

## MINUTES OF THE AUGUST 13, 2025 WORKSHOP

### CLIFTON WATER DISTRICT

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

**STAFF MEMBERS PRESENT:** Jennifer Pettingill, Jacob Lenihan, Blair Wade, Ty Jones, and Rene Fick.

**GUESTS PRESENT:** None.

### **WORKSHOP – CALL TO ORDER**

Chairman Diffendaffer called the August 13<sup>th</sup>, 2025 Workshop to order at 12:00pm.

- 2025 Rates and Fees – Manager Jones explained that as a result of House Bill 25-1211 being signed into law, the District will need to change the current residential tap fees and how they are calculated. Finance Manager Wade stated that HB25-1211 contains certain requirements that Special Districts must meet. One such requirement, which is already being met, is to provide service if the District has the capacity to do so. Another requirement is to ensure tap fees are reasonably related to all costs incurred by the District in funding and providing water service. Related costs include infrastructure construction and acquisition, as well as water rights planning and acquisition. The bill also lists several factors, of which at least one must be considered in the calculation of tap fees. She explained that staff reviewed recommended industry guidelines, published by the American Water Works Association (AWWA), as a starting point. It was determined that the District tap fee will consist of two fee types - a System Development fee and a System Impact fee. The System Development fee will be based on the size (square footage) of the dwelling. This fee ensures that existing customers do not pay for future customers, i.e. growth pays for the costs of growth. The System Impact Fee will be based on the size of the meter. Tap fees will remain non-refundable, regardless of whether the service is in use or not. She added that HB25-1211 also has a provision that if the water demands on a property expand after the issuance of a tap fee, for a variety of reasons, the District can require a supplemental tap fee based on the expanded water demand. The option of offering a discounted System Development fee, should non-treated irrigation water be provided by other entities, was discussed. Manager Jones explained that by offering an irrigation discount, it will help meet the reduced fees requirement, but it is not necessary since the District is already meeting the requirements of HB 25-1211 through using the proportional fees based on square footage of the dwelling. Chairman Diffendaffer requested some clarification on the calculations and commented on resulting

complications when the state gets involved with setting of tap fees. Manager Jones stated that right now, this bill only applies to Special Districts, but that he expects this will expand to include municipalities in the future. The definition of irrigation water was questioned, with Manager Jones responding that it includes access to non-treated irrigation water, either through Grand Valley Irrigation Company (GVIC) or another entity, if the developers install such a system. Vice Chairman McElley asked how this bill came about and whether it was for water conservation purposes. Manager Jones responded that this bill most likely evolved from an issue between a Special District and a developer in a different part of the state. He added that the Board will need to decide at the August 14th meeting, as HB25-1211 had an effective date of August 6th, 2025. Assistant Manager Lenihan commented that one positive outcome of the bill is that the District has justification for the tap fees charged, backed by research and reasons for each fee, as opposed to just a set tap fee. Director Genova noted that the simplest method may be the best, and not to offer the irrigation discount. Discussion ensued on irrigation availability in the Whitewater area, with Assistant Manager Lenihan commenting that due to parcel selloffs, water rights may have been lost. The general idea is that the irrigation discount option will encourage developers to pursue non-treated irrigation water vs. using District water for landscaping, reducing the demand on District water. Chairman Diffendaffer questioned the effectiveness of the discount, as developing an irrigation system would cost more than the discount. It was noted that the District would already be in compliance with HB25-1211, even if the irrigation discount fee is not offered. Director Genova and Treasurer Slauson commented that using square footage as a determining factor is simple and easily understood. Chairman Diffendaffer noted that, from the District's perspective, there will be long-term benefits to encouraging customers to use non-treated irrigation. Discussion ensued on the percentage discount to be offered for having irrigation, with Finance Manager Wade noting that future growth will most likely be in Whitewater where irrigation is not always available. Director Genova asked if the District could follow up on developers that received the irrigation discount but never actually installed an irrigation system, and if the District could recoup that money? Finance Manager Wade responded that Resolution 25-12, presented to the Board for approval at the August 14th meeting, does contain broad language allowing the District to reassess tap fees. Chairman Diffendaffer commented that it is irresponsible for developers not to install irrigation if it is available. Finance Manager Wade added that similar bills have been passed across the country, and have been for a few years. The Board was in general agreement to keep the recommended tap fee tables as presented.

