MINUTES OF THE BOARD OF DIRECTORS REGULAR MEETING

CLIFTON WATER DISTRICT

SEPTEMBER 10TH, 2026

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

STAFF MEMBERS PRESENT: Blair Wade, Jake Lenihan, Ty Jones, Stephen Silva, Cathy Harris-Mancuso, Michael Simpson, Branden Edmonds, and Rene Fick.

GUESTS PRESENT: Jerry Wade, Kathleen Eckerdt.

REGULAR MEETING – CALL TO ORDER

Chairman Diffendaffer called the September 10th, 2026, Regular Meeting to order at 5:01pm.

GUESTS

Kathleen Eckerdt addressed the Board regarding a high bill incurred under drought rates. She provided authorization to speak on behalf of her mother's trust, Eckerdt Living Trust, the owner of the property located on Serenade Court. She explained that she has been her mother's full-time caretaker since 2014 and they spend time between both the house on Serenade Court, and the house owned by Kathleen, throughout the year. She provided a printout of usage at this property, explaining that she started the sprinkler system on April 25th and the May billing was around $83.00. The June billing statement, for 24k gallons, resulting in a bill of around $200. She noted that at that point, she felt she could increase the watering cycles to address multiple dry spots. During this time, they were residing in Kathleen's residence and checking on the Serenade Court property occasionally. On June 17th, their sprinkler system repair person came out to replace a few items. On July 4th, they were in residence at Serenade Court, and Kathleen heard the sprinklers run late at night. She found that the cycles had been set for a "seasonal adjustment", watering an additional 80% during the summer. Kathleen contacted the District office and was told that 54k gallons had gone through the meter. She stated that she was unaware of this "seasonal setting" and requested a reduction in the $2,890+ bill due to extenuating circumstances, adding that her mother suffers from the beginning stages of dementia, anxiety, and is on a fixed income. Vice Chairman McElley stated that this is a really hard situation, that there are many other customers experiencing similar issues. The Board cannot reduce the bill for one customer, but not the rest. He added that each situation is uniquely different, and that four out of the five members on the District Board are also on a fixed income. Manager Jones noted that this is an unfortunate situation, but customers have to be treated the same, adding that this account has had usage in the higher tiers for years. Kathleen responded that there had been a leak on the sprinkler system last year and that a leak adjustment request was denied by the District. Chairman Diffendaffer questioned the 24k gallons

of usage in June, stating that if that had been billed under drought rates it would have been a substantial bill also. He listed the efforts undertaken by the District to notify customers of the drought, and the drought rates. He questioned why there had been 24k gallons used despite the drought conditions. Director Genova noted that legally, the Board cannot adjust the billing as it falls outside our policies and procedures. Chairman Diffendaffer added that the 80% seasonal increase had been programmed into the timer and Director Genova noted that a civil remedy should be pursued with the sprinkler repair company.

MINUTES OF THE AUGUST 13TH 2026 REGULAR MEETING AND THE SEPTEMBER 2ND, 2026 WORKSHOP

Director Genova moved to approve the Minutes of the August 13th Regular Meeting and the September 2nd Workshop, seconded by Chairman Diffendaffer. Motion carried unanimously.

FINANCIAL REPORT

Treasurer Slauson moved to approve the Accounts Payable checks, in the amount of $456,224.16 seconded by Vice Chairman McElley. Motion carried unanimously.

FINANCE DEPARTMENT

Finance Staff Report

- Financial Summary – Finance Manager Wade stated that, as of the end of July, total operating revenue collected was 59.2% of the budget, with non-operating revenue at 51.9%. The District has expended 56.4% of the operating budget, and 40.4% of the non-operating budget.

- Customer Service Chatbot – The District will be piloting a customer service chatbot on the payment portal that will provide answers to basic billing questions, along with accepting payments 24 hours a day. This chatbot will be free of charge for the first 6 months. Finance Manager Wade noted that more complex questions will be routed to staff. If the chatbot proves to be helpful, it could be expanded to email and other AI support once the test period is over. Payments made via this method will move the District towards greater Payment Card Industry (PCI) compliance, eliminating risks where staff are provided with customers' card information directly over the phone. It will most likely be more efficient than the outdated Interactive Voice Response (IVR) system currently in use.

- River intake feasibility study – The District was awarded the grant for this feasibility study, covering 60% of the $77k cost. Should staff decide to move forward with the river intake project, this grant could leverage future Federal or State grants.

- Designation of the FY2027 Budget Preparer – Brief discussion regarding District Manager Jones having been appointed as budget preparer in the past but since Finance Manager Wade is actually responsible for doing the budget preparation, her appointment

makes more sense. Vice Chairman moved to appoint Finance Manager Wade as FY2027 budget preparer, seconded by Director Genova. Motion carried unanimously.

