



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

Regular Meeting – September 21, 2022

Board Members Present

Brian Arthurs
Tony Lucas
James Maras
Jim Matchett
Gary Peterson

Visitors

Julia McCusker

Staff / Consultants in Attendance

Pat Colleran – D. A. Davidson, via conference call
Diana Miller – District Manager
Will Parker – Semocor, Inc.
Justin Rasor – Raftelis, via conference call
Andrew Wheeler – D. A. Davidson

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 22-065) TO APPROVE THE MINUTES OF THE AUGUST 17, 2022 REGULAR BOARD MEETING OF THE PERRY PARK WATER AND SANITATION DISTRICT AS PRESENTED. The motion passed 4-0. As Director Matchett was not in attendance at the August 17, 2022 Board Meeting, he abstained from the vote.

A motion was made and seconded; (RESOLUTION 22-066) TO APPROVE THE MINUTES OF THE SEPTEMBER 12, 2022 WORK SESSION OF THE PERRY PARK WATER AND SANITATION DISTRICT AS PRESENTED. The motion passed unanimously

- 2.2 Disbursements - A motion was made and seconded; (RESOLUTION 22-067) TO APPROVE ELECTRONIC PAYMENTS DATED SEPTEMBER 6, 2022 IN THE AMOUNT OF \$12,988.48 WHICH WERE PREVIOUSLY DISBURSED FROM 1ST BANK. The motion passed unanimously.

A motion was made and seconded; (RESOLUTION 22-068) TO APPROVE CHECKS 13537 THRU 13564 IN THE AMOUNT OF \$247,273.79 TO BE DISBURSED FROM 1ST BANK. To avoid any appearance of a conflict of interest Director Maras abstained from the vote. The motion passed 4-0.

In reference to check 13545, issued to Fischer Enterprises, Inc., for water service repairs, Director Peterson requested additional information. Mr. Parker advised that the repair on Red Rock drive was related to a saddle that had deteriorated. Mr. Parker added that the repair on Echo Butte Lane was related to a service line leak on the District's side of the curb stop.

In reference to check 13551, issued to KP Ventures Well Drilling & Pump Co., for the Dakota Well replacement, Director Peterson asked for a ball park completion percent. The District Manager estimated fifty percent.

A motion was made and seconded; (RESOLUTION 22-069) TO RATIFY CONSENT AGENDA ITEMS DATED AUGUST 19, 2022 IN THE AMOUNT OF \$7,053.73 AND CONSENT AGENDA ITEMS DATED SEPTEMBER 2, 2022 IN THE AMOUNT OF \$7,484.33 AND CONSENT AGENDA ITEMS DATED SEPTEMBER 16, 2022 IN THE AMOUNT OF \$7,591.98 WHICH WERE PREVIOUSLY DISBURSED FROM WELLS FARGO BANK. The motion passed unanimously.

- 2.3 2023 Budget – The Board reviewed the proposed 2023 Budget and Budget Message presented by the District Manager. The Board will discuss the Budget at the October and November Board Meetings. The Budget Hearing is scheduled for the December 14, 2022 Board Meeting.
- 2.4 FAMLI Resolution – The Board reviewed and discussed the Family and Medical Leave Insurance (FAMLI) program. The District Manager advised that she and staff had reviewed and discussed FAMLI program documentation and concluded that program participation would not be beneficial considering the District's benefits package. The following motion was made and seconded:

RESOLUTION NO. 2022-09-001

A RESOLUTION DECLINING ANY AND ALL EMPLOYER PARTICIPATION IN THE COLORADO PAID FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM

WHEREAS, in November of 2020, Colorado voters approved Proposition 118, codified in Part 5, Article 13.3 of Title 8, Colorado Revised Statutes (C.R.S.), establishing the Family and Medical Leave Insurance ("FAMLI") Program, a state insurance plan providing paid leave for Colorado workers during certain life circumstances; and

WHEREAS, under the FAMLI Program, employers and their employees are both responsible for funding the program and may split the cost 50/50; the premiums are set at 0.9% of the employee's wage, with 0.45% paid by the employer and 0.45% paid by the employee; and

WHEREAS, the premiums required for FAMLI will be collected starting January 1, 2023, and benefits will begin January 1, 2024; and

WHEREAS, as a local government as defined by C.R.S. §§ 8-13.3-503(14) and 29-1-304.5(3)(b), the Perry Park Water and Sanitation District, the "District" may decline to participate in FAMLI following a public hearing and vote of its governing body pursuant to C.R.S. § 8-13.3-522; and

WHEREAS, should the District decline to participate in FAMLI, its employees will still have the option to participate in the program and remit premiums to the State; and

WHEREAS, at a public meeting held September 21, 2022, the Board of Directors held a public hearing on the decision whether to participate in FAMLI; and

WHEREAS, short-term and long-term disability coverage is currently provided; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DISTRICT AS FOLLOWS:

1. The Board of Directors finds and determines that, with regard to the public hearing on the decision of whether to decline participation in FAMLII, notice was given and the hearing was conducted in accordance with the regulations adopted by the Colorado Department of Labor and Employment and codified at 7 CCR 1107-2.
2. The Board of Directors, acting by and on behalf of the District, declines any and all participation in the FAMLII Program.
3. The Board of Directors further directs its staff to bring the matter of revisiting the decision to decline participation in FAMLII before a future Board by no later than eight years from the date of the vote on this Resolution 2022-09-001.

