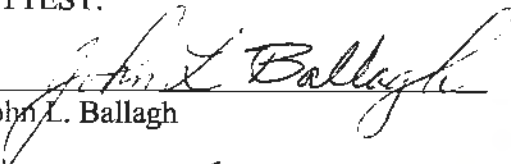
**DROUGHT** - A drought response plan (*file 2-20-03*) was presented to the Board by Manager Tooker. This Drought Response Plan is being jointly developed by the Clifton Water District, City of Grand Junction, Ute Water Conservancy District and the Town of Palisade.

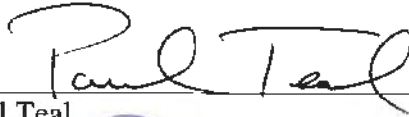
**STAFF REPORT** - Assistant Manager Reinertsen presented a Staff Report (*file 2-20-03 and Staff Reports*) titled Repair & Maintenance Cost Comparison, In-House Resources versus Outside Contractors for 2001 and 2002 distribution repair projects.

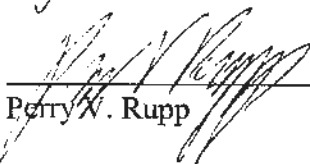
SDA Legislative News (*file 2-20-03*) and the Bill for an Act Concerning the Improvement of Urban Water Use Efficiency (*file 2-20-03*) was presented to the Board for information only.

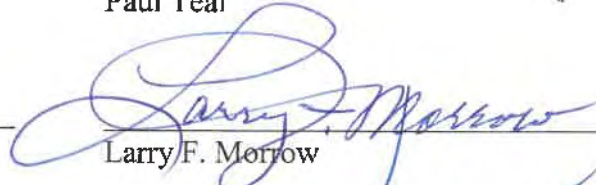
The meeting was adjourned at 6:45 p.m.


ATTEST:

  
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John L. Ballagh

  
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Paul Teal

  
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Perry W. Rupp

  
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Larry F. Morrow

  
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Brian Woods



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

Held March 6, 2003

Present were Chairman Ballagh, Vice-Chairman Rupp, Secretary Teal, Treasurer Morrow and Assistant Secretary Woods. Staff present were Dale Tooker, David Reinertsen, Dave Payne, Ruth Kubin and Lori Cosslett.

Chairman Ballagh called the Regular meeting to order at 5:00 p.m.

**MINUTES OF FEBRUARY 6, 2003** - Director Teal moved to accept the minutes of the February 6, 2003 Board Meeting. Director Morrow seconded the motion. After discussion, Director Teal amended his original motion to defer the approval of the minutes of the February 6, 2003 Board Meeting until the next regular Board Meeting. Director Morrow seconded the amended motion which passed unanimously.

**MINUTES OF FEBRUARY 20, 2003** - Director Teal moved to accept the minutes of the February 20, 2003 Planning Meeting. Director Woods seconded the motion which passed unanimously.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE** - Director Teal moved to approve expenditures of \$118,408.35 plus \$8,646.05 on the supplemental statement for a total of \$127,054.40. Director Woods seconded the motion which passed unanimously.

**EXPRESS AGENDA** - The Directors reviewed the Express Agenda and accepted the following items as presented:

**Preconstruction for Whitewater Transmission Line Phase I, Project 2002-02** - A preconstruction meeting for this project was held Monday, February 24, 2003. GR Williams Engineering, Inc. will be providing onsite inspections. Work will begin in March and continue into May.

**Plant Optimization Phase I, Project 2002-03** - This project was previously identified as the Chlorine Facility. A preliminary design review was completed by staff. This project requires a Conditional Use Permit issued by Mesa County. The Mesa County Planning Commission recommended granting the Conditional Use Permit on February 27, 2003. The item goes before the Mesa County Board of Commissioners on March 18, 2003. Upon issuance of the Conditional Use Permit, the final design for this Design/Build Project can be completed.

**Update on Middle Water Storage Tank, Project 2002-01** - Elsworth/Paulson began the construction on the project with Palisade Contractors performing the preliminary site work. Burns & McDonnell is providing engineering and site inspections.

**31 ROAD PROJECT CLEANUP** - Staff presented information resulting from the meeting that was held on Monday, March 3, 2003 at the Central Grand Valley Sanitation District office. Information only, no Board action required.

Minutes

Page 2

March 6, 2003

**DROUGHT RESPONSE PLAN** - The Board discussed the draft Drought Response Plan (3-6-03) being developed by Staff of the District, Ute Water Conservancy District, the City of Grand Junction and the Town of Palisade. Information only, no Board action required.

**BUDGET TRANSFER REQUEST FOR DROUGHT PLAN** - Staff requested a transfer of \$7,000 from Contingency to the Publications line item to fund the public information and training programs of the Drought Response Plan. Director Teal moved to transfer \$7,000 from Contingency to the Publication Line Item. Director Morrow seconded the motion which passed unanimously.

**LOST TIME ACCIDENT** - Manager Tooker reported that Distribution Technician Tom Shawler had a work related injury that resulted in lost time. Information only, no Board action required.

**FLOOD INSURANCE** - In March of each year the Board considers the need to add Flood Insurance to the District's insurance coverage. It was Board consensus to take no action at this time.

**DISTRICT'S LIABILITY INSURANCE RENEWAL, MAY 2003** - The Board reviewed correspondence from James Hamilton, Home Loan and Investment (*file 3-6-03*) concerning the District's May 2003 Liability Insurance renewal. It was Board's consensus to continue utilizing the services of Home Loan and Investment in obtaining the District's Liability Insurance.

**ENGINEERING SERVICES FOR 32 ROAD PHASE II, PROJECT 2003-01** - Staff requested authorization to seek engineering design services for Phase II the District's Whitewater Transmission. It was Board consensus to have Staff secure the necessary services in compliance with District procurement practices.

**3390 E 1/4 ROAD PROPERTY** - Manager Tooker reported his evaluation of the options for leasing or farming the District's 3390 E 1/4 Road property. Staff will proceed with securing a custom farming contract in compliance with standard District procedures. No Board action was taken.

**ASBESTOS PIPE REMOVAL POLICY** - Manager Tooker identified the need for a Policy on the removal of Asbestos Cement Pipe. It was Board consensus to have Staff prepare a Policy to present at the next Planning meeting.

**AWWA PARTICIPATION REQUEST** - Manager Tooker requested Board approval to serve as an interim Education Committee Chair for the Rocky Mountain Section of the AWWA until September 2003. Manager Tooker estimated the time commitment to be two full day meetings and minimal telephone time. It was Board consensus to permit Manager Tooker to perform these duties and identify to AWWA that the position would be temporary.

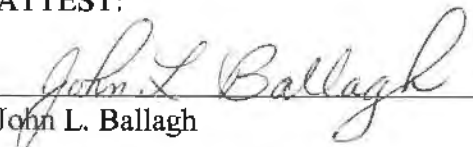
**MULTIPLE UNIT WATER RATE CLARIFICATION** - Staff requested clarification of the Multiple Unit Water Rate calculation. The Board directed Staff to prepare comparison data for discussion at the next Planning Meeting.

**POST DATED CHECKS AND ACH PAYMENTS** - Manager Tooker requested Board direction concerning the acceptance of post-dated Electronic Fund Transfer requests. It was the Board's consensus that the District does not accept post-dated checks and should not permit post-dated Electron Fund Transfers.

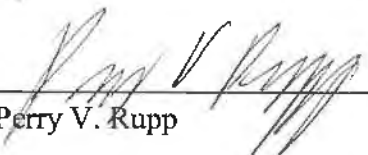
It was Board consensus to hold a Planning Meeting on Thursday, March 20, 2003 and reschedule the April 3, 2003 Regular Meeting to April 10, 2003.

The meeting was adjourned by Chairman Ballagh at 7:31 p.m.

ATTEST:

  
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John L. Ballagh

  
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Paul Teal

  
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Perry V. Rupp

*Larry Morrow resigned from  
the Board (4/21/03) fr.*  
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Larry F. Morrow

  
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Brian Woods

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

Held March 20, 2003

Present were Chairman Ballagh, Vice-Chairman Rupp, Secretary Teal and Assistant Secretary Woods. Director Morrow had an excused absence. Staff present were Dale Tooker and Lori Cosslett.

Chairman Ballagh called the Planning meeting to order at 5:02 p.m.

**MULTIPLE UNIT WATER RATE CLARIFICATION** - Manager Tooker presented the District's current water rates, two different reports on Multi Unit Residential for the previous 12 months and water rates from the Town of Palisade, Ute Water Conservancy District and the City of Grand Junction (*file 3-20-03*). The Board reviewed and discussed the information. It was the Board's consensus that Staff had demonstrated that all customer classifications of the District were treated fairly concerning water rates and at this time, adjustment to the Multiple Unit Water Rate is not justified.

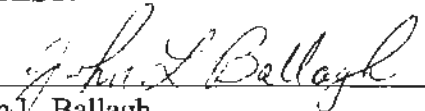
**ASBESTOS PIPE POLICY** - Manager Tooker presented a draft Policy #320, Abandoned Distribution and Transmission Lines (*file 3-20-03*) and a letter from Daryl Hillyer from Compliance Solutions regarding Asbestos Management of Asbestos Cement Piping (*file 3-20-03*). The Board directed Staff to revise Policy #320 to state general policy direction and use existing Standard Operating Procedures to deal with the removal of all pipeline materials. A revised Policy #320 will be presented to the Board at a later date.

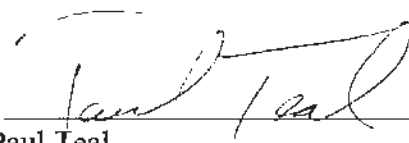
**OTHER BUSINESS** - Manager Tooker presented a brief update on the 31 Road Cleanup Project. This was information only, no Board action was taken.

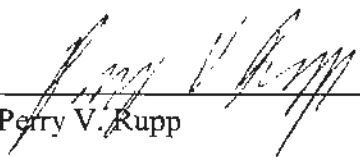
Director Ballagh and Manager Tooker spoke briefly on the ADHOC meeting they attended March 19, 2003.

The meeting was adjourned at 6:50 p.m.

ATTEST:


  
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John L. Ballagh

  
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Paul Teal

  
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Perry V. Rupp

Excused

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Larry F. Morrow

  
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Brian Woods

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

Held April 21, 2003

Present were Chairman Ballagh, Vice-Chairman Rupp, Secretary Teal and Assistant Secretary Woods. Director Morrow had an excused absence. Staff present were Dale Tooker David Reinertsen and Lori Cosslett.


Chairman Ballagh called the Special Meeting to order at 9:30 a.m.

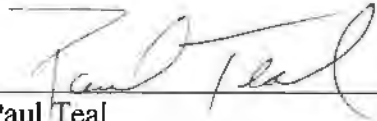
Mr. Joseph Drew with Drew Financial, LLC presented a proposal to provide the District with consulting services pertaining to funding opportunities for future capital construction projects of the District (*file 4-21-03*).

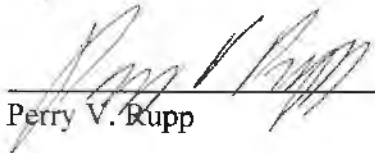
Director Teal moved to enter into an agreement for financial advisory services with Drew Financial, LLC. Director Woods seconded the motion which passed unanimously.

