

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

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

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

REGULAR MEETING

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

MINUTES OF THE SEPTEMBER 3, 2009 REGULAR MEETING

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

FINANCIAL REPORT AND ACCOUNTS PAYABLE

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

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

MANAGER'S REPORT

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

STAFF REPORTS

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

EXPRESS AGENDA

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

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

UNFINISHED BUSINESS

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

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

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

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

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

NEW BUSINESS

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

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

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

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

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

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

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

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

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

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

ATTEST:

John L. Ballagh

Excused

Brian Woods

Robert Burger

Doralyn Genova

Alan Hassler