

**MINUTES OF BOARD OF DIRECTORS MEETING  
CLIFTON WATER DISTRICT  
THURSDAY, APRIL 5, 2012**

**BOARD MEMBERS PRESENT:** Robert Burger, Chairman; Alan Hassler, Vice-Chairman; Doralyn Genova, Secretary; Dale Peck, Treasurer; Robert Norman, Director

**STAFF MEMBERS PRESENT:** Dale Tooker; David Reinertsen; Kelly McLaughlin; Terry Sykes; Angie Beebe

**REGULAR MEETING**

Chairman Burger called to order the April 5, 2012 Regular Meeting at 5:05 p.m. An additional item was added to the Agenda under Informational Reports – Intake Structure Debris.

**MINUTES OF THE MARCH 1, 2012 REGULAR MEETING**

Director Hassler moved to approve the March 1, 2012 Regular Meeting Minutes as submitted. Director Peck seconded and the motion passed. Director Genova abstained as she had not been present at that meeting.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Director Genova moved to Accept the Financial Report and Approve Accounts Payable Regular Checks of \$80,437.47 plus Benefits Checks of \$16,739.88 plus Supplemental Checks of \$5,043.78 for a total of \$102,221.13. Director Peck seconded the motion. Manager Tooker advised the Board that Staff continue to work through the recently identified discrepancies in some financial reports. He recommends that correcting entries not be made until after the auditors have completed their work and made their recommendations. The monthly Notes to Financials will include an identification of the discrepancies between the Statement of Cash Flow and Balance Sheet until they are resolved. Manager Tooker noted the additional index column that has been added to the Wire Transfer Report. The motion passed unanimously.

**MANAGER'S REPORTS**

Manager Tooker presented the Manager's Reports for February of 2012. Two items of particular note were that Tap Sales through February were 125% of last year, and the number of accounts on Availability of Service are 22% less than the same period in 2011.

---

## **INFORMATIONAL REPORTS**

March 2012 Drought Update – Manager Tooker provided the Board with the Report from the State regarding state-wide drought conditions. The District will not be preparing for possible flooding this year.

Grand Valley Water Quality Project Notice to Proceed – Manager Tooker provided a copy of the Notice to Proceed for the Grand Valley Water Quality Project in which the District is a financial participant.

Intake Structure Debris – Assistant Manager Reinertsen reported that some maintenance of the new intake structure was needed due to river debris this spring. An evaluation of intake structure operations and possible engineered modifications will be undertaken prior to next winter's operational start-up.

## **EXPRESS AGENDA**

Director Hassler moved to approve the Express Agenda items as submitted. Director Genova seconded and the motion passed unanimously. The approved Express Agenda items are as follows:

1. Springbrook Annual Conference – April 9 – 12, 2012 – Angie Beebe and Kelly McLaughlin will attend the Springbrook Annual Conference to be held in Portland Oregon April 9 – 12, 2012. Travel, lodging and registration costs for each employee are \$1,428.00.
2. Project 2012-01 3rd Street Main Line Upgrade/Replacement – The advertisement for Bids was published in the Daily Sentinel on March 30, 2012. Mandatory Pre-Bid Tour will take place on Thursday, April 12 with the Bid Opening scheduled for Thursday, April 26, 2012 at 4 pm at the District office. Construction contract award recommendations will be presented to the Board at the May 3, 2012 Regular Board Meeting.
3. Mesa County 33 Road Upgrade Project – Ben Dowd Excavating will install 400 feet of new 10" water main and relocate four water services in preparation of Mesa County's final phase of the 33 Road Upgrade Project. The District's preparatory work will be completed prior to the County's planned May 1st construction start date.
4. Front Office Security – FCI Constructors completed the replacement of the front office security glass (warranty replacement) and installed the new customer service microphone speaker systems. The new microphone speaker systems have greatly improved the two-way communication capability between walk-in customers and District staff.
5. Water Festival – The 2012 Children's Water Festival will be held on May 14 and 15 at Colorado Mesa University for the 19<sup>th</sup> consecutive year. District staff will participate as classroom presenters for the session titled "River to Tap" where we explain and demonstrate how Clifton Water treats Colorado River water and delivers it to our customers. Staff will also participate in the DRIP water conservation activity booth. If Board members would like to attend any of the festivities, please contact Kelly for registration.
6. DRIP – The 2012 DRIP kick-off meeting was held on March 16. DRIP members discussed activities to be undertaken with the 2012 DRIP Public Information process. Activities will include continued presence at public venues disseminating water conservation information and strategies; updating the fundamentals and message of the DRIP group; and, development

---

of an updated web site addressing the Grand Valley Drought Response Plan, the Regional Water Conservation Plan along with general water conservation information.

