



Perry Park Water and Sanitation District  
5676 West Red Rock Drive  
Larkspur, Colorado 80118  
[perryparkwsd.colorado.gov](http://perryparkwsd.colorado.gov)

## **Regular Meeting and Public Meeting to Consider Increase in Rates, Fees and Other Charges May 21, 2025**

### **Board Members Present**

Gary Peterson  
Brian Arthurs  
Tony Lucas  
Julia McCusker  
James Maras

### **Staff / Consultants in Attendance**

Diana Miller – District Manager  
Will Parker – President, Semocor, Inc.  
Melissa Keathley – Admin. Asst.

### **Guests**

Chris Warren  
Lloyd Riddle  
Lori Dumler  
John Baumchen  
Victoria Sheverda  
John Lucas  
Aric Franzmeier  
Kirk Mulbach  
Bill Page  
Stephanie Demeter  
Robert Dinsmore

Doug Duvigneaud  
Shasta Thompson  
Steve Dumler  
Greg Ochs  
Jessica Dinsmore  
Jenna Sewell  
Matt Flavin  
Bryan Witt  
John Graboski  
Lynn Greene

### **1.0 Call To Order**

The Regular Board Meeting was called to order at 2pm.

Director Peterson requested that the Water Meter Agenda item be moved before the Water Rates Agenda item. No Board Members opposed the change.

### **2.0 New Business, Open Items and Operational Status**

- 2.1 Meeting Minutes – A motion was made and seconded; (RESOLUTION 25-034) TO APPROVE THE MINUTES OF THE APRIL 16, 2025, REGULAR BOARD MEETING OF THE PERRY PARK WATER AND SANITATION DISTRICT AS AMENDED. The motion passed unanimously.

Director Arthurs request that the minutes reflect his opposition to the Proposal for Water System Valve Exercising Program referenced on page 3, section 2.6.

- 2.2 Disbursements – A motion was made and seconded; (RESOLUTION 25-035) TO APPROVE ELECTRONIC PAYMENTS DATED APRIL 7, 2025 IN THE AMOUNT OF \$9,859.00 AND ELECTRONIC PAYMENTS DATED APRIL 22, 2025 IN THE AMOUNT OF \$639.65 AND ELECTRONIC PAYMENTS DATED MAY 12, 2025 IN THE AMOUNT OF \$12,607.51 AND ELECTRONIC PAYMENTS DATED MAY 13, 2025 IN THE AMOUNT OF \$448.86 WHICH WERE PREVIOUSLY DISBURSED FROM 1<sup>ST</sup> BANK. The motion passed unanimously.

A motion was made and seconded; (RESOLUTION 25-036) TO APPROVE CHECKS 14477 THRU 14500 IN THE AMOUNT OF \$198,088.45 TO BE DISBURSED FROM 1<sup>ST</sup> BANK. The motion passed unanimously.

In reference to check 14480, Director Lucas requested clarification on the check's description "SRII Meters". The District Manager explained that this is the name of the meters that the District is currently utilizing.

In reference to check 14482, Director Lucas requested clarification on the services provided by Curtis, Justus, & Zahedi, LLC. The District Manager explained that this expense was related to the Poncho Road property easement and that the conflict of interest had been resolved.

A motion was made and seconded; (RESOLUTION 25-037) TO RATIFY CONSENT AGENDA ITEMS DATED APRIL 25, 2025, IN THE AMOUNT OF \$8,096.13 AND CONSENT AGENDA ITEMS DATED MAY 9, 2025, IN THE AMOUNT OF \$7,557.88 WHICH WERE PREVIOUSLY DISBURSED FROM WELLS FARGO BANK. The motion passed unanimously.

- 2.3 Water Rates - Director Peterson reviewed the mission of the water district and added that the proposed rate increase was in direct alignment with upholding said mission. Director Arthurs continued by explaining that the not-for-profit district is overseen by a board of 5 directors serving 4-year terms and were required to be residents of the district. Director Lucas cited that the \$100 compensation the board receives per meeting is subject to income tax and social security withholding. Further explanation of the responsibilities of the board members was offered, followed by historical information about the district and its near brush with bankruptcy when the district was initially established. Some of the issues the district currently faces include repair and replacement of aging equipment and infrastructure, as well as compliance with the increasing demands of state requirements. Director Peterson highlighted the district's investment in renewable water rights which also contributed to the district's need to re-establish financial resources and reserves.

