

**MINUTES OF BOARD OF DIRECTORS MEETING**  
**CLIFTON WATER DISTRICT**  
**December 1, 2022**

**BOARD MEMBERS PRESENT:** Mel Diffendaffer-Chairman, Dan Mcelley- Vice Chair, Wesley Davis-Secretary, Michael Slauson-Treasurer, and Nick Genova-Director

**STAFF MEMBERS PRESENT:** Ty Jones, Guy Walker, Jake Lenihan, Jessica Isley, Jennifer Pettingill, Branden Edmonds, Mark Dalley, and Michelle Obadia

**GUESTS PRESENT:** None

**Public Hearing:**

Chairman Diffendaffer called to order the Public Hearing at 5:02 p.m. to consider the Petition of Inclusion submitted by Emilio Menendez Paz and Hector Reyes, 3471 Silverstone Dr., Whitewater, CO 81527. Tax parcel ID 2969-191-00122. The Notice of Public Hearing (*11-18-22 File, Notices & Legal Ads, Daily Sentinel Legal Notices, Inclusions*) was confirmed as published in the Grand Junction Daily Sentinel in accordance with C.R.S. 32-1-401. Manager Walker reported that no comments have been received regarding the Petition of Inclusion from members of the public. No members of the public were present. Chairman Diffendaffer closed the Public Hearing at 5:03 p.m.

Director Genova moved to adopt the Resolution 2022-07 to Include Private Property (*12/01/2022 File, Resolution, Inclusions*). as submitted and authorized Staff to process the Certificate of Inclusion and all necessary paperwork for the District's legal counsel to complete the inclusion process with the District Court. Director Slauson seconded, and the motion passed unanimously.

Chairman Diffendaffer and Secretary Davis certified by signing the Certificate for Inclusion granted by Resolution 2022-07, Hector Reyes and Emilio Menendez Paz Parcel No. 2969-191-00122 be included within the boundaries of the Clifton Water District and was unanimously adopted by the Board of Directors.

**REGULAR MEETING**

Chairman Diffendaffer called the December 1, 2022, Regular Meeting to order at 5:01 p.m.

**MINUTES OF THE November 3, 2022, REGULAR MEETING**

Director Slauson moved to approve the November 3, 2022, Regular Meeting Minutes. Director Mcelley seconded, and the motion passed unanimously.

**FINANCIAL REPORT AND ACCOUNTS PAYABLE**

Director Slauson moved to accept the Financial Report and Approve Accounts Payable Regular Checks of \$332,551.20, plus A/P Mid-Month Checks of \$12,189.92, plus Benefits Checks of

\$27,186.55, plus HRA Disbursements of \$5,787.99, for a total of \$377,715.66. Director Davis seconded, and the motion passed unanimously.

### Public Hearing:

Chairman Diffendaffer called to order the Public Hearing at 5:20 p.m. regarding the District's Proposed FY2023 Budget, in accordance with C.R.S. 29-1-106 *Et. Seq.* The Notice of Public Hearing (11/14/2022 File, 2023 Budget File, Daily Sentinel Legal Notices) was confirmed as published in the Grand Junction Daily Sentinel in accordance with C.R.S. 29-1-106(3)(a). Finance Manager Isley reported that no inquiries or comments have been received regarding the Proposed Budget from members of the public. No members of the public were present. Chairman Diffendaffer closed the Public Hearing at 5:22 p.m.

### FINANCE DEPARTMENT REPORT

Budget Transfer Request – The Board reviewed the Staff Report (12/01/2022 File, Staff Reports, 2022 Budget) concerning Budget Transfers to address increased costs in 2022.

- Transfer \$783,000 from contingency to Facility Improvements for the cost of the Admin Building upgrade. The expense was not carried over from the 2022 budget, but most expenses were in 2022.
- Transfer \$73,000 (\$70,000 to WTP, and \$3,000 to District-Wide) from contingency to Utilities. Utilities have seen an unpredictably high increase in cost.
- Transfer \$15,000 from contingency to Banking & Insurance Expenses. Due to a new third-party payment processing vendor, the District is now paying approximately \$5,000/month in processing fees. A portion of this fee is recuperated through convenience fees charged to the customer.
- Transfer \$12,000 (\$12,000 to District-Wide and \$3,000 to Distribution) from contingency to Professional Fees. These fees include IT support, contracted services, attorney fees, and Black & Veatch services. We have seen an increase in IT support tickets because of new staff members in 2022 and higher than projected contracted services in Distribution.
- Transfer \$8,000 (\$6,000 for Admin, \$2,000 for Distribution) from contingency to Facility & Equipment Repairs and Maintenance. Administration facility maintenance items included an unexpected tree removal in the employee parking area. Distribution transfer is related to equipment maintenance required for operations.
- Transfer \$7,500 (\$2,500 per department) from contingency to Vehicle Expenses. Fuel prices have been higher than what we predicted for 2022.
- Total Transfer \$898,500

