

MINUTES OF THE DECEMBER 10, 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 October 10th, 2025 Workshop to order at 12:01pm.

- Policy Updates

- Driver Eligibility Criteria Policy – HR Manager Pettingill discussed the new policy, explaining that the current policy relied heavily on management’s discretion, and the new policy outlines specific eligibility criteria with the goal of treating all staff equally. The District will maintain a subscription to a continuous monitoring system, but employees will be responsible for reporting violations or changes to their driver's licenses. She further noted that insurance companies provide guidelines for new hires only. This policy is based on these guidelines but adapted for existing employees. An “acceptable” Motor Vehicle Record (MVR) must be maintained by staff whose duties include driving, with the option of a remediation plan for those employees at “borderline”, and immediate removal from driving duties and possible termination for those employees at “poor”. She explained that a “careless driving” citation may not necessarily result in termination of employment. Employees can fight their citation(s) and inquiries can be made to the insurance company to see if that employee could still be covered. Director Genova commented that “careless driving” is a catchall that covers many violations, especially those that do not fit into specific categories. Vice Chairman McElley questioned the criteria, noting that staff can cover for an employee that is not able/allowed to drive. HR Manager Pettingill explained that staff from both Distribution and the Water Treatment Plant have on-call shifts and it would not be fair to expect staff to cover for a co-worker that is not allowed to drive. Manager Jones added that if an employee is uninsurable, they cannot drive a company vehicle. HR Manager Pettingill stated that in a case where employment is terminated due to careless driving citations, it will most likely have been preceded by other problematic behavior from that employee. Discussion ensued on the details of the policy, with it being noted that two speeding violations within a 12-month period

will result in insurance no longer covering that employee. If this staff member is employed in a department where driving is a part of the required duties, they will be terminated. Clarification was requested on whether it is a rolling or calendar period. Secretary Cook asked about monitoring devices in District vehicles. HR Manager Pettingill noted that no monitoring devices are currently being used, adding that most of the staff have pretty good driving records, and not many have violations. Vice Chairman McElley voiced his disagreement with the eligibility criteria and expressed his preference for maintaining the option of using management's discretion. Director Genova stated that the District would be exposed to liability by retaining a staff member that is no longer insurable. HR Manager Pettingill again stressed the need for a policy that treats all staff the same and move away from leaving outcomes up to management's discretion, adding that it could lead to lawsuits. Chairman Diffendaffer questioned which violations are considered "careless driving" and requested that a list of violations, that could result in a "careless driving" citation, be added to the policy. Director Genova suggested checking with the District's insurance company to see which violations would make an employee uninsurable and modify the policy accordingly. The policy was tabled.

- Addendum to the Employee Handbook – HR Manager Pettingill explained that the definition of overtime is being updated as any hours *worked* over 40 hours in a workweek. This is due to the changes in taxation of overtime and IRS rules. The Board voiced no objections to this addendum and it will be presented for approval at the December 11th meeting.
- Cell Phone Reimbursement & Protective Footwear Reimbursement Policies – The main change in the cell phone policy involves a cap of \$35. The footwear policy update involved replacing the fixed reimbursement amount on protective footwear with a budget-based amount. The Board had no objections to these updates.
- Colorado Open Records Act (CORA) Policy – The rate has been increased to \$41 per hour and the addition of a deposit requirement for any request that involves a large volume of documents. The Board agreed to this update.
- District Bylaws Update – Brief discussion on the updates to the Bylaws which mostly involved clarifications. HR Manager Pettingill noted that a recording secretary will need to be elected and this has been placed on the Agenda for the December 11th meeting.
- Finance Manual – Finance Manager Wade explained that one of the audit outcomes included the need to shore up internal controls and finance policies. All the policies and procedures have been put together to create the District finance manual and that has been submitted to the auditors for review. The manual includes the Budget Overrun procedure, Capital Assets policy, Investment Policy, Grant Procedure, Purchasing Policies, and the Reserve policy. She explained that the Investment Policy was needed to ensure the District follows state laws on investments, including limiting investments to safe options and insured accounts as part of showing accountability of public funds. The Grant Procedure policy outlines evaluation of grant options and to ensure compliance with any Federal grants. The Reserve Policy ensures enough funding is available for six months of operating

