

**MINUTES OF BOARD OF DIRECTORS MEETING**  
**CLIFTON WATER DISTRICT**  
**November 3, 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, Isaac Brown, and Michelle Obadia

**GUESTS PRESENT:**

**REGULAR MEETING**

Chairman Diffendaffer called the November 3, 2022, Regular Meeting to order at 5:02 p.m.

**MINUTES OF THE October 6, 2022, REGULAR MEETING**

Director Genova moved to approve the October 6, 2022, Regular Meeting Minutes. Director Slauson 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 \$154,602.66, plus A/P Mid-Month Checks of \$12,303.43, plus Supplemental Checks of \$55,017.21, plus Benefits Checks of \$24,147.84, plus HRA Disbursements of \$14,608.13, for a total of \$260,679.27. Director Mcelley seconded, and the motion passed unanimously.

**FINANCE DEPARTMENT REPORT**

941 Fees - IRS sent a letter asking for more time to review our account. No further information has been provided.

2018 Wage Withholding – On October 31<sup>st</sup> the District received a notice from the Colorado Department of Revenue stating that they recently reviewed our Dec 31, 2018, Wage Withholding reports and it was underpaid by \$351.00. Information only, no action required.

2013 Water Revenue Refunding Bond – The 2013 WRRB Bond payment is due December 1, 2022, totaling \$491,500. The payment will be processed via wire transfer prior to the due date. After this payment is made, the District has only two payments to make before the bond matures.

2023 FY Budget- Staff presented the 2023 Draft Budget (*11/03/2022 File, 2023 Budget*) to the Board. The Board reviewed and discussed the Operating and Non-Operating Revenue and Other Expenses line items. The Budget committee met on October 27, 2022, to review wages, budget updates and rates for 2023, prior to the scheduled December 1, 2022, Budget Hearing.

Staff presented a Staff Report (11/03/2022 File, Staff Report, 2023 Budget) summarizing the 2023 Wage schedule. Director Genova moved to accept the recommended 2023 Wage Schedule. Director Mcelley seconded, and the motion passed unanimously.

Staff presented the proposed 2023 Rates and Fees increase to the Board. The recommendation from the Budget Committee to add a new high usage tier to the rate structure which increases rates on residential users using more than 25,001 gallons in a billing cycle. This increase will become effective January 1, 2023. Director Mcelley moved to accept a new high usage tier to the rate structure. Director Slauson seconded, and the motion passed unanimously.

The Availability of Service Rate for 2023 will be set as the In District Avg. \*50% equaling \$17.80 and the Out of District rate \*150% of the In District Rate equaling \$26.69. Director Davis moved to accept the Availability of Service rate increase. Director Genova seconded, and the motion passed unanimously.

Staff presented the 2023 Water use rates to the Board. The Budget Committee recommendation to change the minimum charge per unit for in district residential and commercial users increase by \$5.00. The minimum charge per unit for out of district residential and commercial to increase by \$7.50, and all water usage tiers increase by 15%. Director Mcelley moved to accept the 2023 Water use rate increase by \$5.00 for in District use and \$7.50 for out of District residential and commercial use. Director Genova seconded, and the motion passed unanimously.

Fire Hydrant or Fill Station Use – Staff presented a Staff Report (11/03/2022 File, Staff Report, Fire Hydrant/Fill Station) recommending the Board increase the rate of Bulk Water Sales from \$3.10/1,000 gallons to \$7.50/1,000 gallons. Director Mcelley moved to accept the Bulk Water Sales rate of \$7.50/1,000 gallons. Director Davis seconded, and the motion passed unanimously.

Irrigation Rates for Taps and Consumption – Staff presented a Staff Report (11/03/2022 File, Staff Report, Irrigation Rates for Taps and Consumption) recommending the Board develop a new Irrigation Tap Fee and Rate Schedule for taps specifically for irrigation use on commercial and/or subdivision landscaping. Tap fees and rates will be charged at 2 times the Commercial Tap Fee Rate and consumption Rates. The new rates would be effective January 1, 2023. Director Davis moved to accept a new Irrigation Tap Fee and Rate Schedule. Director Genova seconded, and the motion passed unanimously.