The meeting was adjourned at 10:54 a.m.

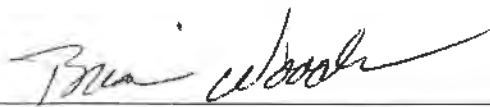
ATTEST:

  
\_\_\_\_\_  
John L. Ballagh

  
\_\_\_\_\_  
Paul Teal

  
\_\_\_\_\_  
Perry V. Rupp

Excused  
\_\_\_\_\_  
Larry F. Morrow

  
\_\_\_\_\_  
Brian Woods

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

Held April 10, 2003

Present were Chairman Ballagh, Vice-Chairman Rupp, Secretary Teal, Treasurer Morrow and Assistant Secretary Woods. Staff present were Dale Tooker, David Reinertsen, Dave Payne, Ruth Kubin, Lori Cosslett and Troy Sweet. Laird Milburn of Dufford, Waldeck Milburn & Krohn was present as Attorney for the District.

At 5:00 p.m. Chairman Ballagh called the Regular meeting to order.

**EXECUTIVE SESSION** - At 5:00 p.m. Director Teal moved to enter into Executive Session for "conferences with an attorney for the District for the purpose of receiving legal advice on specific legal advice on specific legal questions" 24-6-402 (4) (b) C.R.S. Director Woods seconded the motion which passed unanimously.

At 5:17 p.m., Director Teal moved to exit Executive Session. Director Morrow seconded the motion which passed unanimously. Mr. Milburn then exited the meeting.

**MINUTES OF FEBRUARY 6, 2003** - Director Morrow moved to accept the minutes of the February 6, 2003 Board Meeting. Director Teal seconded the motion which passed unanimously.

**MINUTES OF MARCH 6, 2003** - Director Woods moved to accept the minutes of the March 6, 2003 Board Meeting. Director Teal seconded the motion. The motion passed unanimously with corrections.

**MINUTES OF MARCH 20, 2003** - Director Woods moved to accept the minutes of the March 23, 2003 Board Meeting. Director Teal seconded the motion. The motion passed unanimously with corrections.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE** - Director Teal moved to approve expenditures of \$148,092.97 plus \$305,808.48 on the supplemental statement for a total of \$453,901.45. Director Woods seconded the motion which passed unanimously.

**STAFF REPORTS** - Dave Payne, Treatment Plant Supervisor, presented the 2002 Water Treatment Goal Analysis (*file 4-10-03*). He was assisted by Troy Sweet, Water Treatment Operator, who manages the Treatment Plant data base.

Assistant Manager Reinertsen gave an overview of the Staff Report in the Board packet pertaining to the progress of the Whitewater Transmission Line, Project 2002-02.

**EXPRESS AGENDA** - The Directors reviewed the Express Agenda and accepted the following items as presented:

Middle Water Storage Tank, Project 2002-01 - Ellsworth/Paulson continues with the construction of the tank. Palisade Contractors installed 30" welded steel piping and Advance Tank began the fabrication of the steel tank. The project has had some weather related delays but is progressing.

Plant Optimization, Project 2002-03 - The Mesa County Board of Commissioners approved the Conditional Use Permit on March 18, 2003. Burns & McDonnell will continue to prepare the final design for this design/build project.

Drought Response Plan - The process of completing a Grand Valley Drought Response Plan continues. District Staff will be preparing a Memorandum of Understanding (MOE) for all of the involved utilities. The Grand Junction City Council heard the draft Drought Response Plan on March 31, 2003. Ute Water and the Town of Palisade will be presenting the Plan to their governing bodies. The Drought Group plans to have a final Drought Response Plan for approval at the May 1, 2003 Board meeting.

**TRANSMISSION AND DISTRIBUTION LINE POLICY** - Staff revised Policy #320 (*file 4-10-03*). Director Teal moved to accept revised Policy #320 Distribution and Transmission Lines. Director Rupp seconded the motion which passed unanimously.

**31 ROAD PROJECT CLEANUP** - The Board received two letters, dated April 7, 2003 and March 12, 2003 (*file 4-10-03*) from Larry Beckner, Attorney for Central Grand Valley Sanitation. Director Teal moved to authorize the Clifton Water District to contribute up to \$17,000 towards the cleanup of the 31 Road Remediation Project and authorize the Manager to sign the necessary agreements. Director Morrow seconded the motion which passed unanimously.

**CONTINUATION OF FEBRUARY 6, 2003 ITEM - REINSTATEMENT OF EXPIRED PLANT INVESTMENT FEE CREDIT FOR DON BELL** - Director Woods moved to reconsider the reinstatement motion concerning the Plant Investment Fee credit for 365 days from the February 6, 2003 Board of Directors meeting. Director Teal seconded the motion which passed unanimously.

**DRAFT 2002 AUDIT FROM CHADWICK, STEINKIRCHNER, DAVIS & CO., P.C.** - A draft copy of the 2002 Audit (*file 4-10-03*) was presented to the Board for review. Mike Nelson with Chadwick, Steinkirchner, Davis & Co., P.C., will present the 2002 Audit at the May 1, 2003 Board meeting. Information only, no Board action required.

**SENATE BILL 03-276, CASH FUNDING OF WATER QUALITY PROGRAMS** - Staff provided information to the Board regarding Senate Bill 03-276 (*file 4-10-03*) which authorizes a fee based funding system for the Colorado Department of Public Health and Environment (CDPHE) activities. Information only, no Board action required at this time.

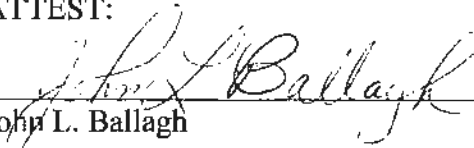
**OUT-OF-DISTRICT SERVICE REQUEST FOR PHIPPS PROPERTY, SIMINOE ROAD, WHITEWATER** - Assistant Manager Reinertsen presented a Staff Report (*file 4-10-03*) concerning an Out-of-District service request from Mr. Ralph Phipps. Director Woods moved to grant the inclusion of parcel 2969-314-00-284, aka 34999 Siminoe Road (legal description SE 1/4, SE 1/4, Sec 31, T2S, R2E, Ute Meridian, together with a 30 foot easement for ingress, egress and utilities) for one 3/4" residential service tap which will be counted against the total number of service taps allowed in the Pronghorn Subdivision. Director Teal seconded the motion which passed unanimously.

**BANKING SERVICES** - Staff reported on the ongoing evaluation of locally available banking services that utilize electronic banking capabilities that would provide the District some benefit. Information and discussion only, no Board action required.

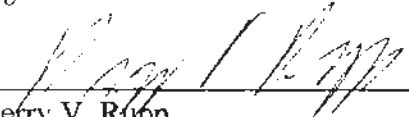
**CAPITAL PROJECT FUNDING REVENUE BOND OPPORTUNITY** - Manager Tooker reported that he has been evaluating options associated with Revenue Bond opportunities for planned Capital Project funding at the current favorable market rates. Information and discussion only, no Board action required.

At 7:28 p.m., Director Teal moved to adjourn the meeting. Director Morrow seconded the motion which passed unanimously.

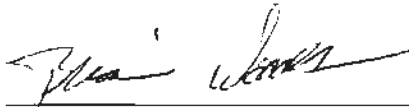
ATTEST:

  
\_\_\_\_\_  
John L. Ballagh

  
\_\_\_\_\_  
Paul Teal

  
\_\_\_\_\_  
Perry V. Rupp

*Barry Morrow resigned from the board (4/21/03). RC*  
\_\_\_\_\_  
Larry F. Morrow

  
\_\_\_\_\_  
Brian Woods



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

Held May 1, 2003

Present were Chairman Ballagh, Vice-Chairman Rupp, and Assistant Secretary Woods. Secretary Teal had an excused absence. Treasurer Morrow was not present as he has resigned his position. Staff present were Dale Tooker, David Reinertsen, Dave Payne and Lori Cosslett.

At 5:00 p.m. Chairman Ballagh called the Regular meeting to order.

At 5:00 p.m., Chris Johnson with Capital Investment Council presented the District's current Financial Portfolio (*file 5-1-03 and 2002 Audit*). Mr. Johnson left the meeting at 5:30 p.m., at which point Mike Nelson with Chadwick, Steinkirchner, Davis & Co., P.C. entered the meeting and presented the 2002 Audit(*file 5-1-03*). Director Woods moved to accept the 2002 Audit as presented. Director Rupp seconded the motion which passed unanimously. Mr. Nelson left at 6:04 p.m., at which point Mr. Jamie Hamilton with Home Loan & Investment Company entered the meeting and presented information concerning the District's Liability Insurance (*file 5-1-03 and Insurance File*) for the next policy year. Director Woods moved to transfer \$2,400 to the Water Treatment Plant, \$600 to Transmission and Distribution, and \$1,000 to General and Administration for a total of \$4,000 from Contingency to fund the increased premium renewal. Director Rupp seconded the motion which passed unanimously. Director Rupp moved to accept the insurance renewal proposal from the Rural Special Districts Insurance Services in the amount of \$32,621. Director Woods seconded the motion which passed unanimously.

**MINUTES OF APRIL 10, 2003** - Director Woods moved to accept the minutes of the April 10, 2003 Board Meeting. Director Rupp seconded the motion which passed unanimously.

**MINUTES OF APRIL 21, 2003** - Director Woods moved to accept the minutes of the April 21, 2003 Special Board Meeting. Director Rupp seconded the motion which passed unanimously.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE** - Director Woods moved to approve expenditures of \$35,304.86 plus \$428,631.38 on the supplemental statement for a total of \$463,936.24. Director Rupp seconded the motion which passed unanimously.

**EXPRESS AGENDA** - The Directors reviewed the Express Agenda and accepted the following items as presented:

2003 SDA Regional Workshop - Included in the Board packet is the registration information for the 2003 SDA Regional Workshop to be held on Thursday, June 12, 2003 in Grand Junction.

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May 1, 2003

Middle Water Storage Tank, Project 2002-01 - All new pipe work has been installed and tested. The six tank rings have been installed and roof work is scheduled to commence within two weeks. The project is slightly behind schedule, due to weather related delays, with contract costs still at the original award price.

Whitewater Transmission Line, Project 2002-02 - All buried pipeline has been installed. Work associated with hanging new pipe under the highway bridge is to start on Monday, April 29, 2003. Project is ahead of schedule with total completion anticipated about May 16, 2003. Three contract change orders have been issued to date with total project costs still within contract award price and budget.

**RAW WATER SETTLING POND** - It was Board consensus to schedule and advertise a Special Meeting at Attorney Milburn's office at 744 Horizon Court, Suite 300, Grand Junction, CO on Monday, May 5, 2003 for the purpose of receiving legal advice. Tentatively the mediation date is scheduled for Tuesday, May 13, 2003 at Attorney Milburn's office. Information only, no Board action required.

**DROUGHT RESPONSE PLAN** - The drought committee is in the final stages of the Drought Response Plan. The final plan will be presented at the next regular Board meeting for approval. Manager Tooker is preparing the Memorandum of Understanding for the participating organizations to sign.