- SGM Proposal – Assistant Manager Lenihan explained that the District has been working with SGM to complete a site evaluation and revision of the flood plane map. This was all part of an overall effort to develop a master plan for the District site. SGM also took over hydraulic modeling for Whitewater. Engineer Schoeny's departure has prompted discussions for on-call utilization of SGM's services. He further explained that SGM is a local company, very responsive, and they are currently working with the Mesa County Whitewater Public Improvement District to develop a master plan for sewer, which goes hand-in-hand with what the District proposes to do in Whitewater. He added that assistance will be needed for a few upcoming projects, including the pedestrian bridge crossing, and the Desert Road pump station. This would involve project management and design. There would be no specific amount or lump sum, but rather service at per hour

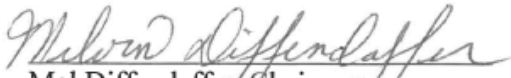
rates. He noted that even if Engineer Schoeny was still with the District, this would still have been necessary. Director Genova stated that hiring an engineer was done with the goal of reducing engineering fees. Assistant Manager Lenihan agreed that is was what staff also envisioned but it just did not work out that way. The District is big enough to need this type of engineering services, but not big enough to justify employing a team of engineers. Progress on filling the vacant position was discussed, with Manager Jones stating that staff are taking their time to ensure that there is a full understanding of what the District's needs are for this position. The District does have immediate needs that SGM can aid with. Treasurer Slauson clarified that there is no retainer fee, that it is basically pay-as-you-go, and Manger Jones confirmed this. He added that a master agreement is being drafted, and staff plan to request authorization at the August 14th meeting for him to sign the agreement. He stated that signing such an agreement does not commit the District to any payments unless a service is requested.

- Black & Veatch – America's Water Infrastructure Act (AWIA) proposal – Assistant Manager Lenihan stated as part of the AWIA, the District is required to complete a risk assessment every five years. This assessment is fairly complex, includes all assets and infrastructure, and is scored based on how crippling any specific malfunction would be on the system. Black & Veatch completed the District's assessment in 2021 and as they are familiar with how the District operates, staff will be requesting authorization from the Board at the August 14<sup>th</sup> meeting for Manager Jones to sign the final contract. Assistant Manager Lenihan further noted that the evaluation will take approximately nine months to complete and as the risk assessment will need to be completed by June 2026, an immediate start will be necessary. A cyber security assessment will also be included, and the entire assessment will have a cost of \$61k. Funding in the 2025 budget was originally designated for the transfer and internal hosting of the District's Geographic Information System (GIS) in a cost savings effort. This can be delayed and redirected to the cost of this assessment. The majority of this contract will be expended in 2026 and budgeted accordingly.
- Whitewater Inclusion Independent Mail Ballot – Manager Jones stated that staff are working towards finalizing the ballot, which includes a seven-page legal description of the boundary that Polaris Surveying completed on very short notice. Staff have been communicating with the printers (of the ballots) and are still aiming for the October 7<sup>th</sup> election date. As part of the election process, election judges will need to be appointed by the Designated Election Official (DEO). Two judges are required, but three are preferred, with one judge to be a sitting member of the District Board. Manager Jones further noted that Mesa County will provide a list of eligible electors that can serve as election judges. He asked the Board to review their schedules for October 7<sup>th</sup>.

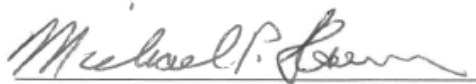
**ADJOURN WORKSHOP:**

Workshop Adjourned at 1:19pm by Chairman Diffendaffer.

**ATTEST:**

  
Mel Diffendaffer, Chairman

  
Dan McElley, Vice Chairman

  
Michael Slauson, Treasurer

  
Nick Genova, Director

  
Jeff Cook, Secretary