An audience member asked if some of the equipment failures were due to a lack of maintenance. The Operations Manager, Mr. Parker, reported that for many decades, all equipment owned by the district has received maintenance according to the manufacturer's recommendations. He added that a replacement and repair study is being conducted on all equipment with the goal to set a replacement schedule, as opposed to the current practice of replacement upon failure.

An audience member asked how many customers there are in the district. Director Peterson responded that there are approximately 1600 customers. Director Lucas added that the customer base is low considering the significant geographical area covered, as a result, there are fewer customers to share costs. Director Lucas offered information regarding the average amount of pipe per customer, which also results in higher rates and fees in comparison to more densely populated districts. The threat of wildfires within the district is another contributing factor to higher costs as the district is responsible for providing water to the fire department. This responsibility includes the maintenance and replacement of fire hydrants, as well as water tanks holding reserves should a wildfire occur.

Director Lucas displayed several charts to illustrate cash flow, operating expenses, revenue and capital improvement expenditures. He cited the shortage of capital improvement revenue, which has led the district to the undesired practice of allocating operating revenue to capital improvement projects.

Director Peterson announced that the district is not increasing water usage rates at this time, however, an increase could be forthcoming upon the completion of a 3<sup>rd</sup> party, state-required rate study. The study is expected to be finalized in a couple of months. For now, increases are proposed for the Capital Improvement Fee and the cost of Construction Water. Additionally, a special assessment fee, Radium Mitigation, is proposed. The Capital Improvement Fee would increase from \$71.78 per billing cycle to \$86.14. It was again noted that for several years, revenue from capital fees, have not covered capital expenditures. Usage of construction water will increase by 20%. The new fee that is proposed is intended to cover the costs of radium removal from the Sageport Water Treatment Plant (WTP). The radium removal effort is a response to the radium testing results from fall of 2024. Director Peterson reminded attendees that testing results led to a violation of state standards, health concerns in the community and unfavorable publicity for the area. The district immediately sought out long-term capital improvement solutions and remediation options to combat future radium detection in the water system. It was determined that the best option would be to construct a new process at the Sageport WTP which would cost the district between \$2.5 and \$3 million and would span over a 3 year period of time. The proposed Radium WTP Upgrade Fee is \$92 per bimonthly billing cycle and the necessity of the fee would be re-considered after the completion of construction.

Audience members asked if the Radium WTP Upgrade costs would be assessed to new construction via tap fees. Director Peterson responded that increased tap fees were currently being considered, however the board is hesitant to create more barriers for potential new customers. Directors Arthurs and Maras agreed that customer growth from Local Improvement Districts (LIDs) is unlikely soon due to funding limits. Another audience member asked if the bimonthly billing fee could be reduced by extending the project longer than 3 years. Director Peterson responded that there's a sense of urgency in the community to mitigate radium exposure as quickly as possible. He also added that additional regulations could be forthcoming from the state on the sewer side of operations, which could require additional capital funding.

An audience member asked why he should be expected to pay full Capital Improvement Fees when he only uses water service, and not sewer. Director Peterson responded that when water is being treated for customer use, it creates backwash, which must go through the sewer treatment before being released to downstream users. The District Manager added that water treatment and sewer treatment are entwined and cannot function alone.

A motion was made and seconded; (RESOLUTION 25-038) TO ADD A \$92.00 BIMONTHLY RADIUM WATER TREATMENT PLANT UPGRADE FEE FOR BOTH RESIDENTIAL AND COMMERCIAL TAPS OVER A THREE-YEAR DURATION, EFFECTIVE JULY 1<sup>ST</sup>, 2025. The motion passed unanimously.

A motion was made and seconded; (RESOLUTION 25-039) TO INCREASE THE FEE FOR CONSTRUCTION WATER TO \$31.20 PER 1,000 GALLONS EFFECTIVE JULY 1, 2025. The motion passed unanimously.

A motion was made and seconded; (RESOLUTION 25-040) TO INCREASE THE PRICE FOR STANDARD WATER METER SETS TO \$1,000.00 EFFECTIVE JULY 1, 2025. The motion passed unanimously.