**31 ROAD PROJECT** - Manager Tooker signed the Participation and Release Agreement (*Agreement file and 31 Road Project*). The Board requested that a copy of the final Agreement and all associated remediation budget information be maintained in the District's files.

**ORCHARD MESA PROPERTY** - Staff received an offer to purchase the Orchard Mesa Property. Director Woods moved to decline the offer. Director Rupp seconded the motion. There was no discussion and the motion passed unanimously.

**RESIGNATION LETTER OF LARRY MORROW** - The Board received a resignation letter (*file 5-1-03*) from Director Morrow dated April 21, 2003. Director Rupp moved to accept the letter of resignation and to send a written response (*file 5-1-03*) to Mr. Morrow. Director Woods seconded the motion which passed unanimously. Discussion of the vacancy was deferred until the next regular meeting, June 5, 2003.

**COLOTRUST, ELECTION ON PROPOSED CHANGES TO THE INDENTURE OF TRUST** - Director Woods moved to authorize Manager Tooker to submit an affirmative vote to eliminate the list of permitted investments and replace that restriction with a restriction that the Trust only invests in those assets permitted under CRS 24-75-601. Director Rupp seconded the motion which passed unanimously.

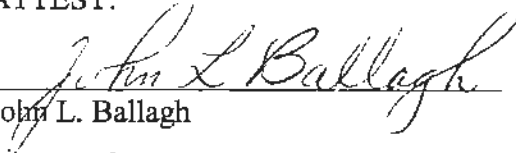
Minutes  
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May 1, 2003

**MODIFICATION TO POLICY #411, PLANT INVESTMENT FEE CREDIT** - Staff presented a proposed revision to Policy #411, Plant Investment Fee Credit (*file 5-1-03 and District Policies*). The revision provides an exception to relocate a tap under specific conditions. Director Woods moved to approve revised Policy #411, Plant Investment Fee Credit as presented effective May 1, 2003. Director Rupp seconded the motion which passed unanimously.

**DESIGN BUILD FOR MAINTENANCE SHOP ADDITION** - Assistant Manager Reinertsen gave a brief explanation of the Maintenance Shop addition. It was Board consensus to proceed with the advertising for this design/build project.

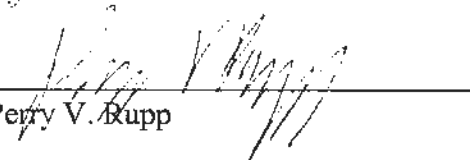
The meeting was adjourned by Director Ballagh at 7:31 p.m.

ATTEST:

  
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John L. Ballagh

EXCUSED

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Paul Teal

  
\_\_\_\_\_  
Perry V. Rupp

RESIGNED

\_\_\_\_\_  
Larry F. Morrow

  
\_\_\_\_\_  
Brian Woods

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

Held May 5, 2003

Present were Chairman Ballagh, Vice-Chairman Rupp, Secretary Teal and Assistant Secretary Woods. Staff present were Dale Tooker and David Reinertsen. Also present was Laird Milburn.

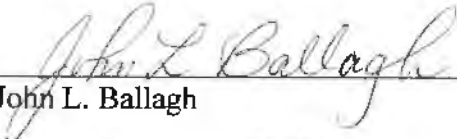
Chairman Ballagh called the Special Meeting to order at 1:07 p.m. at Attorney Laird Milburn's office at 744 Horizon Court, Suite 300, Grand Junction, CO.

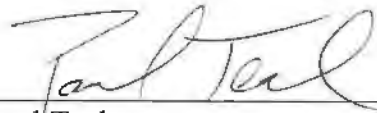
Director Woods moved to enter into Executive Session for "conferences with an attorney for the District for the purpose of receiving legal advice on specific legal questions" 24-6-402 (4) (b) C.R.S. Director Teal seconded the motion which passed unanimously.

At 2:25 p.m. Director Teal moved to exit Executive Session. Director Woods seconded the motion which passed unanimously.

The meeting was then adjourned by mutual consent.

ATTEST:

  
\_\_\_\_\_  
John L. Ballagh

  
\_\_\_\_\_  
Paul Teal

  
\_\_\_\_\_  
Perry V. Rupp

  
\_\_\_\_\_  
Brian Woods

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

Held June 5, 2003

Present were Chairman Ballagh, Vice-Chairman Rupp, Secretary Teal and Assistant Secretary Woods. Staff present were Dale Tooker, David Reinertsen, Dave Payne and Lori Cosslett.

At 5:00 p.m. Chairman Ballagh called the Regular meeting to order.

At 5:00 p.m., Randy Cook was present to introduce himself to the Board and Staff as he is interested in being on the Board of Directors for the Clifton Water District.

**MINUTES OF MAY 1, 2003** - Director Woods moved to accept the minutes of the May 1, 2003 Board Meeting. Director Teal seconded the motion which passed unanimously.

**MINUTES OF MAY 5, 2003** - Director Teal moved to accept the minutes of the May 5, 2003 Special Board Meeting. Director Rupp seconded the motion which passed unanimously.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE** - Director Teal moved to approve expenditures of \$123,086.12 plus \$689,017.95 on the supplemental statement for a total of \$812,104.07. Director Woods seconded the motion which passed unanimously.

**STAFF REPORTS** - Dave Payne, Treatment Plant Supervisor, presented the Raw Water Settling Pond Efficiency Water Quality, Operational Analysis (*file 6-5-03*).

Lori Cosslett presented the Customer Service Telephone Survey (*file 6-5-03 and Customer Service*) for January through March 2003.

**EXPRESS AGENDA** - The Directors reviewed the Express Agenda and accepted the following items as presented:

**Middle Water Storage Tank, Project 2002-01** - Steel fabrication is complete and interior sandblasting has started. Painting of tank interior is scheduled to commence the week of June 9, 2003. Contractor has been directed to provide a detailed plan for tank testing, including filling and draining the new 3.7 million gallon tank. This plan will also address the filling and draining of the existing 3 million gallon tank after completion of installation of new cathodic protection system. The new tank is scheduled to be 'on-line' by July 16, 2003.

**Whitewater Transmission Line, Phase I, Project 2002-02** - Project is 98% complete. One remaining change order is under negotiation. Substantial completion inspection was performed on May 23, 2003. Minor variances identified have been completed. Final completion is scheduled for June 13, 2003.

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June 5, 2003

Whitewater Transmission Line, Phase II, Project 2003-01 - Design contract was executed between the District and GR Williams Engineering, Inc. on May 16, 2003. Geotechnical baseline surveying has been completed. Preliminary design layout has started. Interim design review is scheduled for the week of June 9, 2003.

**DROUGHT RESPONSE PLAN AND MOU** - Manager Tooker informed the Board where the Drought Committee stands with the other Boards involved in the signing the Drought Response Plan and Memorandum of Understanding (MOU). Information only, no Board action required.

**WHITEWATER TRANSMISSION LINE, PHASE I, PROJECT 2002-02, ADVERTISE FOR FINAL PAYMENT** - Assistant Manager Reinertsen gave a brief update on the project status. Director Teal moved to authorize advertisement for final payment for the Whitewater Transmission Line Project 2002-02. Director Woods seconded the motion which passed unanimously.

**DESIGN BUILD - MAINTENANCE SHOP ADDITION APPROVAL, PROJECT 2003-02** - Director Teal moved to award the Design Build contract to FCI Constructors, Inc. for the Design Build - Maintenance Shop Addition, Project 2003-02. Director Woods seconded the motion which passed unanimously.

**EXECUTIVE SESSION** - At 5:43 p.m., Director Teal moved to enter into Executive Session to discuss "the purchase, acquisition, lease, transfer or sale of any property interest" 24-6-402 (4)(a) C.R.S. Director Rupp seconded the motion which passed unanimously.

While in Executive Session, the Board also discussed "determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators" 24-6-402(4)(e) C.R.S.

At 6:03 p.m., Director Teal moved to exit Executive Session. Director Rupp seconded the motion which passed unanimously.

**31 ROAD PROJECT** - A memorandum from Steve LaBonde and Tony Stout of Westwater Engineering (*file 6-5-03*) was presented to the Board. Information only, no Board action required.

**HUBBARD FIRE PROTECTION REQUEST** - Manager Tooker updated the Board on recent developments with Mr. Hubbard. Assistant Manager Reinertsen reported on a Special Meeting he attended between the Grand Junction Rural Fire District and the Lands End Fire District.

**APPOINTMENT FOR VACANT BOARD POSITION** - Director Teal moved to nominate Randy Cook to fill the vacant Board position. Director Rupp seconded the motion which passed unanimously.

**CITY OF GRAND JUNCTION WATERSHED PROTECTION ORDINANCE** - The Board was provided with the current version of the City of Grand Junctions Proposed Watershed Protection Ordinance (*file 6-5-03 and City of Grand Junction Watershed Protection Ordinance*). Information only, no Board action required.

**REQUEST FOR PROPOSALS FOR ENGINEERING SERVICES, PHASE II, PLANT OPTIMIZATION** - Director Woods moved to authorize Staff to prepare the Request for Proposals for Engineering Services to proceed with the Plant Optimization Design of Phase II for that project. Director Teal seconded the motion which passed unanimously.

**REQUEST FOR MULTIPLE TAPS ON SINGLE PARCEL 3440 F ROAD** - At 6:30 p.m., Mr. Bruce Jones, District customer, entered the meeting. Mr. Jones requested an additional water service tap for his property located at 3440 F Road, Clifton, CO at the prevailing rate of the tap at the time of purchase. Director Teal moved that the District approve an additional tap for 3440 F Road, tax schedule number 2941-063-00-112, property description SE 1/4, SE 1/4, SW 1/4, Sec 6, T1S, R2E, Ute Meridian, to Bruce and Sharon Jones. Director Woods seconded the motion which passed unanimously.

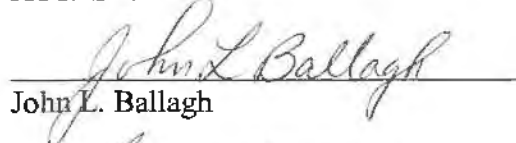
**WHITEWATER WASTEWATER FEASIBILITY STUDY** - The Board received information from Assistant Manager Reinertsen that he received at a Public Meeting he attended concerning the Whitewater Wastewater Feasibility Study. Information only, no Board action required.

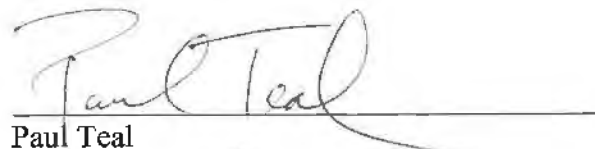
**REVIEW OF POLICY #420, REQUEST BY MICHAEL HALL** - The Board was presented with a Staff Report (*Staff Reports and file 6-5-03*) from Manager Tooker and an account history (*file 6-5-03*) of Michael Hall. Mr. Hall requested that the Board review the District's Policy specifically, the fairness of holding the owner responsible for the water usage fees and the Delinquency Fee. Director Woods moved that the District not waiver from Policy #420 as adopted. Director Teal seconded the motion which passed unanimously.

