



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

Regular Meeting and Budget Hearing – December 11, 2019

Board Members Present

Judy LaCrosse
Jim Maras
Jim Matchett
Andy Morris
Gary Peterson

Visitors

John Graves
Fred Yonce

Staff / Consultants in Attendance

Diana Miller – District Manager
Will Parker – Semocor, Inc.
James Mann - Ehlers

1.0 Call To Order

The Regular 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 19-088) TO APPROVE THE MINUTES OF THE NOVEMBER 13, 2019 REGULAR BOARD MEETING OF THE PERRY PARK WATER AND SANITATION DISTRICT AS PRESENTED. The motion passed 3-0. As Director Maras was not in attendance at the November 13, 2019 Regular Board Meeting he abstained from the vote. As Director Peterson was not in attendance at the November 13, 2019 Regular Board Meeting he abstained from the vote.
- 2.2 Disbursements – A motion was made and seconded; (RESOLUTION 19-089) TO RATIFY ELECTRONIC PAYMENTS DATED DECEMBER 4, 2019 IN THE AMOUNT OF \$9,941.33 WHICH WERE PREVIOUSLY DISBURSED FROM 1ST BANK. The motion passed unanimously.

In reference to electronic payment checks 1309 and 1310, issued to Waste Management of Denver, Director Matchett inquired into the reason the amounts are different. The District Manager advised that it is related to the different types of dumpsters at the Waucondah Wastewater Treatment Plant and the Sageport Wastewater Treatment Plant.

A motion was made and seconded; (RESOLUTION 19-090) TO APPROVE CHECKS 12446 THRU 12465 IN THE AMOUNT OF \$128,327.59 TO BE DISBURSED FROM 1ST BANK. The motion passed unanimously.

In reference to check 12451, issued to Donald R. Frey & Company Inc., Director Maras asked if the payment was for annual software maintenance and renewal, the District Manager advised that it was.

In reference to check 12455, issued to Hill & Pollock, LLC, Director Peterson suggested that it would be helpful to have a summary of all legal costs associated with the Gove Ditch Water Court case.

In reference to check 12457, issued to Kuck Mechanical Contractors, Director Morris asked if the item Sageport WWTP HVAC should be part of the Sageport WWTP capital improvements project. Both the District Manager and Mr. Parker agreed that this was outside of that project scope. The District Manager added that the explosion proof heater that was installed in the mechanical bar screen room does not provide adequate heat. The new explosion proof heater combined with the existing explosion proof heater provide enough heat to prevent freezing. The District Manager added that TST Infrastructure, LLC is providing credits on their invoices for the installation costs.

In reference to check 12461, issued to Stewart Title Company, related to Paulk Easement Title Insurance, Director Peterson asked if the necessary legal documents for the Remuda Ranch project had been executed and if construction had begun. The District Manager advised that all legal documents had been executed and that 3,000 feet of sewer main had been installed and 9 manholes.

In reference to check 12462, issued to TST Infrastructure, LLC, Director Matchett, inquired as to what the Remuda Ranch Water & Sewer Construction item entailed. The District Manager advised that this was for full time, six day a week construction inspections.

A motion was made and seconded; (RESOLUTION 19-091) TO APPROVE CHECKS 12472 THRU 12474 IN THE AMOUNT OF \$8,154.09 TO BE DISBURSED FROM 1ST BANK. WITH CHECKS 12466 THRU 12471 BEING VOIDED The motion passed unanimously.

A motion was made and seconded; (RESOLUTION 19-092) TO RATIFY CONSENT AGENDA ITEMS DATED NOVEMBER 15, 2019 IN THE AMOUNT OF \$6,649.97 AND CONSENT AGENDA ITEMS DATED NOVEMBER 29, 2019 IN THE AMOUNT OF \$6,972.92 WHICH WERE PREVIOUSLY DISBURSED FROM WELLS FARGO BANK. The motion passed unanimously.

- 2.3 Financial Management Plan – Rate Analysis Conclusions - Mr. James Mann with Ehlers, the District's financial consultant, attended the Board Meeting to present the annual Financial Management Plan (FMP) update, which includes analysis for adjusting Residential and Commercial rates and fees.

The FMP is a projection of dollars needed for capital improvements from the current year through 2029. The FMP addresses \$10.3 million of unadjusted dollars required for future capital improvement projects. The FMP anticipates the necessity to borrow additional funds periodically. The FMP suggests the need to increase rates between 5% and 10% on an annual basis. The lesser increases in

nonborrowing years and higher increases in years that the District does borrow funds.

While Mr. Mann described the District being in good financial health, he cautioned the District on relying on tap and development fees for operating expenses due to their finite availability.

