

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
February 3, 2022**

BOARD MEMBERS PRESENT: Dale Peck-Chairman, Melvin Diffendaffer-Secretary, Michael Slauson-Treasurer, and Dan Mcelley-Director (Director Sparks had an excused absence)

STAFF MEMBERS PRESENT: Ty Jones, David Reinertsen, Michelle Obadia, Guy Walker, Jacob Lenihan, Angie Beebe, Isaac Brown, Tyler Lehmann and Branden Edmonds.

REGULAR MEETING

Chairman Peck called the February 3, 2022, Regular Meeting to order at 5:01 p.m.

MINUTES OF THE January 6, 2022, REGULAR MEETING

Director Diffendaffer moved to approve the January 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 \$166,778.30, plus Supplemental Checks of \$70,161.78, plus Special Check of \$45,304.00, plus Benefits Checks of \$29,113.91, plus HRA Disbursements of \$4,765.30, for a total of \$316,123.29. Director Diffendaffer seconded, and the motion passed unanimously.

MANAGER'S REPORT

Manager Jones reviewed the December 2021 Manager's Report (*02/03/2022 File, Manager's Report*). Manager Jones discussed meeting with Randi Kim and Mark Ritterbush from the City of Grand Junction to discuss the relationship between the two entities historical agreement of water sales. Manager Jones pointed out the effects of giving water to the City of Grand Junction and subsequent Budget projections and impacts.

Assistant Manager Reinertsen discussed returning to our monthly Safety Meetings with Staff. This had been postponed since Covid measures had been put in place.

INFORMATIONAL REPORT

IRS Form 941 Quarterly Federal Tax Penalties – Staff reported that Tax payments must be made within 3 days of a payroll to avoid penalties. If this deadline is not met, there are penalties associated with this delay. This 3-day deadline to file payroll taxes has not been met since early 2020. The 941 Quarterly Taxes have been filed and a payment for the penalties totaling

\$6,618.00 has been made. Measures are now in place to avoid being penalized for late filings moving forward.

EXPRESS AGENDA

Director Diffendaffer made the motion to approve the Express Agenda items as presented. Director Slauson seconded, and the motion passed unanimously. The Express Agenda items are as follows:

Project RM2019-01 Middle Tank Repairs – Phase 4 Slope Stabilization – The contractor, MA Concrete Construction, has completed the required slope material excavations and the District’s geotechnical consultant along with the District’s Project Engineer, Burns & McDonnell, have evaluated the soils and directed the contractor to begin backfilling and compacting the slope. Existing drain and overflow piping has been removed and the source of the initial water leak has been identified with measures being taken to correct the problem during reconstruction. The contractor’s performance is ahead of schedule and all work is anticipated to be completed by early March 2022.

Project 2019-01 Expansion/Renovation Administration Building – FCI has begun demolition and reconstruction of the original administration building in accordance with the final approved plans. Some staff members have temporarily relocated into areas of the new Board Room during construction. Progress is being impacted by the on-going material supply issues. However, FCI is actively seeking comparable alternatives

UNFINISHED BUSINESS

FY 2021 Audit Services – Chadwick, Steinkirchner, Davis & Co., P.C. – The Board reviewed the Letter of Engagement for FY2021 Audit Services, which was provided by Chadwick, Steinkirchner, Davis & Co. The identified fee for the FY 2021 Audit is not to exceed \$9,150.00, which is the same amount as the previous year. Director Mcelley moved for the Board to accept and sign the Chadwick, Steinkirchner, Davis & Co. PC Letter of Engagement for FY2021 Audit Services. Director Diffendaffer seconded, and the motion passed unanimously.

Project 2021-06 Mesa County 34 Road Bridge Replacement Project – Assistant Manager Reinertsen presented a Staff Report (*02/03/2022 File, Staff Report, Mesa-34-F.9A Bridge Replacement Project*) describing the progress of Mesa County’s 34 Road Bridge Replacement Project. The construction contractor, K & D Construction, is scheduled to complete the installation of the 800 feet of new 24” PVC water line by February 11, 2022.

During 2021, the Board authorized Staff to re-allocate budgeted funds in the Non-Operational General Construction Line Upgrades 2021 Budget in the amount of \$300,000. During construction, several design change orders were issued, impacting the construction costs. Staff requested transfer of 2022 Contingency funds to meet the expected final project construction costs.

Director Mcelley moved to approve a budget transfer of \$100,000 from the 2022 Contingency budget line item to the Non-Operational 2022 General Construction Line Upgrades budget line item for Project 2021-06. Director Slauson seconded, and the motion passed unanimously.

NEW BUSINESS

Painting a New Logo on the West Tank – Staff discussed the need to investigate options for repainting the West Storage Tank. The Central High School Warrior Logo has been changed by School District 51. Staff identified that the tank is due for an exterior coating upgrade and will be included as a Capital Project in FY 2023 Budget. Informational only, no Board action required.

Purchase of Meters - Budget Transfer Request – Manager Jones presented a Budget Transfer Request for the purchase of 1,000 new Radio Read Meters, to address ongoing meter reading issues encountered with early generation radio read meters. Repeated radio read failures are being experienced with installed meters reaching their expected performance expectancy of 20 years. These failures are adding to the time required to read the District meters within the monthly read/billing time allotment cycles.

For FY 2022, 457 E-Coder Meters w/Radio Heads were budgeted and purchased for replacement/installation this year. New meter sets have a 10-year warranty and take approximately 15 minutes to replace by the Distribution Staff.

Director Mcelley moved to approve a budget transfer of \$255,850 from the 2022 Contingency budget line item to Distribution Department Operational Repair and Maintenance -Meter and Remote Radio Rear Repairs budget line item to purchase 1,000 New E-Coder Combo Meter Units. Director Diffendaffer seconded, and the motion passed unanimously.

Caselle Software Company – Manager Jones reviewed the Staff Report identifying the selection of Caselle Software Company to provide the District’s New Billing and Financial Software Package. The District’s new IT support vendor, ACS, will be evaluating the current computer server capacity for operating the Caselle software package. Manager Jones reported that Caselle expects needing a 12 to 18-month lead time for integration and implementation of the new software package.

Director Diffendaffer moved to approve a budget transfer of \$137, 000 from the 2022 Contingency budget line item to the Non-Operational Purchase Software budget line, and direct Staff to secure the “on-site” server based financial and billing software package option from Caselle Software Company for the quoted price of \$136,824 and with the monthly support cost of \$1,896. Director Slauson seconded, and the motion passed unanimously.

Policy Review/Update

- Policy 420 Water Usage Fees, Section 10 Unintentional Water Use –Staff is working with the Policy Committee regarding revisions to the Leak Adjustment section of this Policy. It was the Board’s consensus to make the proposed changes to the Policy, and present for official approval at the March 3, 2022 Regular Board Meeting.

- Policy 915 - 457 Plan Contribution – Staff will work with the Policy Committee to develop the suggested Policy changes to move from Operations Policy to the Personnel Manual. Information only, no Board action required at this time.

ADJOURNMENT

The Regular Meeting was adjourned at 5:45 p.m. by Chairman Peck.

ATTEST:



Dale Peck

-- Excused--

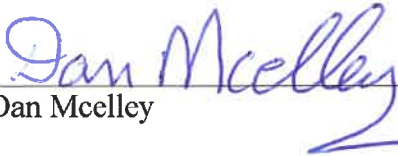
Stan Sparks



Melvin Diffendaffer



Michael Slauson



Dan Mcelley