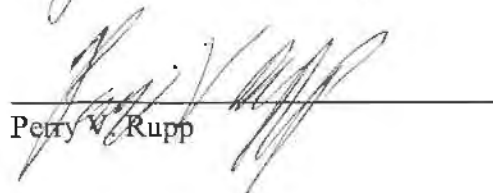
**LETTER TO BOARD FROM BARBARA VEDSTED AND SALVADORE RIVAS** - Director Ballagh distributed a letter he received from Barbara Vedsted and Salvadore Rivas (*file 6-5-03*) to the Board and Staff. The Board requested a Staff Report at the next meeting.

The meeting was adjourned by Director Ballagh at 7:43 p.m.

ATTEST:

  
John L. Ballagh

  
Paul Teal

  
Perry Rupp

  
Brian Woods

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

Held July 3, 2003

Present were Chairman Ballagh, Vice-Chairman Rupp, Secretary Teal, Assistant Secretary Woods. Staff present were Dale Tooker, David Reinertsen and Lori Cosslett. Randy Cook was present.

At 5:00 p.m. Chairman Ballagh called the Regular meeting to order.

**OATH OF NEW DIRECTOR** - At the June 5, 2003 Board meeting the Board voted to appoint Mr. Randy Cook to fill the vacant Board position. Director Teal administered the Oath of Office to Randy Cook for Director of the Clifton Water District for a Board position which is to be filled until the next regular election. Director Cook signed the appropriate "Oath of Office" forms for submittal to the appropriate governmental agencies. It was the consensus of the Board to appoint Director Cook as the Treasurer of the District. New signature cards for the District's financial accounts were signed by all Board members.

**MINUTES OF JUNE 5, 2003** - Director Teal moved to accept the minutes of the June 5, 2003 Board Meeting. Director Rupp seconded the motion. After discussion, Director Teal amended his original motion to defer the acceptance of the June 5, 2003 minutes to the next meeting. Director Rupp seconded the amended motion which passed unanimously.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE** - Director Teal moved to approve expenditures of \$190,946.87 plus \$288,859.53 on the supplemental statement for a total of \$479,806.40. Director Woods seconded the motion which passed unanimously.

**STAFF REPORTS** - Manager Tooker presented an overview of the Financial Management Cost of Service Rate Making Conference that he attended on May 21, 22 and 23, 2003 in New Orleans.

Manager Tooker explained the District's participation with the Colorado Extension Office's Irrigation Audit Program. Two District employees, Karen Renner and Tyler Lehmann, attended the training workshop and are "trained irrigation auditors".

**EXPRESS AGENDA** - The Directors reviewed the Express Agenda and accepted the following items as presented:

**Middle Water Storage Tank, Project 2002-01** - Interior painting is complete and exterior sandblasting and painting has commenced. Final site grading is in progress. Staff has been coordinating options for the Contractor to discharge the flushing and cleaning water as per the contract specifications and AWWA Standards.

**New Chlorine Handling Facility, Project 2002-03** - Staff has performed a review and comment of the Preliminary Design for the new Chlorine Handling Facility. The new facility includes other post-treatment chemical applications, fluoride and corrosion inhibitors. The first cost estimate for the Build portion of the Design/Build project was reviewed and returned to the engineer for



resubmittal. The final design and Guaranteed Maximum Price (GMP) will be presented to the Board for review at the regular Board Meeting in August.

Whitewater Transmission Line, Phase I, Project 2002-02 - The new transmission line is now in service between D and B.5 Roads. The final issued Change Order work is scheduled to take place the week of July 12, 2003 due to other Contractor commitments. The CDOT Utility Permit covering this work scope has been amended for activities through July 31, 2003.

Whitewater Transmission Line, Phase II, Project 2003-01 - Design efforts continue. Staff has reviewed and commented on the preliminary design plans. Design efforts are on schedule with a final product scheduled for delivery to the District by July 31, 2003.

New Employees - The District has filled two vacant positions. Jay Gaas has been hired as the Office Bookkeeper and will be present at the Board meeting to be introduced to the Board. Shelby Erickson has been hired to fill the Pipeline Maintenance Laborer position. Megan Starr has been hired as a temporary summer employee assisting with the GIS mapping of the distribution system.

Whitewater Transmission Line, Phase II, Project 2003-01 - Design contract was executed between the District and GR Williams Engineering, Inc. on May 16, 2003. Geotechnical boring baseline surveying has been completed. Preliminary design layout has started. Interim design review is scheduled for the week of June 9, 2003.

**POLICY #410 PLANT INVESTMENT FEES** - Director Teal moved to defer this item to the next meeting. Director Woods seconded the motion which passed unanimously.

**CAPITAL IMPROVEMENT FINANCING** - Manager Tooker presented a memo (*file Drew Financial and file 7/3/03*) concerning the progress of Mr. Joe Drew and the funding levels available to the District. The Board reviewed the Capital Improvement Projects with staff. Director Cook moved to authorize Manager Tooker to pursue funding options for the \$6,500,000 needed for identified capital projects and evaluate the options based on the District's current financial conditions. Director Teal seconded the motion which passed unanimously.

**POND LITIGATION UPDATE** - Manager Tooker reported that the July court date had been postponed so that additional depositions could be taken in the case. Information only, no Board action required at this time.

**KEYSTONE RETIREMENT SERVICES** - Director Cook moved to defer this item to the next meeting. Director Teal seconded the motion which passed unanimously.

**WATER REVENUE** - Manager Tooker presented a memo and graph (*memos 2003 and file 7-3-03*) identifying the current water revenue deficits to date and the District's near term projections. Manager Tooker identified the need to reduce operational costs and identified a number of cost saving measures that will be evaluated and implemented over the next few months. Information only, no Board action required at this time.

**APPOINT BUDGET COMMITTEE** - It was the consensus of the Board to name Directors Cook and Woods to the 2004 Budget Committee.

**AVAILABILITY OF SERVICE FEE POLICY #430** - The Board reviewed a letter sent to the District from Mr. Russ Mattis, 3366 G Road, dated June 15, 2003 (*Customer Complaints file*) complaining about the Availability of Service charged to his account. The Board directed staff to obtain a legal opinion regarding the District's Availability of Service Fee Policy.

**VARIANCE REQUEST FROM MR. LOGUE** - The Board reviewed a letter from James Logue, dated June 23, 2003 (*file 7/3/03 and Variance file*) requesting a variance of the fine imposed by the District's staff for unauthorized use of water from a fire hydrant. The Board acknowledged Mr. Logue's ownership of receiving water from a fire hydrant. Director Woods moved to allow a variance for Mr. Logue to Policy #901, Fire Hydrant Usage, and send Mr. Logue of Rocky Mountain Drilling Services, LLC. an invoice for the 125 gallons of water used and the use fee for a fire hydrant meter. Director Teal seconded the motion which passed unanimously.

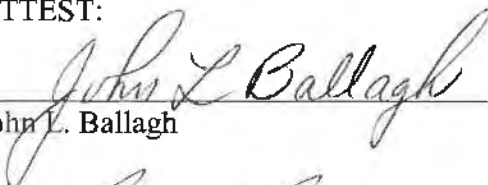
**OUT-OF-DISTRICT PROPERTIES LOCATED AT 31 ½ AND E ½ ROADS** - Staff reported to the Board that there is development activity on two Out-of-District parcels that are located near 31 ½ and E ½ Roads. Information only, no Board action required.

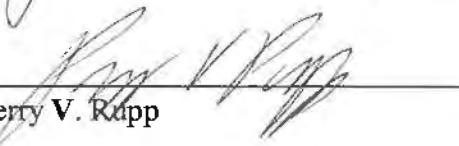
**BARBARA VEDSTED REFUND REQUEST FOR 3293 D ½ ROAD** - A Staff Report (*file 7-3-03, Staff Reports and Vedsted file*) on the reevaluation of the Barbara Vedsted request to refund the \$3,000 Plant Investment Fee paid for 3293 D ½ Road was presented to the Board. Director Woods moved to issue a refund of \$3,000 made payable to Barbara Vedsted and Salvador Rivas. Director Teal seconded the motion which passed unanimously. Director Woods also moved to send Ben Hill a letter requesting repayment of the credit \$1,250 for the first tap purchased in the subdivision. Director Teal seconded the motion which passed unanimously.

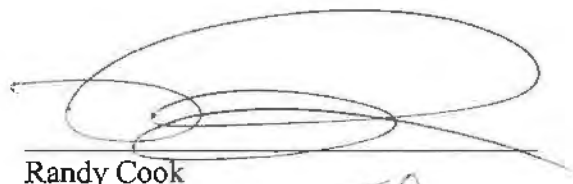
It is the consensus of the Board to have a Special Workshop Meeting on July 17, 2003 to discuss Cost of Service Issues and the SDA June Workshop.

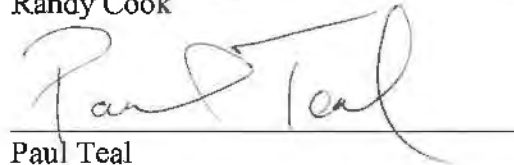
At 6:56 p.m. Director Cook moved to adjourn the meeting. Director Teal seconded the motion which passed unanimously.

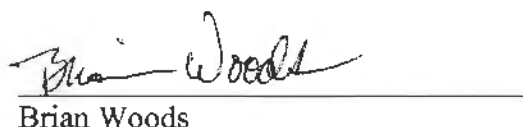
ATTEST:

  
John L. Ballagh

  
Perry V. Rupp

  
Randy Cook

  
Paul Teal

  
Brian Woods

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

Held July 17, 2003

Present were Chairman Ballagh, Vice-Chairman Rupp, Secretary Teal and Treasurer Cook. Director Woods had an excused absence. Staff present were Dale Tooker, David Reinertsen, David Payne and Lori Cosslett.

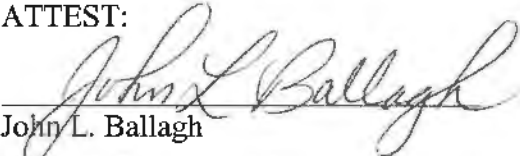
At 5:04 p.m. Chairman Ballagh called the Special meeting to order.


**31 ROAD UPDATE** – The Board was presented with a correspondence (*file 7/17/03 and 31 Road Project*) from Larry Beckner, counsel for Central Grand Valley Sanitation District. The board requested that staff contact Mr. Beckner to attend the next meeting to clarify Central Grand Valley Sanitation's position.

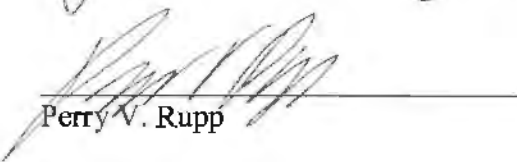
**CAPITAL IMPROVEMENT FINANCING** – A conference call was held with Mr. Joe Drew of Drew Financial, LLC. at 5:35 p.m. to discuss the Progress Report on Financing Alternatives (*file 7/17/03 and Drew Financial*) that was presented to the Board. The conference call ended at 6:23 p.m. The Board and Staff discussed the District's specific capital improvement needs and the financing options identified during the conference call. Information only, no Board action taken.

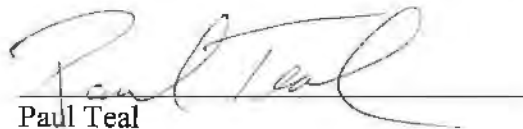
The meeting was adjourned at 7:00 p.m.

