



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

Regular Meeting – November 10, 2021

Board Members Present

Brian Arthurs
Judy LaCrosse
Tony Lucas
Gary Peterson

Visitors

Excused Absence

Jim Maras

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 21-080) TO APPROVE THE MINUTES OF THE SEPTEMBER 15, 2021 REGULAR BOARD MEETING OF THE PERRY PARK WATER AND SANITATION DISTRICT AS PRESENTED. The motion passed unanimously.

2.2 Disbursements – A motion was made and seconded; (RESOLUTION 21-081) TO APPROVE ELECTRONIC PAYMENTS DATED OCTOBER 7, 2021 IN THE AMOUNT OF \$22,419.10 AND ELECTRONIC PAYMENTS DATED OCTOBER 20, 2021 IN THE AMOUNT OF \$5,600.00 WHICH WERE PREVIOUSLY DISBURSED FROM 1ST BANK. The motion passed unanimously.

A motion was made and seconded; (RESOLUTION 21-082) TO APPROVE CHECKS 13151 THRU 13157 IN THE AMOUNT OF \$19,720.32 THAT WERE DISBURSED FROM 1ST BANK. The motion passed unanimously.

A motion was made and seconded; (RESOLUTION 21-083) TO APPROVE CHECKS 13186 THRU 13213 IN THE AMOUNT OF \$114,987.96 WITH CHECKS 13158 THRU 13185 BEING VOIDED, THAT WERE PREVIOUSLY DISBURSED FROM 1ST BANK. The motion passed unanimously.

Director Arthurs reviewed the voided checks.

In reference to check 13200 issued to Hill & Pollock, LLC, Director Peterson asked if the item Gateway Pond invoice is being reimbursed. The District Manager advised that she had sent the Perry Park Metropolitan District (PPMD) an invoice for reimbursement of legal fees that the District (Perry Park Water and Sanitation District) had paid to develop a water lease agreement with PPMD.

In reference to check 13207 issued to Spectrum Audio Visual, Director Arthurs requested clarification on the general ledger account it was posted to. The District Manager advised that it was posted to an expense account, Miscellaneous. Director Arthurs suggested that it should be reassigned as a capital expenditure.

A motion was made and seconded; (RESOLUTION 21-084) TO APPROVE CHECKS 13214 THRU 13230 IN THE AMOUNT OF \$89,151.93 TO BE DISBURSED FROM 1ST BANK. The motion passed unanimously.

A motion was made and seconded; (RESOLUTION 21-085) TO RATIFY CONSENT AGENDA ITEMS DATED SEPTEMBER 17, 2021 IN THE AMOUNT OF \$6,782.43 AND CONSENT AGENDA ITEMS DATED OCTOBER 1, 2021 IN THE AMOUNT OF \$7,320.68 AND CONSENT AGENDA ITEMS DATED OCTOBER 15, 2021 IN THE AMOUNT OF \$6,782.43 AND CONSENT AGENDA ITEMS DATED OCTOBER 29, 2021 IN THE AMOUNT OF \$6,782.43 WHICH WERE PREVIOUSLY DISBURSED FROM WELLS FARGO BANK. The motion passed unanimously.

- 2.3 District Systems Report - The members of the Board reviewed the monthly operations report for October which was prepared by Mr. Parker.

Director Peterson asked if the District's renewable water use would increase in the upcoming year. Mr. Parker offered that next year's renewable water usage would be consistent with this year, noting that the treatment capabilities of the Glen Grove Water Treatment Plant are the limiting factor. A discussion then ensued regarding the possibilities and costs of improving the Glen Grove Plant. The Board requested that GMS, Inc. prepare a high level evaluation, with costs, and present it to the Board at an upcoming work session.

Director Peterson requested clarification on Non-payment shut offs/tag hangings category with a value of 9. Mr. Parker advised that the tag hangings were related to water meter repairs.

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

The Board discussed the recent noise complaint received from a Customer on Country Club Drive. The Board expressed concern about spending funds to address the complaint with the knowledge that the improvements will not be reused when the new digester is constructed. Director Peterson advised that this will be the last time funds are allocated to a temporary solution and requested that the Customer be invited to attend a Board Meeting if another complaint is made.

The District Manager advised the Board that Level Engineering was still in the process of checking the low bidders references. The District Manager added that

the hydrologist working on the project may not continue with the project if the low bidder is selected. The Board directed the District Manager to move forward with the low bidder.

The Board discussed the analysis prepared by Mr. Mark Morton with GMS Inc. regarding the potential purchase of a fan press for the District's wastewater treatment facilities. Director Peterson offered that by addressing the cost of sludge removal with the acquisition of a fan press, the District may inadvertently be creating regulatory issues. The Board concluded that the District should not purchase a fan press at this time.

The Board discussed the project status updates prepared by Mr. Morton. The Board appreciated their thoroughness.

The District Manager advised the Board that Director Maras had requested that the items identified in the Risk Assessment report be discussed and prioritized for funding. Director Peterson requested that a Work Session be schedule in 2022 to allow for in depth discussion. Director Lucas suggested that a fire mitigation review and identified actions be addressed before summer.

- 2.5 Staffing and Compensation Committee Updates – Director Arthurs advised the Board that he had met with District Staff and the President of Semocor, Inc., individually to discuss recommendations made by the District Manager to the Staffing and Compensation Committee regarding salary and compensation. Director Arthurs and Director LaCrosse noted that they had done diligence, related to salary ranges for similar roles in Colorado and Consumer Price Index increases in the area.