The Board agreed that the FMP should continue to be updated and reviewed on an annual basis, to allow periodic adjustments to rates, fees and expenditures.

2.4 Adopt 2020 Budget – A motion was made and seconded; (RESOLUTION 19-093) TO OPEN THE 2020 BUDGET HEARING. The motion passed unanimously.

The Board of Directors discussed the recommendation from the District Manager related to employee compensation.

Representing the Staffing and Compensation Committee, Director LaCrosse highlighted the accomplishments of the staff in 2019. Director LaCrosse then proposed that the District Staff receive a 2% salary increase, effective January 1, 2020.

Director LaCrosse then proposed that the District Manager receive a yearend bonus of \$2,000 and that the District's Administrative Assistant receive a yearend bonus of \$1,000.

After discussion, a motion was made and seconded; (RESOLUTION 19-094) TO ACCEPT THE STAFFING AND COMPENSATION COMMITTEE'S RECOMMENDATION OF A 2% SALARY INCREASE FOR DISTRICT STAFF EFFECTIVE JANUARY 1, 2020 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.

Director Peterson noted that the proposed 2020 Budget had been reviewed and discussed during the past three Board Meetings. The following resolutions were made and seconded: THE RESOLUTION TO SET MILL LEVIES (RESOLUTION 19-095), THE RESOLUTION TO ADOPT BUDGET (RESOLUTION 19-096) AND THE RESOLUTION TO APPROPRIATE SUMS OF MONEY FOR THE PERRY PARK WATER AND SANITATION DISTRICT (RESOLUTION 19-097). The full text is attached. The motions passed unanimously. The Budget Hearing was adjourned and the regular meeting resumed.

2.5 Execute Audit Engagement Letter with Fiscal Focus Partners LLC – The Board reviewed the proposed engagement letter for the 2019 audit that was submitted by Fiscal Focus Partners LLC. After discussion a motion was made and seconded; (RESOLUTION 19-098) TO EXECUTE THE ENGAGEMENT LETTER FOR THE 2019 AUDIT WITH FISCAL FOCUS PARTNERS LLC. The motion passed unanimously.

3.0 Operational Status

- 3.1 Perry Park Water and Sanitation District Systems Report – The members of the Board reviewed the monthly operations report which was prepared by Mr. Parker.

Mr. Parker noted that the annual sewer jetting program had been completed.

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

The District Manager advised the Board that the notice to proceed for the Sageport Water Treatment Plant Improvements project had been executed on December 3, 2019. The District Manager added that the preconstruction meeting with Velocity Plant Services, LLC was scheduled for December 17, 2019.

4.0 Board Member Discussion

Director Maras noted that I.R.E.A. was replacing their current meters with “smart” meters.

Director Maras requested an additional report that includes the initial lease purchase proceeds (lease proceeds) and the capital improvement expenditures that have been deducted from the lease proceeds, providing a clear understanding of the lease proceeds funds that are still available.

Director Maras suggested that the Board appoint a Construction Project Review Committee to bring the Board into the project bid process earlier. After discussion the Board agreed that additional discussion of the topic should continue in the future.

Director Matchett brought to the Board’s attention an article in the Denver Post regarding Metro District’s in Colorado.

Director Morris suggested to the Board that remedies to Mr. Mann’s concern about use of tap and development fees for operating expenses should start to be addressed immediately. The Board was in agreement.

- 5.0 Audience Participation** – Mr. John Graves and Mr. Fred Yonce attended the Board Meeting to discuss with the Board a corporation stop failure in their irrigation pit that occurred on December 1, 2019. The District Manager advised that the event, caused a loss 266,000 of water and a \$2,737.76 water bill.

Mr. Parker expressed his concern at the age and construction style of the irrigation water tap and pit. Mr. Parker suggested that the water tap should be moved to an alternate location if possible. Mr. Parker advised the Board that he would do some investigation and report back at a future meeting.

The Board reviewed billing information related to the water lost during the event, prepared by the District Manager.

After discussion the Board agreed that to be consistent with past decisions that the water must be billed, but that the rate should not exceed the second tier rate. A motion was made and seconded; (RESOLUTION 19-099) TO ADJUST THE BILL TO NOT EXCEED THE SECOND TIER BILLING RATE. The motion passed unanimously.

6.0 Adjournment - A motion was made and seconded; (RESOLUTION 19-100) TO ADJOURN THE REGULAR MEETING. The motion passed unanimously. The meeting adjourned at 18:20.

Secretary, Judy LaCrosse



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

RESOLUTION TO SET MILL LEVIES

(Pursuant to 39-5-128, C.R.S. and 39-1-111, C.R.S.)