### HR Department Report

Staff presented Resolution 2022-05 The Family Medical Leave Insurance Program (FAMLI) as required by the State of Colorado. The District Board believes it is in the best interests of the District and its employees to opt out of the program and allow individual employees to decide whether they want to participate in the program on their own. Director Genova moved to accept Resolution 2022-05 FAMLI. Director Davis seconded, and the motion passed unanimously.

### CONSTRUCTION DEVELOPMENT REPORT

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

This project is currently in progress. K & D Construction is currently working on the 5<sup>th</sup> and 6<sup>th</sup> phase of the project. They are installing the water line toward the railroad tracks and are beginning with the upgrade just to the west of McDonald's. The project is anticipated to be complete by November 19<sup>th</sup>.

#### ACTION ITEMS

**Project 2022-01 Coffman Road Transmission Line Project** – Staff presented a Staff report (11/03/2022 File, Project 2022-01 Coffman Road Transmission Line Project) identifying the District's project design firm, River City Consultants, has delivered the 60% Concept Design drawings and Engineer's Estimate of Cost. Under further evaluation, Staff proposed another design option because of terrain and easement issues. Estimated construction costs based on current design is \$1,300,000. Proposed design changes would add approximately 4,000 feet of additional 12-inch C900 pipe. The additional pipe would add an estimated \$400,000 to project costs. Staff recommended Board approval to proceed with the new proposed design for the Coffman Road Transmission Line Project. Director Mcelley made a motion to approve the new design for Project 2022-01 adding an estimated \$400,000 to the Coffman Road Transmission Line Project. Director Genova seconded, and the motion passed unanimously.

**Project 2022-05.2 Holland Street Main Line Upgrade** – Staff presented a Staff report (11/03/2022 File, Project 2022-05.2 Holland Street Main Line Upgrade) stating that a public bid opening was held as advertised on Wednesday, October 26, 2022, with four general contractors submitting bids. Staff and the District's Project Engineer, Jarrod Whelan from River City Consultants, has evaluated the submitted bids and supporting information and recommends the District award the construction contract to Sorter Construction in the amount of \$235,210.00 for Project 2022-05.2 Holland Street Main Line Upgrade. Director Mcelley made the motion to accept the bid submitted by Sorter Construction and award the contract in the amount of \$235,210.00 for Project 2022-05.2 and directed Staff to prepare the construction agreement documents for final signature as required. Director Davis seconded, and the motion passed unanimously.

#### Treatment/Distribution– Assistant Manager Lenihan

**Retention Pond** - Staff drained the Retention/Settling Pond in October for maintenance and inspections. This occurs twice a year, just prior to the change in diversion points in the spring and fall. The pond is drained using the treatment plant to utilize as much water as possible. The remaining amount, which contains mostly sediment is then pumped out. Sludge is then cleaned out and the pond is thoroughly inspected.

**River Pump Station** - Treatment Operators performed annual maintenance on the River Pump Station (RPS) in October. The maintenance involves entering the river wet well that house large submersible pumps for oil changes and inspections. Typically, there is a sludge build-up in the intake piping and wet well. This is cleaned out to minimize any head loss from the river. When the maintenance is complete, the pipeline from the river top Retention Pond intake is flushed and the pumps are tested. Operators anticipate diverting from the river in early November when the GVIC begins to drain.

Zero Reads - Distribution Staff have prioritized addressing zero reads on meters in the system. Zero reads do not show any usage on the meter and are having to be prioritized for repair or replacement. Zero reads result in lost revenue. Administrative Staff ran reports to investigate zero reads enabling Distribution to repair or replace over 100 meters with issues.

Office/Administrative – Assistant Manager Walker

DRIP (Drought Response Information Project)/Drought Update

Staff emailed the current DRIP report to Board members to avoid printing colored copies for each meeting. Currently Mesa County is at a D0 status, but a dryer winter is expected. Board members were please to receive the information by email.

Caselle Utility Billing Software

Staff are in the que to begin the implementation phase of the project. Last check, 6 other utilities were ahead of the District.

EXECUTIVE SESSION:

None

ADJOURNMENT

The Regular Meeting was adjourned at 6:52 p.m. by Chairman Diffendaffer.

**ATTEST:**

  
Melvin Diffendaffer

  
Dan Mcelley

  
Michael Slauson

  
Wesley Davis

  
Nicholas Genova