

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, AUGUST 6, 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 McLaughlin;
David Foster

GUESTS: Dan Birch, Colorado River District

REGULAR MEETING

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

MINUTES OF THE JULY 2, 2009 REGULAR MEETING

Director Genova moved to approve the July 2, 2009 Regular Meeting Minutes as submitted. Director Burger seconded and the motion passed unanimously.

GUESTS

Dan Birch of the Colorado River District was present to discuss that District's request for funding toward implementation of the Programmatic Biological Opinion (PBO) for Endangered Species protection in the 15-Mile Reach of the Colorado River. The Board was provided a written request (*File 7/2/09, File 8/6/09 and Programmatic Biological Opinion*) at the July 2, 2009 Regular Meeting. Funding commitments from other entities were summarized. Director Woods moved to contribute \$15,000 to the Colorado River District for this specific project, with the requirement that the River District prepare a Memorandum of Understanding which includes the manner in which funds not needed would be returned to the District as well as how additional funding needs would be addressed. Director Genova seconded and the motion passed unanimously.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to accept the Financial Report and Approve Accounts Payable in the amount of \$269,171.57 plus \$1,362.63 HRA disbursement plus \$67,163.84 supplemental statement for a total of \$337,698.04. Director Burger seconded the motion. Notes to the Financial Statements were reviewed and Accountant Foster reported that there are two checks payable to Flex Magic for the same amount and they are for two separate billing months and not duplicate payments. Director Hassler questioned Staff on the processes used to secure price quotations in preparing purchase orders and commented on the price variances for valves. He also noted the improved cash flow for June. The motion passed unanimously.

MANAGER'S REPORT

Manager Tooker reviewed the Manager's Report with the Board. The Board asked about the data which indicate the addition of sulfates during production as shown on Page 1 of the Manager's Report. Staff will review the data and report back to the Board

STAFF REPORTS

Fuel Tax Refund – Manager Tooker presented a Staff Report (*File 8/3/09, 2009 Staff Reports*) identifying receipt of \$4,703 in State Fuel Tax refunds since January, 2008 when the District began to apply for these funds.

EXPRESS AGENDA

The Board reviewed the Express Agenda and moved item #7, SDA Annual Conference, to Unfinished Business. Items #1- 6 were accepted as presented:

1. Project 2008-01 North Raw Water Settling Pond Design – Staff has received draft design option plans, which will be presented for discussion with the Board's Construction Committee. URS plans to submit the Draft Preliminary Design Report (PDR) by August 7, 2009.
2. Project 2008-02 Pilot Testing Program – The Pilot Testing Phase of the Program is complete. All three manufacturers have removed their equipment. Burns and McDonnell are compiling the test data and have begun preliminary layout design options that staff has evaluated. These options will be discussed with the Board's Construction Committee. Burns and McDonnell is scheduled to provide the Draft Microfiltration/Ultrafiltration Pilot Testing Result Report for review and comment the week of August 1st.
3. Highway 50 Bore (08-RU07) – Staff continues to negotiate design fees for the additional effort needed to provide a complete design package for a new 16" main line from the top of the hill at the Plant One site south to the original city raw water line pump station site.
4. Highway 50 Bore at Reeder Mesa (08-RU08) – Staff received three design proposals and selected Sharper Engineering to provide construction design drawings for a new crossing of Highway 50.
5. Project 2009 – 03 Colorado River Intake Preliminary Design – Staff has had several design option discussions with the Project Engineer, HDR Engineering. The Final Preliminary Design Report was received on July 31, 2009. The Board's Construction Committee will review and discuss the report and decide whether a presentation by HDR to the full Board is warranted at this time.
6. Annual Water Quality Report – The Annual Water Quality Report was mailed to all District properties in July.

UNFINISHED BUSINESS

Colorado River District Programmatic Biological Opinion – Director Genova moved to transfer \$15,000 from Contingency to the Treated Water Purchases/Trades/Contract budget line item for contribution to the Colorado River District and the PBO Endangered Species Protection approved earlier in this meeting. Director Woods seconded and the motion passed unanimously.

Request to Abandon Water Line Easement, Lot 2 Uzelac Minor Subdivision – Manager Tooker reported that the requested additional information has not been received from the property owner since this item was first presented at the July 2, 2009 Regular Meeting. This agenda item was moved to the September, 2009 Regular Meeting.