ATTEST:

  
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John L. Ballagh

  
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Randy Cook

  
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Perry V. Rupp

  
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Paul Teal

Excused

\_\_\_\_\_  
Brian Woods

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

August 7, 2003

Present were Chairman Ballagh, Vice-Chairman Rupp, Secretary Teal, Assistant Secretary Woods and Treasurer Cook. Staff present were Dale Tooker, David Reinertsen, Dave Payne and Lori Cosslett. Also present were Mr. Larry Beckner, attorney for Central Grand Valley Sanitation District and Mr. Joe Drew of Drew Financial.

At 5:00 Chairman Ballagh called the Regular meeting to order.

At 5:00 p.m., Larry Beckner, attorney for Central Grand Valley Sanitation District presented a summary of the remediation efforts and current status regarding the 31 Road Project. Mr. Beckner requested the District assign any outstanding claims regarding this project to the Central Grand Valley Sanitation District for their pursuit of financial participation from other potentially responsible parties. Director Woods moved, pending review and approval by the District's counsel, to assign the District's 31 Road Project claims to the Central Grand Valley Sanitation District, in the amount of the District's financial participation. Director Teal seconded the motion, which passed unanimously. Mr. Beckner then exited the meeting.

At 5:23 p.m., Mr. Joe Drew of Drew Financial presented a summary (*file 8/7/03 and Drew Financial*) of the District's bonding limit alternatives and repayment schedules based on various interest rates. He also discussed the bond application procedures and process timing. Mr. Drew exited the meeting at 5:50 p.m.

**MINUTES OF JUNE 5, 2003** - Director Teal moved to accept the minutes of the June 5, 2003 Board meeting with corrections. Director Woods seconded the motion, which passed unanimously.

**MINUTES OF JULY 3, 2003** - Director Teal moved to accept the minutes of the July 3, 2003 Board meeting. Director Woods seconded the motion, which passed unanimously.

**MINUTES OF JULY 17, 2003** - Director Woods moved to accept the minutes of the July 17, 2003 Special meeting. Director Rupp seconded the motion, which passed unanimously.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE** - Director Teal moved to approve expenditures of \$202,262.79 plus \$266,935.12 on the supplemental statement for a total of \$469,197.91. Director Woods seconded the motion, which passed unanimously.

**EXPRESS AGENDA** - The Directors reviewed the Express Agenda and accepted the following items as presented:

**Whitewater Transmission Line, Phase I, Project 2002-02** - Project is 100 % complete. Final change order work was completed by July 11, 2003 noted additional variances for completion. All work is complete as of July 31, 2003. Final release of retainage will be advertised during August for payment at the September Board meeting.

Minutes  
Page 2  
August 7, 2003

Whitewater Transmission Line, Phase II, Project 2003-01 - Interim design review is complete. Additional fieldwork was identified and has been completed. Final design is scheduled for delivery by August 22, 2003.

Design Build Shop Expansion, Project 2003-02 - Preliminary design is complete. Design review is scheduled for the week of August 4, 2003. Guaranteed Maximum Price will be presented to the Board at the September Board meeting.

Barbara Vedsted Request - Manager Tooker delivered the \$3,000 reimbursement check to Mrs. Barbara Vedsted and explained the decision of the Board. Mrs. Vedsted was relieved and appreciative of the Board's decision.

Customer Questionnaire for Capital Improvements - Staff will be including a customer questionnaire in the billing beginning August 7, 2003. Customers will be able to return the questionnaire with their bills and the results will be provided to the Board at the September meeting.

**MIDDLE WATER STORAGE TANK, PROJECT 2002-01** - Assistant Manager Reinertsen reported on the construction status of the project. During the filling of the tank, a portion of the south concrete ring wall settled approximately six inches. The District's project engineer is evaluating corrective action and soil stabilization concerns.

**CAPITAL IMPROVEMENT FUNDING** - It was Board consensus to have a Special Meeting on Thursday, August 14, 2003 at 5:00 p.m to discuss Capital Improvement Funding options.

**POLICY #410, PLANT INVESTMENT FEES** - Director Cook moved to defer Policy #410, Plant Investment Fees, until the next scheduled regular Board meeting. Director Teal seconded the motion, which passed unanimously.

**POLICY #430, AVAILABILITY OF SERVICE FEES** - A Staff Report (*Staff Reports and file 8-7-03*) and revised policy was presented and discussed. Attorney Bechtel provided legal counsel on the revisions. Since the policy is reviewed annually in January, it was the Board's consensus to seek additional legal counsel concerning the Out-of-District Availability of Service Fees and future policy implementation.

**DROUGHT RESPONSE PLAN** - Manager Tooker presented the final version of the Drought Response Plan and the Memorandum of Understanding between the Clifton Water District, Ute Water Conservancy District, the City of Grand Junction, and the Town of Palisade (*file 8/7/03 and Drought Response Plan*). The Memorandum of Understanding will serve as the cooperative Agreement between the named utilities and the Drought Response Plan will serve as a guidance document for staff. Director Woods moved to accept and enter into the Memorandum of Understanding. Director Cook seconded the motion, which passed unanimously.

**PLANT OPTIMIZATION, PHASE II PROJECT** - Manager Tooker reported that Staff was having difficulty preparing an objective Request for Proposal for Engineering Services for the Plant Optimization Phase II Project. After discussion, it was Board consensus to have staff develop a Request for Qualifications (RFQ) for the engineering design services of Phase II of the Water Treatment Plant Optimization Project.

Director Teal moved to extend the Regular Board of Directors meeting until 8:30 p.m. Director Cook seconded the motion, which passed unanimously.

**FUND TRANSFER AND WIRE TRANSFER AUTHORIZATIONS** - No Board action required at this time.

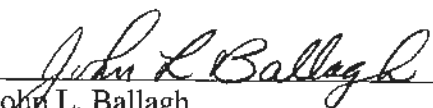
**THIRD PARTY ADMINISTRATOR FOR DISTRICT'S RETIREMENT PLAN** - Manager Tooker presented a proposal submitted by J. Pat Gregory and Delaware Investments to serve as the District's Third Party Administrator for the retirement plan, replacing Keystone Retirement Services (*file 8/7/03, Keystone Retirement Services and J. Pat Gregory and Associates*). Director Woods moved to approve the transfer of the Third Party Administrator duties from Keystone Retirement Services to Delaware Investments. Director Teal seconded the motion, which passed unanimously.

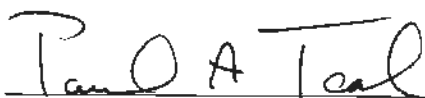
**APPOINT PERSON TO PREPARE THE 2004 BUDGET** - Director Woods moved to appoint Manager Tooker to prepare the 2004 Budget. Director Teal seconded the motion, which passed unanimously.

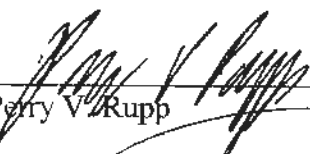
The Chairman recognized a deferral of discussion of the proposed Personnel Policy changes to the next regularly scheduled Board Meeting.

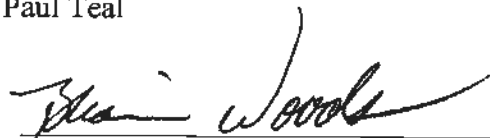
At 8:36 p.m., Director Teal moved to adjourn the meeting. Director Woods seconded the motion, which passed unanimously.

ATTEST:

  
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John L. Ballagh

  
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Paul Teal

  
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Perry V. Rupp

  
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Brian Woods

  
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Randy Cook

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

Held August 14, 2003

Present were Chairman Ballagh, Secretary Teal, Assistant Secretary Woods and Treasurer Cook. Vice Chairman Rupp had an excused absence. Staff present were Dale Tooker, Dave Payne and Lori Cosslett.

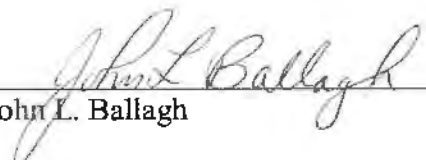
At 5:00 p.m. Chairman Ballagh called the Special Meeting to order.

Manager Tooker presented an invoice from Drew Financial Services for services rendered. Director Teal moved to pay the invoice from Drew Financial Services for financial services from May 28, 2003 through August 6, 2003 in the amount of \$2,218.75. Director Cook seconded the motion, which passed unanimously.

Manager Tooker presented cash flow projections for 2003 through 2007 for funding limits of \$4.5, \$5.5 and \$6.5 million and amortization schedules for 15, 20 and 25 years based on the \$5.5 million funding limit. Director Teal moved to authorize Manager Tooker to negotiate a loan of \$5.5 million for 20 years at the best interest rate available, which does not exceed an annual payment of \$600,000. Director Woods seconded the motion, which passed unanimously.

At 7:00 p.m., Director Woods moved to adjourn the meeting. Director Cook seconded the motion, which passed unanimously.

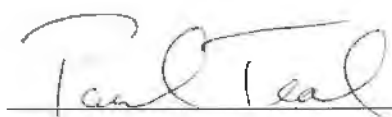
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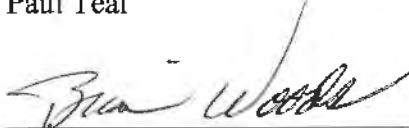
  
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John L. Ballagh

Excused

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Perry V. Rupp

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Randy Cook

  
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Paul Teal

  
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Brian Woods

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

September 4, 2003

Present were Chairman Ballagh, Vice-Chairman Rupp, Secretary Teal, Assistant Secretary Woods and Treasurer Cook. Staff present were Dale Tooker, David Reinertsen, Dave Payne, Lori Cosslett and Laurie King.

At 5:00 p.m., Chairman Ballagh called the Regular meeting to order.

**MINUTES OF JUNE 5, 2003** -- Director Teal moved to accept the minutes of June 5, 2003. Director Woods seconded the motion, which passed unanimously.

**MINUTES OF AUGUST 7, 2003** -- Director Teal moved to accept the minutes of August 7, 2003. Director Woods seconded the motion, which passed unanimously with corrections.

**MINUTES OF AUGUST 14, 2003** -- Director Woods moved to accept the minutes of August 14, 2003. Director Teal seconded the motion which passed unanimously.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE** -- Director Teal moved to approve expenditures of \$226,329.85 plus \$7,490.90 on the supplemental statement for a total of \$233,820.75. Director Cook seconded the motion which passed unanimously.

At 5:30 p.m., Lyman Hubbard entered the meeting to discuss his proposed commercial project in the Whitewater area. After discussion, it was the consensus of the Board that Manager Tooker arrange for a meeting between the District, Mr. Hubbard, Mesa County Planning Department, and the Grand Junction Fire Department to resolve the Whitewater development issues pertaining to fire protection limitations. Director Teal moved to have the District secure the services of a qualified firm to perform a formal engineering study and hydraulic analysis of the District's Whitewater Service Area, not to exceed \$10,000. Director Cook seconded the motion, which passed unanimously.

Mr. Hubbard exited the meeting at 6:40 p.m.

