

# **MINUTES OF THE BOARD OF DIRECTORS REGULAR MEETING**

## **CLIFTON WATER DISTRICT**

**APRIL 10, 2025**

**BOARD MEMBERS PRESENT:** Mel Diffendaffer, Dan Mcelley, Michael Slauson, Nick Genova and Jeff Cook.

**STAFF MEMBERS PRESENT:** Jennifer Pettingill, Jacob Lenihan, Blair Wade, Eric Schoeny, Ty Jones, Mike Simpson, Mark Dalley, Cathy Harris-Mancuso, Brittnei Reeves, and Rene Fick.

**GUESTS PRESENT:** N/A.

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

Chairman Diffendaffer called the March 13<sup>th</sup>, 2025, Regular Meeting to order at 5:01pm.

### **MINUTES OF THE MARCH 13<sup>TH</sup> 2025 REGULAR MEETING**

Director Genova moved to approve the Minutes of the March 13<sup>th</sup>, 2025 Regular Meeting, seconded by Chairman Diffendaffer. Motion carried unanimously.

### **FINANCIAL REPORT**

Secretary/Treasurer Slauson moved to approve the Accounts Payable checks, in the amount of \$349,492.99, seconded by Director Genova. Motion carried unanimously.

### **FINANCE DEPARTMENT**

#### Finance Staff Report

- Department update – HR Manager Pettingill stated that financial reports for February were included in the board packets. The March reports were delayed due to issues with bank reconciliation and the recent switch in online payments vendors from Xpress Bill Pay to InvoiceCloud. Staff are currently working on bank reconciliation & hope to complete that very soon.

- 2024 Audit – HR Manager Pettingill stated that the required information was submitted to the auditors on time. Following a meeting earlier in the day with the auditors, it appears that they were working through the documentation provided and things were moving along. She explained an issue with the assets, specifically the construction in progress account that had not been reconciled correctly. This is a type of “bucket” account for holding expenses on projects that will take more than one year to complete. Once a project is complete, the full expense is taken in that year for the final cost of the project. The District has multiple projects in this account and unfortunately, proper tracking of each project, some dating back to 2009 & 2010, has been lacking. When staff tried to address this issue by moving some of the expenses out of this account, the auditors requested receipts for these expenses. This led to a search, and review, of project receipts with staff concluding that some of these expenses did not belong in the construction in progress account. Vice Chairman Mcelley asked for examples of such projects and it was explained that the hydraulic model, done in 2018, was included in this account even though it is not an asset and would not be capitalized. Staff also found expenses for projects that have been completed still in this account. Assistant Manager Lenihan further explained that since this issue will result in some negative findings on the District’s audit, staff plan to move all the relevant expenses out of this account and just get it cleaned up. The goal is to get it all cleaned up and have good audits from here on. Vice Chairman Mcelley questioned why this was never found in previous audits, with Director Genova commenting that at least it has now been found and is being taken care of. The new Finance Manager Wade was questioned on experience with this issue, and she noted that with her previous employer, there had been not as many capital projects, with the most recent one having three years of rollover expenses. Chairman Diffendaffer asked for details on the 2018 hydraulic model. It was explained that Black & Veatch had started work on a model for water needs in Whitewater.

## **HUMAN RESOURCES DEPARTMENT**

### Human Resources Staff Report

- Special District Association (SDA) Workshop – HR Manager Pettingill reminder the Board of the June 24<sup>th</sup> SDA workshop. Secretary/Treasurer Slauson, Vice Chairman Mcelley, and Director Cook indicated that they plan to attend.

## **ENGINEERING/CONSTRUCTION DEVELOPMENT**

### Engineering Report

- Water Treatment Plant Project – A pre-qualification application was submitted for the Colorado Department of Public Health and Environment (CDPHE) State Revolving Loan Program. Engineer Schoeny explained that by submitting this application, the District is now able to better discuss the loan process with CDPHE and obtain further information regarding advertising requirements for the next phase of the project.

