



Perry Park Water and Sanitation District
5676 West Red Rock Drive
Larkspur, Colorado 80118
www.ppwsd.org

Regular Meeting – June 21, 2017

Board Members Present

Craig Johnston
Judy LaCrosse
Jim Matchett
Andy Morris

Visitors

James Maras
Julia McCusker

Excused Absence

Gary Peterson

Staff / Consultants in Attendance

Eric Barnes – Barnes Griggs & Associates, PC
Diana Miller – District Manager
Scott Monroe – Semocor, Inc.

1.0 Call To Order

The meeting was called to order at 16:30.

2.0 Audience Participation

Mr. Maras brought to the Board's attention, a federal protection law that may impact the District on properties that overlap with another water and sewer provider.

3.0 New Business and Open Items

3.1 Meeting Minutes – A motion was made and seconded; (RESOLUTION 17-033) TO APPROVE THE MINUTES OF THE MAY 17, 2017 REGULAR BOARD MEETING OF THE PERRY PARK WATER AND SANITATION DISTRICT AS PRESENTED. The motion passed unanimously.

3.2 Disbursements – A motion was made and seconded; (RESOLUTION 17-034) TO RATIFY ELECTRONIC PAYMENTS DATED JUNE 7, 2017 IN THE AMOUNT OF \$8,534.11 WHICH WERE PREVIOUSLY DISBURSED FROM 1ST BANK. The motion passed unanimously.

A motion was made and seconded; (RESOLUTION 17-035) TO APPROVE CHECKS 11608 THRU 11633 IN THE AMOUNT OF \$99,905.09 TO BE DISBURSED FROM 1ST BANK. The motion passed unanimously.

In reference to check 11626, issued to TST Infrastructure, LLC, Director Morris requested additional information on the Construction Standards Update item. The

District Manager advised the Board that a number of updates had been made to the Standards and Specifications during the recent local improvement district project, as well as some items that had been identified by the District that needed clarity, were being incorporated into the District's Standards and Specifications.

In reference to check 11632, issued to Xylem Water Solutions USA, Inc., Director Matchett requested additional information on the item Redwood Skimmers. Mr. Monroe advised that the Redwood Skimmers were replacement skimmers for the clarifier at the Waucondah Wastewater Treatment Plant.

A motion was made and seconded; (RESOLUTION 17-036) TO APPROVE CHECKS 11634 thru 11635 IN THE AMOUNT OF \$168,182.98 TO BE DISBURSED FROM 1ST BANK. The motion passed unanimously.

A motion was made and seconded; (RESOLUTION 17-037) TO RATIFY CONSENT AGENDA ITEMS DATED MAY 19, 2017 IN THE AMOUNT OF \$6,014.52 AND CONSENT AGENDA ITEMS DATED JUNE 2, 2017 IN THE AMOUNT OF \$6,460.42 AND CONSENT AGENDA ITEMS DATED JUNE 16, 2017 IN THE AMOUNT OF \$6,460.42 WHICH WERE PREVIOUSLY DISBURSED FROM WELLS FARGO BANK. The motion passed unanimously.

- 3.3 2016 Audit – Mr. Eric Barnes with Wagner Barnes & Griggs, PC, attended the Board Meeting to present the 2016 Financial Statements and the results of the 2016 Audit. Mr. Barnes noted that Schilling & Company, Inc. performs the audit preparation, as well as the financial statement preparation for the District. Mr. Barnes noted that there were no adjustments to the financial statements necessary. Mr. Barnes advised the Board that Barnes Griggs & Associates, PC would be issuing an Independent Auditors' Report, signifying that the financial statements are free of material misstatements and in accordance with GAAP (Generally Accepted Accounting Principles).

Mr. Barnes highlighted the key components of the financial statements. Mr. Barnes observed that the District has “ample current assets to meet its obligations” and the auditor's opinion is the “best opinion we can get”.

Mr. Barnes noted that the control procedures for the District are as good as a small district can implement. Mr. Barnes also emphasized the importance of the Board's diligence in their review of financial information.

In reference to the NOTE 8 – TAX, SPENDING AND DEBT LIMITATIONS section of the Financial Statements, Director Johnston requested clarification on why the note includes “The District does not believe that it qualifies as a TABOR Enterprise” if the District has De-Bruced. Mr. Barnes offered that he would discuss Director Johnston's observation with Schilling & Company, Inc. and any appropriate change to the Financial Statements would be incorporated.

