

**MINUTES OF BOARD OF DIRECTORS MEETING**  
**CLIFTON WATER DISTRICT**  
**September 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, Brittan Medrano, Isaac Brown, and Michelle Obadia

**GUESTS PRESENT:** Lisa Hemann, Chadwick, Steinkirchner, Davis & Co., P.C.

**REGULAR MEETING**

Chairman Diffendaffer called the September 1, 2022, Regular Meeting to order at 5:02 p.m.

**Guest:** Lisa Hemann with Chadwick, Steinkirchner, Davis & Co., P.C. *(9/1/2022 File, FY 2021 Audit)* presented the FY 2021 audited Financial Statements to the Board. Ms. Hemann identified the improvement in the District's Net Position, increased Financial Health and updated procedures implemented by Staff. No findings were identified by Ms. Hemann during the FY 2021 audit process. Director Mcelley moved to approve the FY 2021 Audit Report and authorized Staff to submit to the appropriate agencies. Director Davis seconded, and the motion passed unanimously.

Ms. Hemann exited the meeting at 5:15 p.m.

**MINUTES OF THE August 4, 2022, REGULAR MEETING**

Director Slauson moved to approve the August 4, 2022, Regular Meeting Minutes. Director Genova 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 \$136,485.44, plus A/P Mid-Month Checks of \$195,186.44, plus Supplemental Checks of \$40,551.23, plus Benefits Checks of \$30,090.53, plus HRA Disbursements of \$4,908.25, for a total of \$407,221.89. Director Davis seconded, and the motion passed unanimously.

**Public Hearing:** Chairman Diffendaffer called to order the Public Hearing at 5:22 p.m. to consider the Petition of Inclusion submitted by Via Real Estate LLC., 540 Warrior Way, Grand Junction, CO 81504. The Notice of Public Hearing *(8/12-26/22 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 Lenihan reported that no comments have been received regarding the Petition of Inclusions from members of the public. No members of the public were present. Chairman Diffendaffer closed the Public Hearing at 5:23 p.m.

**Inclusion Request – Via Real Estate LLC. - 540 Warrior Way, Grand Junction, CO 81504 Tax ID Number 2943-103-00-149** – The Board reviewed the Inclusion request by Via Real Estate,

LLC. identified as Tax Parcel #2943-103-00-149, commonly known as 540 Warrior Way, Grand Junction, CO 81504 to be included with in the District's boundary. Director Genova moved to adopt the Resolution 2022-04 to Include Private Property (9/1/22 File, Resolutions, Inclusions). as submitted and authorize 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 Mcelley seconded, and the motion passed unanimously.

#### FINANCE DEPARTMENT REPORT

Staff reported there was a correction to the Profit & Loss report for June. An updated copy was provided to Board members at the meeting.

941 Fees - No additional information from the IRS has been received regarding the penalty abatement and fees regarding the 941 errors. Staff will continue to update the Board as information comes available.

Budget Update - The 2023 Budget meetings with Department Heads are underway. The first draft of the Budget will be finalized by September 30th with a Budget Committee meeting planned for September 27, 2022.

Chart of Accounts – A new Chart of Accounts has been created in Springbrook. An explanation of the new monthly reports will be available at the October Board meeting.

#### CONSTRUCTION DEVELOPMENT REPORT

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

The District has contracted K & D Construction to complete the project. Work is anticipated to begin before the end of August. Phase I will consist of line upgrades behind Murdoch's. Distribution staff installed a new valve just east of Murdoch's to create a new isolation point so that work behind the building could commence without the interruption of water services to other businesses in the shopping center. While this is completed, Murdoch's staff will be moving their outdoor inventory away from the South end of the building. Phase II will be the removal and replacing of the 10" AC water line through this area towards Denny's.

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

No new updates for this project. River City Consultants are currently working on the final design package. The final design package should be complete by the end of August.

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

Nothing to report different from the August 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 2022-06 Highway 141 (32 Road) 10" Waterline Replacement/ Upgrade Project**

Project is currently under the design phase. District staff continues to provide any requested water system information for JUB Engineers.

## ACTION ITEMS

### **Project 2022-05.2 Holland Street Line Upgrades**

Staff presented a Staff Report (*09/01/2022 File, Staff Report, Project 2022-05.2 Holland Street Line Upgrades*) requesting Board authorization to begin the bid advertising process for Project 2022-05.02. Director Mcelley authorized staff to proceed with the construction bid advertising process for Project 2022-05.2 Holland Street Line Upgrades. Director Genova seconded, and the motion passed unanimously.

