

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, SEPTEMBER 7, 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, Laure Watkins

REGULAR MEETING

Chairman Ballagh called the meeting to order at 5:04 p.m.

MINUTES OF THE AUGUST 3, 2006 BOARD MEETING

Director Genova moved to accept the minutes of the August 3, 2006, Board Meeting with changes noted. Director Teal seconded, and the motion passed unanimously.

Director Woods entered meeting at 5:08 p.m.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Teal moved to accept the financial report as presented, and approve expenditures of \$80,529.46 plus \$154,459.06 on the supplemental statement, for a total of \$234,988.52. Director Genova seconded and the motion passed unanimously.

STAFF REPORTS

Committee Reports - Manager Tooker provided a verbal report of topics discussed at the Policy and Standards, and Construction Committee meetings conducted in the month August.

EXPRESS AGENDA

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

Project 2002-03 Plant Optimization Phase II Update – The Contractor has completed the majority of Final Completion items noted on the Substantial Completion Inspection Certification. Remaining items are minor and do not affect the operation of the new facility and are scheduled to be complete by September 22. Final cost estimate for the Charles A. Strain Water Treatment Plant remodel are being reviewed by staff with construction slated to start within the first two weeks of September.

Project 2006-01 South Finished Water Storage Tank Update - The District received final approval from the Mesa County Commissioners for the Project's Conditional Use Permit. Staff has completed and submitted the application package for a permanent Right-Of-Way access across the Bureau of Land Management property between Highway 50 and the Plant 1 site.

Burns and McDonnell Engineering is finalizing the design package for the project in preparation of the project bid cycle.

Springbrook Software Implementation Update – As of August 10, 2006 the District has been operating “live” with the new Springbrook Utility Billing Software. The first billing produced by the new system were produced August 11 and at the time of the Board meeting, billing will have been completed for customers in all four of the District’s billing groups. Staff is continuing to implement and learn the new system and is becoming more comfortable each day.

2006 Colorado River Water Conservation District Water Seminar - The Colorado River District Annual Seminar will be held on September 15, 2006, from 9 am to 4 pm at Two Rivers Convention Center, Grand Junction. This seminar is entitled “River of Shortages: Drought, Demand and Consensus for the Colorado.” If you are interested in participating please let Dale/Laure know before September 11, 2006.

Energy Impact Grant – The completed and signed Grant Contract was sent to the State of Colorado and the District is awaiting official approval.

Chlorine Building Damage - Thatcher Chemical has directed the District to proceed with the repairs as identified by Burns and McDonnell (original Design Engineer). Discussions with the District's Insurance Representative (Home Loan Insurance), indicates that it is in the District's best interest to allow the insurance carrier to deal directly with Thatcher regarding cost recovery for the repair work. Staff has requested Garney Construction provide a cost estimate to perform the repairs concurrently with the upcoming Charles A. Strain Water Treatment Plant remodel project.

Clifton/Fruitvale Area Community Plan -County Planning Staff has completed the draft Plan and is compiling community comments received from the community Open House events. District Staff has actively participated in the Plan development process. Plan specifics will be presented to the Board at the October Board Meeting.

Whitewater Area Community Plan - Staff continues active participation in the Plan development process. Staff addressed questions and concerns raised at the community Open House held August 30 at the Lands End Fire Department Building. County Planning Staff anticipates the draft Plan to be complete by mid-October. Plan specifics will be presented to the Board at a future Board Meeting.

UNFINISHED BUSINESS

Larry Hicks Plant Investment Fee Payment Arrangement Request - Manager Tooker provided a draft agreement (*File 9/7/06 and 2998 Reeder Mesa Road Agreement*) for the Installment Purchase of Plant Investment Fee for Larry Hicks. Director Teal moved to accept the agreement with changes and authorized Secretary Cook to sign the agreement. Director Genova seconded and the motion passed unanimously.

Project 2006-01 South Finished Water Storage Tank Bid Authorization Process - Staff requested Board authorization to begin the bid process for Project 2006-01. Director Woods authorized staff to advertise for bid for Project 2006-01 South Finished Water Storage Tank. Director Teal seconded and the motion passed unanimously.

Project 2002-03 Plant Optimization Phase II – It was a consensus of the Board to have Staff evaluate and recommend, with input from the Project Engineer, the retained amount of the contract to be released to the contractor, Garney Construction, at the next regular Board Meeting.

NEW BUSINESS

2007 Draft Budget – Assistant Manager Reinertsen presented a copy of the operating revenue and expense portion of the 2007 Draft Budget (*File 9/7/06 and Budget*) for Board review. Staff will provide the complete 2007 Draft Budget at the October Board Meeting. No Board action required at this time.

Special District Association Business Meeting - Nomination of Director Ballagh for SDA Director - A telephone poll was conducted on August 7, 2006, wherein, Director Genova nominated Chairman Ballagh to serve on the Special Districts Board of Directors. Director Woods moved to ratify the telephone poll of August 7, 2006, wherein Director Genova nominated Chairman Ballagh to serve on the Special Districts Board of Directors. Director Teal seconded and the motion passed unanimously.

Construction Warranty Period Policy Revisions to Policy #310 & Policy #410 – A Staff Report (*File 9/7/06, Staff Reports and Operations Policies*) was presented that identified the need for changing the District’s Warranty Period for New Construction projects to reflect current industry standards. This item had been reviewed by the Policy and Standards Committee. Director Teal moved to approve the recommended revisions to Policy #310 – New Construction and Policy #410 – Plant Investment Fees to increase the District’s warranty period from 12 months to 18 months aligning the Policies with current industry standards. Director Genova seconded and the motion passed unanimously.

New PRequirements for New Development Providing GVICo Shares – A Staff Report (*File 9/7/06 and Staff Reports*) was presented summarizing the District’s current water right situation and the need for additional water in the future. The need for acquisition of additional water rights had been identified and discussed by the Policy and Standards Committee. It was Board consensus to proceed with development of a Policy to address acquisition of future water right through future development charges based on projected water demands of each new service tap.

Long Range Planning – Manager Tooker informed the Board that the District’s Long Range Plan was last updated in 2000. It was Board consensus for staff to update the Long Range Plan to bring it line with the latest Mesa County Community Plans for the various service areas of the District.

PERSONNEL

At 7:15 p.m., Director Teal moved to enter into Executive Session to discuss “personnel matters” §24-6-402(4) (f) C.R.S. Director Cook seconded and the motion passed unanimously.

At 8:05 p.m., Director Cook moved to exit the Executive Session. Director Genova seconded and the motion passed unanimously. The Board reconvened the regular meeting.

ADJOURNMENT

By mutual consent the regular meeting adjourned at 8:06 p.m.

ATTEST:

John L. Ballagh

Paul Teal

Brian Woods

Randy L. Cook

Doralyn Genova