A RESOLUTION LEVYING PROPERTY TAXES FOR THE YEAR 2020, TO HELP DEFRAID THE COSTS OF GOVERNMENT FOR THE PERRY PARK WATER AND SANITATION DISTRICT, DOUGLAS COUNTY, COLORADO, FOR THE 2020 BUDGET YEAR.

WHEREAS, the Board of Directors of the Perry Park Water and Sanitation District, has adopted the annual budget in accordance with the Local Government Budget Law, on December 11, 2019 and;

WHEREAS, the amount of money necessary to balance the budget for **general operating** purposes from property tax revenue is \$443,368 and;

WHEREAS, the 2019, valuation for assessment for the Perry Park Water and Sanitation District as certified by the County Assessor is \$78,975,450.

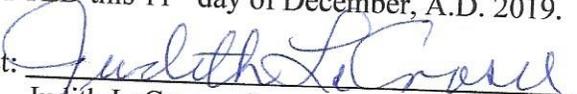
NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PERRY PARK WATER AND SANITATION DISTRICT, COLORADO:

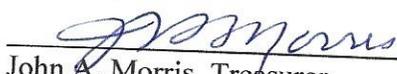
Section 1. That for the purpose of meeting all **general operating** expenses of the Perry Park Water and Sanitation District during the 2020 budget year, there is hereby levied a tax of 5.614 mills upon each dollar of the total valuation for assessment of all taxable property within the Perry Park Water and Sanitation District for the year 2020.

Section 2. That the Treasurer is hereby authorized and directed to immediately certify to the County Commissioners of Douglas County, Colorado, the mill levies for the Perry Park Water and Sanitation District as hereinabove determined and set.

ADOPTED this 11th day of December, A.D. 2019.

Attest:


Judith LaCrosse, Secretary


John A. Morris, Treasurer



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

RESOLUTION TO ADOPT BUDGET

(Pursuant to 29-1-108, C.R.S.)

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR THE PERRY PARK WATER AND SANITATION DISTRICT, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2020, AND ENDING ON THE LAST DAY OF DECEMBER, 2020.

WHEREAS, the Board of Directors of the Perry Park Water and Sanitation District has appointed Diana Miller, District Manager, to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, Diana Miller, District Manager, has submitted a proposed budget to this governing body on September 18, 2019, for its consideration, and;

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on December 11, 2019, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget, and;

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves/fund balances so that the budget remains in balance, as required by law.

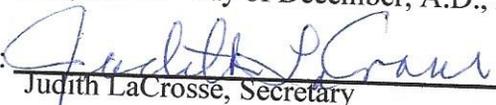
NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS of the Perry Park Water and Sanitation District, Colorado:

Section 1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Perry Park Water and Sanitation District for the year stated above.

Section 2. That the budget hereby approved and adopted shall be signed by John A. Morris, Treasurer and made a part of the public records of the Perry Park Water and Sanitation District.

ADOPTED, this 11th day of December, A.D., 2019.

Attest:


Judith LaCrosse, Secretary


John A. Morris, Treasurer



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

RESOLUTION/ORDINANCE TO APPROPRIATE SUMS OF MONEY

(Pursuant to Section 29-1-108, C.R.S.)

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS AND SPENDING AGENCIES, IN THE AMOUNT AND FOR THE PURPOSE AS SET FORTH BELOW, FOR THE PERRY PARK WATER AND SANITATION DISTRICT, COLORADO, FOR THE 2020 BUDGET YEAR.

WHEREAS, the Board of Directors has adopted the annual budget in accordance with the Local Government Budget Law, on December 11, 2019, and;

WHEREAS, the Board of Directors has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget, and;

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues and reserves or fund balances provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the Perry Park Water and Sanitation District.

NOW, THEREFORE, BE IT RESOLVED/ORDAINED BY THE BOARD OF DIRECTORS OF THE PERRY PARK WATER AND SANITATION DISTRICT, COLORADO:

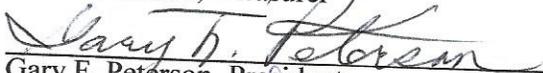
Section 1. That the following sums are hereby appropriated from the revenue of each fund, to each fund, for purposes stated:

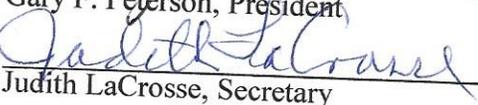
GENERAL FUND:

Current Operating Expenses	\$1,938,537
Capital Outlay	\$1,670,000
Debt Service	\$ 223,501
TOTAL GENERAL FUND	\$3,832,038

ADOPTED THIS 11th day of December, A.D. 2019.


John A. Morris, Treasurer


Gary F. Peterson, President

Attest: 
Judith LaCrosse, Secretary