Director Mcelley moved that due to the unplanned/unexpected cost increases in 2022, the Board approve a Budget Transfer of \$898,500 from Contingency to various GL expense line items that were over budget. Director Genova seconded, and the motion passed unanimously.

Budget Updates – The Board reviewed the Staff Report (12/01/2022 File, Staff Reports, 2023 Budget) concerning increased Water Treatment Plant costs in 2022.

- Water Treatment Plant Chemicals – Due to the increased chemical costs in 2022, Staff informed the Board that an increase for the Gases & Chemical budget from \$326,155. to \$385,000. will be adjusted.
- Temporary Wages – Temporary wages totaling \$12,000. were added for two part-time seasonal positions to work in the summer helping paint fire hydrants and maintain the property.

FY 2023 Budget – Finance Manager Isley presented the Final 2023 Budget for discussion.

Director Genova moved to approve the 2023 Budget and adopt the Appropriation Resolution of the Clifton Water District Board of Directors Acting and Through Its Water Activity Enterprise for the 2023 Budget Year (12/01/2022 File, Resolutions, 2023 Budget File) and that it is further resolved, that there is appropriated from the funds of the District Acting by and Through its Water Activity Enterprise, Twenty Million, Seven Hundred Sixty Three Thousand, Three Hundred Sixty Nine Dollars (\$20,763,369.) for the general expenses of the DISTRICT, and that this appropriation be a continuing appropriation whether said funds be expended during 2023 or thereafter. Director Slauson seconded, and the motion passed unanimously.

2023 Fees, Rates, Tolls, Penalties for Water Service C.R.S. 32-1-1001 (2)(a) – Correction of Resolution 2022-10 Availability of Service Fees - Staff identified that an error had been made in the calculation of the 2023 Availability of Service Fees. In the motion made by Director Davis, the Availability of Service Rate for 2023 was set as the In District rate of \$17.80 and the Out of District rate of \$26.69. The corrected 2023 Availability of Service Rate for in District is \$16.33, and the Out of District rate is \$24.50. Director Genova moved to approve the corrected Resolution 2022-10 Availability of Service Fees. Director Mcelley seconded, and the motion passed unanimously.

### HR Department Report

Director Mcelley asked if Staff would be posting the new Engineer position on Zip Recruiter. Staff reviewed a plan to begin the hiring process at the end of January early February, after the holidays. Staff would like to concentrate hiring efforts by posting the job with AWWA, Indeed, Facebook and possibly creating a LinkedIn account. Staff would like to avoid using the newspaper as this is not an effective avenue to hire for a specialty staff position.

### CONSTRUCTION DEVELOPMENT REPORT

#### Project 2021-02 McDonalds/Denny's/Murdoch's Main Line Upgrade/Installation Project

Staff reported the final tie-in for the project was complete on November 22. The project was complete with minimal issues or changes. The new water line replaces aging infrastructure, but also provides several new isolation points to prevent water outages for the businesses in the area. A final total cost of the water line upgrade will be provided in the January 2023 Board Meeting.

### Project 2022-01 Coffman Road Transmission Line Project

Staff has directed River City Consultants to make corrective measures identified by staff to the Coffman Road Transmission Line Project. A new design of the water line was discussed in the November Board Meeting. Design for the change is projected to be at 75% by the end of the year.

### Project 2022-03 Coffman Road Remote Fill Station

There was nothing to report different from the November Report. Staff continues to work through the site approval process with the Mesa County Road and Bridge Department and the Mesa County Planning Department.

### Project 2022-05.2 Holland Street Line Upgrades

The construction contract has been awarded to Sorter Construction. The Contract Agreement was provided at the December 1, 2022, Board Meeting for signatures.

