



Perry Park Water and Sanitation District  
5676 West Red Rock Drive  
Larkspur, Colorado 80118  
[www.ppwsd.org](http://www.ppwsd.org)

## Regular Meeting – August 18, 2021

### Board Members Present

Tony Lucas  
Jim Maras  
Gary Peterson

### Visitors

Adam Jones  
Julia McCusker  
Robin Maras  
Lee Recca

### Excused Absences

Brian Arthurs  
Judy LaCrosse

### 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 16:30.

### 2.0 New Business and Open Items

- 2.1 Meeting Minutes – A motion was made and seconded; (RESOLUTION 21-062) TO APPROVE THE MINUTES OF THE JULY 13, 2021 WORK SESSION OF THE PERRY PARK WATER AND SANITATION DISTRICT AS PRESENTED. The motion passed unanimously.

A motion was made and seconded; (RESOLUTION 21-063) TO APPROVE THE MINUTES OF THE JULY 14, 2021 WORK SESSION OF THE PERRY PARK WATER AND SANITATION DISTRICT AS PRESENTED. The motion passed unanimously.

The meeting minutes for the July 21, 2021 Regular Board Meeting and Executive Session was postponed until the next Board Meeting.

- 2.2 Disbursements – A motion was made and seconded; (RESOLUTION 21-064) TO APPROVE ELECTRONIC PAYMENTS DATED AUGUST 3, 2021 IN THE AMOUNT OF \$20,351.69 WHICH WERE PREVIOUSLY DISBURSED FROM 1<sup>ST</sup> BANK. The motion passed unanimously.

A motion was made and seconded; (RESOLUTION 21-065) TO APPROVE CHECKS 13109 THRU 13133 IN THE AMOUNT OF \$146,155.20 TO BE DISBURSED FROM 1<sup>ST</sup> BANK. The motion passed unanimously.

In reference to check 13118 issued to Fischer Enterprises, Inc., Director Maras asked if the contractor had been billed for the damage. The District Manager advised that they had been billed for the Fischer Enterprises, Inc.'s repair work, Semocor, Inc.'s overtime observation hours and 195,000 gallons of water loss.

In reference to check 13114 issued to DRC Construction Services Inc., Director Peterson asked if this was part of the District's annual sewer maintenance and inspection plan. The District Manager offered that it was not. The District Manager added that the townhomes were experiencing backup issues and wanted to insure that the District's mains were not contributing to their issue.

In reference to check 13116 issued to Denali Water Solutions LLC, Director Peterson asked what precipitated hauling 78,000 gallons of sludge from the Waucondah plant. Mr. Parker advised that it was part of the plants maintenance program to clean and inspect the clarifier.

In reference to check 13125 issued to Meyer & Sams, Inc., Director Maras asked if a copy of the Risk and Resilience report was available for review. The District Manager offered that there was and she would provide a copy to the Board.

A motion was made and seconded; (RESOLUTION 21-066) TO RATIFY CONSENT AGENDA ITEMS DATED JULY 23, 2021 IN THE AMOUNT OF \$6,782.43 AND CONSENT AGENDA ITEMS DATED AUGUST 6, 2021 IN THE AMOUNT OF \$8,181.88 WHICH WERE PREVIOUSLY DISBURSED FROM WELLS FARGO BANK. The motion passed unanimously.

- 2.3 Bulk Water Usage by Douglas County – Director Maras advised the Board that he had heard from a number of Customers in the District, that Douglas County trucks had been pulling water from District fire hydrants, without using a hydrant meter. The District Manager advised that the gallons used are calculated based on the capacity of the storage and number of fills per truck. The District Manager added that the Roadway Maintenance Supervisor calls in the County's water usage and the District bills the County accordingly. The District Manager provided billing data from mid-2009 to the present. Director Maras then advised that he has seen the hose and connection leaking in the past. As always if there is a leaking hydrant for any reason, please contact the District.
- 2.4 High Water Bill – 5755 Ada Lane – The Board reviewed a letter from a Customer in the District regarding a high water bill. After discussion the Board requested that the District Manager contact the Customer to schedule a meter test. The Board refrained from responding to the Customer's letter until after the results of the meter test are known.
- 2.5 Billing and Service – 5950 S. Pike Drive – The Board reviewed a letter from a Customer in the District regarding the suspension of water and sewer billing as the home on the property is not habitable. Mr. Adam Jones and Ms. Lee Recca attended the Board meeting to provide a historical account of the property and

provide their future vision for the property. After discussion, the Board advised Mr. Jones that once services have been installed on the property and billing is initiated, billing is never suspended. The Board directed the District Manager to correct the billing address and usage gallons on Mr. Jones's account.

