

# MINUTES OF THE BOARD OF DIRECTORS REGULAR MEETING

## CLIFTON WATER DISTRICT

AUGUST 8, 2024

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

**STAFF MEMBERS PRESENT:** Jessica Isley, Jennifer Pettingill, Jacob Lenihan, Ty Jones, Mark Dalley, Stephen Silva, Mike Simpson, Brittini Reeves, Cathy Harris-Mancuso & Rene Fick.

**GUESTS PRESENT:** Natasha & Kaibab Sauvage.

### **REGULAR MEETING – CALL TO ORDER**

Chairman Diffendaffer called the August 8<sup>th</sup>, 2024, Regular Meeting to order at 5:01pm.

### **PROPERTY SALE PROPOSAL**

Kaibab Sauvage addressed the Board regarding an offer to purchase 0.4 acres of land owned by Clifton Water District. He had purchased the 24.6-acre parcel, located at 490 33 ½ Road, in 2021 with the intent of farming it. He and his wife Natasha have since concluded that the farming side of their business is sufficient in size and decided to develop this property instead. The plan is to subdivide this parcel into five lots but Mesa County requires ownership of 25 acres for this amount of lots, resulting in the need to acquire 0.4 acres of land. As the District owns land adjacent to their parcel, on the east side, Kaibab is requesting Board consideration for his offer to purchase 0.4 acres of District-owned land. He suggested that it could be a 14ft extension along the natural drainage that separates his land and the land owned by the District. He added that upon sale, he would immediately provide an easement to the District to ensure the access is maintained. Vice Chairman McElley asked if they are going to build homes on these lots, and whether sewer lines will be extended. Kaibab responded that they will simply be selling the lots, and that Clifton Sanitation District will not be extending sewer lines. He further explained that the development will consist of three lots, approximately three acres in size, and one lot of between 12 to 15 acres that will remain zoned for agriculture. District Manager Jones commented that there will be recording fees

involved but it appears that Mesa County could possibly allow the sale without requiring a survey. Kaibab confirmed that he would be willing to cover all fees involved with the purchase.

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

Treasurer Slauson moved to approve the Minutes of the July 11<sup>th</sup>, 2024, Regular Meeting, seconded by Director Genova. Motion carried unanimously.

## **FINANCIAL REPORT**

Finance Manager Isley noted that Accounts Payable checks totaled \$550,190.27. Treasurer Slauson moved to approve the Accounts Payable checks, seconded by Director Genova. Motion carried unanimously.

## **FINANCE DEPARTMENT**

### Finance Staff Report

- 2025 Budget – Finance Manager Isley stated that initial budgets have been submitted and the Finance Committee will be contacted soon to schedule the first budget meeting.
- FY2023 Audit – The audit extension request was denied as the FY2022 audit had been submitted after the extended due date. The auditing team was confident in an August 30<sup>th</sup> audit issuance date. They noted that the State could withhold property tax income if the deadline is not met, which does not affect the District. She explained that a lot of clean-up has been completed after the software conversion.
- Funds Transfer request – Finance Manager Isley explained that, as outlined in the Expense Analysis report, non-operating expenses are below what had been anticipated for the year. Staff is requesting authorization to move between \$500k - \$750k into the COLOTRUST Prime account to take advantage of the higher interest rates being offered. She added that transferring the funds back, at the time that it becomes necessary, will not be an issue. Brief discussion ensued on transfer notifications to the Board and what the comfort level is with the amounts. Chairman Diffendaffer commented that as long as the funds can be transferred back with ease, he agrees with this request. Finance Manager Isley noted that the transfer will be done via ACH as there are no fees for using this method, and that some flexibility in the amounts will be needed. District Manager Jones questioned if Board authorization

should be requested prior to each transfer and the response was that notification to Chairman Diffendaffer per transfer is sufficient. Director Genova moved to authorize staff to transfer up to \$750,000.00 into COLOTRUST, with notification to the Chairman per transfer, seconded by Chairman Diffendaffer. Motion carried unanimously.

Finance Manager Isley left the meeting at 5:33pm.

## **HUMAN RESOURCES DEPARTMENT**

### Human Resources Staff Report

- Current Openings – HR Manager Pettingill informed the Board that the Distribution position has been filled and his start date will be determined as soon as the results from the pre-employment screening have been received.
- Staff Kudos – HR Manager Pettingill noted that customer comments from the second quarter were included in the Board packets. These included compliments for both distribution technicians and office staff.

