



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

Regular Meeting September 20, 2023

Board Members Present

Brian Arthurs
Tony Lucas
James Maras
Jim Matchett

Visitors

Brett Patrick
Mark Story

Excused Absence

Gary Peterson

Staff / Consultants in Attendance

Diana Miller – District Manager
Will Parker – Semocor, Inc.

1.0 Call To Order

The Regular Board Meeting was called to order at 14:00.

2.0 New Business and Open Items and Operational Status

- 2.1 Meeting Minutes – A motion was made and seconded; (RESOLUTION 23-061) TO APPROVE THE MINUTES OF THE AUGUST 16, 2023, REGULAR BOARD MEETING OF THE PERRY PARK WATER AND SANITATION DISTRICT AS AMENDED. The motion passed unanimously.

In reference to Section 2.7 – Spring Canyon Feasibility Study Water Service Issues, Director Arthurs noted that the sentence ending in “outstanding” was incomplete. The District Manager amended the sentence to “outstanding issue”.

- 2.2 Disbursements – A motion was made and seconded; (RESOLUTION 23-062) TO APPROVE ELECTRONIC PAYMENTS DATED AUGUST 11, 2023, IN THE AMOUNT OF \$22,832.15 AND ELECTRONIC PAYMENTS DATED SEPTEMBER 7, 2023 IN THE AMOUNT OF \$11,190.71 AND ELECTRONIC PAYMENTS DATED SEPTEMBER 11, 2023 IN THE AMOUNT OF \$926.00 WHICH WERE PREVIOUSLY DISBURSED FROM 1ST BANK. The motion passed unanimously.

A motion was made and seconded; (RESOLUTION 23-063) TO APPROVE CHECKS 13894 THRU 13917 IN THE AMOUNT OF \$163,027.63 TO BE DISBURSED FROM 1ST BANK. The motion passed unanimously.

A motion was made and seconded; (RESOLUTION 23-064) TO RATIFY CONSENT AGENDA ITEMS DATED AUGUST 18, 2023, IN THE AMOUNT OF \$8,293.99 AND CONSENT AGENDA ITEMS DATED SEPTEMBER 1, 2023 IN THE AMOUNT OF \$8,892.79 WHICH WERE PREVIOUSLY DISBURSED FROM WELLS FARGO BANK. The motion passed unanimously.

- 2.3 High Water Bill – 6526 Wauconda Drive – The District Manager provided the Board with usage and billing history for the account. The District Manager advised the Board that their meter had been tested for accuracy at high, medium and low flows. The District Manager offered that the meter tested with 100% accuracy at all flows. The Board discussed the information and agreed that the billing should not be adjusted at this time. The Board added that Mr. Cassidy could appeal to the Board at the next Board Meeting.
- 2.4 2024 Budget – The Board reviewed and discussed the 2024 Budget Message and Budget. Director Lucas suggested that the expected buildout of the District be reduced to 2,500. Director Arthurs advised that the District uses an accrual basis for accounting not a modified accrual basis. Director Arthurs suggested that Tap and Development Fees be reclassified to Non-Operating Revenue. Director Arthurs suggested that Computer Software & Support be reclassified to Administrative Expense. Directors Arthurs noted that the Services Provided Revenue and Expense accounts were remaining close.
- 2.5 Resolution – Opposition to the Statewide Proposal, Proposition HH – The District Manager presented the Board with a revised draft of the resolution in opposition to proposition HH that had been prepared by Director Arthurs. The Board agreed that the changes made by Director Arthurs were very good. Director Maras offered that the SDA (Special District Association), of which the District is a member, strongly opposes passage of Proposition HH. The District opposes Proposition HH because of its negative impacts to funding water and sewer infrastructure. The following resolution was made, approved and passed unanimously:

RESOLUTION NO. 2023-09-001

RESOLUTION OF THE PERRY PARK WATER AND SANITATION DISTRICT

IN OPPOSITION TO THE STATEWIDE PROPOSAL, PROPOSITION HH

WHEREAS, the vast majority of local governments, but not the State of Colorado, levy a property tax to support essential public services and infrastructure;