- Colorado River Transmission Main Crossing – The District is working through the Mesa County project approval process.
- Bean Ranch Road – Staff are still evaluating all aspects of this proposed project and ensuring that there is a clear understanding of the costs involved.
- Mesa County Project 32 ½ Road – The next phase of this project, from Friendship Drive to Front Street, is currently under design. The District intends to extend the water main on 32 ½ Road, going underneath the railroad tracks, and connect to the main under Front Street. Staff are already starting the Union Pacific Railroad permit application process in the hopes that it will be approved by 2027 when the County is expected to start construction.
- New developments – Construction on the Golden Gate in Whitewater is expected to start soon.
- Coffman Road Transmission – Engineer Schoeny explained that Mountain Valley Contracting has given the District a great price to install 4,100 ft of 12” water main for phase 1 of this road reconstruction project. A multi-purpose easement is under discussion with the owner of Whitewater Building Materials. The District followed state regulations when advertising for bids on the materials needed for this project. Bids received were very tight, high to low bids differed approximately 3%. Ferguson Water Works (formerly GJ Pipe) was the lowest bid.
- Whitewater Master Plan – Staff received Mesa County’s sewer plan for Whitewater and are now in the process of ensuring the District’s water main plan aligns with theirs.
- District Policy #415 Grand Valley Irrigation Company Shares (GVIC) and Water Right Development Fee Requirements for New Developments – Engineer Schoeny noted that following Chairman Diffendaffer’s suggestion of comparing commercial usage, an alternative policy update has been written. He explained that 2024 commercial usage was converted to cubic feet per second (cfs) in order to see how many GVIC shares are being consumed, and how many shares per acre. This calculation method showed that, except for one or two customers, less than one share is being used per acre. The District does not have that many commercial customers but they are still a demand on District water and should contribute. Brief discussion ensued with Manager Jones commenting that per regulations, any decision regarding rates and/or fees must be advertised at least 30 days prior. This policy update will most likely be presented at the June meeting.

## **OPERATIONS**

### Operations Report

- Risk Management Plan – Assistant Manager Lenihan stated that the Environmental Protection Agency (EPA) requires the District to submit a risk management plan every five years due to the chlorine gas on site. This process involves coordination with local responders, and undergoing an audit of the facility, processes, and procedures. He added that some minor updates to the plan will be needed but the biggest part will be getting Clifton Fire Department to sign off on the District's new evacuation plan.
- Weather Service & Drought Monitor update – Mesa County appears to be approaching D2 (severe drought) status, and the weather outlook is not looking promising. Runoff was discussed next, with Assistant Manager Lenihan displaying snow water equivalent graphs comparing 2024 & 2025 headwaters Colorado data, along with the median runoff. This year appears to be similar to 2024. He noted that closer to the Grand Mesa, data shows below average runoff is expected. Manager Jones explained that in years where snowpack is not desirable, the City of Grand Junction and Ute Water Conservancy District may choose to save reservoir water and use their water rights instead. The District has in the past aided with treatment of water in such cases and will continue working with these entities to provide safe drinking water to customers.

## **ADMINISTRATION/OFFICE**

### Staff Report

- GVIC shares – Manager Jones noted that the District was able to purchase six GVIC shares through a private sale, adding that this was in the budget.
- Oath Ceremony – Staff has arranged for those directors elected by acclamation to take their oath of office prior to the May 8<sup>th</sup> meeting. Secretary/Treasurer Slauson, Vice Chairman Mcelley and Director Cook are asked to meet in the board room at the District office at 4:40pm on May 8<sup>th</sup>.
- Public access to the District distribution system layout – Manager Jones explained that currently, only staff have access to this data through the Districts' Geographic Information System (GIS). Limited access was given to Clifton and Grand Junction fire departments, and Mesa County. He added that the City of Grand Junction made all their layout data available to the public online. Staff discussed the benefits of doing the same, but in a limited capacity. Project planning and new developments will benefit from having access to this information, in addition to reducing the amount of time staff will spend answering questions regarding the distribution system. Brief discussion ensued with general agreement by the board to keep this information internal.

- Whitewater inclusion process – Manager Jones has reached out to attorney Kirsten Kurath regarding the inclusion process of a large area into the District. A possible new boundary, that will include parts of Whitewater currently outside the District boundary, will be determined based on the water and sewer lines. He cautioned that a board decision will need to be made in May or June as there are many steps and requirements involved with getting this on the November ballot. The cost of this process will still need to be determined.

**ADJOURN MEETING:**

Meeting Adjourned at 6:11pm by Chairman Diffendaffer.

**ATTEST:**

  
Mel Diffendaffer, Chairman

  
Dan McElley, Vice Chairman

  
Michael Slauson, Secretary/Treasurer

  
Jeff Cook, Director

  
Nick Genova, Director