### Project 2022-06 Highway 141 (32 Road) 10” Waterline Replacement/ Upgrade Project

The project is currently at 75 % design. JUB Engineering has provided a materials list with the updated project design. Staff is currently requesting quotes for the pipe, fittings, hydrants, and service line parts. Since the project timing and coordination with CDOT will be critical, ordering materials for the project now will be crucial as supply chain issues continue. In addition, prices are anticipated to continue to increase.

### Mesa County Master Plan

Mesa County held a meeting with District staff and developers to discuss future planning for Whitewater. The county will develop a master plan for that area for future housing. Clifton Water staff anticipates working closely with developers and Mesa County as soon as there is a hydraulic model in place.

### Treatment/Distribution– Assistant Manager Lenihan

### Remote Viewing of SCADA

District Staff began an inquiry into setup of remote viewing for SCADA (supervisory control and data acquisition). Mountain Peak Controls along with ACS are working on a solution to enable WTP operators to view SCADA remotely. A safe cyber security connection would be established for on-call operators to view the WTP in real time. This will enable quicker response times for certain events, or to simply identify and adjust to issues at the plant. Director Mcelley expressed concern that remote viewing be limited for the on-call operator on duty. Manager Jones assured the Board that any remote viewing time would be compensated for the on-call operator.

### Project Assistance

Staff reported the Distribution Staff are assisting K & D Construction on the Peachtree Shopping Center project. Old AC pipe has been removed from the site, transported, and disposed of. Staff completed several late-night tasks near McDonald's in preparation for the line upgrade that involved temporarily shutting down water service.

#### Main Line Break

Staff reported the Distribution staff responded to an 8-inch main line break on November 18<sup>th</sup> that was struck during boring activities on 30 and D ½ Road. The WTP Operator on shift reported a 15 psi drop in system pressure along with a 0.2 MGD (million gallons per day) increase on the plant effluent flow. That indicated a very large leak. The leak caused heavy damage to the road and sidewalks. Crews discovered a 20-foot section of the pipe had been split and repaired the entire section.

#### Office/Administrative – Assistant Manager Walker

#### DRIP (Drought Response Information Project)/Drought Update

DRIP and Drought updates were emailed to Board members prior to the meeting.

#### Caselle Utility Billing Software

Monday, November 21, 2022, Staff received word that the District is now number 5 in the implementation que. Caselle said that they would contact the District December 1, 2022, to talk about kick-off dates.

Resolution Setting Election for May 2, 2023, Resolution 2022-08 – Assistant Manager Walker identified the terms of office for Directors Diffendaffer and Genova will expire in May 2023. Director Slauson then moved to adopt Resolution 2022-08, the 2023 Clifton Water District Election Resolution (*12/1/2022 File, Resolutions, Elections*), setting the election for May 2, 2023. Director Mcelley seconded, and the motion passed unanimously.

Director Genova moved to appoint Assistant Manager Guy Walker as the District's Designated Election Official. Director Davis seconded, and the motion passed unanimously.

Resolution Appointing A Designated Election Official and Authorizing Designated Election Official to Cancel Election, Resolution 2022-09 - Director Diffendaffer moved to appoint Assistant Manager Guy Walker as the District's Designated Election Official. Director Slauson seconded, and the motion passed unanimously.

Designating Time, Location and Postings of Meetings Resolution 2022-11 – Staff presented Resolution 2022-11 Resolution Designating Meeting Time, Place, and 24-Hour Posting Locations (*12/1/2022 File, Resolutions*). Director Mcelley moved to adopt Resolution 2022-11, changing the time to the second Thursday of the month. Director Genova seconded, and the motion passed unanimously.

Manager's Report

Manager Jones reviewed the October 2022 Manager's Report (12/1/2022 File, Manager's Report).

Ute Water District Legislative Luncheon

Clifton Water District Board of Directors have been invited to attend a luncheon with legislators on December 16, 2022, at 12:00 p.m. The luncheon will be hosted at Ute Water District.

Manager's Evaluation

Staff met with members of the Personnel Committee to discuss a plan for the Manager's upcoming evaluation.

EXECUTIVE SESSION:

None

ADJOURNMENT

The Regular Meeting was adjourned at 6:32 p.m. by Chairman Diffendaffer.

**ATTEST:**

  
Melvin Diffendaffer

  
Dan Mcelley

  
Michael Slauson

  
Wesley Davis

  
Nicholas Genova