### **Treatment/Distribution– Assistant Manager Lenihan**

Turbidity - Increased monsoonal moisture in August caused several turbidity events. Most events consisted of normal turbidity, but at high levels. The turbidity event was not prolonged and had minimal effect on the treatment process.

WTP Alarm Cellular Network - The Treatment Plant utilizes a software program called Win911 to alert operators of a treatment alarm after hours. In August, a cellular modem linked to Verizon Wireless was installed as a redundant system. This setup is critical if one service is down.

Third Quarter Disinfection By-Products (DBPs) -Samples were collected in August for third quarter DBP analysis. Samples are collected from sample points in the system where DBP formation is mostly likely to occur, such as the far reaches of the distribution system. Third quarter laboratory results will be provided in the October Manager's Report.

16-inch Transmission Line Break – F ½ Road -The District experienced a large transmission line leak on F ½ Rd in August. Staff responded and isolated that portion of the water line break. The isolation and repair of the 16" main line did not affect water supply to the surrounding homes.

### **Monthly Report – Assistant Manager Walker**

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

Assistant Manager Walker presented an Informational Report (*09/01/2022 File, Staff Reports, Drought Response Plan 2022*) summarizing the current Drought status and DRIP information. Most of Mesa County is now considered to be in Severe Drought D2.

## **MANAGER'S REPORT**

Manager Jones reviewed the July 2022 Manager's Report (*9/01/2022 File, Manager's Report*).

Verizon Lease Renewal Site CO3 - The District has received a finalized Lease Agreement between CommNet Cellular Inc., (Verizon) and Clifton Water District. A Staff Report (*09/01/2022 File, Staff Report, Verizon Lease*) was reviewed by Staff and the District's Attorney evaluating other Verizon lease holder agreements, to ensure the proposed lease extension is in line with the

current local market. A new proposed 5-year lease with the option of 2 additional 5-year extensions. Each of the 2 extensions will be at 120% of the preceding lease rate. Director Mcelley moved to approve the Verizon Lease agreement. Director Slauson seconded, and the motion passed unanimously.

Attorney's Document Review - The District will utilize the services of Kirsten Kurath from Williams, Turner & Holmes, P.C. to review all easements, contracts, bid documents and agreements that are currently being prepared by District staff. An increase in budgeted Attorney Fees will be reflected in the FY 2023 Budget line item.

Government Affairs Consultant – Kathleen Curry, a Legislative Consultant representing the water, farming, and ranching interests of the Western Slope at the State Level, approached the District about representation for Clifton Water. The Board requested more information from other agencies and requested Ms. Curry attend the October Board Meeting.

Mesa County Fill Station – Dufford, Waldeck reviewed the MOU for Project 2022-03 Coffman Road Remote Fill Station. The District is responsible for the connection to the main water line. Director Genova moved to approve signing the MOU with Mesa County for Project 2022-03 Coffman Road Remote Fill Station. Director Mcelley seconded, and the motion passed unanimously.

Subdivision Review – Manager Jones provided an overview of the Subdivision Review process highlighting the requirements that had historically been practiced for a Developer to provide GVIC shares to the District. The requirement would be 1 share for every 10 lots in the development. This is not a written policy, but a typical procedure for the District to follow. Staff recommended a procedure change to require the Contractor/Developer to donate their GVIC shares to the District. There was Board consensus to approve this procedure change.

2022 SDA Annual Conference – This year's SDA Annual Conference was held in Keystone, Colorado. The Conference began on Tuesday, September 13<sup>th</sup> and ended on Thursday, September 15<sup>th</sup>. Staff and Directors Genova and Slauson attended.

#### EXECUTIVE SESSION:

None

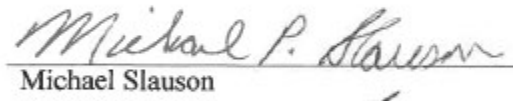
#### ADJOURNMENT

The Regular Meeting was adjourned at 6:50 p.m. by Chairman Diffendaffer.

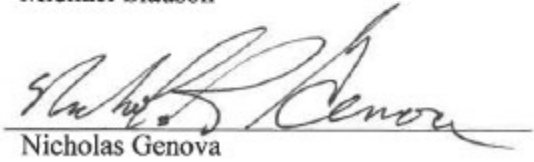
ATTEST:

  
Melvin Diffendaffer

  
Dan McElley

  
Michael Slauson

  
Wesley Davis

  
Nicholas Genova