

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, SEPTEMBER 4, 2008**

BOARD MEMBERS PRESENT: John Ballagh, Chairman; Doralyn Genova, Vice-Chairman; Brian Woods, Assistant Secretary; Robert Burger, Secretary; Alan Hassler, Director

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen; Kelly Balch; David Foster

GUESTS PRESENT: Phil Bertrand and Charlie Gunther - Grand Valley Irrigation Company

REGULAR MEETING

Chairman Ballagh called the regular Board meeting to order at 5:02 p.m. Oath of Office was moved ahead of Minutes approval on the agenda.

OATH OF NEW OFFICER

Chairman Ballagh administered the Oath of Office to incoming Board member Alan N. Hassler, who read and signed the Oath which was then notarized.

MINUTES OF THE AUGUST 7, 2008 BOARD MEETING

Director Genova moved to approve the Minutes of the August 7, 2008 Meeting with the correction of one typographical error and one change to the section regarding Grand Valley Internet. Director Woods seconded and the motion passed unanimously.

GRAND VALLEY IRRIGATION Company

Phil Bertrand and Charlie Gunter of Grand Valley Irrigation Company summarized their grant application to the Bureau of Reclamation for a salinity reduction and canal lining project. The canal lining project is projected to take three years and will concentrate on lower sections of the canal. The project is anticipated to improve canal efficiency and reduce seepage in turn reducing the salinity leaching from the surrounding soils. Shareholders should expect minimal assessment increases when completed.

Bertrand and Gunther exited the meeting at 5:20 p.m.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to accept the financial reports and accounts payable as presented in the amount of \$145,645.38, plus \$1934.12 in the HRA Disbursement Report, plus \$53,717.01 the supplemental statement for a total of \$201,296.51. It was noted that the line item Other Income

was for repairs billed to other entities; vehicle expenses continue to be higher due primarily to fuel costs and unscheduled repairs; and the security of Fannie Mae, Federal Home Loan Mortgage Corp and Federal Home Loan Bank investments were confirmed. Director Burger seconded and the motion passed unanimously.

MANAGER'S REPORTS

The Board reviewed the Manager's Report. (*File 9/4/08*). Following review of legal costs associated with a recent license agreement the Board directed staff to develop a policy for the Policy Committee to review that assess application fees to recoup direct costs associated with waiver requests.

David Foster exited the meeting at 6:10 p.m.

STAFF REPORTS

Radio Read Replacement Program Update – Manager Tooker presented a report (*2008 Staff Reports, File 9/4/08*) regarding the labor cost savings resulting from the installation of radio read meters.

FY2008 General Construction Line Update Project Reprioritization – Assistant Manager Reinertsen presented a report (*2008 Staff Reports, File 9/4/08*) detailing the planned and budgeted projects for 2008, status and cost of projects completed to date, and remaining projects planned for completion this year. Staff has reprioritized the remaining projects to be completed in 2008 within the General Construction Line Upgrade 2008 budgeted amount, as directed by the Board at the August 7, 2008 meeting.

Customer Payment Methods Survey – Manager Tooker presented a report (*2008 Staff Reports, Customer Payment Methods Survey, File 9/4/08*) summarizing the results of the survey sent out with all customer billings in July of 2008. Nearly 30% of all customers returned a survey and of those respondents 26% indicated interest in viewing and/or paying their bill on the District website. Responses were also tallied regarding options to schedule a recurring credit card payment, and receiving bills via email. Staff will evaluate the availability and costs for online billing and payments.

EXPRESS AGENDA

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

1. Project 2008-01 North Raw Water Settling Pond – Staff has sent Design Agreement to selected engineer, URS, and is waiting for return of redline comments. Once final wording is complete and acceptable to both parties, staff will present the Final Design Agreement for Board representative signatures.
2. Pipeline Upgrades at Whitewater Pump Station and Old Million Gallon Storage Tank The District's pipeline construction crew has installed 2,100 feet of new 12" main line so that the old (lower) one million gallon storage tank operates as a part of a looped system to the new one million gallon storage tank. Previous pipe layout did not accommodate flow-through operation resulting in a tank that 'floated' with the rest of the distribution system. This upgrade will improve short and long term water quality for the Whitewater Service Area.

UNFINISHED BUSINESS

Policy Revision Section 11 Annual Leave – Manager Tooker presented the revised policy with the revisions requested by the Board at the August 7, 2008 meeting. Director Genova moved to approve the revisions to the Personnel Manual Section 11 –Annual Leave. Director Burger seconded and the motion passed unanimously.

Project 2008-02 MF/UF Pilot Testing Program Engineer Selection – Assistant Manager Reinertsen presented a report (*2008 Staff Reports, File 9/4/08*) summarizing the review of Statements of Qualifications from engineering firms interested in preparing a MF/UF Membrane Pilot Testing Program, and the interviews/evaluation of Burns & McDonnell Engineering Company, Integra Engineering, HDR and Tetra Tech/RTW. Staff recommended that the Board select Burns & McDonnell based primarily on the relevant experience Burns & McDonnell has with similar sized MF/UF systems. Director Woods moved for Staff to proceed to negotiate a contract with Burns & McDonnell for the MF/UF Pilot Testing Program. Director Genova seconded and the motion passed unanimously.

NEW BUSINESS

Signature Cards for Financial Institutions - Director Genova moved to authorize Board signature on the Fund and Wire Transfer Authorizations letter to Alpine Bank, American National Bank and Palisades Bank. Director Woods seconded and the motion passed unanimously. By consensus the Board authorized signature of the banking and investment signature cards with the acknowledgment that some of the forms will need to be corrected.

Board Member Committee Assignments – By consensus the Board agreed to revise the 2008 Committee assignments, as follows:

Budget: John Ballagh, Brian Woods (no change)
Construction: John Ballagh, Alan Hassler
Personnel: Robert Burger, Alan Hassler
Policy & Standards: Doralyn Genova, Robert Burger (no change)

Vehicle Expense Budget Transfer Request – Manager Tooker presented a Staff Report (*2008 Staff Reports, File 9/4/08*) summarizing the increased costs associated with fuel and vehicle repairs in 2008. Manager Tooker requested a \$22,500 Budget Transfer for the increased vehicle expense. Director Woods moved to approve a Budget Transfer of \$22,500 from Contingency to the Vehicle Expense Line Item because of increased fuel costs and unexpected vehicle repairs. Director Genova seconded and the motion passed unanimously.

SDA 2008 Annual Business Meeting – Directors Ballagh and Woods will attend the Special District Association’s Annual Meeting, therefore, no voting proxy is needed.

Manager’s Review – Manager Tooker was directed to prepare and send an electronic summary to the Board members for review prior to the October 2, 2008 meeting.

ADJOURNMENT

By mutual consent the regular meeting adjourned at 7:55 p.m.

ATTEST:

John L. Ballagh

Doralyn Genova

Brian Woods

Alan Hassler

Robert Burger