## **ENGINEERING/CONSTRUCTION DEVELOPMENT**

### Engineering Report

- Water Treatment Plant Project – Assistant Manager Lenihan stated that two more workshops with CDM Smith have been completed in August. The workshops covered electrical components and motor control centers and operator input continues to be considered, along with finding the most cost-effective ways to address the current issues. He added that some interesting alternatives were suggested, including combining the reverse osmosis and effluent pump controls.
- Coffmand Road Transmission Line – Easements are being acquired with the assistance of Mesa County.
- New Developments – Assistant Manager Lenihan noted that there has been some interest in commercial development at Whitewater Village that includes a gas station and a convenience store. A separate enquiry involves a gas station near Willow Bend Road.

- Whitewater Master Planning – SGM has started modeling.

## **OPERATIONS**

### Operations Report

- Zebra Mussels – Assistant Manager Lenihan provided some feedback following a recent tour of local diversion points and associated facilities with the aim of addressing the possible spread of zebra mussels. An EPA-approved chemical that can kill zebra mussels has been developed by EarthTecQZ, and a representative from the company was present for the tour. Staff has assembled mussel traps, and those have been placed at the intake points to monitor for the presence of these mussels. He added that District infrastructure is small in comparison to other local water providers, but immediate action is needed to prevent zebra mussels from attaching, and eventually blocking, the District pipeline system.
- Operations Data report & Production Chart – Assistant Manager Lenihan noted that a rise in water hardness has been observed as river levels continue to drop. Chairman Diffendaffer questioned the reduction in commercial usage. Assistant Manager Lenihan responded that data from Springbrook, the old software system, may not have been correct, and that the data was possibly pulled using the incorrect rate codes. The reports from Caselle, the new software system, makes more sense, especially when reviewing alongside water leaving vs. water used and lower revenue for general water consumption.

## **ADMINISTRATION/OFFICE**

### Staff Report

- 490 33 ½ Road – Manager Jones reminded the Board that an executive session will need to be called later in the meeting to discuss the offer to purchase.
- 3195 N I-70 Property Line Adjustment – As per Board agreement at the July 11<sup>th</sup>, 2024 meeting, Manager Jones has been pursuing the possible trade of five acres of privately owned land in exchange for two taps. To date, the only action taken has been to accompany Larry Thompson, owner of the five acres, to a pre-application meeting with the County. He noted that some survey and title work will need to be done at an approximate cost of \$5,000 each, and costs will be split. Director Genova

moved to proceed with the property line adjustment, with the understanding that associated costs will be split between the District and Mr. Thompson, seconded by Chairman Diffendaffer. Motion carried unanimously. Manager Jones presented a statement of authority for Chairman Diffendaffer to sign. Treasurer Slauson moved to authorize Manager Jones to conduct transactions involving 3195 N I-70 and 490 33 ½ Road through the signed statement of authority, seconded by Director Genova. Motion passed unanimously.

- Colorado Open Records Act (CORA) – HR Manager Pettingill explained that the District’s policy on public records has not been updated since 2006. The CORA policy being presented for approval includes all the necessary updates in order to be in compliance with state law and lays out the process upon receipt of a public records request, including the fees that may be charged to recover the costs of fulfilling the request. Chairman Diffendaffer moved to adopt the updated CORA policy, seconded by Secretary Davis. Motion carried unanimously.

### **EXECUTIVE SESSION**

Chairman Diffendaffer called to enter executive session at 6:22pm, for the purpose of discussing the acquisition negotiations for the property located at 490 33 ½ Road, by unanimous affirmative vote. Director Genova moved to end the executive session, seconded by Secretary Davis. Executive session ended at 6:27pm.


### **REGULAR MEETING RESUMED**

Chairman Diffendaffer moved to accept the purchase offer of \$25,000, made by Kaibab Sauvage, for the sale of 0.4 acres consisting of approximately 14ft along the west Clifton Water District boundary with the 490 33 ½ Road property, with the understanding that Mr. Sauvage will cover all expenses incurred by the District relating to this transaction. Vice Chairman McElley seconded the motion. The motion passed unanimously.

**ADJOURN MEETING:**

Meeting Adjourned at 6:30pm by Chairman Diffendaffer.

**ATTEST:**

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Mel Diffendaffer

  
Dan McElley

  
Michael Slauson

  
Wesley Davis

  
Nicholas Genova