- 2.6 Agreement for Purchase and Sale of Treated Water – Dakan Ranch II LLC – The Board reviewed and discussed the Agreement for Purchase and Sale of Treated Water. Director Peterson requested clarification that the term “corporation” was correctly used when referring to the District. Director Peterson requested clarification from legal counsel that the agreement would not need to be executed again once the District takes ownership of the water and sewer infrastructure. The Board discussed Mr. Francescon's, (the Dakan Ranch II LLC Manager) request to bill the water at the “prevailing commercial rates” as opposed to \$25/per thousand gallon rate. The Board agreed that as the water would be used outside of the District, the \$25/per thousand gallon rate should prevail.
- 2.7 School House Tank Overflow – The Board reviewed an e-mail from Mr. Michael Schuurman the Construction Project Manager for Douglas County School District regarding the School House tank that overflows onto the Larkspur Elementary School property. Mr. Schuurman provided documentation on the improvements recently made at the school. Mr. Schuurman requested that the District permanently address the overflow issue. After discussion, the Board agreed to permanently address the tank overflow issue. The District Manager requested consensus from the Board that she should engage GMS, Inc. as soon as possible to permanently address the tank overflow issue on the east side of the District. The Board agreed.
- 2.8 Fan Press – Revised Estimate – Prime Solutions – The Board reviewed the revised fan press proposal from Prime Solution for a stationary fan press to be located at the Sageport Wastewater Treatment Plant. Mr. Parker advised that in addition to the fan press, a building would need to be constructed to house the unit. Director Maras requested that Ms. McCusker provide a revised lease proposal from COBank at the next Board Meeting.
- 2.9 Dakota Well – Engineering Estimates – The Board reviewed and discussed a proposal for Engineering Services for the Construction of One Dakota Well replacement, prepared by Hemenway Groundwater Engineering, Inc., for the amount of \$37,600.

The Board reviewed and discussed a Contract for Professional Services, for the Dakota Well replacement project, prepared by Level Engineering, LLC, for the amount of \$64,070.

The Board discussed the importance of adding an additional water source to the west side of the District. At the conclusion of discussion a motion was made and seconded; (RESOLUTION 21-067) TO EXECUTE THE PROPOSAL FOR ENGINEERING SERVICES FOR THE CONSTRUCTION OF ONE DAKOTA WELL REPLACEMENT WITH HEMENWAY GROUNDWATER ENGINEERING, INC., IN THE AMOUNT OF \$37,600 AND TO EXECUTE THE CONTRACT FOR PROFESSIONAL SERVICES – DAKOTA WELL REPLACEMENT PROJECT WITH LEVEL ENGINEERING, LLC IN THE AMOUNT OF \$64,070. The motion passed unanimously.

- 2.10 Proposed Process Change for Large and Complex Local Improvement Districts (LIDs) In the Larkspur Area – The Board reviewed a draft proposal for handling large and complex LIDs in the District. Both the District’s legal counsel and engineering had their comments included on the draft. The Board discussed the importance of LIDs as a long term revenue source for the District.
- 2.11 Leak Survey Report – The Board reviewed the Water System Leak Survey Report prepared by Utility Technical Services, Inc. Both the west side and east side of the District were surveyed. A handful of fire hydrants were determined to be leaking. Two of the fire hydrant leaks have been addressed. Two of the older fire hydrants are slated for replacement. There were no water main leaks detected. The Board noted that this effort was part of the District’s water loss reduction efforts.

### **3.0 Operational Status**

- 3.1 Perry Park Water and Sanitation District Systems Report – The members of the Board reviewed the monthly operations report for July which was prepared by Mr. Parker.
- 3.2 Monthly Staff Report – The members of the Board reviewed the Monthly Staff Report that was presented by the District Manager.

