

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, SEPTEMBER 3, 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

REGULAR MEETING

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

MINUTES OF THE AUGUST 6, 2009 REGULAR MEETING

Director Genova moved to approve the August 6, 2009 Regular Meeting Minutes as submitted. Director Burger 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 \$124,365.19 Regular Check Run plus \$12,912.64 Special Check Run plus \$23,505.05 Benefits Payables plus \$34,286.95 Supplemental Check Run for a total of \$195,069.83. Manager Tooker noted the new color coding and labeling of the Financial Reports and supplemental information. Director Burger identified a large change in the Cash Flow report. Accountant Foster reported that July is a high revenue month. Director Woods seconded and the motion passed unanimously.

MANAGER'S REPORT

The Manager's Report was reviewed with the Board. Manager Tooker advised the Board that Verizon will be reimbursing the District for legal costs associated with review of the lease amendment proposal from Verizon that has now been withdrawn.

STAFF REPORTS

Explanation of Sulfates Concentrations – In response to Board inquiry at the August, 2009 meeting, Manager Tooker reported that sulfate concentrations on the Manager's Report will vary according to the seasonal changes in influent water quality and treatment processes.

2009 Water Festival – Manager Tooker reported the District’s share of the 2009 Water Festival was \$650.00 which is significantly less than the \$4000.00 budgeted. The lower amount is due to the School District’s increased contribution for 2009.

Partnership for Safe Water 2009 Director’s Award – Manager Tooker reported the District again achieved compliance with the reporting requirements of the Partnership for Safe Water Director’s Award.

EXPRESS AGENDA

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

Final Payment for Project 2009-02 -10” Waterline, I-70 B – A Notice of Contractor’s Settlement was published in The Daily Sentinel on August 12 and August 20. No claims were submitted. Staff will release Final Payment to Palisade Constructors, Inc.

Project 2008-01 North Raw Water Settling Pond Design – URS continues to work on the design details for this project.

Project 2008-02 Pilot Testing Program – Staff has received the Draft MF/UF Pilot Testing Results Report and it is currently being reviewed.

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.

Highway 50 Bore at Reeder Mesa (08-RU08) – Design is progressing with geotechnical investigations scheduled for the week of September 14.

Project 2009–03 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

Cost of Service Rate Analysis – Manager Tooker summarized the methodology used to prepare the Cost of Service Rate Analysis Report (*Cost of Service Rate Analysis, 2009 Staff Reports, File 8/6/09*) that was distributed to the Board at the August 6, 2009 Regular Meeting. The District has historically maintained a rate structure that strictly funds operational expenses and has not included depreciation expense or capital improvement funding. Revenue requirements are categorized into Commodity, Capacity, Customer, Meter Services and Fire Protection. Although water rates have not increased since 2004 the Board concluded that the current rate is sufficient to cover these operational expenses for the 2010 Budget Year. Manager Tooker was directed to analyze the potential impact to operational revenues if there is a continued increase in accounts changing to Availability of Service due to current economic conditions. Manager Tooker will also evaluate other rate factors including depreciation and a percentage of revenue over expense to target for depreciation expenses.

David Foster exited the meeting at 6:35 p.m.

Request to Abandon Water Line Easement, Lot 2 Uzelac Minor Subdivision - Director Genova moved to continue this agenda item to the October 1, 2009 Regular Meeting since a written request for abandonment has not been received from the property owner. Director Burger seconded and the motion passed unanimously.

SDA Annual Conference, Keystone September 23-25,2009 - Directors Ballagh and Woods will attend the Special District Association Annual Conference Business Meeting and SDA Pool Membership Meeting, therefore, no voting proxies are necessary.

NEW BUSINESS

Transfer of Funds From Contingency to Raw Water Transport – Manager Tooker submitted a Staff Report (*Grand Valley Irrigation Diversion Reporting, 2009 Staff Reports, File 9/3/09,*) summarizing diversion of the District’s Colorado River Pipeline Right through the Grand Valley Canal for 2009. Director Genova moved to approve the transfer of \$12,912.64 from Contingency to Raw Water Transport to fund the expense of diverting our Colorado River Pipeline Right through the Grand Valley Canal and to continue the efforts to convert the conditional rights to absolute. Director Hassler seconded and the motion passed unanimously.

Mesa County’s Request for Irrigation Tap in Whitewater – Assistant Manager Reinertsen presented an overview of Mesa County’s plans for the development of a campus near the existing County Landfill that will include animal control and public works facilities. He reported that Drexel Barrell Engineering evaluated the County’s proposed long-term water needs for this campus within the Whitewater Water Network Analysis and find it will not affect the existing water issues further. At this time Mesa County is requesting a District water tap for irrigation use only. The District does not have a policy regarding taps for irrigation only. The Board discussed the costs of water treatment and distribution regardless of meter size. Director Genova moved to not consider an irrigation tap under the conditions presented and advise Mesa County to consider a domestic tap that is sized appropriately for their needs. Director Woods seconded and the motion passed unanimously.

American National Bank Account Change – Signature Cards – Manager Tooker reported a change in the American National Bank account requiring a new signature card. The Board signed the new form.

Capital Projects Staff Record Memo – Assistant Manager Reinertsen presented a Staff Record Memo (*2009 Staff Reports, File 9/3/09*), requested by the Board, memorializing the discussion at the August 6, 2009 Board Meeting regarding the re-prioritizing of capital construction projects.

PERSONNEL -

Employee Longevity – Manager Tooker invited the Board to attend a luncheon on September 9, 2009 to recognize Violet Church for thirty years of service to the District.

Manager's Evaluation – Manager Tooker provided the Board with a memo for their review in preparation for his annual performance evaluation. The Board requested an Executive Session for the Manager's Evaluation at the October 1, 2009 Regular Meeting.

ADJOURNMENT – Director Burger moved to adjourn the meeting. Director Woods seconded and the motion passed unanimously. The meeting was adjourned at 8:07 p.m.

ATTEST:

John L. Ballagh

Doralyn Genova

Brian Woods

Alan Hassler

Robert Burger