

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, JANUARY 3, 2008**

BOARD MEMBERS PRESENT: John Ballagh, Chairman; Doralyn Genova, Vice-Chairman; Paul Teal, Treasurer; Robert Burger, Secretary; 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 5:08 p.m. and asked if there were any changes to the Agenda. Manager Tooker noted that two items were added to the agenda.

Director Woods was not present.

MINUTES OF THE DECEMBER 4, 2007 BOARD MEETING

Director Genova moved to accept the minutes of the December 4, 2007, Board Meeting with changes as shown below:

Public Meetings

- A (1) 2008 Budget Public Hearing - ...No public participants were present and **no written comments had been received, therefore**, the public hearing concluded at 5:01 p.m.
- A (2) Petition of Inclusion submitted by William and Sandra Heley - ...No public participants were present **and no written comments had been received, therefore**, the public hearing concluded at 5:17 p.m.

Staff Reports

- F (3) Energy Impact Grant – Update - ...Manager Tooker stated that based on information he obtained, the District could receive the full grant funds from the Department of Local Affairs Energy Impact Grant without jeopardizing the District's Enterprise status **because tap fees meet the definition of revenue, thus increasing total revenue for the year.** ...

Unfinished Business

- H (1) ...Director Genova moved for a continuation of the inclusion request for remaining parcels, 2943-022-00-008 and 2943-022-00-007, **until once** the easement matter has been resolved to the District's approval....
- H (3) Director Teal moved to adopt the 2008 Budget and appropriate funds for 2008 by approving **the** Appropriation Resolution of the Clifton Water District Board of Directors Acting By and Through Its Water Activity Enterprise For The 2008 Budget Year,

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 \$207,892.86 plus \$54,365.00 on the supplemental statement, for a total of \$262,257.86. Director Genova seconded and the motion passed unanimously.

As requested by the Board at the December 2007 Board meeting, Manager Tooker presented a Bank Charge Recap report (*File 1/3/08*) and reviewed the report with the Board.

STAFF REPORTS

Water Issues – Colorado River Basin Proposal Update - Manager Tooker briefed the Board regarding the progress of the Colorado River Basin Proposal.

EXPRESS AGENDA

The Board reviewed the Express Agenda and pulled *Project 2007-02 I-70 / Highline Canal Bore – Update* to be discussed as unfinished business, and accepted the following items as presented:

Project 2006-01 South Finished Water Storage Tank – Update – Contractor personnel completed final closeout items associated with the tank interior. District staff has flushed all pipelines and have begun filling the tank for final water quality testing and evaluations. Remaining contractor closeout items are scheduled for completion the week of January 7, 2008. Final payment request is anticipated at the February 2008 Board meeting.

Utility Payment Processing Beta Testing - Update – Staff has stopped Electronic Payment Processing and has returned to the manual entry of payments. It was determined that the Electronic Payment Processing method was 2 to 3 times slower than manual entry. In addition, other benefits provided by electronically processing the payments were not sufficient to continue the beta test. Staff will be producing a full report of the evaluation for Board review.

Major Capital Improvement Plan (MCIP 2007-2012) Public Information Meeting – At the December 4, 2007 Board meeting, the Board of Directors set Thursday, January 24, 2008, as the date to conduct a public informational meeting to keep District customers apprised of the District's capital improvements planned for the next five year. Staff will establish a time and location for the public meeting and notify the Board.

UNFINISHED BUSINESS

Inclusion Request – William and Sandra Heley (Tax Parcels 2943-022-00-007, 2943-022-00-024, 2943-021-00-008, 2943-021-00-010) – Assistant Manager Reinertsen reported that District's negotiations with the Heleys to acquire a waterline easement through their property were successful. The District has secured the easement and staff recommended approval of the Heley's inclusion request.

Director Teal moved to approve the Heley's Inclusion Request for parcels 2943-022-00-007 and 2943-022-00-024, for inclusion into the District's service boundary and noted that the District has received the appropriate petition for inclusion, a public hearing was held, and the District benefits from the inclusion of this property by having an adjacent extension of the District, which will allow for a looped distribution system for future water service in this area. Director Genova seconded and the motion passed unanimously. The Board also directed staff to submit and file the appropriate paperwork as it pertains to this inclusion.

