

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
CLIFTON WATER DISTRICT**

November 3, 2005

Present were Chairman Ballagh, Vice-Chairman Genova, Secretary Teal, Assistant Secretary Woods and Treasurer Cook. Staff present included Dale Tooker, David Reinertsen, Carrie Restivo and Amanda Crysler.

At 5:04 p.m., Chairman Ballagh called the Regular Meeting to order.

MINUTES OF OCTOBER 6, 2005 – Director Genova moved to accept the minutes of the October 6, 2005 Board Meeting. Director Woods seconded the motion, which passed unanimously.

FINANCIAL REPORT AND ACCOUNTS PAYABLE – Director Teal moved to approve expenditures of **\$71,951.97** plus **\$637,392.66** on the supplemental statement, for a total of **\$709,344.63**. Director Woods seconded the motion, which passed unanimously.

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

Whitewater Transmission Line Phase II Project Update – District crews completed pipeline installation and placed the line in service on October 10, 2005. Re-vegetation activities have been completed as per the issued Stormwater Discharge Permit. Staff will monitor the re-vegetation efforts until the 70% coverage requirement is achieved.

Plant Optimization Phase II Project 2002-03 Update – The Contractor has completed approximately 90% of all concrete wall placements. A safety hazard incident occurred when the crane contacted an energized overhead electrical wire. The Contractor stopped work and upon investigation, the noted deficiencies were corrected and new work practices initiated. The Contractor has reduced the overall schedule deficiency to approximately eight days from the previously reported 20 days in September.

Waterline Replacement Project 33 & F 5/8 - Staff has processed license modification paperwork to the US Bureau of Reclamation to change the waterline crossing over the Highline Canal on the existing Mesa County bridge to bore beneath the canal. This alignment change is necessary to accommodate the County's bridge replacement project scheduled to commence within the first two weeks of November. Staff is upsizing the existing eight-inch main line to a ten-inch, in anticipation of sewer service expansion north and east of this project.

Warren Property – The additional cleanup work has been initiated. Removal of visible material will continue and soil testing will be performed to determine if additional soil will need to be removed.

Clifton Sanitation #2 IGA – The IGA is expected to be signed by the Clifton Sanitation District #2 on November 7, 2005 after which, the Clifton Water District Board can sign

the Agreement. Staff from both organizations have met and will begin to implement the IGA in December 2005.

CCOERA Retirement Program – Participation Agreements for the 401(a) and 457 Deferred Compensation Plan were submitted to CCOERA. CCOERA representatives met with employees on Monday, October 17, 2005, with follow up meetings to commence in November.

Section 125 Flexible Spending Account Program – Representatives from Worksite Benefit Specialists and Home Loan will be meeting with employees November 3rd and 4th to set up the Flexible Spending Account Program for supplemental insurance and other qualified expenses. The Flexible Spending Program was presented to the Board by the Benefits Committee and will be in place January 2006 to allow employees to utilize before payroll tax deductions to fund qualified expenses.

Colorado Basin Water Roundtable – On October 17, 2005, Manager Tooker was elected to represent the Clifton Water District on the Colorado Roundtable Committee representing the Water Rights Group. Manager Tooker will keep the Board informed of the activities and issues regarding the Roundtable.

Colorado Water Congress Convention January 24-27, 2006 – The Colorado Water Congress will be having their winter convention in Denver, CO., January 24-27, 2006. Board members interested in attending should contact Manager Tooker.

Parade of Lights and Holiday Party – The District will again participate in the Parade of Lights on Saturday, December 3, 2005. The District's Holiday Party has been set for Friday, December 9, 2005.

2006 DRAFT BUDGET – Manager Tooker presented the 2006 Draft Budget (*File 11/3/05 and 2006 Budget*) to the Board. After discussing the 2006 Draft Budget, Director Teal moved to reschedule the regular Board meeting from December 1, 2005 to December 8, 2005 and set the 2006 Budget Hearing for December 8, 2005 at 5:00 pm. Director Cook seconded the motion, which passed unanimously.

POLICY #915 - 457 DEFERRED COMPENSATION – Director Woods moved to accept Policy #915 of the 457 Deferred Compensation, (*File 11/3/05 and Policy*) as proposed by staff, with corrections to be made effective October 6, 2005. Director Genova seconded the motion, which passed unanimously.

CCOERA – A Staff Report (*File 11/3/05 and Staff Report*) was presented to the Board identifying retirement contribution issues during the recent change to CCOERA. Director Woods moved to approve changes in the CCOERA Participation Agreement allowing a one-time 6% District contribution for the specific period of September 23 to October 7, 2005. Director Teal seconded the motion, which passed unanimously.

TURKEY TRADITION – Director Woods moved to continue the annual tradition of the District providing either a turkey or ham to all employees and Board Members for either Thanksgiving or Christmas. Director Cook seconded the motion, which passed unanimously.

DIRECTOR'S COMPENSATION – Director Teal moved to increase the Board of Directors compensation from \$75.00 to \$100.00 in accordance with Colorado State Senate Bill 05-012. The compensation increase will apply to those Board Members elected in 2006. Director Cook seconded the motion, which passed unanimously.

2005 GVICO ANNUAL SHAREHOLDERS MEETING – The 2005 Annual Shareholders Meeting of the Grand Valley Irrigation Company is scheduled for December 3, 2005. It was the consensus of the Board to sign the Proxy, in lieu of attendance at the Annual Shareholders Meeting.

SDA CONFERENCE BRIEFING – Staff and Board Members who attended the SDA Annual Conference briefed those who did not attend.

At 7:17 p.m., Director Teal moved to enter into Executive Session to discuss personnel matters 24-6-402(4)(f) C.R.S. Director Woods seconded the motion, which passed unanimously. Staff members Reinertsen, Restivo and Crysler exited the meeting.

At 7:57 p.m., Director Teal moved to exit the Executive Session. Director Cook seconded the motion, which passed unanimously.

The regular meeting was adjourned at 7:58 p.m. by mutual consent.

ATTEST:

John L. Ballagh

Paul Teal

Brian Woods

Randy Cook

Doralyn Genova