HUMAN RESOURCES DEPARTMENT

Human Resources Staff Report.

- Employee Benefits – The annual renewal with Colorado Employee Benefits Trust (CEBT) will be signed in September. As discussed during the September 2nd Workshop, the PPO4 plan will move to PPO5 and all other plans will be maintained.

ENGINEERING/CONSTRUCTION DEVELOPMENT

- Desert Road Pump Station Bid Results – Assistant Manager Lenihan stated that six bids were received, and staff are recommending that the Board accept the bid from Fones Construction LLC. He added that staff did thorough reference checks on this company as the District has not contracted with them before. Staff found no concerns with their background or history and noted that they are located in Craig, Colorado. Vice Chairman McElley moved to award the Desert Road Pump Station Project 2024-02 to Fones Construction LLC, seconded by Treasurer Slauson. Motion carried unanimously.

- Colorado River Transmission Main Crossing – The Board was presented with the final report on this project. Final payment is expected to be made tomorrow. Assistant Manager Lenihan stated that the project went well, needing only two change orders. One of the change orders was due to erosion issues caused by weather. The next phase, on C ½ Road, is under design.

- Mesa County 32 ½ Road Improvement Phase II – Mesa County is preparing to start work on phase II of this project later this month. The contractor will be making some minor water line changes, including service line extensions, and routing lines around the storm drain. The District's portion of this project will be included in the full project bid sent out by Mesa County. Staff are requesting Board approval for Manager Jones to sign this Memorandum of Understanding (MOU). Director Genova moved to authorize Manager Jones to sign the MOU with Mesa County, seconded by Chairman Diffendaffer. Motion carried unanimously.

Engineering Report

- On-site Chlorine Generation Feasibility Study – Preliminary feedback has been positive. There appears to be sufficient space for on-site chlorine generation, and no new buildings will be required. Different options are being looked at.

OPERATIONS

The Board had no questions on the operations report.

ADMIN/OFFICE

Manager's Report

- ° Customer injury – Manager Jones informed the Board of a letter received regarding a customer's claim of stepping into a meter pit, causing a leg injury. This letter, along with other account information, was sent to the District's insurance company.

- Resolution 2026-20 Declaring the End of Emergency/Drought Rates and Reinstating Standard Water rates – Manager Jones provided a brief clarification on this Resolution, specifically noting the October 1st effective date. This means that the September billing statements will be the last billing statements in 2026 under Emergency/Drought rates. Treasurer Slauson moved to adopt Resolution 2026-20 Declaring the End of Emergency/Drought Rates and Reinstating Standard Water rates, with an October 1st effective date, seconded by Chairman Diffendaffer. Motion carried unanimously.

- Resolution 2026-21 To Adopt the 2026 Mesa County Multi-Jurisdictional Hazard Mitigation Plan – Manager Jones explained that a summary of this 250-page document was provided to the Board for review. Items specific to the District include drought, extreme weather (as it relates to water quality), flood or levy incidents, debris flow, rockfalls, wildfires, and winter conditions. He stressed that this action would not require the District to expend funds. Treasurer Slauson moved to adopt Resolution 2026-21 To Adopt the 2026 Mesa County Multi-Jurisdictional Hazard Mitigation Plan, seconded by Secretary Cook. Motion carried unanimously.

- Bylaws update – The updates to the District Bylaws were briefly reviewed, with Manager Jones adding that it streamlines the public comment process a little more, still allowing the five-minute time limit to address the Board. The other update involves a recommendation that a Director is to serve on the Board for at least one year prior to being elected Chairman or Vice Chairman. This is merely general guidance, not a restriction. Chairman Diffendaffer moved to accept the revised Bylaws, seconded by Director Genova. Motion carried unanimously.

Brief discussion ensued on water conservation with Manager Jones noting that for July, customers with usage over 25k gallons dropped from 512 in 2025 to 192 in 2026. For August, they dropped from 349 in 2025 to 127 in 2026. Director Genova commented that this data can be used to illustrate the impact the District had on saving water. Vice Chairman McElley questioned any input from commercial customers and it was noted that only one commercial customer, a car wash, reached out.

Manager Jones briefly noted that no signs of zebra muscles have been found in the approximately 500 samples pulled from the river. He noted that it is believed the source of the zebra muscles was found, and addressed.

ADJOURN MEETING

Meeting Adjourned at 6:25pm by Chairman Diffendaffer.

ATTEST:

Mel Diffendaffer, Chairman

Dan McElley, Vice Chairman

Michael Slauson, Treasurer

Jeff Cook, Secretary

Nick Genova, Director