**EXPRESS AGENDA** -- The Directors reviewed the Express Agenda and accepted the following items as presented:

**SDA Workshop** -- The SDA 2003 Annual Conference will be held in Keystone, CO from September 24 – 26, 2003. Chairman Ballagh and Director Teal will be attending.

**RMS AWWA Conference** -- The RMS AWWA Conference will be held in Casper, WY from September 14 – 17, 2003. Manager Tooker will be attending the Conference.

**Water Wise Program** -- Included in the Board packet is a 2003 Program Summary Report provided by the Water Wise Foundation reporting the benefits of the program.



Minutes

Page 2

September 4, 2003

**PERSONNEL POLICIES** – Director Cook moved to adopt the changes in Personnel Policy Section 8, Compensation, (*file 9-4-03 and Personnel Manual Changes*) with additional clarification regarding overtime approvals to include the Manager, Assistant Manager or Department Supervisor. Director Teal seconded the motion which passed unanimously.

Director Woods moved to defer discussion of the proposed changes to Personnel Policy Section 9, Travel, to the next regular Board meeting. Director Teal seconded the motion, which passed unanimously.

Director Woods moved to accept Personnel Policy Section 10, Holidays, (*file 9-4-03 and Personnel Manual Changes*) as proposed. Director Teal seconded the motion which passed unanimously.

**POLICY #410, PLANT INVESTMENT FEES** – Director Teal moved to accept the Policy changes to Policy #410, Plant Investment Fees, (*file 9-4-03 and Policy Changes*) effective September 4, 2003, with the implementation of the changes in owner notification, effective February 1, 2004, for existing customers. Director Woods seconded the motion which passed unanimously.

**CAPITAL IMPROVEMENT FUNDING** – The Board was presented with the Small Water Resources Projects Financing Schedule (*file 9-4-03 and Drew Financial*). Director Woods moved to have Attorney Fry review the Draft Loan Agreements. Director Teal seconded the motion which passed unanimously.

**DESIGN BUILD SHOP EXPANSION, PROJECT 2003-02** – Assistant Manager Reinertsen presented a Staff Report (*file 9-4-03 and Staff Reports*) at the Board meeting. Director Cook moved to accept the FCI, Inc. Guaranteed Maximum Price of \$52,780.00. Director Teal seconded the motion which passed unanimously.

**PLANT OPTIMIZATION, PHASE I - DESIGN BUILD, PROJECT 2002-03** – Director Woods moved to authorize staff to cancel the Design Build Project and prepare the project to put out to competitive construction bid for Phase I of the Plant Optimization Project. Director Teal seconded the motion which passed unanimously.

**STATUS REPORT MIDDLE WATER STORAGE TANK, PROJECT 2002-01** – Manager Tooker described the corrective measures the contractor and engineer are undertaking to remediate the sub grade soil issues. Project is now scheduled for completion by October 31, 2003. Information only, no Board action required.

**RESOLUTION FOR DROUGHT MEMORANDUM OF UNDERSTANDING** - Director Teal moved to sign the Resolution for the Drought Memorandum of Understanding (*file 9-4-03 and Drought Response Plan*). Director Cook seconded the motion which passed unanimously.

**RESOLUTION TO APPROVE A MEMORANDUM OF UNDERSTANDING AND  
DROUGHT RESPONSE PLAN**

WHEREAS the District recognizes that it is imperative to establish mutual cooperation between the City of Grand Junction, Clifton Water District, Town of Palisade and the Ute Water Conservancy District pertaining to the supply of potable water during drought conditions in the Grand Valley and;

WHEREAS the District believes that a uniform implementation of a Drought Response Plan by all of the area water providers is an effective resource in efficiently managing drought conditions and preserving water and;

WHEREAS the District recognizes that is essential to speak as one voice to all customers of the Grand Valley during drought conditions implementing restrictions to conserve and reduce water use and to effectively assess and manage water supplies and;

WHEREAS the District supports the efforts and conditions set forth in the Drought Response Plan developed by the cooperating entities;

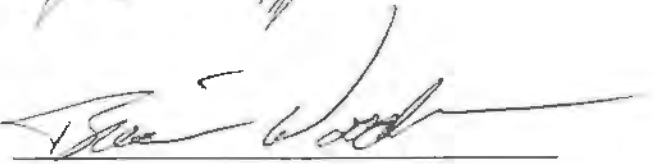
NOW THEREFORE BE IT RESOLVED that the Clifton Water District Board of Directors approve the Memorandum of Understanding Between the City of Grand Junction, Clifton Water District, Town of Palisade and the Ute Water Conservancy District to establish a Drought Response Plan (Exhibit A, attached to and a part of this Resolution) effective September 4, 2003.

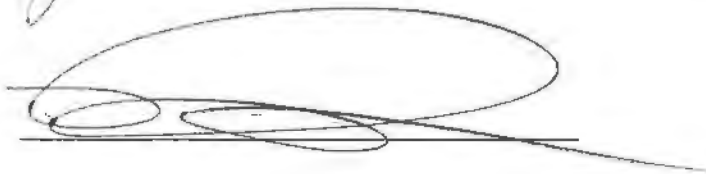
ATTEST:

  
Secretary









Minutes  
Page 3  
September 4, 2003

**GRAND VALLEY LAKE REQUEST** – Director Woods moved to have the District support Ute Water Conservancy District request for a federally funded feasibility study of the Grand Valley Lake Project (*file 9-4-03 and Grand Valley Lake Project*). Director Cook seconded the motion which passed unanimously.

**PRELIMINARY SURVEY RESULTS** – Manager Tooker presented preliminary results of the customer survey (*file 9-4-03 and Customer Survey*) pertaining to questions of funding options for planned capital construction projects. Information only, no Board action required. The final survey results will be presented at the next regular Board meeting.

**INFRASTRUCTURE FOR MILLENNIUM III** – Information only (*file 9-4-03*), no Board action taken.

**WAGE AND BENEFIT COMMITTEE** – Staff requested that the Board appoint a Wage and Benefit Committee to review data received from the 2003 Wage & Benefit Survey. It was Board consensus that Chairman Ballagh, Director Teal, and Manager Tooker would make up the 2003 Wage and Benefit Committee.

**GRAND VALLEY HOUSING COALITION REQUEST** – After review of the request (*file 9-4-03*), it was Board consensus to not vary existing District Policy.

**METER PIT ACCESS REQUEST** – Director Cook moved that based upon a request from Mr. Hans Pille of 2068 Canyon Land Drive, the District shall authorize a \$50 rebate for the express purpose of installing an accessible water shut off valve upon receipt of an invoice. Director Teal seconded the motion which passed 4 -1.

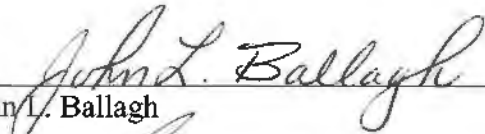
There will be a Special Meeting of the Board of Directors on Thursday, September 18, 2003.


**MANAGER'S REVIEW** – It was Board consensus to address the Manager's review at the September 18, 2003 Special Meeting.


At 8:18 p.m., Director Teal moved to adjourn the meeting. Director Cook seconded the motion, which passed unanimously.

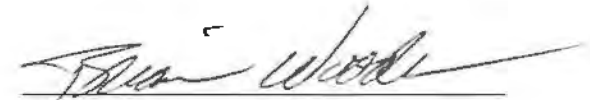
Minutes  
Page 4  
September 4, 2003


ATTEST:

  
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John L. Ballagh

  
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Paul Teal

  
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Perry V. Rupp

  
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Brian Woods

  
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Randy Cook

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

Held September 18, 2003

Present were Chairman Ballagh, Vice-Chairman Rupp, Secretary Teal, Assistant Secretary Woods and Treasurer Cook. Staff present were Dale Tooker, David Reinertsen and Lori Cosslett. Joe Drew with Drew Financial Services was present as the District's Financial Advisor and Attorney Bill Frey was present as the District's legal counsel.

At 5:00 p.m., Chairman Ballagh called the Special Meeting to order.

Mr. Frey, acting as General Counsel pertaining to matters of the Loan Agreement with the Colorado Water Resources and Power Development Authority, performed the required Director verification procedures for his opinion letter for the loan. He then discussed his review of the bond documents (*file 9-18-03 and 2003 Bond*). Mr. Drew then reviewed the current draft Loan Agreement (*file 9-18-03, Drew Financial and 2003 Bond*).

Director Teal moved to enter into a 20-year loan agreement with Colorado Water Resources and Power Development Authority for \$5,500,000 based on approval of legal counsel. Director Cook seconded the motion, which passed unanimously.

Mr. Drew exited the meeting at 6:30 p.m.

Director Cook moved to accept the Letter of Engagement from Sherman & Howard, LLC to provide the Clifton Water District with Bond Counsel as required by the Loan Agreement with the Colorado Water Resources and Power Development Authority. Director Teal seconded the motion, which passed unanimously.

Mr. Frey exited the meeting at 6:40 p.m.


**EXECUTIVE SESSION** - At 7:03 p.m., Director Teal moved to enter into Executive Session to discuss "personnel matters" 24-6-402 (4)(f) C.R.S. Director Woods seconded the motion, which passed unanimously.

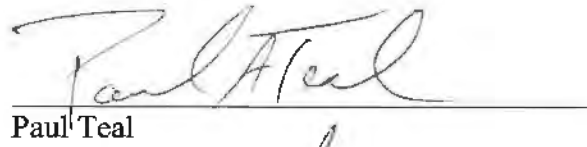
At 7:40 p.m., Director Teal moved to exit Executive Session. Director Woods seconded the motion, which passed unanimously.

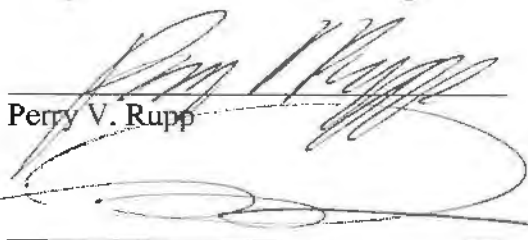
The meeting was adjourned by Board consensus.

Minutes  
Page 2  
September 18, 2003

ATTEST:

  
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John L. Ballagh

  
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Paul Teal

  
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Perry V. Rupp

  
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Brian Woods

  
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Randy Cook

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

October 2, 2003

Present were Chairman Ballagh, Secretary Teal and Treasurer Cook. Director Rupp had an excused absence. Staff present were Dale Tooker, David Reinertsen, Dave Payne, Lori Cosslett. Attorney Bill Frey was present as the District's legal counsel.

At 5:00 p.m., Chairman Ballagh called the Regular meeting to order.

At 5:05 p.m., a conference call was held with Joe Drew of Drew Financial Services to discuss the status of the loan with Colorado Water Resources and Power Development Authority (CWRPDA). A Net Debt Service Schedule, CWRPDA Resolution No.2003-01, and e-mails from Dee Wisor (District's Bond Counsel), (*file 10-2-03 and 2003 Revenue Bond*) were presented to the Board. Director Teal moved to approve CWRPDA Resolution No. 2003-01 approving a loan with Colorado Water Resources and Power Development Authority. Director Cook seconded the motion. Chairman Ballagh called for a Director polling which resulted with a Yes by Chairman Ballagh, Yes by Director Teal and Yes by Director Cook. The motion passed unanimously.