A motion was made and seconded; (RESOLUTION 25-041) TO INCREASE THE CAPITAL IMPROVEMENT FEE TO \$86.14 (BIMONTHLY) FOR RESIDENTIAL CUSTOMERS AND \$68.99 (MONTHLY) FOR COMMERCIAL CUSTOMERS EFFECTIVE JULY 1, 2025. The motion passed unanimously.

- 2.4 Water Meters – The District Manager provided an update regarding the status of the effort to upgrade the water meters in the District. Director Peterson informed attendees that information regarding the project would be added to the website.
- 2.5 District Office Access Road – Speeding and Dogs off Leash – The District Manager reported that the new owners of Perry Park Ranch were displeased with the excessive speeds on the road leading to the District Office, as well as the presence of an off-leash dog. Director Peterson requested that the District Manager distribute an email to all customers to inform them of the speed limit requirements when using the private road that leads to the District Office.
- 2.6 CORE Utility Easement – Poncho Well – The District Manager informed board members that the agreement for the final easement to provide electricity to the Poncho Well had been finalized. A motion was made and seconded; (RESOLUTION 25-042) TO EXECUTE THE CORE ELECTRIC EASEMENT AGREEMENT TO BRING ELECTRICITY TO THE PONCHO WELL. The motion passed unanimously.
- 2.7 Echo Hills Updates – Robert Dinsmore – The members of the board received project updates from property owner, Robert Dinsmore, regarding the vacant land referred to as Echo Hills.
- 2.8 Cell Tower Options – Chris Stryker – Chris Stryker was not present, therefore there was no discussion on this topic.
- 2.9 Water Lease – Pleasant Park Ditch – The board reviewed the Water Lease agreement between the District and Wiens Ranch Company and elected to execute the agreement.
- 2.10 Sageport Water Treatment Plant – Road Improvements – The board reviewed the proposal from KA Trucking to improve the road leading to the Sageport WTP. It was noted that the improvements would be helpful immediately but will be essential when future construction for radium removal ensues. A motion was made and seconded; (RESOLUTION 25-043) TO ACCEPT THE BID FOR ROAD IMPROVEMENTS TO THE SAGEPORT WATER TREATMENT PLANT NOT TO EXCEED A TOTAL OF \$24,350.00. The motion passed unanimously.
- 2.11 District Systems Report – The members of the board reviewed the District Systems Report that was presented by Mr. Parker. Mr. Parker advised that a radium sample was taken the previous Friday for the 2<sup>nd</sup> quarterly test as required by the state. He also reported that the annual hydrant maintenance and flushing is now complete with 6 hydrants needing significant repair and a few needing minor repair. The Red Rock Lift Station had a seal pump leak, which is now repaired. And a 7-year-old pump at the Bannock Lift Station was replaced. Director Peterson asked about the inorganic TIN report. Director Maras expressed concern regarding the traffic on Poncho Road and the security of the Pondo Well. Mr. Parker informed the board that protective fencing was forthcoming and already in the budget.

- 2.12 District Staff Report – The members of the board reviewed the Monthly Staff Report that was presented by the District Manager.
- 2.13 Audience Participation – A member of the audience asked if the water was safe to drink or if customers were still being advised to drink bottled water. Director Peterson clarified that the District had never issued an advisement to drink bottled water. Director Peterson added that the state violation had been rescinded and the water is safe to drink.

A member of the audience reported that they had been following the meeting via zoom, however, midway through they decided to log off and attend in person, due to the difficulty in following the visuals that were unavailable via zoom. They were also interested in the board packet that the board members were reviewing throughout the meeting. Director Peterson reported that the board packet would be made available via the website for future board meetings.

- 2.14 Board Member Discussion Items – There was not any board member discussion items.

**3.0 Adjournment** - A motion was made and seconded; (RESOLUTION 25-044) TO ADJOURN THE REGULAR MEETING AND PUBLIC MEETING TO CONSIDER INCREASE IN RATES, FEES AND OTHER CHARGES. The motion passed unanimously. The meeting was adjourned at 4:50pm.

ATTEST:

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Tony Lucas, Vice President