



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

Regular Meeting – June 19, 2024

Board Members Present

Brian Arthurs
Tony Lucas
Julia McCusker
James Maras
Gary Peterson

Visitors

Matt Amaturro
Al Michel

Staff / Consultants in Attendance

Eric Barnes – Fiscal Focus Partners, LLC
Jay Blackburn – Level Engineering
Diana Miller – District Manager
Will Parker – President, Semocor, Inc.

1.0 Call To Order

The Regular Board Meeting was called to order at 14:03.

2.0 New Business and Open Items and Operational Status

- 2.1 Meeting Minutes – A motion was made and seconded; (RESOLUTION 24-042) TO APPROVE THE MINUTES OF THE MAY 15, 2024, REGULAR BOARD MEETING OF THE PERRY PARK WATER AND SANITATION DISTRICT (PPWSD) AS PRESENTED. The motion passed 4-0. As Director Peterson was not in attendance at the May 15, 2024 Regular Board Meeting he abstained from the vote.
- 2.2 Disbursements – A motion was made and seconded; (RESOLUTION 24-043) TO APPROVE ELECTRONIC PAYMENTS DATED MAY 20, 2024 IN THE AMOUNT OF \$8,402.29 AND ELECTRONIC PAYMENTS DATED JUNE 10, 2024 IN THE AMOUNT OF \$12,322.25 WHICH WERE PREVIOUSLY DISBURSED FROM 1ST BANK. The motion passed unanimously.

A motion was made and seconded; (RESOLUTION 24-044) TO APPROVE CHECKS 14142 THRU 14164 IN THE AMOUNT OF \$286,909.66 TO BE DISBURSED FROM 1ST BANK. The motion passed unanimously.

In reference to check 14143, issued to Curtis, Justus, & Zahedi, LLC, Director Arthurs raised the issue of receiving legal counsel regarding potential revenue opportunities without receiving reimbursement from the initiating party. The District Manager offered that at times legal counsel is needed to advise the District as part of the cost of doing business, but deferred to the Board for guidance. There was concurrence that legal counsel was necessary prior to some discussions but there

should be a clear delineation of when legal counsel advice should be the responsibility of the initiating party. The District Manager added that the draft version of the revised Rules and Regulations provided improved guidance for such instances.

In reference to check 14147, issued to Fischer Enterprises, Inc., Director Peterson highlighted the expenses associated with *Poncho Well piping* and requested clarification on the work performed. The District Manager advised that this was related to the raw water piping from the new well to the Sageport Water Treatment Plant (Sageport WTP). Director Maras noted that the piping completed was from the Sageport WTP to his property line. Mr. Parker advised that there were a number of field changes to the water line extension, related to inaccurate District "as built" drawings, the pipe material and the need to upsize the pipe.

A motion was made and seconded; (RESOLUTION 24-045) TO APPROVE CHECKS 14165 THRU 14170 IN THE AMOUNT OF \$17,393.80 TO BE DISBURSED FROM 1ST BANK. The motion passed unanimously.

A motion was made and seconded; (RESOLUTION 24-046) TO RATIFY CONSENT AGENDA ITEMS DATED MAY 24, 2024 IN THE AMOUNT OF \$9,455.02 WHICH WERE PREVIOUSLY DISBURSED FROM WELLS FARGO BANK. The motion passed unanimously.

2.3 Well Updates – Mr. Jay Blackburn with Level Engineering updated the Board on the following projects:

Regarding the Dakota Well project, Mr. Blackburn advised that the new Dakota well is not connected to the distribution system at Country Club Drive because the 6" transmission line from the well to Country Club is either broken or disconnected. Semocor and Level discovered this back in the spring when running water through the system during preliminary startup.

The transmission line needs additional chlorine contact time, to resolve, 50 LF (linear feet) of 24" contact piping will be installed near the wellhouse by Fischer to make the system compliant with CDPHE (Colorado Department of Health and Environment) regulations.

The BDR (Basis of Design Report) will be submitted to CDPHE once construction is complete. After the BDR is reviewed and approved by CDPHE the well will be ready for continuous use.

Regarding the Poncho Well project, Mr. Blackburn advised that there were some delays to the start of construction due to Douglas County permitting issues. The District and Level offered that Douglas County had overreached when requesting the District acquire additional permanent easement area from Ms. Robin Maras and Mr. Jim Maras the impacted property owners, before approving the submitted plans. The issue Douglas County had raised was resolved. Douglas County approved the plans without further comment. This delay prevented the initial site work from beginning as presented on Hydro's original schedule.

Additionally, there was a two week delay due to discovered soil conditions at the well pad location. Mr. Blackburn advised of the presence of unsuitable material (highly organic, unstable) throughout a portion of the work area ultimately resulted in approximately \$20,000 and two weeks of unplanned earthwork to stabilize the well pad area. The unsuitable soil was not identified in the preliminary geotechnical analysis because Kumar and Associates, an industry leading and local geotechnical firm, was not able to access the well pad location with drilling equipment before the construction access road was constructed.

