

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, FEBRUARY 1, 2007**

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

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

REGULAR MEETING

Chairman Ballagh called the regular Board Meeting to order at 5:07 p.m. Chairman Ballagh noted that secretary Director Teal's absence was excused.

MINUTES OF THE JANUARY 4, 2007 BOARD MEETING

Director Genova moved to accept the minutes of the January 4, 2007, Board Meeting, with changes noted. Director Cook seconded and the motion passed unanimously.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to accept the financial report as presented and approve expenditures of \$117,638.61 plus \$23,738.78 on the supplemental statement, for a total of \$141,377.39. Director Cook seconded and the motion passed unanimously.

Staff continues to fine-tune the Springbrook Financial reporting modules to generate accurate reports.

STAFF REPORTS

Project 2002-03 Plant Optimization Phase II – CASWTP Building Remodel Project Update – Manger Tooker provided a verbal update of the remodel project.

Vault Building Groundwater Leak Repair – Assistant Manager Reinertsen provided a verbal report on the successful repair of the ground water leak in the valve vault building.

EXPRESS AGENDA

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

Project 2006-01 South Finished Water Storage Tank Update – Staff met with Colorado Department of Transportation (CDOT) representatives to finalize the work plan to improve the existing Highway 50 access to Plant 1 Site as required by the previously issued CDOT Construction Access Permit. Staff and the Design Engineer (Burns & McDonnell) continue the review and option evaluations for putting this project back out for bid. Staff plans to present the revised Bid Packet for Board authorization at the March 2007 Board Meeting.

Project 2006-02 I-70 B Waterline Crossing Update – District crews completed installation of this new mainline crossing and have placed the line in service. A final cost summary will be presented at the March 2007 Board Meeting.

Project 2002-03 Plant Optimization Phase II Update – The Contractor is scheduled to have all work activities of Change Order 8 (CASWTP Remodel) complete by January 30, 2007. All final project warranty list items have been completed for the Phase II project. Staff is waiting for final product warranty certifications for the roofing and SCADA systems and delivery of all lien release paperwork before requesting Board authorization for final payment advertising.

Desert Road Booster Pump Station Upgrade Project – The District pipeline construction crew has started construction activities on previously planned mainline upgrades to the inlet (suction) side of the Desert Road Booster Pump Station.

Springbrook Financial Software Training – During the week of January 15, 2007, Springbrook personnel provided additional onsite training support on the new financial software package.

Unfinished Business

Whitewater Distribution Modeling Project - Staff presented the Draft Whitewater Water Service Area Network Analysis compiled by Drexel, Barrell & Co. (*File Board Meeting 2/1/07, Drexel Barrell & Co.- Whitewater Evaluation and Drexel & Barrell, Co.*) for Board review. The Board will review the Analysis and advised Staff to place this item on the March Board meeting agenda for further discussion.

2006 Audit Engagement Letter - Staff presented the Audit Engagement Letter (*File Board Meeting 2/1/07 and 2006 Audit*) from Mary Brenes, CPA, for Board signature. Director Woods moved to authorize President Ballagh to sign the Audit Engagement Letter with Mary Brenes, CPA, to execute 2006 audit services. Director Genova seconded and the motion passed unanimously.

New Business

Standing District Committees – The Board identified an immediate need to form a Policy & Standards Committee (*File Board Meeting 2/1/07 and Board Committees*). Chairman Ballagh and Director Genova agreed to serve on the Policy & Standards Committee. It was a consensus of the Board to form other 2007 Committees and select committee members at a future meeting.

Industrial Water Rates (Halliburton Facility) – A Staff Report (*Board Meeting 2/1/07 and 2007 Staff Reports*) was presented addressing the Halliburton Facility's (3199 D Road) current expansion and anticipated water consumption. Staff is requesting Board direction regarding an appropriate plant investment fee, as well as, consideration of an Industrial Use Water Rate for industrial-type water demand users, since the District currently does not have an industrial rate. It was a consensus of the Board to have the Policy & Standards committee review current Policy related to rates and address industrial users.

HB07-1159 Coordinated Elections for Special Districts – Chairman Ballagh provided a verbal overview of HB07-1159. The Board advised Staff to monitor the developments and progress of HB07-1159 (*File Board Meeting 2/1/07*).

Shoshone Call Reduction - Manager Tooker presented a copy of the Shoshone Power Plant and Xcel-Denver Franchise Agreement (*File Board Meeting 2/1/07 and Shoshone Call*) and provided a verbal report of the Agreement's impacts on the Western Slope Water users and the health of the Colorado River. Information only no action required.

OTHER BUSINESS

Resignation Letter from Director Cook – Chairman Ballagh read a letter (*File Board Meeting 2/1/07 and Board Members (Randy Cook)*) received from Director Cook dated January 30, 2007, notifying the Board of his resignation from the Board of Directors, effective March 15, 2007. The Board accepted Director Cook’s resignation.

Project 2002-03 Plant Optimization Phase II Advertisement for Final Payment – Director Genova moved to authorize Staff to advertise for final payment settlement to Garney Construction upon receipt of all final contract documents. Director Woods seconded and the motion passed unanimously.

ADJOURNMENT

By mutual consent, the regular meeting adjourned at 7:25 p.m.

ATTEST:

John L. Ballagh

Paul Teal

Brian Woods

Randy L. Cook

Doralyn Genova