### **4.0 Old Business/Immediate Issues**

- 4.1 Board Member Discussion Items – Director Lucas presented the Board with an update on his effort to procure a line of credit and a credit card from 1<sup>st</sup> Bank on behalf of the District. After discussion a motion was made and seconded; (RESOLUTION 21-068) TO APPROVE A LINE OF CREDIT IN THE AMOUNT OF \$100,000 FROM 1<sup>ST</sup> BANK. The motion passed unanimously.

A motion was made and seconded; (RESOLUTION 21-069) TO APPROVE THE A 1<sup>ST</sup> BANK CREDIT CARD. The motion passed unanimously.

Director Lucas suggested that the District participate in the Larkspur Neighbor to Neighbor Facebook conversation. After discussion the Board agreed that responding to Customers who contact the District with questions or concerns should continue to be responded to directly.

Director Peterson highlighted that the Vice President position had been open for a period of time. A motion was made and seconded; (RESOLUTION 21-070) TO APPOINT DIRECTOR LUCAS TO THE VICE PRESIDENT POSITION. The motion passed unanimously.

The Board reviewed a letter from Director Peterson the President of the Board to Douglas County Commissioner George Teal regarding the District’s need for additional funding sources and the District’s responsible self-funding achievements. The Board thanked Director Peterson for his efforts to procure funding. A copy of the letter is following these meeting minutes.

- 5.0 Audience Participation** – There was none.

**6.0 Adjournment** - A motion was made and seconded; (RESOLUTION 21-071) TO ADJOURN THE REGULAR MEETING. The motion passed unanimously. The meeting adjourned at 18:40.

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Secretary, James Maras



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August 9, 2021

Mr. George Teal  
Douglas County Commissioner  
100 Third Street  
Castle Rock, Colorado 80104

George,

Once again, thank you for taking the time to meet with the Perry Park Water & Sanitation District Board of Directors and Staff. Per your request, this letter will serve as the Perry Park Water and Sanitation District's (PPWSD) formal request for **Consideration of Funding** through the American Rescue Plan Act (ARPA) for some of the Water & Sanitation Infrastructure projects that the District has on our immediate priority list.

### **BACKGROUND:**

The Perry Park Water & Sanitation District was established in the late 1960's and provides services to developments within its service boundary. The District currently has approximately 1600 customers (900 on the west side of Hwy. 105 and 700 on the east side of Hwy. 105). Each side of the District is served by its own Water Treatment Plant and Wastewater Treatment Plant. The District currently accesses 85% of its water from wells in the Arapahoe and Denver basins. This water is treated on the East side of the District at the Sageport Water Plant. The water is utilized by residents in Perry Park East and sent to residents in Perry Park on the West side via a one-way pipeline (east to west). The remaining water is drawn from our alluvial wells (renewable water rights) on the west side of the District. It is the District's goal to increase our utilization of renewable water to 30% in an effort to reduce our consumption from non-renewable deep well sources.

Since some of the District's infrastructure is approaching 50 years old, we are currently in the process of replacing and/or updating some of our older facilities and equipment. These projects are necessitated by equipment near the end of its useful life, and due to facilities needing design upgrades to meet ever increasing EPA requirements.

### **PROJECTS:**

The following are two projects for your consideration to assist with funding through the ARPA.

#### **Project #1: Sageport Wastewater Treatment Plant (East side)**

This project began in 2018 and was completed in 2019. The work that was completed focused on the influent coming into the plant to prevent overflows, improve the quality of the wastewater and remove flow restrictions in the treatment process. Piping throughout the treatment process was resized to improve flow. A mechanical bar screen was added to remove debris in the wastewater. The influent channel was redesigned, and new





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metering was added. Additionally, an explosion proof building was constructed to house the new equipment. This Wastewater Treatment Plant upgrade was completed at a cost of \$682,191.00 and is currently meeting Colorado Department of Health and Environment (CDPHE) permit regulations.

