

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, JUNE 4, 2009**

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

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 Burger and Director Hassler were excused. Two scheduled guests, Jamie Hamilton of Home Loan and Investment and Mary Brenes, CPA, were unable to attend this meeting. No other changes were noted to the agenda.

MINUTES OF THE MAY 14, 2009 REGULAR MEETING

Director Genova moved to accept the May 14, 2009 Regular Meeting Minutes with corrections. Director Woods 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 \$38,702.27 plus \$291.00 the HRA Disbursement plus \$105,070.01 the supplemental statement for a total of \$144,063.28. Director Woods seconded the motion. The Board and Staff discussed the reporting of cash revenues from the Clifton Sanitation District. The motion passed.

MANAGER'S REPORT

Manager Tooker presented the Manager's Report for Board review.

STAFF REPORTS

Meter Reading Update – Manager Tooker presented graphs illustrating the operational efficiencies associated with the installation of radio read meters. Approximately 60% of the District is now radio-read which has significantly reduced the amount of staff time and vehicle expenses required for reading meters.

Springbrook Conference Report – Manager Tooker reported that he, Accountant David Foster and Customer Service Representative Susie Hornback recently attended the Springbrook Users Conference in Portland, Oregon. As a result of his attendance at conference workshops Manager Tooker has been evaluating options for electronic bill payments and outsourcing bill printing which could save the District a significant amount of money. He also participated in a workshop regarding disaster recovery options. Chairman Ballagh requested discussion of electronic

billing on a future agenda. Foster and Hornback obtained information regarding financial reporting and customer account activities that will be utilized as appropriate.

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 – Staff participated in the Project Design Alternatives Workshop with representatives from URS on May 28, 2009. Based on the results of the Workshop, URS has committed to delivery of the draft Preliminary Design Report for staff review by June 24, 2009 with the Final Preliminary Design Report completed by August 5, 2009.
2. Project 2009-01 Highway 50 Bore – Staff participated in a design option review with Sharper Engineering on May 29, 2009. Based on the direction provided, final project design will be submitted by June 17, 2009.
3. Project 2008-02 Pilot Testing Program – The third pilot skid evaluation phase continues with completion of the 54 day run on June 10, 2009. Upon completion of the third phase, the skids will be cleaned and evaluated for performance recovery from the polymer dosing. Fiber integrity testing is scheduled for the week of June 22nd with skid demobilization starting June 28th,
4. Out of District Water Service Request from Dan Brown – Staff informed Dan Brown of the Board’s conceptual approval of his Out-of-District request for water service. A letter clarifying the District’s criteria for providing water in the area and in the future is being drafted by Staff to be signed by the District and Mr. Brown and submitted to Mesa County.

UNFINISHED BUSINESS

Emergency Rate “Holiday” and Resolution – Director Woods moved to continue the holiday on the Drought Rate adopted in 2002, replaced with the Emergency Rate on May 14, 2009, pending further discussion at the July 3, 2009 Board Meeting. Director Genova seconded and the motion passed.

2009 General Liability Insurance – Manager Tooker presented a Staff Report (*2009 Staff Reports, Home Loan and Investment Liability and Property Insurance*) and request for Board reconsideration of the May 14, 2009 motion to obtain General Liability Insurance from Rural Special Districts. Director Genova moved to reconsider the District’s General Liability Insurance in light of new information presented by Staff. Director Woods seconded and the motion passed.

Staff identified that the Colorado Special Districts Property and Liability Pool had submitted a quote to Home Loan an Investment that was not made available to the Board at the May 14, 2009 Board Meeting. Home Loan and Investment conducted a comparison between the policy coverage of the Colorado Special Districts Property and Liability Pool and the Rural Special Districts. The comparison identified significant differences in type and amount of flood coverage proposed. Additionally, the Colorado Special Districts Property and Liability Pool proposal was \$43,843.91 which is \$5,199.00 less than the Rural Special District proposal without sacrificing coverage. With this information, Manager Tooker conducted a telephone poll of the Board recommending that the Board reconsider the District’s insurance coverage.

Director Woods moved, after reconsidering the two quotes obtained, to accept the Colorado Rural Special District’s Property and Liability Pool proposal over the Rural Special District’s

proposal. Director Genova seconded and the motion passed. A check in the pro-rated amount of \$24,625.58, for coverage through December 31, 2009 was signed by the Board.

2008 Audit - Manager Tooker presented the 2008 Audit on behalf of Mary Brenes, CPA. Directors Burger and Hassler both consented to presentation of the Final 2008 Audit at this meeting despite their absences. All Board members received a copy of the Draft 2008 Audit at the May 14, 2009 Meeting, and two changes to the 2008 Final Audit from the Draft were noted. The Board noted several corrections necessary within the Management Discussion and Analysis. Formal Audit Letters prepared by Mary Brenes were reviewed by the Board, particularly the recommendations regarding signature of Purchase Orders and the re-capitalization of vehicle use costs. Director Genova moved to accept the 2008 Audit and distribute as required. Director Woods seconded and the motion passed. Director Genova moved to accept the two Audit Letters from Mary Brenes, CPA. Director Woods seconded and the motion passed.

David Foster exited the meeting at 7:00 p.m.

Project 2009-02 New 10" Waterline, I-70B (08-RU06) – Assistant Manager Reinertsen presented a Staff Report (*2009 Staff Reports, Project 2009-02*) summarizing the ten bids received for Project 2009-02, a copy of Sharper Engineering Services' review of the bids, and the Staff and Engineer's recommendation to award the bid to Palisade Constructors, Inc. Project costs are significantly less than the Engineer's Estimate. Director Woods moved to accept the Engineer's Recommendation and authorize Staff to award the bid in the amount \$99,687.00 and authorize Staff to issue a Notice to Proceed. Director Genova seconded and the motion passed.

NEW BUSINESS

Board Reorganization and Committee Assignments - By consensus the Board agreed to continue the agenda item for Board Reorganization and Committee Assignments to the July 3, 2009 Meeting.

ADJOURNMENT – By consensus the meeting was adjourned at 7:05 p.m.

ATTEST:

John L. Ballagh

Doralyn Genova

Excused

Brian Woods

Alan Hassler

Excused

Robert Burger