

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, JANUARY 4, 2007**

BOARD MEMBERS PRESENT: John Ballagh, Chairman; Doralyn Genova, Vice-Chairman;
Paul Teal, Secretary; Randy Cook, Treasurer;
Brian Woods, Assistant Secretary - *Excused Absence*

STAFF MEMBERS PRESENT: Dale Tooker, David Reinertsen, Laure Watkins

REGULAR MEETING

Chairman Ballagh called the regular Board Meeting to order at 5:04 p.m.

MINUTES OF THE DECEMBER 7, 2006 BOARD MEETING

Director Genova moved to accept the minutes of the December 7, 2006, Board Meeting, with changes noted. Director Teal seconded and the motion passed unanimously.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Teal moved to accept the financial report as presented and approve expenditures of \$160,662.70 plus \$116,848.49 on the supplemental statement, for a total of \$277,511.19. Director Cook seconded and the motion passed unanimously.

The Cash Flow Statement could not be generated and was not included as part of the Financials, due to conversion issues with the Springbrook Financial Software.

STAFF REPORTS

Committee Reports – Manager Tooker reported on the December meeting of the Personnel Committee where the recent salary survey results were reviewed.

Project 2002-03 Plant Optimization Phase II – CASWTP Building Remodel Project Update – Manager Tooker reported that the remodel work performed by Garney Construction was almost complete. The remaining work will be performed with in-house resources and specialty subcontractors.

Tamarisk Removal Project Report – Assistant Manager Reinertsen reported that the 2006 Tamarisk Removal Project is complete.

EXPRESS AGENDA

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

Project 2006-01 South Finished Water Storage Tank Update – No activity on this project since last Board Meeting. Staff plans to meet with Design Engineer (Burns & McDonnell) the week of January 8, 2007, to begin design review and bid package preparation to accommodate a Spring/Summer 2007 construction period.

Project 2006-02 I-70 B Waterline Crossing Update – Bryant Brothers Construction Company has completed the casing and carrier pipe installation. District crews are scheduled to connect the ends of the crossing to the 12” main lines previously installed on each side of I-70 B in early January, as specified on the CDOT Utility Permit.

2007 Budget – The 2007 Budget is complete and has been sent to the appropriate agencies.

Annual Cleaning and Inspection of Tanks - US Underwater Services completed cleaning and inspection of the One Million Gallon North Storage Tank and the One Million Gallon Blend Tank on December 15, 2006. Both tanks had minimal sediment buildup (less than ¼”) and no apparent indication of internal corrosion or structural degradation.

Whitewater Distribution Modeling Project – Drexel Barrell & Co. has been collecting data and performing the preliminary steps of the project. It was anticipated that a report would be completed and presented to the Board at the January 4, meeting. If a report is completed it will be presented to the Board for discussion.

Unfinished Business

Audit Services Request for Proposal – A Staff Report (*File 2007 Staff Reports, Board Meeting 1-4-07 and 2006 Audit*) summarizing the proposals submitted and copies of the proposals were presented for Board review. Director Cook moved to select the audit services proposed by Mary Brenes, CPA, for the District’s FY 2006 Audit, which allows for annual renewal by using future engagement letter agreements. Director Teal seconded and the motion passed unanimously. The Board duly noted that the District is satisfied with Auditor Brenes’ performance and the product she has supplied for the past three audits.

New Business

Designation of Time, Place and Posting of Meetings –A Resolution (*File Resolutions and Board Meeting 1-4-07*) designating the meeting time, place, and 24-hour posting location was presented and reviewed. Director Genova moved to approve the Resolution Designating Meeting Time, Place and 24-Hour Posting Location. Director Teal seconded and the motion passed unanimously.

RESOLUTION DESIGNATING MEETING TIME, PLACE AND 24-HOUR POSTING LOCATION

WHEREAS, the Clifton Water District designates that all Regular Board of Directors Meetings will be held the first Thursday of each month at 5:00 p.m. located at the Clifton Water District Office, 510 34 Road, Clifton Colorado; and

WHEREAS, the Clifton Water District designates that the posting places for all Board of Directors meetings are the Clifton Water District Office and the following three additional locations; Clifton Sanitation District #2 Office, Clifton Fire Department, and the Mesa County Clerk and Recorders Office Clifton Branch; and

WHEREAS, the Clifton Water District designates that the 24-hour Agenda Notice will be posted at the Clifton Water District Office; and

BE IT FURTHER RESOLVED, that this resolution be adopted this 4th day of January 2007.

