

Regular Meeting – June 15, 2010

Board Members

Mike Hayes
Craig Johnston
Tony Lucas
Jim Matchett
Gary Peterson

Visitors

Eric Barnes, Wagner Barnes, PC

Staff / Consultants

Sue Byrnes – District Staff
Diana Miller – District Manager
Scott Monroe – Semocor, Inc.

1.0 Call To Order

The meeting was called to order at 16:32.

2.0 New Business and Open Items

2.1 Meeting Minutes – A motion was made and seconded; (RESOLUTION 10-041) TO APPROVE THE MINUTES OF THE MAY 18, 2010 REGULAR BOARD MEETING OF THE PERRY PARK WATER AND SANITATION DISTRICT AS PRESENTED. The motion passed unanimously.

2.2 Water/Sewer Permits – One new permit had already been approved.

Permit #	Builder/Owner	Property Address
1408	GJ Gardner Homes	8278 Bannock Drive

Four (4) permits have been issued year to date. One (1) permit has been reissued.

2.3 Disbursements – A motion was made and seconded; (RESOLUTION 10-042) TO APPROVE CHECKS 20093 THRU 20118 IN THE AMOUNT OF \$68,289.97 WHICH WERE PREVIOUSLY DISBURSED FROM WELLS FARGO BANK WEST. The motion passed unanimously.

In reference to check number 20101 issued to Fischer Enterprises, Inc., Director Peterson requested clarification on the meaning of ROW in the check description. The District Manager advised that ROW is the acronym for Right Of Way.

Director Matchett inquired into the status of the District's relationship with accounting firm Clifton Gunderson LLP. The District Manager advised that when the 2009 audit is complete, the District's accounting needs for 2010 will be evaluated.

Related to check number 20114 issued to The Engineering Company, Director Matchett requested the status of the Glen Grove Treatment Design. The District Manager offered that TEC had prepared and submitted detailed construction plans to the Colorado Department of Public Health and Environment (CDPHE). She added that CDPHE had requested additional documentation from the District.

A motion was made and seconded; (RESOLUTION 10-043) TO APPROVE CHECKS 20119 THRU 20127 IN THE AMOUNT OF \$10,888.99 TO BE DISBURSED FROM WELLS FARGO BANK WEST. The motion passed unanimously.

A motion was made and seconded; (RESOLUTION 10-044) TO RATIFY CONSENT AGENDA ITEMS DATED MAY 28, 2010 IN THE AMOUNT OF \$4,956.71 WHICH WERE PREVIOUSLY DISBURSED FROM WELLS FARGO BANK WEST. The motion passed unanimously.

A motion was made and seconded; (RESOLUTION 10-045) TO RATIFY CONSENT AGENDA ITEMS DATED JUNE 11, 2010 IN THE AMOUNT OF \$4,956.71 WHICH WERE PREVIOUSLY DISBURSED FROM WELLS FARGO BANK WEST. The motion passed unanimously.

- 2.3 2009 Audit – Mr. Eric Barnes with Wagner Barnes, PC, the District's auditing firm, was in the audience to present the 2009 financials and audit results to the Board of Directors. Mr. Barnes highlighted the key components of the financial statements. He commended the District's sound accounting principles and added that the District's internal controls are good for the size of the District. He offered that the District would receive a "clean" Independent Auditors' Report. Director Peterson requested Mr. Barnes's thoughts on the financial health of the District. Mr. Barnes explained that the District's investments were conservative and well distributed. Mr. Barnes indicated that the District was in a good position related to cash reserves.

A motion was made and seconded; (RESOLUTION 10-046): TO APPROVE THE 2009 AUDIT WITH THE CHANGES IDENTIFIED DURING THE BOARD MEETING AND TO AUTHORIZE THE DISTRICT MANAGER TO FACILITATE THE FINAL VERSION OF THE AUDIT AND SUBMIT IT TO THE STATE. The motion passed unanimously.

- 2.4 Amendment 60, 61 and Proposition 101 Statement – The Board reviewed information compiled by the Special District Association (SDA) associated with Amendment 60, 61 and Proposition 101 which will be on the November ballot. The Board reflected on the decision that voters in the District overwhelmingly made in November 2006 to allow the District to maintain revenues without regard to TABOR limitations for the purpose of providing high quality renewable water and reliable sanitary service to Customers in the District. The Board discussed two essential acquisitions that were executed in 2009, the purchase of property for water storage and the purchase of renewable water rights in the Pleasant Park ditch, and their strategic alignment with the commitment that the Board had made in 2006 to the

Customers in the District to increase the District's renewable water supply. The Board contemplated that neither acquisition would have been possible had provisions in the abovementioned amendments and proposition been in place. The Board stressed the importance of communicating the reality of how the abovementioned amendments and proposition will negatively impact the Customers in the District. The Board will formally adopt a resolution opposing the abovementioned amendments and proposition in an upcoming meeting.

- 2.5 Perry Park Filing 6, Block 2, Lot 26 Agreement – The Board reviewed the Acknowledgement and Agreement To Allow Connection to Water and Sanitary Sewer Lines that had been prepared by the District Manager and reviewed by the District's legal counsel to correct a 2006 decision that had been made to allow the use of a septic system for sewage treatment on Perry Park Filing 6, Block 2, Lot 26. After discussion a motion was made and seconded; (RESOLUTION 10-047): TO EXECUTE THE ACKNOWLEDGMENT AND AGREEMENT TO ALLOW CONNECTION TO WATER AND SANITARY SEWER LINES FOR PERRY PARK FILING 6, BLOCK 2, LOT 26. The motion passed unanimously.

3.0 Staff and Consultant Reports

- 3.1 Perry Park Water and Sanitation District Systems Report – The members of the Board reviewed the monthly operations report which had been submitted by Semcor, Inc.

Mr. Scott Monroe advised the Board that since the annual sewer cleaning and videoing program started, two sections of pipe had been repaired and a number of other sections would be repaired as soon as the cleaning and inspections were complete. Director Peterson suggested that Customers would be interested in the District's annual programs that provide quality and reliable water and sanitary sewer service.

- 3.2 Monthly Reports – The members of the Board reviewed the Monthly Staff Report which had been submitted by the District Manager.

The members of the Board reviewed the monthly Project Status Report which had been submitted by the District Manager.

The District Manager advised the Board that she and Mr. Monroe had attended the Douglas County Regional Water Conservation Planning Program kick off meeting. The Board reviewed documentation from that meeting outlining the "program benefits". The tangible benefits of the program were unclear; however, the Board felt that the District should participate in the program.

As an action item from the previous Board meeting the District Manager provided additional financial information for the Board to review. The collection of reports highlight the District's conservative spending practices and the District's response to current economic conditions. A snapshot of the District's utility spending afforded the Board an understanding of the 2010 IREA rate increase. Impacts to the District are over 25%.

4.0 Board Member Discussion Items

There was none.

5.0 Audience Participation

There was none.

6.0 Adjournment - A motion was made and seconded; (RESOLUTION 10-048): TO ADJOURN THE REGULAR MEETING. Passed unanimously. The meeting adjourned at 18:32.

ATTEST:

Secretary