WHEREAS, special districts are more dependent on property tax revenue than any other type of local government, as it is often their primary or even sole source of revenue;

WHEREAS, inflation from 2020 to 2023 has increased by nearly 18 percent and special districts have not benefitted from increased sales and use tax receipts to offset increased costs of labor, materials, and services;

WHEREAS, special districts played a historic role in responding to the demands of the COVID-19 pandemic, but received few, if any, federal relief funds;

WHEREAS, Proposition HH will mandate reductions in local property taxes for at least ten years, resulting in billions of dollars of lost revenue for local governments without any reduction in service obligations;

WHEREAS, Proposition HH will increase the State's TABOR spending limit, allowing the State to spend billions of dollars more than it did before, while placing a property tax revenue limit lower than allowed by TABOR on local governments;

WHEREAS, the ballot question for Proposition HH indicates that local governments will be reimbursed from state funds for lost property tax revenue, but that those reimbursements are a small percentage of the billions of dollars more that the State will retain, and that most special districts will be ineligible for reimbursements early in the ten-year period of Proposition HH;

WHEREAS, special districts have collaborated with their local voters to propose and approve property taxes, or to retain and spend revenues therefrom, to support services, facilities and infrastructure needed and desired by the community and, more generally, to support public health, welfare, and safety; and

WHEREAS, Proposition HH undermines the short and long-range planning efforts of Colorado's special districts that are necessary to absorb inflationary pressures, to increase salaries and compensation for employees, to support existing and grow new public programs, to construct and maintain government infrastructure, and to respond to the needs and emergencies of Colorado's communities.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PERRY PARK WATER AND SANITATION DISTRICT AS FOLLOWS:

1. It is the position of the Board of Directors of the Perry Park Water and Sanitation District that special districts and their constituents are best suited to determine the revenues necessary to meet the needs, expectations, and demands of the communities they serve.
2. The Board of Directors recognizes that special districts are accountable to their local voters, who may take action if the taxes they pay are not warranted for the services, facilities, and infrastructure provided by special districts in their communities.
3. Proposition HH will have a negative impact on the Perry Park Water and Sanitation District's ability to plan for the future, invest in infrastructure, and maintain affordable rates. The proposition will divert property tax revenue away from the district and into state programs, which will make it more difficult for the district to fund capital improvement projects and mitigate the effects of inflation and rising interest rates. Delaying capital improvements could lead to service interruptions and costly repairs in the future. Additionally, delays attributable to this Proposition, will raise future costs of day-to-day operations, and make it more difficult for the district to provide adequate services.
4. The Board of Directors believes that Proposition HH diminishes the ability of the Perry Park Water and Sanitation District to provide the vital water and sanitation services, maintain and update water and wastewater treatment, distribution facilities, collection infrastructure, and customer services that the public needs, expects, and demands; and, therefore, the Board strongly urges a NO vote on Proposition HH at the statewide election on November 7, 2023.

2.6 Larkspur Fire Protection District – 3 Inch Fire Sprinkler Tap – The Board reviewed a request from Mr. Bill Diershow, the Larkspur Fire Protection District Fire Marshall, for the cost associated with a 3 inch, fire sprinkler tap. It was discussed that the fire station on West Red Rock Drive (next to the District Office) already has a fire sprinkler system installed, that is not hooked into the District’s water system. The Board reviewed tap fee information compiled by TST Infrastructure, LLC regarding other District’s fire sprinkler systems tap fees.

- Castle Rock – No fire line tap fee indicated or no monthly water fees for fire lines
- Centennial Water and Sanitation District - No fire line tap fee indicated or no monthly water fees for fire lines
- Parker Water and Sanitation District - No fire line tap fee indicated or no monthly water fees for fire lines
- Roxborough Water and Sanitation District - No fire line tap fee indicated or no monthly water fees for fire lines
- Denver Water – No tap fee charge, Monthly fee for fire line as well as consumption charge
- Pueblo – No tap fee charge, monthly fee for fire line
- Broomfield – Charge a tap fee for a fire line as well as a monthly service fee. The tap fee does not include the “water supply” fee as their tap fees are separate from the water supply fees.

