

**MINUTES OF THE BOARD OF DIRECTORS REGULAR MEETING  
CLIFTON WATER DISTRICT  
MAY 9, 2024**

**BOARD MEMBERS PRESENT:** Mel Diffendaffer, Dan McElley, Michael Slauson, Wesley Davis & Nick Genova.

**STAFF MEMBERS PRESENT:** Jessica Isley, Jennifer Pettingill, Jacob Lenihan, Ty Jones, Eric Schoeny, Mark Dalley, Mike Simpson, Kyle Bishop, Stephen Silva, Branden Edmonds, Brittini Reeves, & Rene Fick.

**GUESTS PRESENT:** None.

**REGULAR MEETING**

Chairman Diffendaffer called the May 9<sup>th</sup>, 2024, Regular Meeting to order at 5:00pm. It was noted that Director Genova will be arriving shortly.

**MINUTES OF THE APRIL 11<sup>TH</sup> 2024 MEETING**

Treasurer Slauson moved to approve the Minutes of the April 11<sup>th</sup>, 2024, Meeting, seconded by Vice Chairman McElley. Motion carried unanimously.

**FINANCIAL REPORT**

Treasurer Slauson moved to approve the Accounts Payable checks in the amount of \$354,856.85, seconded by Secretary Davis. Motion carried unanimously.

**FINANCE DEPARTMENT REPORT**

IRS Update – Finance Manager Isley noted that staff received another letter from the IRS which indicated that the account has been given over to collections for an outstanding balance of \$25.91 from the June 30<sup>th</sup>, 2020 tax period. Her recommendation was to pay this balance due as the cost of time & labor that will need to be spent on research in order to dispute this charge will greatly exceed \$25.91. Chairman Diffendaffer commented that the balance will keep accruing late fees whilst in dispute. Vice Chairman McElley moved to approve payment of the \$25.91 to the IRS, seconded by Secretary Davis. Motion carried unanimously.

Revenue & Expense Analyses – Finance Manager Isley briefly reviewed these reports, noting that water sales dropped slightly in April but that tap sales exceeded projections. Interest revenue totaled \$37,041. Expenses for April were under projections, with approximately 30% of the budget spent. She cautioned that with projects starting soon, and a third payroll in May, a spike in expenses is expected. Secretary Slauson questioned the \$33,472 payment to Veolia WTS Solutions and Water Treatment Plant Lead Bishop responded that this expense was for the new Tonkaflo Pump & Motor.

Internal Control Policy – The Purchasing Cards (PC) Policy was presented. Finance Manager Isley explained that currently, the District’s Chase credit card is still registered under the former District Manager’s name. Despite numerous phone calls to Chase, they continue to refuse updating the name on the account, with the only alternative being offered the opening of a new account. Director Genova arrived at 5:14pm. She added that they are looking into cancelling the Chase cards and using a local bank instead. There will be six purchasing cards in the office – one card each for the District Manager & Assistant Manager, one for each of the three departments, and one “float” card that can be checked out by staff. This will eliminate the need for petty cash and staff that are traveling can now use these cards instead of paying out of pocket first and seeking reimbursement through payroll later. Vice Chairman McElley questioned where the cards will be kept and whether four cards will be enough. Finance Manager Isley responded that four cards should be sufficient, and cards can be shared should more than one staff member be travelling. The cards will most likely be kept in the safe and employees will be required to sign the PC card agreement prior to being allowed to sign out one of the cards. She stated that the Board action requested today is for approval of the policy only, as it should be in place prior to pursuing the opening of new credit card accounts. Secretary Slauson moved to approve the Purchasing Card Internal Control Policy, recommending that a review should be done in a year’s time to determine if the policy has been effective. The motion was seconded by Director Genova. Motion carried unanimously.

## **HR DEPARTMENT REPORT**

New Hires – HR Manager Pettingill stated that one seasonal position has been filled and he has already started his employment. Filling the second position has faced some setbacks and the option of hiring just one seasonal employee this year is being considered. She added that the minimum age requirement of 18 should possibly be re-evaluated in the future as there is no insurance requirement for this age limit.

Prescription Safety Glasses & Reimbursement Policy – HR Manager Pettingill explained that this policy covers financial assistance and the requirements to be met for staff who regularly wear prescription glasses and whose job duties require the use of safety glasses. Vice Chairman McElley moved to approve, seconded by Chairman Diffendaffer. Motion carried unanimously.

## **ENGINEERING/CONSTRUCTION DEVELOPMENT REPORT**

E & 31 Road – Engineer Schoeny explained that the main line improvement project is expected to start soon.