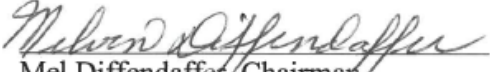
expenses. Should the District dip below that threshold, procedures for Board notification are listed along with a plan for replenishment. Manager Jones noted that should this ever occur, the Board will be aware of it well ahead of time. Finance Manager Wade explained that once the finance manual is approved, updates to policies can be approved piece by piece as necessary. She further noted that this manual will keep the auditors happy and there is comfort in having set policies and procedures. The Board thanked Finance Manager Wade for compiling the finance manual.

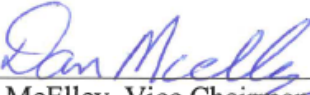
- Rules and Regulations (Draft) – Manager Jones explained that the District’s Operations Manual currently in place needed updating and the Rules and Regulations presented for review today is meant to replace the Operations Manual. He added that the Operations Manual included items that were relevant to customers but also some internal items relating to the Board and District employees. The goal was to have a set of Rules and Regulations that covered operations as it relates to customers and/or developers, which would then be published on the District’s website. He noted that continuous revision is expected, but it is meant to serve as a guideline rather than attempting to detail every possible scenario. Discussion ensued on multiple family services, specifically trailer parks. Manager Jones explained that currently the District has a few trailer parks where only one meter serves the entire park, and park management can add their own individual meters on their side. Vice Chairman McElley questioned shutting off water for non-payment of a tap fee on an additional dwelling unit (ADU). Manager Jones responded that there is actually just such a case pending in the District and it also involves payment of a sewer tap fee. He added that the District has been working with Mesa County to avoid similar situations in the future, noting that there is a difference between customers that are simply unaware of the rules, and those that are fully aware and proceed with building an ADU in secrecy. Brief discussion ensued on recreational vehicles and campers, with Manager Jones commenting that some of these situations are tricky. The Board was in agreement to present the Rules and Regulations for Board approval at the December 11th meeting.
- Water Treatment Plan Effluent Pumping/Controls Project Proposal Scoring – Assistant Manager Lenihan explained that two bids were received for this project, with CDM Smith the successful respondent. The review committee for proposal scoring consisted of Assistant Manager Lenihan, Water Treatment Plant Supervisor Brown, Water Treatment Plant Lead Bishop, Finance Manager Wade, and Manager Jones. As the District will be applying for a state revolving loan fund (SRF), the scoring categories were driven by the requirements as set forth by Colorado Department of Public Health and Environment (CDPHE). He noted that both firms submitted very good proposals, with JVA Engineers including alternative design ideas. The scoring was done without any knowledge of the final estimated cost – that information was kept in a separate envelope and opened only after scoring was completed. Staff are currently negotiating the contract with CDM Smith and also exploring the option of including funding support services where they will assist with completion of the SRF application. Assistant Manager Lenihan noted that CDM Smith is very responsive and easy to work with. They also focus on operator involvement, asking for staff input throughout. CDM Smith does 100% of the work, with no subcontracting. He noted that staff will be requesting authorization from the Board at the December 11th meeting to allow Manager Jones to sign the contract once final edits have been done.

ADJOURN WORKSHOP:

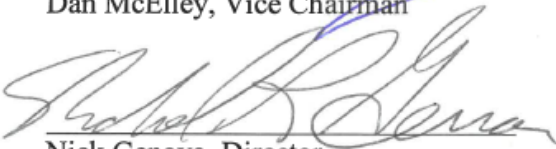
Workshop Adjourned at 1:27pm by Chairman Diffendaffer.

ATTEST:


Mel Diffendaffer, Chairman


Dan McElley, Vice Chairman


Michael Slauson, Treasurer


Nick Genova, Director


Jeff Cook, Secretary