**UNFINISHED BUSINESS**

2012 Election – Cancellation Resolution – Assistant Manager Reinertsen presented a Resolution to Cancel the 2012 Election due to there being only two candidates for two vacancies as of the deadline for candidacy. Robert Burger and Robert Norman were deemed elected. Director Hassler moved to adopt the Resolution for Cancellation of Election and Declaration Deeming Candidates Elected. Director Genova seconded and the motion passed unanimously. Director Peck signed the Resolution. The Resolution text is inserted below:

**RESOLUTION  
CANCELLATION OF ELECTION  
DECLARATION DEEMING CANDIDATES ELECTED**

***Clifton Water District, Mesa County, Colorado***

***WHEREAS***, the Designated Election Official of the District has been duly authorized by the Board of Directors to cancel and declare candidates elected at the close of business on the sixty-third day before the election to be conducted on May 8, 2012,

***AND WHEREAS***, there were not more candidates for director than offices to be filled, including candidates filing affidavits of intent to be write-in candidates,

***NOW THEREFORE***, pursuant to 1-5-208(1.5), C.R.S., the Designated Election Official ***HEREBY CANCELS*** the regular election to be conducted on May 8, 2012.

***THE ELECTION IS CANCELED BY FORMAL RESOLUTION AND THE FOLLOWING CANDIDATES ARE DECLARED ELECTED FOR THE FOLLOWING TERMS OF OFFICE:***

*Robert K. Burger  
581 East Valley Drive  
Grand Junction, CO 81504  
(Four year term May 2012 - May 2016)*

*Robert Norman  
590 Ronlin Street  
Grand Junction, CO 81504  
(Four year term May 2012 - May 2016)*

Signed by: \_\_\_\_\_  
*Member of the Board of Directors of the District*

Contact Person for the District: David A. Reinertsen  
Telephone Number of the District: (970) 434-7328  
Address of the District: 501 34 Road, Clifton, CO 81520

---

District Bank Accounts – Manager Tooker presented a Staff Report itemizing existing District bank accounts. Director Hassler moved to approve the Staff recommendation in the District Bank Accounts Staff Report dated March 29, 2012 to centralize all of the District’s banking activity to ANB in order to improve efficiency and to simplify the District’s processes, with the exception of one account to remain at Alpine Bank that is utilized for the electronic transfer of payroll taxes. Director Genova seconded and the motion passed unanimously. The Board reviewed a letter received from ANB Cash Management Officer Sperber dated March 12, 2012 stating ANB’s collateralization of funds and ANB’s compliance with the Colorado Public Deposit Protection Act. The Board directed Staff to obtain a Certificate or collateralization letter from a member of ANB Executive Management.

## **NEW BUSINESS**

2012 Clifton Sanitation District Water Share Rental – Manager Tooker provided a Staff Report summarizing the 2011 Water Share Rental Agreement with the Clifton Sanitation District (CSD) and reported that 40 Grand Valley Irrigation Shares will be rented to CSD for the 2012 irrigation season.

Reorganization of the Board of Directors – The Board discussed the opportunity to reorganize the assignment of officers serving on the Board of Directors following the declaration of election of Robert Burger and Robert Norman. The swearing-in for their new terms will occur at the Board’s June 7, 2012 Regular Meeting. The rotation of offices was agreed upon. Director Genova moved to appoint Alan Hassler as the District Chairman effective June 7, 2012. Director Burger seconded and the motion passed unanimously. Director Genova moved to appoint Dale Peck as the District Vice-Chairman, Doralyn Genova as the District Treasurer, Robert Norman as the District Secretary and Robert Burger as the District Director effective June 7, 2012. Director Hassler seconded and the motion passed unanimously.

Committee Assignments – The Board will review the list of Board Committees and determine new assignments at the June 7, 2012 Regular Meeting.

Energy Use Audit – Johnson Controls, Inc. – Assistant Manager Reinertsen presented a Staff Report summarizing an energy use evaluation the District is obtaining from Johnson Controls, Inc. The preliminary assessment is at no-cost to the District. The Board stated concern with proceeding with any project that would be at a cost to the District without significant further evaluation. Staff will continue to update the Board as more information becomes available.

## **EXECUTIVE SESSION**

Financial Reporting and Discrepancies – Chairman Hassler moved for the Board to go into Executive Session as per C.R.S. 24-6-402(4)(d) and C.R.S. 24-6-402(4)(g) to discuss Financial Reporting and Discrepancies. Persons present in the Executive Session will be: Directors Burger, Hassler, Genova, Peck and Norman and staff members Tooker, Reinertsen, McLaughlin, Beebe and Sykes. Director Genova seconded and the motion passed unanimously. The Executive Session commenced at 6:40 p.m.

---

The Board concluded the Executive Session and the Regular Meeting was called back to order at 8:28 p.m.

Director Hassler moved to direct Staff to initiate the investigation of the circumstances of the financial reporting and discrepancies by scheduling an enhanced audit to be performed by Chadwick, Steinkircher, Davis and Company, and to investigate insurance options.

**ADJOURNMENT**

Director Genova moved to adjourn the Regular Meeting. Director Norman seconded and the motion passed unanimously. The April 5, 2012 Meeting was adjourned at 8:32 p.m.

**ATTEST:**

---

Robert Burger

---

Alan Hassler

---

Doralyn Genova

---

Dale Peck

---

Robert Norman