Personnel Policy – Manager Tooker presented a redlined copy of the Personnel Policy – Section 8 (Compensation) (*File 1/3/08 and Personnel Policy*) for Board review. Director Genova moved to incorporate the revisions into the Personnel Policy Manual as approved by the Board at the December 4, 2007, Board meeting. Director Teal seconded and the motion passed unanimously.

Director Woods arrived at 6:00 p.m.

2008 Wage and Benefit – Manager Tooker presented wage and benefit recommendations as reviewed with the Personnel Committee. Director Woods moved to have the District fund \$1,500 into individual employee 125 flexible spending accounts within the guidelines defined by a 3rd Party Administrator. Director Teal seconded. Action on this motion was deferred and at the Board's request Staff will provide additional information at the February Board Meeting.

Project 2007-02 I-70 / Highline Canal Bore – A Staff Report (*File 1/3/08, Staff Reports and Project 2007-02 I-70 / Highline Canal Bore*) detailing the construction bid award recommendations for Project 2007-02 was presented and reviewed with the Board. Director Teal moved to award the construction contract for Project 2007-02 I-70 / Highline Canal Bore to Palisade Constructors Inc, in the amount of \$317,211.75 and prepare the necessary documents to complete the bid contract. The Board also authorized staff to return the cashiers check accompanying the withdrawn bid from JDS Infrastructure, without penalty. Director Burger seconded and the motion passed unanimously.

NEW BUSINESS

Designation of Time, Place and Posting of Meetings – A Resolution (*File 1/3/08 and Resolutions*) 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 3rd day of January 2008.

2008 Workers Compensation Renewal – A Staff Report (*File 1/3/08, Staff Reports and Home Loan*) was presented to the Board detailing the search for competitive quotes from Workers' Compensation Insurance providers through the District's insurance agent, Home Loan and Investment. Director Genova moved to accept the Colorado Special Districts Property and Liability Pool Workers Compensation proposal in the amount \$17,304.16 and authorize signature of the payment to be issued to Colorado Special Districts Property and Liability Pool. Director Burger seconded and the motion passed unanimously.

2008 Availability of Service Charge Resolution – A Staff Report (*File 1/3/08, Staff Reports and Availability of Service Charge*) was presented for Board review. Director Teal moved to approve the *Resolution for the Availability of Service Charge 2008* which establishes the In-District Availability of Service Charge for the 2008 Fiscal Year to 50% of the In-District average water bill in 2007, which equals \$10.40 per month per customer and the Out-of-District Availability of Service Charge for the 2008 Fiscal Year to 43.9% of the Out-of-District average water bill in 2007, which equals \$15.60 per month per customer. Director Genova seconded and the motion passed unanimously.

RESOLUTION FOR THE AVAILABILITY OF SERVICE CHARGE FOR 2008

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 2008 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 2007 the average water usage charge for a Clifton Water District In-District customer was \$20.80/month per tap.

WHEREAS, in 2007 the average water usage charge for a Clifton Water District Out-of-District customer was \$35.52/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 2008 Fiscal Year to 50% of the In-District average water bill in 2007, which equals \$10.40 per month per customer and the Out-of-District Availability of Service Charge for the 2008 Fiscal Year to 43.9% of the Out-of-District average water bill in 2007, which equals \$15.60 per month per customer.

Policy #410 Plant Investment Fees – Implementation for a projected hotel – Manager Tooker informed the Board that a hotel is projected for construction near the Central Distributing facility and verified with the Board that fee calculations as set in Policy #410 will apply to this type of user. Information only no Board action required.

Colorado River Water Users Association 2007 Annual Conference Briefing – Director Woods, Manager Tooker and Assistant Manager Reinertsen briefed the Board on the events of the Colorado River Water Users Association Conference held in Las Vegas, on December 12th – 14th, 2007.

City of Fruita Water Rights – The Board expressed interest in exploring the lease of Fruita Reservoir water rights that are currently held by the City of Fruita. Staff was directed to contact the appropriate authorities to obtain information about the water rights and report back to the Board.

PERSONNEL ITEM

Staffing Restructure – Manager Tooker reported that Dennis Carlson is serving as the interim Plant Superintendent and that Randy Douady, Distribution Tech, is temporarily cross training in the plant to assist with daily plant maintenance operations. In-house pipeline Construction projects in the Distribution Department have been delayed until a new construction crew is formed.

ADJOURNMENT

By mutual consent the regular meeting adjourned at 7:30 p.m.

ATTEST:

John L. Ballagh

Excused

Paul Teal

Brian Woods

Doralyn Genova

Robert Burger