Director Woods entered the Board meeting at 5:35 p.m.

Attorney Frey exited the Board meeting at 5:45 p.m.

**MINUTES OF SEPTEMBER 4, 2003** – Director Teal moved to accept the minutes of September 4, 2003. Director Woods seconded the motion, which passed unanimously.

**MINUTES OF SEPTEMBER 18, 2003** – Director Teal moved to accept the minutes of September 18, 2003. Director Woods seconded the motion, which passed unanimously.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE** - Director Teal moved to approve expenditures of \$60,486.89 plus \$37,018.46 on the supplemental statement for a total of \$97,505.35. Director Cook seconded the motion, which passed unanimously.

**STAFF REPORTS** – Assistant Manager Reinertsen presented a staff report (*file 10-2-03 and Staff Reports*) entitled "Pipeline Construction Crew Activity Report, June 2002-September 2003".

**EXPRESS AGENDA** – The Directors reviewed the Express Agenda and accepted the following items as presented:

**Whitewater Wastewater Feasibility Study** – Assistant Manager Reinertsen attended Mesa County's 2<sup>nd</sup> Public Meeting regarding the sewer system feasibility study. This meeting identified preliminary cost estimates (ranging from \$2.5 million to \$3.5 million) and funding options (formulation of either a 1159 District or a Title 32 Special District). Mesa County Engineering committed to sending out another questionnaire to all the Whitewater Planning Area residents addressing their available options and whether or not the County should continue this effort.

Whitewater Transmission Line, Phase II, Project 2003-01 – Design package is complete. Final drawings were delivered to the District on September 24, 2003. Project will be installed by District crews as funding and work schedules allow. Project is identified for construction in the District's Five-Year Major Capital Improvement Plan for FY 2005.

Plant Optimization, Phase I, Project 2002-03 – The District's Project Engineer is working on issues associated with the Mesa County Flood Plain Permit process. The construction bid package is being developed with an anticipated delivery for District review of October 31, 2003.

Plant Optimization, Phase II, Project 2003-02 – The Request for Qualifications for firms interested in providing engineering design and construction oversight of the Plant Optimization, Phase II activities is being advertised in the local newspaper and one Denver area newspaper. To date, over 20 inquiry requests have been processed.

Design Build Shop Expansion, Project 2003-02 – The contractor has submitted paperwork to Mesa County for Building Permit issuance and ordered building components. Site work is scheduled to commence the week of October 6, 2003.

Mediation, October 30, 2003 – The second mediation for the Raw Water Settling Pond case is scheduled for Thursday, October 30, 2003.

Mesa County Safety Improvement Program – The District will receive a refund of \$1,887 from Pinnacol Insurance and Home Loan for calendar year 2002. The refund is a result of the District's continued safety and Loss Control programs.

**2003 CUSTOMER SURVEY RESULTS** – The results of the 2003 Customer Survey (*file 10-2-03 and 2003 Customer Survey*) were presented to the Board. No Board action required.

**PERSONNEL POLICY SECTION 9, TRAVEL** – Director Teal moved that the Personnel Policy Section 9, Travel, remain as currently adopted. Director Woods seconded the motion, which passed three to one.

**PROPOSED 2004 BUDGET** - Manager Tooker presented a summary memo and the Budget Committee's Proposed 2004 Budget (*file 10-2-03 and 2004 Budget*) to the Board for discussion and review. No Board action was required at this time.

**HUBBARD PROJECT MEETING** – A staff report (*file 10-2-03 and Staff Reports*) was presented concerning the meeting held on September 29, 2003 between Assistant Manager Reinertsen, Mr. and Mrs. Hubbard, Mr. Jim Hinderaker of the Mesa County Planning Department and Chief Rick Beaty and Mr. Chuck Mathis of the Grand Junction Fire Department, at the Mesa County planning office. Information only, no Board action required.



**BUDGET TRANSFER REQUEST** – Manager Tooker requested a 2003 Budget transfer for additional funds for Attorney’s Fees and Engineering Fees. Director Woods moved to transfer \$30,000 from Contingency to the Attorney’s Fees budget line item and \$8,000 from Contingency to the Engineering Fees budget line item. Director Teal seconded the motion, which passed unanimously.

**REVISED WATER SERVICE AGREEMENT** – Staff presented the revised Water Service Agreement (*file 10-2-03 and Water Service Agreement*). After discussion, it was Board consensus to accept the revisions.

**REQUEST FOR PROPOSAL FOR 2003 AUDIT** – Director Teal moved that Staff advertise for Requests for Proposals to perform the District’s 2003 Financial Audit. Director Woods seconded the motion, which passed unanimously.

**WATER RATES AND PLANT INVESTMENT FEES** – Director Cook moved to increase the monthly minimum water rate by \$2.00, effective 12-1-03. Director Teal seconded the motion, which was defeated three to one. After discussion, it was Board consensus to table this item until the next Board meeting.


**PUBLIC MEETING** – It was Board consensus for Staff to arrange a Public Meeting the third week of November, 2003.

At 8:10 p.m., Director Teal moved to enter into Executive Session to discuss “personnel matters” 24-6-402(4)(f) C.R.S. Director Woods seconded the motion, which passed unanimously. Staff members, David Reinertsen, David Payne and Lori Cosslett, exited the meeting.

At 8:22 p.m., Director Teal moved to exit Executive Session. Director Woods seconded the motion, which passed unanimously.


The meeting was adjourned by consensus at 8:23 p.m.

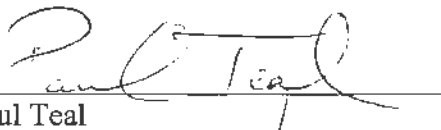
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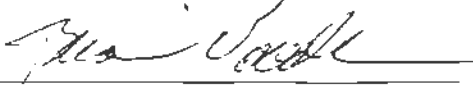
  
\_\_\_\_\_  
John L. Ballagh

-- Excused --

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Perry V. Rupp

  
\_\_\_\_\_  
Randy Cook

  
\_\_\_\_\_  
Paul Teal

  
\_\_\_\_\_  
Brian Woods

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

November 6, 2003

Present were Chairman Ballagh, Vice-Chairman Rupp, Secretary Teal, Assistant Secretary Woods and Treasurer Cook. Staff present were Dale Tooker, David Reinertsen, Dave Payne, Lori Cosslett and Carrie Restivo.

At 5:00 p.m., Chairman Ballagh called the Regular meeting to order.

**MINUTES OF OCTOBER 2, 2003** – Director Teal moved to accept the minutes of October 2, 2003. Director Woods seconded the motion, which passed unanimously.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE** – Director Woods moved to approve expenditures of \$144,567.61 plus \$35,348.65 on the supplemental statement for a total of \$179,916.26. Director Teal seconded the motion, which passed unanimously.

**STAFF REPORTS** – Manager Tooker reported on the condition on the Raw Water Settling Pond. The pond has been drained and taken out of service for annual cleaning.

**EXPRESS AGENDA** – The Directors reviewed the Express Agenda and accepted the following items as presented:

Middle Water Storage Tank, Project 2002-01 – Tank repairs have been completed, the contractor is in the process of final cure of paint repairs. Security fencing has been replaced and the site is secure. Due to the closure of irrigation canals, cathodic protection upgrades for the existing 3 million gallon storage tank is being delayed until March 2004. The new tank is now scheduled to be on-line by November 26, 2003.

Plant Optimization, Phase I, Project 2002-03 – The District's Contracted Project Engineer continues to address issues associated with the Mesa County Flood Plain Permit process. The construction bid package was reviewed on October 28, 2003 with final revisions identified. Final design and construction bid package is anticipated for delivery to the District by December 1, 2003.

Design Build Shop Expansion, Project 2003-02 – The contractor has encountered delays from Mesa County regarding issuance of the Building Permit. Site work is scheduled to commence the week of November 3, 2003.

Drought Response Plan – The City of Grand Junction has adopted the Drought Response Plan and Memorandum of Understanding on October 15, 2003. The Drought Workgroup is awaiting adoption from the Ute Water Conservancy District and Town of Palisade.

Water Treatment Plant Capacity Reduction Agreement With The City of Grand Junction – The Grand Junction City Council has given City Staff conceptual agreement to the proposal to reduce the City's portion of the Water Treatment capacity as a result of the de-rated capacity. District and City Staff will begin to draft a revision to the City Agreement to be presented to the Board and City Council before the end of 2003.

District Holiday Party, December 19, 2003 – The District's Holiday Party has been scheduled for Friday, December 19, 2003 at the Chipeta Golf Course Club House. Please contact Lori if you are planning on attending.

**2003 WATER REVENUE BONDS** – Manager Tooker informed the Board that the bond contract has closed, the monies are officially available for requisitions, and that the first payment is due January 2004. No Board action required.

**PUBLIC MEETING, NOVEMBER 20, 2003** – Discussion only, no Board action required.

**PROPOSED 2004 BUDGET** – The Draft 2004 Budget (*2004 Budget file and file 11/6/03*) was presented to the Board for discussion. Director Woods moved to change the regular board meeting from December 4, 2003 to December 3, 2003. Director Cook seconded the motion, which passed unanimously. Director Cook moved to publish that the Clifton Water District 2004 Budget Hearing will be held at 5:00 p.m., December 3, 2003 at the Clifton Water District Office at 510 34 Road, Clifton, Colorado and that the Budget is open for public inspection and that any objections may be filed prior to adoption. Director Woods seconded the motion, which passed unanimously.

At 6:25 p.m., Don Clay and Bob McCormick entered the meeting to present information to the Board regarding the Grand Valley Water Planning Organization. This group is studying the feasibility of proposed water storage reservoirs within the Grand Valley area. Mr. Clay and Mr. McCormick exited the meeting at 6:50 p.m.

**ENGINEERING SERVICES SELECTION FOR PLANT OPTIMIZATION PHASE II, PROJECT 2003-03** – A Staff Report (*Staff Reports, project file and file 11/6/03*) was presented by Assistant Manager Reimertsen regarding recommendations for the selection of the engineering firm to provide professional design support for Phase II of the Treatment Plant Optimization Project. Director Teal moved to have staff contract with Burns & McDonnell Engineering to provide engineering services for Project 2003-03, Phase II of the Treatment Plant Optimization Project. Director Woods seconded the motion, which passed unanimously.

**UTILITY AND INGRESS EGRESS EASEMENT FROM DON BELL** – On February 6, 2003 the Board agreed to reinstate expired Plant Investment Fees for Mr. Bell's property, LOT 1 Block Ten of Southridge Subdivision in exchange for a Right-of-Way to the District's Orchard Mesa Property. Because of restrictions imposed by Mesa County, a Right-of-Way was not allowed. The District proposed that in lieu of a Right-of-Way, Mr. Bell provide a Utility Easement to the District and an

Exclusive Ingress and Egress Easement for the benefit of the property. Director Woods moved to amend the February 6, 2003 Tap Credit Reinstatement Agreement with Don Bell to reflect the conditions imposed by Mesa County for the requested access easements. Director Teal seconded the motion, which passed unanimously.

**RAW WATER SETTLING POND LITIGATION** – Manager Tooker informed the Board that the mediation that had been scheduled for October 30, 2003 has been rescheduled for January 7, 2004. A court date in February 2004 has been scheduled. Information only, no Board action required at this time.