Pedestrian bridge watermain river crossing – Engineer Schoeny noted that four proposals had been received from qualified firms and commented on the wide range of proposed costs. He added that there are no major concerns with this project and staff is in the process of developing the contract with RiverCity Consultants. This contract will be presented to the Board at the next meeting.

Whitewater Master Planning – Engineer Schoeny provided some updates regarding this project and noted that the meeting with Mesa County went well. They were very supportive and provided some data on future population density in Whitewater. The next step would be to determine future population demand and projected future land use. All this information will be fed into the model to obtain the different alternatives for moving forward.

## **OPERATIONS**

Sanitary Survey – Assistant Manager Lenihan stated that the District is now in compliance and all the necessary information has been sent to the Colorado Dept. of Public Health & Environment. They will notify the District as to when the public notices can be taken down and that should hopefully be soon. He noted that during the rates & fees discussion planned for the June 13<sup>th</sup> meeting, he intends to present a proposed fine for those customers that fail to submit the backflow test results.

Lead service line inventory – Assistant Manager Lenihan noted that the Distribution team has completed the lead survey in Whitewater and found no lead present. They are currently focusing on the District's main system and progress has been steady with high confidence that the inventory will be completed by October. Records from the 1950's had been found with mentions of copper and galvanized pipe, but no lead.

### Operations – general updates

- 2024 Western Colorado Children's Water Festival – Assistant Manager Lenihan noted that this year's event will take place on May 13<sup>th</sup> & 14<sup>th</sup> and asked the Board to notify him should they wish to attend the VIP lunch.
- State of the River address – Assistant Manager Lenihan, Front Office Supervisor Simpson and Customer Service Representative Reeves attended a press conference on May 3<sup>rd</sup>. Discussion ensued on when peak river flow will be reached.

## ADMINISTRATION/OFFICE

### Staff Report

- Midlands Village Mobile Home Park – Manager Jones explained that the property manager for Midlands Village discovered a discrepancy in the units they were being billed for by the District vs. the actual units on site. The discrepancy became apparent as they are in the midst of changing their billing process and it was promptly reported to the District. Upon further investigation, it was determined that the District has been underbilling this customer for 57 units from 2007/2008 to date. The District had a notification system in place through Clifton Sanitation where water service would be added for every sewer service added. This notification system failed on these 57 units as they were on the west side of the park where sewer service is provided by the City of Grand Junction. He added that the District had obtained the advice of attorney Kirsten Kurath and her analysis was provided to the Board. Discussion ensued with it being noted that this billing error was brought to the District’s attention by the property manager, and that she has been working with the District to get all the details in order. Manager Jones asked the Board for direction regarding back billing for this customer. Attorney Kurath’s opinion was reviewed, paying specific attention to fact that the tenants from 2007/2008 are most likely not the same tenants currently in residence. Front Office Supervisor Simpson noted that there is only one meter on this account. He explained that park management’s billing process involved splitting the water costs equally among all the lots. He added that water loss did not occur here, merely the lack of billing for the base rates for these units. Director Genova questioned whether Park management had been collecting on the additional 57 units that the District had not been billing them for. It was noted that the discrepancy was discovered as Park management’s new billing process will be based on usage per lot, and until this new process is in place, the water costs have simply been split amongst all the units. Director Genova moved that the District shall begin billing for the correct number of units starting in May, and to not pursue back billing on this account. The motion was seconded by Vice Chairman McElley. Motion carried unanimously.
  
- Sundown Village HOA – Manager Jones provided some history on this account. Service to this customer’s irrigation meter started in January 2005 and due to zero usage, the billing rate was switched to Readiness to Serve in 2008. In 2012, the service was disconnected due to non-payment and has since been accruing the monthly Readiness to Serve charge along with late fees. Notes from former management show that discussions had been ongoing with the HOA representative and staff had been trying to get the balance settled before bringing the tap abandonment request to the Board. The HOA has submitted a tap abandonment form and a requested that the balance on the account be either waived or reduced. The balance on this account is \$2,372.29 and Manager Jones asked the Board for direction on how to proceed. Vice Chairman McElley suggested that the customer should pay for the cost of removing the meter. Discussion ensued with Distribution Supervisor Dalley noting that staff would have to pull the service line all the back to the main line, not just the meter, and provided a rough estimate of \$1,500 for removal of the line. This estimate includes asphalt repair, labor & traffic control. Manager Jones questioned if the District could remove the meter

but keep the service line intact. Assistant Manager Lenihan commented that it could serve as a sample station if the service line is to remain. The Board was in agreement with keeping the service line in the ground and Vice Chairman McElley moved to waive all but \$750.00 of the balance on this account. The motion was seconded by Secretary Davis. Motion carried unanimously.