Outsource Billing – Manager Tooker presented a Staff Report (*File 8/3/09, 2009 Staff Reports, Outsource Billing*) regarding the review of the vendors for outsourcing of customer billing plus electronic bill presentation and payment services. Staff currently estimates an annual cost savings of up to \$24,000 by outsourcing District billing. Staff identified multiple differences among the vendors' products, including fees for the processing of credit card payments and costs based on the frequency of billings and is recommending additional evaluation before making a final recommendation to the Board. The Board requested a Staff Report identifying pros/cons of the vendors.

Credit Card Usage Fees – This item was included in the Outsource Billing discussion.

Advertise Final Payment for Project 2009-02 – 10" Waterline, I-70 B – Assistant Manager Reinertsen reported that this project is complete and final payment would be made following legal advertisement. Director Woods moved to authorize advertisement for final payment for Project 2009-02 prior to the September 3, 2009 Board meeting. Director Genova seconded and the motion passed unanimously.

SDA Annual Conference, Keystone September 23-25, 2009 – Directors Ballagh and Woods indicated they would be attending the Special District Association Annual Conference and were asked to contact Kelly McLaughlin for registration assistance.

NEW BUSINESS

Appoint Person to Prepare 2010 Budget – Director Hassler moved to appoint Manager Tooker to prepare the District's 2010 Budget. Director Burger seconded and the motion passed unanimously.

Town of Palisade Wastewater Treatment Project Letter of Support – Assistant Manager Reinertsen reported that the Town of Palisade has selected their preferred alternative regarding the replacement of their existing Wastewater Treatment Facility. The Town has decided to transport their wastewater via a new pressure main to the Clifton Sanitation District facility. The Town has applied for grant funding and requests a letter of support for the project from the Clifton Water District. Director Genova moved to authorize Chairperson Ballagh to execute the letter of support drafted by Staff (*File 8/3/09, 2009 Outgoing Correspondence*). Director Burger seconded and the motion passed unanimously.

City of Grand Junction Annexation – Staff and the Board discussed the concern with the City of Grand Junction's current efforts to annex property within the boundary of the Clifton Water District via petitioner process. This is contrary to numerous public meetings conducted where it was stated to the attendees that annexation would only occur by voter approval. Staff and the Board will continue to monitor the process.

2009 Cost of Service Rate Analysis – Manager Tooker provided a Staff Report (*File 8/3/09, Staff Reports 2009, Cost of Service Analysis*) summarizing revenues and expenditures impacting District rates. Further discussion will be scheduled at the September 3, 2009 Regular Meeting.

David Foster left the meeting at 7:05 p.m.

HDR Preliminary Report – Colorado River Pump Intake Structure - This agenda item was inadvertently not moved from the Express Agenda for further discussion. Manager Tooker reported the Construction Committee met on August 3, 2009 to review the Preliminary Report from HDR Engineering, Inc. (*Project 2009-03 Colorado River Pump Intake Structure*) and the remaining Board members were provided a copy of the report earlier this week. Three options have been identified for renovating the existing intake structure. Each of the options has a projected cost exceeding one million dollars. Assistant Manager Reinertsen said the District currently has three major capital construction projects in the design process; the Colorado River Pump Intake Structure project impacts existing and on-going operations whereas both the North Raw Water Settling Pond and the Microfiltration and Ultrafiltration projects are more growth related projects. With current growth in the District showing a significant slow down Staff believes it is more beneficial to designate the Colorado River Pump Intake Structure project as the top capital construction priority. The Board concurred and requested a memo identifying for the record the reasons these three major capital projects are being re-prioritized. Director Genova moved to accept HDR Engineering, Inc.'s Preliminary Design Report Regarding the Colorado River Pump Intake Structure. Director Burger seconded and the motion passed unanimously

The need to proceed expeditiously with the Colorado River Pump Intake Structure project was discussed. By Board consensus, a Request for Proposals for a Design Build Project will be solicited.

PERSONNEL – Manager Tooker reported that several employees that have been on reduced duty have returned to full capacity, and one employee is currently on Short Term Disability.

ADJOURNMENT –The meeting was adjourned at 7:50 p.m.

ATTEST:

John L. Ballagh

Doralyn Genova

Brian Woods

Alan Hassler

Robert Burger