A motion was made and seconded; (RESOLUTION 23-065) THE LARKSPUR FIRE PROTECTION DISTRICT PROVIDES A BENEFICIAL SERVICE TO ALL CUSTOMERS IN THE PERRY PARK WATER AND SANITATION DISTRICT, THE LARKSPUR FIRE PROTECTION DISTRICT IS A NOT FOR PROFIT ORGANIZATION, CONSISTENT WITH OTHER WATER DISTRICT’S IN COLORADO, THE 3 INCH WATER TAP FEE FOR A FIRE SPRINKLER SYSTEM FOR THE LARKSPUR FIRE PROTECTION DISTRICT WILL BE ZERO. The motion passed unanimously.

2.7 Conceptual Cost Estimate for Bannock Local Improvement District (LID) – The Board reviewed a conceptual cost estimate spreadsheet prepared by TST Infrastructure to provide the Board with an estimate of engineering design costs for water and sewer utilities and construction monitoring costs for water and sewer utilities for the potential Bannock LID. The Board has historically contributed funds for these items, however because the total estimated project cost estimates are so high, Douglas County wanted to get a sense from the Board if they would again consider contributing these items to the LID if the project can be funded. The Board expressed doubt that the project could be funded but suggested that they may contribute these items again if funds are available at that time. The current estimate for these items is \$460,000. Director Maras suggested that another tap and development fee review is necessary. The District Manager advised that tap and development fees had already been reviewed and established for 2024.

2.8 Spring Canyon Feasibility Study Water Service Issues – The Board reviewed and discussed the cost estimates prepared by TST Infrastructure, LLC for main line extensions that would address known and potential fire flow issues in the District. The Board concluded that the option to change the PRV location as opposed to

extending water mains for the proposed Spring Canyon development is the most effective option for the District.

- 2.9 District Systems Report – The members of the Board reviewed the District Systems Report that was presented by Mr. Will Parker.

Mr. Parker advised the Board that Excel Pump Services had performed scheduled maintenance on the Hog John tank valves and valves at the Gleve Grove Water Treatment Plant.

Mr. Parker noted that he would be taking SOUR (Specific Oxygen Uptake Rate) tests in October at the District's Wastewater Treatment Plants.

- 2.10 Monthly Staff Report - The members of the Board reviewed the Monthly Staff Report that was presented by the District Manager.

Director Maras requested clarification on the purpose of the \$100,000 withdrawal from the District's Colotrust Account. The District Manager advised that the funds were transferred into the District's 1st Bank checking account to cover disbursements.

- 2.11 Audience Participation – Mr. Mark Story attended the Board Meeting to ask if there were any additional conditions not included in the Independence Court feasibility study that he had received. The District Manager advised that she had e-mailed him the final version of the feasibility study and the study included all conditions discussed at the August 16, 2023 Regular Board meeting. The Board expressed their interest in the results from the low pressure sewer system.

Mr. Brett Patrick the project owner of the Bear Ridge Development attended the Board meeting to provide the Board with an update on the Bear Ridge Development project. He advised that the extremely wet spring and summer months had presented challenges to their construction progress.

- 2.12 Board Member Discussion Items – Director Arthurs requested that the Board Meeting agenda be supplied as early as possible. Director Arthurs offered that both he and Director Maras had volunteered for the new Douglas County Water Commission. Director Arthurs requested confirmation that the District's website was ADA (Americans with Disabilities Act) compliant. The District Manager advised that they had completed ADA compliance improvements, but she would confirm that all necessary improvements had been made.

- 3.0 Adjournment** - A motion was made and seconded; (RESOLUTION 23-066) TO ADJOURN THE REGULAR MEETING. The motion passed unanimously. The meeting adjourned at 16:15.

Secretary, James Maras