2007 Availability of Service Charge Resolution – A Staff Report (*File 2007 Staff Reports, Board Meeting 1/4/2007 and Availability of Service Charge*) was presented for Board review. Director Cook moved to approve the Resolution For The Availability of Service Charge (ASC) for 2007 which establishes the In-District ASC at \$8.85 per month per customer (50% of the 2006 In-District average water bill), and the Out-of-District ASC at \$13.30 per month per customer (40.4% of the 2006 Out-of-District average water bill). Director Teal seconded and the motion passed unanimously.

RESOLUTION FOR THE AVAILABILITY OF SERVICE CHARGE FOR 2007

WHEREAS, the District has reviewed the Availability of Service Charge Policy and;

WHEREAS, the Availability of Service Charges are considered to be an equitable revenue contribution toward the repayment toward debt incurred by the Clifton Water District and;

WHEREAS, the Availability of Service Charge Policy is for those customers who benefit from the immediate availability of water service even though they are currently not receiving water and;

WHEREAS, all revenue generated by the Availability of Service Charge shall be used to repay the principal and interest on bonds and other outstanding indebtedness and;

WHEREAS, in the 2007 Fiscal Year the District has indebtedness for Water Revenue Bonds and;

WHEREAS, the said percentage of the Availability of Service Charge shall be determined by the Board.

WHEREAS, in 2006 the average water usage charge for a Clifton Water District In-District customer was \$17.69/month per tap.

WHEREAS, in 2006 the average water usage charge for a Clifton Water District Out-of-District customer was \$32.89/month per tap.

NOW THEREFORE BE IT RESOLVED, that the Clifton Water District Board of Directors establish the In-District Availability of Service Charge for the 2007 Fiscal Year to 50% of the In-District average water bill in 2006, which equals \$8.85 per month per customer and the Out-of-District Availability of Service Charge for the 2007 Fiscal Year to 40.4% of the Out-of-District average water bill in 2006, which equals \$13.30 per month per customer.

2007 Workers' Compensation Renewal – A Staff Report (*File 2007 Staff Reports, Board Meeting 1-4-07, Workers Compensation and Home Loan & Investment*) addressing the search for competitive quotes from Workers' Compensation Insurance providers through the District's insurance agent, Home Loan & Investment Company, was presented for Board review. Director Genova moved to accept the quote submitted by the Colorado Special Districts Property and Liability Pool in the amount of \$22,954.23 for the District's 2007 Workers' Compensation coverage policy. Director Teal seconded and the motion passed unanimously. The Board directed staff to confirm policy payee prior to sending the approved payment.

Out of District Request from Richard Lowder – A Staff Report (*File 2006 Staff Reports, Board Meeting 1-4-07 and Out of District Service Requests*) outlining Mr. Lowder's Out of District service request was presented for Board review. Director Genova moved to approve Mr. Lowder's request for Out-of-District service for the following parcels in the Whitewater service area:

Parcel known as Tax Schedule ID 2969-182-00-062, described as SW4NW4 + NW4SW4, Sec 18, T2S, R2E, +/-80 acres, for one (1) single service tap,

Parcel known as Tax Schedule ID 2969-181-00-061, described as SW4NE4 + SE4NW4, Sec 18, T2S, R2E, +/-80 acres, for one (1) single service tap

with the following conditions:

- 1) The service taps shall be installed below the 4,800 foot contour service boundary
- 2) Water service will not be available until the District has improved supply and delivery infrastructure in the Whitewater area
 - The petitioners have the option to accelerate this process by participating in the upgrade costs or other system improvements that may be identified.

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- 3) Any proposed main line extensions must be 'looped' with existing infrastructure and may include additional water line easement dedications as determined by District staff.
 - 4) Fire flow or fire protection is not provided nor planned.
 - 5) Domestic water systems for future subdivision of these parcels shall include the following:
 - Outdoor irrigation restriction covenants that encourage xeric-type landscaping
 - Detailed onsite contour elevation determinations to provide basis for determining limits of service as per District infrastructure and Mesa County IGA requirements
 - All 'looped' water mains shall be 6" and 8" diameter as determined by District staff

Director Teal seconded and the motion passed unanimously.

Colorado River Water Users Association Conference Briefing – Directors Ballagh, Cook, Teal, and Manager Tooker presented a briefing of the Colorado River Water Users Association Conference held in Las Vegas, December 13, 14, and 15, 2006.

Major Capital Improvement Plan (MCIP) Update – The Board directed Staff to present an updated MCIP for review and discussion at the April Board meeting.

ADJOURNMENT

By mutual consent, the regular meeting adjourned at 6:30 p.m.

ATTEST:

John L. Ballagh

Paul Teal

Brian Woods

Randy L. Cook

Doralyn Genova