A motion was made and seconded; (RESOLUTION 17-038) TO ACCEPT THE 2016 AUDIT AS PRESENTED AND TO AUTHORIZE THE DISTRICT MANAGER TO FACILITATE THE FINAL VERSION OF THE AUDIT AND SUBMIT IT TO THE STATE. The motion passed unanimously.

3.4 Funding Discussion – The Board reviewed the Financial Management Plan Board Meeting Follow-Up presentation prepared by Mr. Dempsey with Ehlers. The District Manager advised the Board that she had requested that Mr. Dempsey compile additional data, General Obligation Bonds versus 20-Year Certificates of Participation versus 15-Year Certificates of Participation. The District Manager advised that comparative data for the three financing options were available for their review. Comparisons were presented for Financing Costs and Customer Water and Sewer Monthly Bills. The District Manager then provided a list of pros and cons for the three options prepared by Mr. Dempsey. The Board agreed that additional discussion would be helpful. The District Manager suggested that a work session be scheduled, because a drop-dead date of July 28, 2017 to notify the Douglas County Clerk of the District’s participation in the upcoming election was rapidly approaching. The Board concurred.

The Board reviewed the Notice of Meeting to Consider Tap Fee increases, Development Fee increases and Other Fee increases that the Board will consider at the August 16, 2017 Regular Board Meeting.

The following are possible Fee Increases:

Water Tap Fee	Increase by	\$150.00
Sewer Tap Fee	Increase by	\$150.00
Water Development/Core Fee	Increase by	\$1,675.00
Sewer Development/Core Fee	Increase by	\$825.00
Standard Meter Set Fee	Increase by	\$50.00
One inch Meter Set Fee	Increase by	\$50.00
Permit Review Fee	Increase by	\$50.00
Water Tape Fee	Increase by	\$5.00
Sewer Tape Fee	Increase by	\$5.00

A motion was made and seconded; (RESOLUTION 17-039) TO CONSIDER POSSIBLE TAP FEE, DEVELOPMENT/CORE FEE, METER SET FEE, PERMIT REVIEW FEE AND TAPE FEE AT THE AUGUST 16, 2017 REGULAR BOARD MEETING. The motion passed unanimously.

3.5 Gove Ditch – Delay Request – The Board reviewed a letter from Petros & White, LLC legal counsel for AR Sandstone, LLC requesting that the District delay any change of water right application for Gove Ditch until the end of calendar year 2017. After a brief discussion on the accommodations that the District had made for AR Sandstone Ranch, LLC previously, the Board concluded that Mr. Alan Hill the District’s legal counsel for water related matters, should move forward without delay.

3.6 Remuda Ranch Update – The District Manager advised the Board that she and Mr. Monroe had met with Mr. Wiens several times over the last few months to discuss his desire to move the Remuda Ranch development forward. Mr. Wiens had concluded that to make the development cost effective the lot size should be reduced and the location of the development should change. With that in mind the Board reviewed draft proposals from Mr. Wiens showing the new lot configuration. The District Manager advised the Board that Mr. Wiens had commissioned an

updated feasibility study. Mr. Monroe noted that the property included in the new proposal was the exact size as the current configuration. Mr. Monroe added that the reduced lot size was beneficial to the operations of the District. The District Manager advised the Board that the next steps would be to exclude the current Remuda Ranch development and include the new Remuda Ranch development proposal. The District Manager offered that Mr. Wiens would be formally petitioning the District for the exclusion and inclusion.

- 3.7 Greenland Ranch Ground Water Extraction – The Board reviewed a letter from Ms. Tricia Bernhardt expressing her concern about the impacts to ground water well users from large amounts of water being extracted from Greenland Ranch and piped outside of the area. The District Manager advised the Board that Ms. Bernhardt and The Town of Larkspur had requested an audience with the Board at the July 19, 2017 Regular Board Meeting. The Board agreed to their request.

4.0 Operational Status

- 4.1 Perry Park Water and Sanitation District Systems Report – The members of the Board reviewed the monthly operations report which was presented by Mr. Monroe.
- 4.2 Monthly Staff Report – The members of the Board reviewed the Monthly Staff Report that was presented by the District Manager.

5.0 Old Business/Immediate Issues – There was none.

- 6.0 Adjournment** - A motion was made and seconded; (RESOLUTION 17-040) TO ADJOURN THE REGULAR MEETING. The motion passed unanimously. The meeting adjourned at 18:02.

Secretary, Judy LaCrosse