**GRAND VALLEY WATER PLANNING ORGANIZATION REQUEST** – The Board discussed the information presented in the Board Packet (*file 11/6/03 and Grand Valley Water Planning Organization*) and the added information presented earlier by Mr. Clay and Mr. McCormick. Director Cook volunteered to represent the District as a member of the proposed Grand Valley Water Planning Organization.

**REQUEST FOR QUALIFICATIONS FOR THE DESIGN OF NORTH RAW WATER SETTLING POND, PROJECT 2003-04** – Director Woods moved to authorize staff to develop a Request for Qualifications package for Project 2003-04, North Raw Water Settling Pond Project. Director Teal seconded the motion, which passed unanimously.

**CITY OF GRAND JUNCTION ORDINANCE ADOPTING REGULATIONS CONCERNING FACILITIES AND CONSTRUCTION RIGHTS-OF-WAY** – Staff identified several concerns regarding the proposed City of Grand Junction Ordinance pertaining to utilities in City rights-of-way (*file 11/6/03 and City of Grand Junction*). Director Woods moved to have staff present District concerns to City staff prior to City Council action on the ordinance. Director Teal seconded the motion, which passed unanimously.

**SPECIAL DISTRICT ASSOCIATION ANNUAL CONFERENCE DEBRIEFING** – Director Teal provided information to the Directors and Staff he obtained during his attendance at the Special District Association's 2003 Annual Conference that was held in Keystone on September 24-26, 2003.

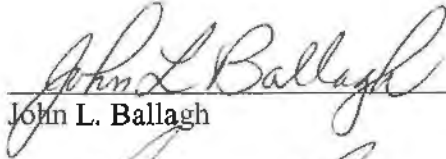
At 7:44 p.m., Director Cook moved to enter into Executive Session to discuss "personnel matters" 24-6-402(4)(f) C.R.S. Director Teal seconded the motion, which passed unanimously. Staff members David Reinertsen, David Payne and Lori Cosslett, exited the meeting at 7:44 pm.

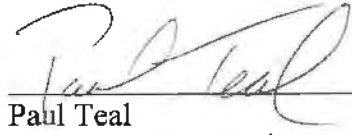
At 8:26 p.m., Director Teal moved to exit Executive Session. Director Woods seconded the motion, which passed unanimously.

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November 6, 2003

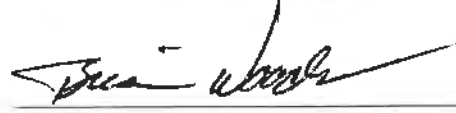
The meeting was adjourned by consensus at 8:30 p.m.

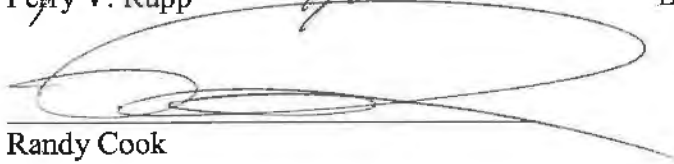
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John L. Ballagh

  
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Paul Teal

  
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Perry V. Rupp

  
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Brian Woods

  
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Randy Cook

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

December 3, 2003

Present were Vice-Chairman Rupp, Secretary Teal, Assistant Secretary Woods and Treasurer Cook. Staff present were Dale Tooker, David Reinertsen, Dave Payne, Lori Cosslett and Carrie Restivo.

Director Teal opened the Public Hearing on Proposed 2004 Budget at 5:13 p.m. noting that the time and place for said hearing was published in accordance with C.R.S. 29-1-106 et. seq. (Notice of said budget hearing was been published in The Daily Sentinel in accordance with C.R.S. 29-1-106(3)(a)). Hearing no questions or comments regarding the Proposed 2004 Budget, Director Cook moved to declare the public meeting closed. Director Woods seconded the motion, which passed unanimously.

At 5:19 p.m., Director Teal called the Regular meeting to order.

**MINUTES OF NOVEMBER 6, 2003** – Director Cook moved to accept the minutes of November 6, 2003 Board Meeting. Director Woods seconded the motion, which passed unanimously.

At 5:20 p.m., Chairman Ballagh entered the meeting.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE** – Director Teal moved to approve expenditures of \$127,250.93 plus \$38,254.87 on the supplemental statement for a total of \$165,505.80. Director Woods seconded the motion, which passed unanimously.

**STAFF REPORTS** – David Payne, Plant Supervisor, presented a slide show on the recently completed Cleaning Project of the Raw Water Pre-Settling Pond.

Manager Tooker presented a Staff Report showing a cost comparison between the 2003 and 1996 Revenue Bonds.

Assistant Manager Reinertsen presented the Board with copies of the recently completed site drainage plan for the District's facilities at 510 34 Road. This site drainage plan identifies final drainage contours to be established upon completion of various projects throughout the site.

**EXPRESS AGENDA** – The Directors reviewed the Express Agenda and accepted the following items as presented:

Middle Water Storage Tank, Project 2002-01 – During final certification filling, a small leak was identified at the overflow standpipe base flange. District's Contracted Project Engineer is evaluating corrective measure options for contractor implementation to get the tank in service by December 19, 2003.

Plant Optimization, Phase I, Project 2002-03 - The District's Contracted Project Engineer has submitted a "No-Rise" Certification and supporting evaluation data as requested by the Mesa County Floodplain Administrator for consideration in the issuance of the required Flood Plain Permit for this

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project. The Engineer is evaluating options available to pursue permanent exemption of the District's Treatment Plant facilities through either the "Letter of Map Amendment" (LOMA) or "Letter of Map Revision Based on Fill" (LOMR-F) processes through the Federal Emergency Management Agency (FEMA).

Plant Optimization, Phase II, Project 2003-03 – Staff has received proposed engineering scope of services from Burns & McDonnell and is negotiating clarifications. Final design service agreement for Board signature is anticipated December 12, 2003 with formal design work scheduled to commence as soon as the agreement is approved.

Design Build Shop Expansion, Project 2003-02 – Construction began November 10, 2003. Structural steel and exterior metal 'skin' is currently being installed. Project is scheduled for completion December 22, 2003.

Grand Valley Water Planning Organization Meeting– The first organizational meeting of the Grand Valley Water Planning Organization is scheduled for Wednesday, January 7, 2004 at 7:00 p.m. at the Clifton Water District Board Room.

City of Grand Junction Utility Ordinance – Staff provided feedback to the City of Grand Junction concerning the Utility Ordinance. The Ordinance was deferred by the City Council and City Staff was directed to revise the Ordinance and resubmit at a later date.

Holiday Party– The Clifton Water District Holiday Party is scheduled for Friday, December 19, 2003 at the Chipeta Golf Course.

**PUBLIC MEETING DEBRIEFING** – The Board and staff reviewed and discussed comments received at the November 20, 2003 Public Meeting. Discussion only, no Board action taken.

**WATER RATES AND PLANT INVESTMENT FEES** – Manager Tooker reviewed the Water Rates and Plant Investment Fee Adjustments Memo (*2003 Memo and file 12/3/03*). Director Cook moved to increase the water rates in the amount of \$1.50 per month for the monthly minimum per unit served beginning January 1, 2004. Director Teal seconded the motion, which passed 3-2.

Director Teal moved to increase the In-District Plant Investment Fee for a ¾" tap, \$2,000, with an increase of \$1,000 effective immediately, and an additional \$1,000 effective on June 1, 2004, with the increase proportional for all sizes of taps. Director Cook seconded the motion, which passed 4-1.

**AVAILABILITY OF SERVICE CHARGE POLICY #430** – Board discussion only, no action taken at this time. Staff to provide additional information for discussion at the next regular Board meeting.

**WAGE AND BENEFIT COMMITTEE REPORT** – Manager Tooker reported on the current status of the Wage and Benefit Committee activities. Information only, no Board action taken at this time.

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December 3, 2003

**2004 PROPOSED BUDGET** – Director Cook moved to approve the Proposed 2004 Budget (*2004 Budget and file 12/3/03*) as proposed and to adopt the Budget Resolution. Director Teal seconded the motion, which passed unanimously. It was Board consensus to accept the Budget Message as prepared by staff.

**2003 AUDIT PROPOSALS** – After review of the five audit proposals received by the District and staff recommendations (*2003 Audit Proposals and file 12/3/03*), Director Woods moved to accept the proposal presented by Mary Brenes, C.P.A. to perform the District's 2003 Audit. Director Teal seconded the motion, which passed unanimously.

**SETTLING POND** – Director Teal moved that the Board approves the recommendations of the Mediation Committee concerning the settling of the Raw Water Settling Pond case and furthermore authorize the Board President and Secretary to sign any release or settlement documents with the conditions of the settlement to remain undisclosed and confidential. Director Woods seconded the motion, which passed unanimously.

**GRAND VALLEY IRRIGATION COMPANY** – It was Board consensus to not send a representative to the Grand Valley Irrigation Company 2003 Annual meeting. Chairman Ballagh and Director Teal signed the share holder proxy card.

**BUDGET TRANSFER WATER TREATMENT PLANT UTILITIES** – Staff requested a \$9,000 Budget Transfer to fund cost increases resulting from higher utility rates for electricity and natural gas. Director Teal moved to transfer \$9,000 from Contingency to the Water Treatment Plant Utilities Budget Line Item. Director Woods seconded the motion, which passed unanimously.

**THOMAS SHAWLER RESOLUTION** - Director Woods moved to issue a resolution in honor of staff employee, Thomas Shawler. Director Cook seconded the motion, which passed unanimously.

#### RESOLUTION IN HONOR OF THOMAS SHAWLER

WHEREAS Thomas Shawler has been a loyal employee of the Clifton Water District since December 8, 1980; and

WHEREAS Thomas Shalwer's unselfish dedication and effort is recognized by the District's customers, Board of Directors and fellow employees; and

WHEREAS Thomas Shawler's pride and workmanship has been a familiar expectation over the past twenty-three years that is evident in countless District projects; and

WHEREAS Thomas Shawler has provided significant contribution to the operational advancement and protection of the Clifton Water District Distribution System; and



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December 3, 2003


WHEREAS Thomas Shawler has consistently provided exemplary customer service to the District's customers providing safe potable water without compromise;  
NOW THEREFORE BE IT RESOLVED that the Clifton Water District and the Board of Directors express their sincere appreciation to Thomas Shawler.

BE IT FURTHER RESOLVED that this resolution be presented to Thomas Shawler as an expression of appreciation for his dedication and timeless service to the Clifton Water District over the past twenty three years.

**RESCHEDULE JANUARY 1, 2004 REGULAR BOARD MEETING** – Director Teal moved to reschedule the January 1, 2004 Regular Board of Director's Meeting to January 8, 2004. Director Woods seconded the motion, which passed unanimously.

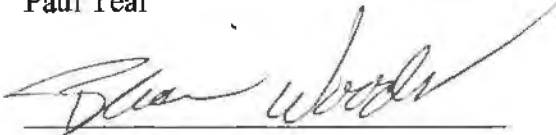
The meeting was adjourned by consensus at 8:00 p.m.


ATTEST:

  
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John L. Ballagh

  
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Paul Teal

  
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Perry V. Rupp

  
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Brian Woods

  
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