The Board reviewed and discussed the proposed changes to the Agreement for Services contract. It was noted that the contract proposed a 2% compensation increase in 2022, a 2% compensation increase in 2023 and funding for the contract must be appropriated annually.

A motion was then made and seconded; (RESOLUTION 21-086) TO EXECUTE THE AGREEMENT FOR SERVICES CONTRACT WITH SEMOCOR, INC. FOR THE YEARS 2022 and 2023. The motion passed unanimously.

Mr. Parker thanked the Board of Directors for the opportunity to work in the District.

The Board reviewed and discussed the Staffing and Compensation Committee recommendations.

At the conclusion of discussion, a motion was made and seconded; (RESOLUTION 21-087) TO ACCEPT THE STAFFING AND COMPENSATION COMMITTEE'S RECOMMENDATION OF A 4% SALARY INCREASE FOR DISTRICT STAFF EFFECTIVE JANUARY 1, 2022 AND TO GRANT THE DISTRICT MANAGER A YEAREND BONUS OF \$2,000 AND TO GRANT THE DISTRICT'S ADMINISTRATIVE ASSISTANT A YEAREND BONUS OF \$1,000 IN RECOGNITION OF THEIR EFFORTS AND COMMITMENT TO THE DISTRICT. The motion passed unanimously.

The District Manager thanked the Board for the opportunity to work in the District.

- 2.6 2022 Proposed Budget – Director Lucas presented the Board with year to date revenue and expense data by month. Additionally, Director Lucas presented graphical representations of the same data.

The Board reviewed the proposed 2022 Budget prepared by the District Manager. The Board discussed the need to allocate additional funding in the 2022 Budget for Risk Assessment and Cyber Security. The District Manager advised that the District's well pumping capacity should be increased as well; noting that the east side well capacity would be inadequate in summer months if one of the wells were out of service. The Board agreed and directed the District Manager to include funding for a new east side well in the 2022 Budget.

Director Peterson requested that a rate increase discussion be added to January's Board Meeting Agenda.

As Director Maras has an excused absence and agreements and proposals needed to be signed at the November 10, 2021 REGULAR BOARD MEETING, a motion was made and seconded; (RESOLUTION 21-088) TO APPOINT DIRECTOR LACROSSE THE ACTING SECRETARY FOR THE PERRY PARK WATER AND SANITATION DISTRICT. The motion passed unanimously.

- 2.7 2022 Board Meeting Schedule – The District Manager presented the proposed 2022 Board Meeting schedule. The schedule for January thru October is the third Wednesday, the schedule for November thru December is the second Wednesday; all Board Meetings with a planned start time of 2pm. The Board approved the earlier start time to improve productivity; noting that Work Sessions and start times will be scheduled and adjusted as circumstances dictate. A motion was made and seconded; (RESOLUTION 21-089) TO APPROVE THE 2022 BOARD MEETING SCHEDULE AS PRESENTED. The motion passed unanimously.

3.0 Old Business/Immediate Issues

- 3.1 Cyber Security Evaluation – The Board reviewed a Health Check Cyber Risk Assessment Services Proposal prepared by NetDiligence to evaluate the District's cyber risks and provide recommendations for improvement. A motion was made and seconded; (RESOLUTION 21-090) TO EXECUTE THE HEALTH CHECK CYBER RISK ASSESSMENT SERVICES PROPOSAL WITH NETDILIGENCE IN THE AMOUNT OF \$4,500. The motion passed unanimously.

- 3.2 Gateway Pond Update – The Board reviewed privileged communication from the District's legal counsel, Hill & Pollock, LLC, regarding a potential lease agreement with PPMD for water to fill and maintain the Gateway Pond's water level. It was noted that the PPMD had received a letter in October 2020 from the Colorado Division of Water Resources advising that PPMD could not legally store water in the Gateway Pond, resulting in PPMD engaging their legal counsel to develop a Substitute Water Supply Plan. The Board then discussed the legal costs they have incurred and the staff time that has been spent. The Board concurred that they are

agreeable to assist the PPMD resolve their water supply issue, but the efforts of PPWSD should be cost neutral to PPWSD including the development and administration of a water lease agreement between the two entities.

3.3 Collins Cole Flynn Winn & Ulmer, PLLC – The Board reviewed a memorandum from Collins Cockrel & Cole, P.C. advising the Board that their firm will be realigning, separating into two firms and requested that the District provide direction on if they intend to maintain their relationship with one of the firms as newly aligned. A motion was made and seconded; (RESOLUTION 21-091) TO ACCEPT COLLINS COLE FLYNN WINN & ULMER, PLLC, AS GENERAL COUNSEL AND AUTHORIZE THE TRANSFER OF FILES TO THE FIRM. The motion passed unanimously.

3.4 Board Member Discussion Items – Director Lucas requested an overview of the meeting between Director Peterson, Director Maras, the District Manager and EJ Water Cooperative, Inc., who has customers in Illinois and Ohio, and provides a vast array of services for water and sewer utility providers. Director Peterson summarized the meeting.

4.0 Audience Participation – There was none.

5.0 Adjournment - A motion was made and seconded; (RESOLUTION 21-092) TO ADJOURN THE REGULAR MEETING. The motion passed unanimously. The meeting adjourned at 17:10.

Secretary, James Maras