

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
SPECIAL MEETING
MONDAY, SEPTEMBER 16, 2013**

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

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

GUESTS (via phone): Kim Crawford and Cory Kalanick, Bond Counsel
Bill Frey and Chris McAnany, District Counsel
Joe Drew, Financial Consultant

SPECIAL MEETING

Chairman Hassler called the September 16, 2013 Special Board Meeting to order at 5:04 p.m. All meeting participants were identified, as above.

RESOLUTION AUTHORIZING ISSUANCE OF WATER REVENUE REFUNDING BONDS

Chairman Hassler noted that he had participated in the phone conference on September 6, 2013 regarding the Preliminary Official Statement documents, and concurs with page 13, Section 210 of the proposed Resolution to authorize Manager Tooker to issue the Preliminary Official Statement. Chairman Hassler stated that he has reviewed the Resolution Authorizing the Issuance of Water Revenue Refunding Bonds, along with the signature documents prepared by Sherman and Howard LLC, and as provided to the Board. He reiterated statements made within the Resolution: Section 213 regarding the interest rate, principal amount and maturity schedule; Section 402 – Mandatory Sinking Fund Redemption; Section 601 – Pledge Securing Bonds; Sections 603- 605 regarding the payment of District operations and maintenance expenses; and Section 920 Reasonable and Adequate Charges. Kim Crawford noted Section 803 allowing the District to issue additional Parity Bonds to fund future upgrades so long as the Net Pledged Revenues are no less than 110% of the Combined Maximum Annual Principal and Interest Requirements. She stated the District is currently at 350%. She also noted Sections 920 and 921 regarding rate maintenance covenants.

Staff confirmed that the September 16, 2013 Special Meeting Notice was posted in three locations in the District boundaries, and at the Office of the Mesa County Clerk and Recorder, on Wednesday, September 11, 2013. Manager Tooker stated that District Counsel requested, on Friday, September 13, 2013, that the Bonds be issued by the District through Its Water Activity Enterprise, and that change has been made to the Resolution documents.

Joe Drew stated that today he spoke with Keith McLaughlin of the Colorado Water Resource Power and Development Authority regarding the refinancing, who advised that they cannot do a Conditional Call, and must do an Absolute Call to close by October 1, 2013. This moves the timeline up from previously stated. Dates for the rating call, posting of the Preliminary Official Statement, and sale of the bonds were identified in order to close on October 1, 2013. This will require Chairman Hassler and Board Secretary Norman to be available to sign documents the week of September 23, 2013. The projected savings to the District continues to be near \$400,000 for the remaining term of the 2003 Bond.

Director Peck moved to adopt Resolution 2013-03, A RESOLUTION OF CLIFTON WATER DISTRICT, MESA COUNTY, COLORADO, ACTING BY AND THROUGH ITS WATER ACTIVITY ENTERPRISE, AUTHORIZING THE ISSUANCE AND SALE OF WATER REVENUE REFUNDING BONDS, SERIES 2013, PROVIDING FOR THE SOURCES OF PAYMENT OF THE SERIES 2013 BONDS, AND PROVIDING OTHER DETAILS CONCERNING THE 2013 BONDS AND THE SYSTEM. Director Genova seconded the motion.

Chairman Hassler asked for clarification, and Joe Drew responded, regarding aggregate values and purchase price in the sale of the Bonds.

The motion passed unanimously on a roll call vote.

ADJOURNMENT

Director Peck moved to adjourn the September 16, 2013 Special Meeting. Director Genova seconded and the motion passed. The meeting was adjourned at 5:37 p.m.

ATTEST:

Alan Hassler

Dale Peck

Doralyn Genova

Robert Norman

Robert K. Burger