

**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, Brittany 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.

The Resolution text is as follows:

RESOLUTION 2022-04
RESOLUTION TO INCLUDE PRIVATE PROPERTY

WHEREAS on July 20, 2022, of VIA Real Estate, LLC, petitioned the Clifton Water District Board of Directors to include property within the boundaries of the Clifton Water District generally described as follows:

Recorded in Book GEN, Reception # 3016345 of the Mesa Clerk and Recorded on January 18,2022, more particularly described as follows:

PARCEL – Tax Schedule ID # 2943-103-00-149, commonly known as 540 Warrior Way, Grand Junction, CO 81504

A parcel of land situated in the Northeast Quarter of the Southwest Quarter of Section 10, Township 1 South, Range 1 East of the Ute Meridian, Mesa County, Colorado and being more particularly described as follows:

Commencing at the Northeast Corner of the NE1/4 SW1/4 of Section 10 from whence the Northwest Corner of said NE1/4 SW1/4 of Section 10 bears North 89° 59'29" East a distance of 1311.21 feet for a Basis of Bearings, all bearings herein related thereto; thence North 89° 59'29" East a distance of 20.00 feet; thence South 00° 02'41" East, a distance of 45.01 feet to a point at the Southeast corner of the intersection of 31 ½ Road and E ½ Road rights-of-way, the Point of Beginning; thence South 00°02'41" East, a distance of 18.58 feet to a point on the Northerly right-of-way line of Interstate 70 Business Loop; thence along said Northerly right-of-way line the following (3) courses: (1) South 73 °00'08" West, a distance of 156.43 feet; (2) South 63 °32'20" West, a distance of 304.10 feet; (3) South 73 °00'08" West, a distance of 784.73 feet; thence along the Easterly right-of-way line of Warrior Way, an 80' right-of-way, the following four (4) courses: (1) North 17 °01'37" West, a distance of 59.94 feet; (2) thence with a curve turning to the right, having a delta angle of 17° 13'06", a radius of 410.00 feet, an arc length of 123.21 feet, and a chord length of 122.75 feet, with a chord bearing of North 08° 25'04" West; (3) North 00° 11'29" East, a distance of 207.31 feet; (4) North 45° 16'24" East, a distance of 55.38 feet, to a point on the South right-of way line of E ½ Road the following three (3) courses: (1) North 89° 59'25" East, a distance of 221.90 feet; (2) North 00°00'35" West, a distance of 4.00 feet; (3) North 89° 59'25" East, a distance of 945.86 feet to the POINT OF BEGINNING. Said parcel of land contains 6.61 Acres, as herein described.

WHEREAS said owner desires domestic water service from the Clifton Water District, and,

WHEREAS the Board of Directors of the Clifton Water District has determined that it is in the District’s best interest to include the stated property within the District’s boundaries; and

WHEREAS the District has previously included other properties on Warrior Way into the District’s the service boundaries.

NOW THEREFORE BE IT RESOLVED that the Clifton Water District Board of Directors approve the inclusion of the said property as described above, adopt the Order dated September 1, 2022, and authorize the Secretary and President of the Board to sign the Certificate of Inclusion and Order dated September 1, 2022.

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 13th and ended on Thursday, September 15th. Staff and Directors Genova and Slauson attended.

EXECUTIVE SESSION:

None

ADJOURNMENT

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

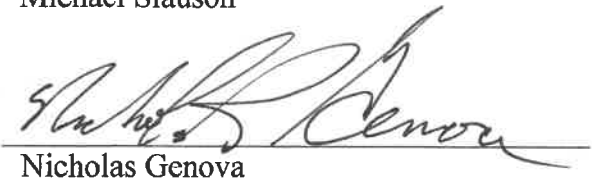
ATTEST:


Melvin Diffendaffer


Dan Mcelley


Michael Slauson


Wesley Davis


Nicholas Genova