A point was raised by a Board Member that this should have been detected during the initial geotechnical analysis. Mr. Blackburn offered that the District could have spent more funds doing exploratory excavation throughout the site and still not understand the extent of unsuitable material at the well pad location; thus leaving the District in the same position, potentially spending more funds unnecessarily.

Mr. Blackburn offered that it is not uncommon to need to adapt to unknown subsurface/soil conditions but is typically unavoidable on most large projects.

Regarding the raw water T-main upsize at Tenderfoot Drive, based on the unexpected location and material type (6" ACP (Asbestos Concrete Pipe)) Fischer was required to remove and install approximately 70 additional linear feet of waterline. The change order reflects the actual quantity installed based on the field changes. This work is complete, and the positive result is that all of the waterline's capacity has increased to handle additional raw water flows.

2.4 Execute Agreement for Temporary Use of Septic System – Ada Lane – The Board reviewed and discussed an excerpt from the February 21, 2024, Regular Board meeting minutes regarding the request for a variance from the District's Comprehensive Master Plan to allow the use of a septic system as opposed to requiring the property owner to extend the District's sewer main. The Board reviewed and discussed the Agreement for Temporary Use of Septic System. Director Peterson requested that the agreement be modified to reflect a two-year approval period for the District as opposed to five years. The District Manager offered that she would manually make the change to the current agreement and will permanently make the change to the agreement going forward. A motion was made and seconded; (RESOLUTION 24-047) TO EXECUTE THE AGREEMENT FOR TEMPORARY USE OF SEPTIC SYSTEM BETWEEN THE PERRY PARK WATER AND SANITATION DISTRICT AND TIM AND MAUREEN LENAHAAN AS AMENDED. The motion passed unanimously.

2.5 Request for Consideration – Echo Hills Townhouse Association #1 – The Board reviewed and discussed a letter from Mr. Al Michel the President of the Echo Hills Townhouse Association #1 (ETHA). Mr. Michel attended the Board Meeting to request some type of relief from the Board regarding the water base rate and capital improvement fee that the ETHA pays bimonthly. Mr. Michel advised that the water tap had not been used in many years and that previously it had been used for irrigation. The District Manager advised the Board that previously the EHTA had been advised that they can abandon the tap but if fees cease to be paid, the tap cannot be resurrected in the future. The District Manager advised the Board that at the March 4, 2020 Board Meeting the Board at that time had agreed to pay for the abandonment of the irrigation water tap that Mr. Michel was referring to. The Board

suggested that the cost to the District for physically abandoning their water tap may be a good discussion point for Mr. Michel to discuss with this Board. The District Manager requested that Mr. Michel let her know which direction the EFTA Board chooses to pursue.

- 2.6 2023 Audit – Mr. Eric Barnes with Fiscal Focus Partners LLC, attended the Board Meeting to present the 2023 Financial Statements and the results of the 2023 Audit. Mr. Barnes noted that Schilling & Company, Inc. performs the audit preparation, as well as the financial statement preparation for the District. Mr. Barnes advised the Board that Fiscal Focus Partners LLC 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. Director McCusker requested some clarifying language in the Management's Discussion and Analysis regarding the budgeted proceeds from borrowing. Director McCusker expressed her opinion on the need for quarterly financial statements that would be prepared by the District's accountant. Director McCusker directed the District Manager to obtain a quote from the District's accountant for quarterly financial statements. Mr. Barnes noted that "all documentation requested was available and provided". Ms. Barnes noted that as is typical for the District, the audit went smoothly. Mr. Barnes encouraged the Board to remain diligent in their financial oversight.

A motion was made and seconded; (RESOLUTION 24-048) TO ACCEPT THE 2023 AUDIT AS AMENDED AND TO AUTHORIZE THE DISTRICT MANAGER TO FACILITATE THE FINAL VERSION OF THE AUDIT AND SUBMIT IT TO THE STATE. The motion passed unanimously.

- 2.7 District Systems Report – The Board reviewed the March and April District Systems Reports that were prepared by Mr. Parker. Mr. Parker advised the Board that he was still unable to schedule a leak detection company related to Gore pressure. Mr. Parker provided the Board and Mr. Amaturio with a copy of the current PRV pressure log. Director Maras requested that any CDPHE (Colorado Department of Public Health and Environment) compliance violation notice be included in the Board packet.
- 2.8 Monthly Staff Report – The members of the Board reviewed the Monthly Staff Report that was presented by the District Manager.
- 2.9 Audience Participation – Mr. Amaturio attended the Board Meeting to advise the Board that there were no improvements in his water pressure.
- 2.10 Board Member Discussion Items – Director Maras advised the Board that the Douglas County Water Commission was making limited progress on the RFP (Request for Proposal) for a water consultant.

- 3.0 Adjournment** - A motion was made and seconded; (RESOLUTION 24-049) TO ADJOURN THE REGULAR MEETING. The motion passed unanimously. The meeting was adjourned at 16:28.

Jim Maras, Secretary