The Resolution (2022-09-001) passed unanimously.

- 2.5 District Systems Report – The members of the Board reviewed the District Systems Report that was presented by Mr. Will Parker, the President of Semocor, Inc. Director Matchett requested additional information on why the effluent permit limits are different for each of the District’s wastewater treatment plants. Mr. Parker advised that the plants discharge into two different streams, impacting the permit limits. Mr. Parker added with certainty that permits for both plants would become more stringent.
- 2.6 Monthly Staff Report - The members of the Board reviewed the Monthly Staff Report that was presented by the District Manager.
- 2.7 High Water Bill – Request for Credit – The Board reviewed and discussed a request from a Customer to reduce his water bill for two billing cycles due to undetected high water pressure. The District Manager advised that the District responds to numerous high and low pressure calls each week. The District Manager referred to the District’s Rules and Regulations, Non-Liability of District section, adding that the District has not credited an account for pressure issues. The Board discussed that the District charges accounts for water consumed in all cases, including water leaks. The Board directed the District Manager to advise the Customer that a credit would not be issued.
- 2.8 Request for Reduction in Letter of Credit Requirement for Bear Ridge Development – The Board reviewed a request from the Bear Ridge developer regarding the Security for Completion of one hundred and twenty five percent, referenced in the Water/Wastewater Improvements Agreement, to reduce the requirement by fifteen to twenty percent. The Board discussed the request and agreed to reduce the requirement in this case by eighteen percent. A motion was made and seconded; (RESOLUTION 22-070) TO REDUCE THE SECURITY FOR COMPLETION PERCENT TO ONE HUNDRED AND SEVEN FOR THE BEAR RIDGE DEVELOPMENT. The motion passed unanimously.
- 2.9 Request for Use of Water Tap Out of District – The Board reviewed a request from a property owner with a water tap inside of the District requesting the ability to temporarily use water from the tap on his property outside of the District. The District Manager suggested that an agreement similar to “the pond” (service out of the District) would be a good option to consider. Mr. Parker suggested that additional metering be required to differentiate water consumed inside and outside of the District. The Board directed the District Manager to advise the property owner of their conditional approval.

- 2.10 Jellystone Water Service – Discontinue Service or Different Providers – The Board reviewed correspondence from Atwell Engineering regarding a parcel that is in the District as well as the Town of Larkspur. Atwell requested that the District consider allowing Atwell to disconnect water and sewer service provided by the District to the solo existing structure, and allow service to be provided by Jellystone to the existing unit and sixteen new “glamping” sites to be located on the same parcel. Atwell also requested that the Board consider that the service at the existing structure continue to be provided by the District and allow the “glamping” units to receive service from Jellystone. The Board discussed the scenarios and directed the District Manager to contact the District’s legal counsel for advice before making a decision on either request.
- 2.11 Audience Participation – Mr. Dinsmore attended the Board Meeting to provide the Board with an Echo Hills project update. Mr. Dinsmore advised the Board that he is working closely with the Douglas County Planning Department and has a tentative meeting with the Douglas County Commissioner’s regarding his project. Mr. Dinsmore asked if his feasibility study would be available for an October meeting with the Commissioner’s. The District Manager advised that the PPWSD Board would need the opportunity to review and accept the feasibility study prior to his October meeting, so a November meeting with the Commissioner’s should be targeted.

Regarding rate increases, Ms. McCusker advised the Board that adopting five years of rate increases should be avoided, two to three years should be the maximum.

- 2.12 Board Member Discussion Items – The Board discussed dates for a Special Meeting to continue the rate discussion.

Director Peterson advised the Board that he was unavailable for the October 19 Board Meeting and requested that the date be moved to October 20. The Board discussed the request and were agreeable.

- 3.0 Rate Discussion** – D. A. Davidson and Raftelis attended the Board Meeting to present a \$12.5 million borrowing option with a twenty year repayment. Raftelis highlighted the assumptions that were incorporated into the schedule. The Board discussed the assumptions. Director Maras made the following motion: (RESOLUTION 22-071) TO DIRECT RAFTELIS AND D. A. DAVIDSON TO PRESENT A SCHEDULE THAT INCLUDES A ONE YEAR LOAN PAYMENT IN RESERVE, 90-DAYS OF CASH ON HAND AND A 1.25% DEBT SERVICE RATIO. The Board discussed the resolution and individual parameters. The motion was then amended to the following: TO DIRECT RAFTELIS AND D. A. DAVIDSON TO PRESENT A SCHEDULE THAT INCLUDES A ONE YEAR LOAN PAYMENT IN RESERVE, 90-DAYS OF CASH ON HAND, A 1.25% DEBT SERVICE RATIO AND NOT TO EXCEED THOSE COVENANTS. The motion passed unanimously.

- 4.0 Adjournment** - A motion was made and seconded; (RESOLUTION 22-072) TO ADJOURN THE REGULAR MEETING. The motion passed unanimously. The meeting adjourned at 16:19.

Secretary, James Maras