Unfortunately, despite these upgrades, the Wastewater Treatment Plant has begun to experience higher ammonia levels due to Covid 19, with more people working from home. Additionally, Total Inorganic Nitrogen (TIN) levels are also increasing. While the District continues to meet current CDPHE regulations, the District would be in violation of the new 2023 CDHPE permit regulation. The District has currently engaged our engineers to complete a study that would provide direction for mechanical equipment additions to meet the new 2023 permit regulation. Early feedback from the engineers suggests that the project cost to meet the new regulations could be in the range of \$3.5 million! Since this was an unanticipated expense, the PPWSD could greatly utilize assistance through ARPA funding sources on this time sensitive project need.

**Project #2: Waucondah Wastewater Treatment Plant (West side)**

This project began in January of 2020 due to electrical surge outages, mechanical equipment failures and malodor complaints from residents. The District's engineering firms were contacted to assess the situation and propose next steps. Three options were proposed. Option #1 was to make basic repairs, improve electrical infrastructure and add only currently necessary new equipment (band-aid approach) at approximately \$3.3 million. Option #2 focused on immediate repairs, electrical upgrades and more extensive equipment replacement at a cost of \$8.2 million. Option #3 recommended building a new plant at a cost of \$13 million. All of these estimated costs have increased dramatically, since Covid has challenged equipment manufacturing and current supply chains.

To effectively manage costs, the District Board approved a hybrid plan of options #1 and #2 at a current cost of approximately \$6 million. The project has been divided into two phases. Phase 1 included managing malodor concerns, upgrading electrical systems and replacing some existing equipment to meet immediate operational needs. This work has been completed at a cost of \$350,000.00. Phase 2 is currently being designed and will require CDHPE approval over the next 12 – 18 months. Completion is anticipated for late 2023 or early 2024.

As discussed in Project #1, the District's engineers have expressed concerns related to future CDHPE permit regulations. CDHPE currently has the Waucondah Plant on an administrative extension. As Phase 2 plans are designed by our engineers and approved by CDHPE, it is highly likely that CDHPE will require the inclusion of additional equipment to meet future wastewater permit regulations. The additional equipment could increase the cost of the project by \$3 million, for a total cost of \$9 million.

The PPWSD has not yet identified funding sources for this project. As the District begins the financing search process, it would be of great assistance if the District could access partial funding through ARPA for this upcoming project. The District would ask for your consideration of funding 50% (\$4.5 million) of the total project cost (\$9 million).



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### **ARPA FUNDING:**

It is the understanding of the Perry Park Water & Sanitation District that the available ARPA funds through Douglas County need to be utilized between now and December of 2024. The two wastewater treatment projects described above would meet your timing requirements. The District has a potable water project in the future, but has not included it for consideration, since it is not shovel ready and would be outside the required timeline. Perhaps we can visit that project opportunity at some time in the future.

The PPWSD is also aware that the Douglas County Commissioners would like to make the ARPA funds a perpetual funding program throughout the County. To assist the County Commissioners in this effort, the PPWSD would be looking at a 10-year loan repayment timeline. Many water project bonds are structured over 30 years, which limits the availability of the funds being repurposed for other uses in the near future. Our 10 year loan period would help create an increased churn of funds coming back to Douglas County, for future project needs within the County.

It should be noted that the two projects we are asking you to consider for funding are both heavily impacted by Covid 19 issues that make meeting the CDHPE wastewater permit regulations extremely challenging.

### **SUMMATION:**

The Perry Park Water & Sanitation District appreciates your time and consideration for assisting with funding the two wastewater treatment projects we have detailed. Project #1 -The Sageport Wastewater Treatment Plant in the amount of \$3.5 million, and Project #2 -The Waucondah Wastewater Treatment Plant in the amount of \$4.5 million. If you could assist with funding both projects, that would be extremely helpful for timely project completions. If you are only able to help with funding one project, the Waucondah Wastewater Treatment Plant at \$4.5 million would be our most pressing need.

Hopefully the information provided in this letter gives you enough data to begin your review process. As you move deeper into the decision-making process and need supporting documentation for the work and costs of the projects described, please let us know and our engineers will supply the appropriate documents to assist your decision. If you have any immediate questions regarding this request, please contact our District Manager, Diana Miller for assistance. Thanks again for your consideration to assist with funding our wastewater treatment projects through the ARPA program!

Best Regards,

Gary F. Peterson  
President, Board of Directors: Perry Park Water & Sanitation District