

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, JULY 6, 2006**

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

STAFF MEMBERS PRESENT: Dale Tooker, David Reinertsen, Carrie Restivo, Dave Payne, Laure Watkins

REGULAR MEETING

Chairman Ballagh called the meeting to order at 5:00 p.m.

GUESTS

Paul Fischer, Andy Hundley, and David Wilson were present representing Burns & McDonnell Engineering. Robert Millwee and Todd Swallows were present representing Garney Construction. The Board toured the Phase II Treatment Plant Project, and Paul Fischer briefed the Board on the status of Substantial Completion of the Project.

MINUTES OF THE JUNE 1, 2006 BOARD MEETING

Director Genova moved to accept the minutes of the June 1, 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 \$117,094.70 plus \$398,012.91 on the supplemental statement, for a total of \$515,107.61. Director Genova seconded, and the motion passed unanimously.

STAFF REPORTS

Project 2002-03 Plant Optimization Phase II - It was a consensus of the Board to hold a celebration in September for completion of Project 2002-03 Plant Optimization Phase II.
“In Not On Accounts” and Availability of Service Charge – Staff provided a verbal report of the discussion of the Policy and Standards Committee concerning “In Not On” accounts. It was the consensus of the Board that the Availability of Service Charge – Policy #430 should apply to the “In Not On” accounts. The Board directed Staff to have legal counsel draft language to Policy #430-Availability of Service Charge, to include “In Not On” accounts, to be presented to the Board at a later date.

EXPRESS AGENDA – The Board reviewed the Express Agenda, and accepted the following items as presented:

Plant Optimization Phase II Project 2002-03 Update – The Contractor continues to complete items necessary to reach Substantial Completion, now anticipated for July 7, 2006. Substantial Completion punch list items include final balancing of chemical feed rates and SCADA inputs/outputs, final interior electrical component installations, mechanical equipment balancing, and final Mesa County building inspections to issue the Certificate of Occupancy. Several exterior punch list items will be completed between Substantial and

Final Completion Acceptance. District Treatment Plant staff have completed contractual training on the various components, and continue to help "trouble-shoot" the final settings with the Contractor, and specialty subcontractors.

Project 2006-01 South Finished Water Storage Tank – Engineering for the tank project was initiated after Board approval of the contract. The Conditional Use Permit will be presented at a Public Hearing scheduled for July 27, 2006, and is expected to be approved by the Mesa County Board of Commissioners on August 15, 2006.

Springbrook Software Implementation Schedule – Springbrook Software consultants will begin on site software installation and training on July 10, 2006. Following is the complete schedule for the installation process: July 10-13, 2006 – Staff Training and software installation; August 7-11, 2006 – Parallel Operation; August 21-25, 2006 – GO LIVE
Clifton Sanitation District #2 Billing Progress – Billing for Clifton Sanitation District #2 will begin in August. Staff has issued a Press Release and will be sending information out in the July billing concerning the new service.

Special District Association Annual Conference – The Special District Association Annual Conference is scheduled for September 20, 21, and 22, 2006, in Keystone, Colorado. Board members interested in attending the conference need to contact Laure, at the District office, to make early hotel registration arrangements. The deadline for conference registration is Friday, August 11, 2006.

Colorado River Water Users Association (CRWUA) 61st Annual Conference – The CRWUA Annual Conference is scheduled for December 13-15, 2006, at Ceasars Palace in Las Vegas, Nevada. Board members interested in attending the conference need to contact Manager Tooker.

CWRPDA Funds – As of May 2006, all CWRPDA funds were depleted. The remaining funding for Project 2002-03 Plant Optimization Phase II, will come from the ColoTrust-Plus Non-operational Reserve account. The ColoTrust account receives revenues from Plant Investment Fees only.

UNFINISHED BUSINESS

Fund and Wire Transfer Authorization – Director Cook moved to approve the revised Fund and Wire Transfer Authorization Form (*File 7/6/06 and Palisades National Bank*) as presented. Director Genova seconded, and the motion passed unanimously.

Energy Impact Grant – Manager Tooker presented a copy of the draft Energy Impact Grant Contract (*File 7/6/06 and 2005 Energy & Mineral Impact Assistance Grant*) for Board review. It was a consensus of the Board to review the contract at the August Board meeting.

NEW BUSINESS

2007 Budget – Staff reported that the Budget Committee met on June 28, 2006.

Appoint Assistant Manager to Prepare the 2007 Budget – Director Teal moved to appoint Assistant Manager Reinertsen to prepare the 2007 Budget. Director Cook seconded, and motion passed unanimously.

Whitewater Water Demands – A Staff Report (*File 7/6/06 and 2006 Staff Reports*) identifying concerns of water supply issues in the Whitewater area was presented. Staff recommended to the Board to implement a voluntary odd/even watering schedule to help reduce the peak hour demand from outdoor watering activity. It was a consensus of the Board to proceed with a voluntary watering schedule, and proceed with planning efforts for future capital improvement projects to address the Whitewater area.

Committee Reports – It was a consensus of the Board to include brief Committee summaries in the Staff Report section of the Agenda.

District Contracts Relating to HB 1343 – The Board directed staff to have legal counsel draft appropriate language, to be included in all District construction contracts, requiring contractors to comply with regulations implemented by HB 1343.

Larry Hick's Plant Investment Fee Payment Arrangement Request – A Staff Report (*File 7/6/06 and 2006 Staff Reports*) was presented to the Board regarding a request from Mr. Larry Hicks, 2998 Reeder Mesa Road. Mr. Hicks requested that the Board consider a 60 month payment plan to purchase a water tap for his property. It was a consensus of the Board to table a decision until the August Board meeting.

ADJOURNMENT

By mutual consent the meeting adjourned at 8:45 p.m.

ATTEST:

John L. Ballagh

Paul Teal

Brian Woods

Randy L. Cook

Doralyn Genova