MINUTES OF THE BOARD OF DIRECTORS REGULAR MEETING

CLIFTON WATER DISTRICT

OCTOBER 8TH, 2026

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

ABSENT: Michael Slauson (*excused*).

STAFF MEMBERS PRESENT: Blair Wade, Jake Lenihan, Jennifer Pettingill, Ty Jones, Stephen Silva, Michael Simpson, and Rene Fick.

GUESTS PRESENT:

REGULAR MEETING – CALL TO ORDER

Chairman Diffendaffer called the October 8th, 2026, Regular Meeting to order at 5:00pm.

MINUTES OF THE SEPTEMBER 10TH 2026 REGULAR MEETING

Secretary Cook moved to approve the Minutes of the September 10th Regular Meeting, seconded by Director Genova. Motion carried unanimously.

FINANCIAL REPORT

Chairman Diffendaffer moved to approve the Accounts Payable checks, in the amount of $630,100.28 seconded by Secretary Cook. Motion carried unanimously.

FINANCE DEPARTMENT

Finance Staff Report

- Financial Summary – Finance Manager Wade stated that, as of the end of August, total operating revenue collected was at 73.6% of the budget, with non-operating revenue at 58.2%. The District has expended 65.1% of the operating budget, and 49.9% of the non-operating budget.

- FY2027 Draft Budget – Finance Manager Wade briefly explained the changes to this version vs. the one discussed at the September 2nd, 2026 Workshop. The changes in revenue include an increase for Clifton Sanitation District billing administration, base and tiered rates, and the flat fee for tap installations performed by the District. Expenses decreased due to

reductions in the cost of employee benefits, and the meters budget. The notice of public hearing regarding the proposed budget, to be held on November 12th, was published in the Grand Junction Sentinel.

HUMAN RESOURCES DEPARTMENT

Human Resources Staff Report.

- Water Treatment Plant Lead – This position was filled today.

- Personnel Committee – HR Manager Pettingill explained that reviews will start soon and a timeline will be sent out to committee members.

- Domain change – The District's .gov domain went live today. Customers that visit the .org website will be re-directed to the new .gov website.

ENGINEERING/CONSTRUCTION DEVELOPMENT

Engineering Report

- Desert Road Pump Station Project – Assistant Manager Lenihan noted that work is estimated to start November 1st, with the expectation that this project will carry over into 2027. The FY2027 budget has been adjusted accordingly.

- Storage Tank Project – Staff are working with engineering firm SGM on design of a new tank, with sizing based on average daily demand combined with peak demand, the industry standard for fire protection volume, and allowing room for growth. A 400k gallon tank was determined to best suit the District's needs while also minimizing water age. The new tank location has been selected, and soil samples are being pulled at the site for testing.

- River Intake Feasibility Study – The District was awarded this grant and will start working with SGM to see what changing the intake structure will entail.

- On-site Chlorine Generation Feasibility Study – Assistant Manager Lenihan stated that this study is looking promising. The District's current facility can accommodate on-site production, and no new building will be needed. The next step involves determining sizing and overall costs involved.

- Mesa County 32 ½ Rad Improvement Phase II – This project is set to start next week. Due to a new development planned for that area, the District has determined that the current 6" main line will need to be upsized to 8" due to this recent development inquiry. Staff received the preliminary site plan about a week prior to the initial project start date. The District is working with the developer, Mesa County, and Mountain

Valley Contracting and the developer is aware that compensation will be due for this size upgrade.

- Water Treatment Plant Project Update – The public hearing for the Project Needs Assessment (PNA) will be held at the November 12th meeting. This hearing is a requirement of the State Revolving Loan Fund application, with the purpose of informing the public of the project impact, and to solicit input. Staff are waiting on the final contract that will contain the guaranteed maximum price. The estimated cost is $17.9 million, and staff will seek Board approval to sign this contract at the November meeting. Brief discussion followed regarding the State Revolving Loan Fund rate increase and reduction in the loan forgiveness amount since staff initially started looking into this funding option. Alternative funding mechanisms are being reviewed, including bonds and direct loans. Finance Manager Wade commented that the reserves held by the District show a healthy financial situation, providing proof of stability and the ability to repay loans.

OPERATIONS

- August 2026 Operations Update – Assistant Manger Lenihan noted that demand is decreasing to around 3.3 million gallons per day. The District will start discussing water supply with the City of Grand Junction soon. He added that treatment plant staff has a long list of projects to be completed while the plant is offline.

ADMIN/OFFICE

Manager's Report

  - Shoshone Purchase update – Manager Jones briefly noted that the water court date is set for June 2028 with the hopes of settling this through mediation prior to that date.

  - Colorado River negotiations – Brief discussion on the funding contribution from the US Bureau of Reclamation for voluntary cuts on water usage and the recent emphasis on creating long term solutions vs. single year contributions.

- Cell Tower lease request – Verizon representatives have approached the District regarding possible cell tower locations on District owned land. Manager Jones explained that this is a preliminary request and noted the possibility of placing District data collectors on these proposed towers. As the collectors will be placed much higher, it will allow them to reach more meters. The Board agreed to pursue discussions with the Verizon representatives on this request.

- Resolution 2026-22 To Appoint the Designate Election Official (DEO) for the 2027 District Election – Manager Jones explained that this Resolution appoints Front Office Manager Michael Simpson as DEO and HR Manager Pettingill as Deputy DEO. Chairman Diffendaffer moved to adopt Resolution 2026-22 To Appoint the Designate Election

Official (DEO) for the 2027 District Election, seconded by Director Genova. Motion carried unanimously.

ADJOURN MEETING

Meeting Adjourned at 6:04pm by Chairman Diffendaffer.

ATTEST:

Mel Diffendaffer, Chairman

Dan McElley, Vice Chairman

Absent, excused

Michael Slauson, Treasurer

Jeff Cook, Secretary

Nick Genova, Director