- Orchard Mesa Irrigation District – Manager Jones stated that the Orchard Mesa Irrigation District has requested to place supervisory control and data acquisition (SCADA) equipment on District property near the tanks located by North I-70. He asked the Board if they have any objections to pursuing a Memorandum of Understanding (MOU) with the Irrigation District. He added that staff will confirm that there will be no interference with District equipment currently in place. Director Genova stated that he had no objections, as long as any agreement is in writing, with the rest of the Board in agreement.
- Water rights discussion – Engineer Schoeny noted that included in the Board packets was a draft version of Policy #415 – Grand Valley Irrigation Company & Water Right Development fee for new developments. He stated that no decision is needed tonight.
- Intrusion on District property – Manager Jones stated that treatment plant staff received an intrusion notice at the water tanks near I-70. Upon arrival, staff observed a bicycle near the fence and that the shed door was open, resulting in a call to 911. It appeared that the intruder had found a spot at the bottom of the fence to crawl through and gain access to District property. Manager Jones stressed that staff has already fixed this part of the fence. The intruder had claimed to be looking for water as “he was in a desert” when deputies with Mesa County Sheriff’s department showed up. Distribution Supervisor Dalley commented that the intruder had accessed District SCADA equipment, including those that monitor chlorine, by opening the tip-up, and he inexplicably broke a bunch of lightbulbs. He had tried explaining to the deputies the seriousness of the intrusion, including the potential damage to District equipment, the possible introduction of harmful substances, or contamination of the water system. He added that there was a container with water visible next to the intruder’s bicycle. The deputies let the intruder go with a summons to appear in court later as they determined he had no harmful intent by breaking into a fenced off area and into locked building. Manager Jones had reached out to the Sheriff’s department and discussed the process of contacting Federal law enforcement. He was informed that Federal agents will review the case and determine if Federal action will be required. Director Genova expressed his displeasure at how this was handled. He added that this was trespass with criminal mischief, most likely a Class 5 felony, reiterating that this person broke into a locked shed which does indicate criminal intent. Vice Chairman McElley commented that a more secure system may be needed. Distribution Supervisor Dalley responded that the District’s main buildings are protected by the same type of fence and the alarm system worked as it should. Manager Jones commented that the door latch was improved as the intruder used a knife to wiggle loose the deadbolt. Staff also found that District signage was missing and those have been replaced. Director Genova stated that


motion activated cameras could be installed, allowing staff to observe current conditions online.

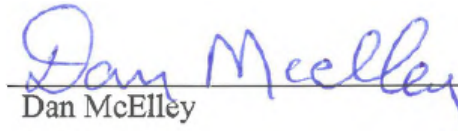
- Colorado Mesa University (CMU) signage – Manager Jones briefly explained that CMU has requested to place signage on one of the District’s water tanks and provided samples of the signage. The sign will cover the current wording on the tank which simply states “Clifton” and asked if the Board was aware of any local sentiments regarding this wording. Secretary Davis asked about upkeep of the signage and Vice Chairman McElley agreed, adding that an upkeep/maintenance agreement will need to be drawn up.
- Special District Association (SDA) Workshop – Manager Jones noted that the District will be hosting the SDA workshop this year and it will take place on June 11<sup>th</sup>. Vice Chairman McElley and Treasurer Slauson indicated that they will attend.
- Landscaping at District office – Manager Jones stated that the landscaping project next to the drive-through is finally done and staff had been working hard to get it completed. He added that this was included in the budget.

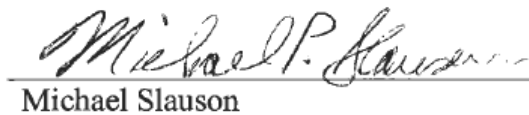
**ADJOURN MEETING:**

Meeting Adjourned at 6:31PM by Chairman Diffendaffer.

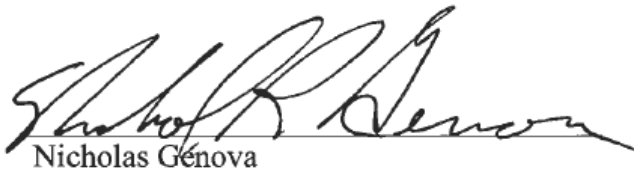
**ATTEST:**

  
Melvin Diffendaffer

  
Dan McElley

  
Michael Slauson

  
Wesley Davis

  
Nicholas Genova