

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, FEBRUARY 5, 2009**

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

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

REGULAR MEETING

Chairman Ballagh called the regular Board meeting to order at 5:02 p.m. Director Hassler requested an addition to New Business, a report on HB-09-1005.

MINUTES OF THE JANUARY 8, 2009 REGULAR MEETING

Director Genova moved to approve the January 8, 2009 Regular Meeting Minutes with two corrections. Director Burger seconded and the motion passed unanimously.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to approve the Financial Report and Accounts Payable in the amount of \$59,043.70 plus \$41,951.06 the supplemental statement plus \$199.55 HRA Payments for a total of \$101,194.31. David Foster explained a double payment that was made to Grand Junction Pipe in the amount of \$27,770.21 and that is reported in the Balance Sheet as Accounts Receivable-Prepaid Expense. The Board questioned Staff on the existing procedures of Accounts Payable and how a duplicate payment could have been completed. Staff reported that procedural changes have been added in reporting and purchase orders that are intended to prevent a future reoccurrence. The Board noted several corrections needed to titles, dates and summation details reported in the Statement of Cash Flow, Bank Charge Recap and Transaction Type reports. The Board questioned the accuracy of the Profit and Loss Statement's Percent of Budget data. Manager Tooker reported that the Percent of Budget is reflective of the Actual Year-to-Date Amount as a percentage of the Year-to-Date Budget amount and that the data is current although some adjustments are typically made as a result of the audit. Director Woods seconded and the motion passed unanimously.

MANAGER'S REPORTS

The Board reviewed the Manager's Report (*File 2/5/09*) and questioned Staff concerning HAZMAT response and the District's preparation in the event of a chlorine release.

STAFF REPORTS

Tour of the Water Treatment Plant and MF/UF Pilot Study - Staff and the Board toured the remodeled work area and training room at the Plant and Water Treatment Plant Supervisor Dennis Carlson gave a brief summary of the MF/UF Pilot Testing Program equipment that is currently in operation.

David Foster exited the meeting at 6:15 p.m.

EXPRESS AGENDA

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

1. Project 2008-01 North Raw Water Settling Pond Design – The project kick-off meeting was held on January 22, 2009. Project plan and schedule was established. Representatives of URS and District staff will participate in Project Design Alternatives Workshop session on March 20, 2009.
2. Project 2008-02 MF/UF Pilot Testing Program – The three pilot units have been operating since the week of January 12, 2009 with the vendors optimizing their units to the District's water parameters. Full operational testing begins on February 5th for the first 30-day evaluation period.
3. Middle Storage Tank Repairs – Staff has secured the services of Palisade Constructors, Inc. to perform investigative excavation and repair of the suspected pipeline leak south of the Middle Storage Tank. Excavation commenced on January 28, 2009. Once the problem has been identified and repaired, staff will begin activities to bring the tank back 'on-line'.
4. Energy Impact Grant EIAF #6384 – The Grant Contract has been completed and returned to the District. Engineering expenses from the Pilot Testing Program will be submitted and the District will begin to receive reimbursements identified in the February 2009 Financial Reports.
5. 2008 Audit – The 2008 Audit Engagement Letter has been submitted to Mary Brenes and the audit has been scheduled for the week of March 9, 2009.
6. Mesa College Career Fair – Staff has reserved a booth at the spring Mesa College Career Fair, to be held on March 26, 2009. The District has participated in this career fair since 2007. It is a good way to introduce Mesa State students and other community members to the career opportunities offered within the District.

UNFINISHED BUSINESS

Grand Valley Irrigation Company Water Shares – Manager Tooker summarized a confidential Staff Report regarding the District's opportunity to purchase 28 Grand Valley Irrigation

Company (GVICo) water shares. The Board discussed the opportunity to purchase GVICo shares and then turning around and renting or leasing the shares until the shares were needed.

The Board conceptually approved the purchase of 28 shares, pending a phone poll of the Board regarding the negotiated price for purchase and formal ratification of a purchase at the March, 2009 meeting. The Board also agreed with the concept of leasing shares, pending final details of an agreement, with limitations on the use and term of the lease. Staff will develop a Policy for Board review.

Colorado Water Congress Conference Brief - Director Hassler reported on the legislative, legal, policy, budgeting, funding and water quality information he obtained at the Colorado Water Congress Annual Conference held January 28-30, 2009 in Denver.

NEW BUSINESS

Project 2009-01 One Million Gallon Tank Painting Bid Process Authorization – Director Burger moved to authorize staff to begin the bid process to secure the services of a qualified contractor to paint the District’s One Million Gallon North Finished Water Storage Tank, District Project #2009-01. Director Genova seconded and the motion passed unanimously.

Colorado River Water Quality and Town of Palisade Wastewater Plant – Manager Tooker summarized a Confidential Staff Report outlining concerns with the Town of Palisade’s plans to construct a new wastewater treatment facility upstream from the District’s Colorado River Intake Structure. By consensus the Board agreed to send a letter to Tim Sarmo, Manager of the Town of Palisade and copied to the Clifton Sanitation District Board of Directors urging their consideration of an alternative to connect the Palisade’s wastewater discharge to the Sanitation District’s facility.

Hidden Valley Water Company – Manager Tooker presented a map (*Whiting/Hidden Valley Water Company, File 2/5/09*) of the Whitewater area served by the District and the Hidden Valley Water Company service area. The Hidden Valley Water Company is a 27 unit consecutive water system served through a master meter. Following the death of the original developer of the Hidden Valley Water Company, John Whiting, the current operators have approached Manager Tooker regarding the District’s interest in acquiring the Hidden Valley Water Company. Board consensus was for Staff to obtain more information regarding the status of the infrastructure and acquisition options.

SB 09-095 – Construction Prompt Pay Reform Act of 2009 – Assistant Manager Reinertsen reported on pending legislation that, if adopted, could impact the District’s Construction Contracts and the processing of payments to contractors and sub-contractors of the District. The Special District Association of Colorado is actively opposing this legislation.

HB 09-1005 – Director Hassler stated that this pending legislation has now gone on to the Senate and would allow Special Districts to establish a Special Improvement District within a Special District. The Board agreed this legislation could be useful for recapturing the cost of improvements within certain areas.

Economic Stimulus Legislation – Manager Tooker stated he has contacted the Colorado Water Resources and Power Development Authority and the Colorado Department of Public Health and Environment concerning the availability of Stimulus Funding for District projects. The District is considered a Tier 2 entity (second priority) to receive funding for projects that are ready to proceed. Manager Tooker will continue to actively monitor and pursue funding options for several pending projects.

Personnel – Manager Tooker reported that Genny Muncaster has returned from Disability Leave and will return as a part-time employee and will cross-train in the Distribution Department which currently has an open position that is not being filled.

ADJOURNMENT

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

ATTEST:

John L. Ballagh

Doralyn Genova

Brian Woods

Alan Hassler

Robert Burger