Perry Park Water and Sanitation District
5676 West Red Rock Drive
Larkspur, Colorado 80118
perryparkwsd.colorado.gov

Regular Meeting – September 17, 2025

Board Members Present
Gary Peterson
Brian Arthurs
Tony Lucas
Julia McCusker
James Maras

In-Person Guests
1. Robin Maras
2. Colleen Murray
3. Patrick Lim
4. Douglas Dixon
5. Aaron Mathewson
6. Mandy Johnson

Staff / Consultants in Attendance

Diana Miller – District Manager
Melissa Keathley – Utility Assistant
Tony Caterina – Real Estate Consultant

1.0 Call To Order

The Regular Board Meeting was called to order at 14:00.

Director Maras requested the following agenda items be added; 1-Update on the Rules and Regulation from Legal Counsel, 2- Estimated Billing for Customer at 4440 Red Rock Drive, 3- GMS Update and 4- Board Packet on Website. The board agreed to the additions.

2.0 New Business, Open Items and Operational Status

2.1 Meeting Minutes – A motion was made and seconded; (RESOLUTION 25-074) TO APPROVE THE MINUTES OF THE AUGUST 20, 2025, REGULAR BOARD MEETING OF THE PERRY PARK WATER AND SANITATION DISTRICT AS AMENDED. The minutes were approved with the amendments listed below.

Regarding agenda item 2.5 on page 3. The last sentence shall read "Director Maras highlighted senior water rights have recently been purchased in the $40,000 *per acre feet* to $50,000 *per acre feet* range."

Regarding agenda item 2.4 on page 3. The first sentence shall read "The board discussed options for funding the Wauconda Wastewater Treatment Improvements project and deliberated on *rejecting the bids from the* lowest bidders for the project."

Regarding agenda item 2.4 on page 3. The third sentence in the second paragraph shall read "The board also discussed other options including tap presale options for landowners located within the newly-formed LID (Local Improvement District) areas of the District and installing smart meters to capture revenue lost to unaccounted for water consumption."

2.2 Disbursements – A motion was made and seconded; (RESOLUTION 25-075) TO APPROVE ELECTRONIC PAYMENTS DATED AUGUST 25, 2025, IN THE AMOUNT OF $29,164.70 WHICH WERE PREVIOUSLY DISBURSED FROM 1ST BANK. The motion passed unanimously.

A motion was made and seconded; (RESOLUTION 25-076) TO APPROVE CHECKS 14589 THRU 14612 IN THE AMOUNT OF $161,855.93 TO BE DISBURSED FROM 1ST BANK. The motion passed unanimously.

In reference to check 14610, issued to TST Infrastructure, LLC, Director McCusker requested additional information regarding the budget allocation for the radium removal project. The District Manager advised that the radium removal capital expenditure is allocated to one general ledger account, and the fees collected for radium removal are allocated to another.

In reference to check 14599 issued to Fischer Enterprises, Inc, Director Arthurs requested additional information regarding the description associated with the check. The District Manager advised that the billing was indeed delayed for the snow removal that occurred months earlier.

In reference to check 14596, issued to Excell Pump Services, Director Maras requested additional information regarding the description associated with the check. The District Manager advised that Excell Pump Services supplied the District with multiple bearings for the Sageport RBC (Rotating Biological Contactor) number two.

A motion was made and seconded; (RESOLUTION 25-077) TO RATIFY CONSENT AGENDA ITEMS DATED AUGUST 29, 2025, IN THE AMOUNT OF $8,096.13 AND CONSENT AGENDA ITEMS DATED SEPTEMBER 12, 2025, IN THE AMOUNT OF $7,557.88 WHICH WERE PREVIOUSLY DISBURSED FROM WELLS FARGO BANK. The motion passed unanimously.

2.3 Waucondah Wastewater Treatment Plant Funding – The board discussed options for funding the Waucondah Wastewater Treatment Plant Improvements. The District Manager offered that DA Davidson would provide updated loan information for the board and would be soliciting bidders. The District Manager also offered that the Raftelis Rate Study is complete, but not yet ready to be presented in a public setting.

Director Maras asked if the District has received finalized pricing for the cost of the improvements to the Waucondah Wastewater Treatment Plant. It was offered that the estimate for the project is $9.2 million. Director Peterson suggested that the board consider a loan issuance for $7.2 million. Director McCusker emphasized that $7.2 million might not be enough to borrow and that it wouldn't be wise to assume that the District could cover the remaining $2 million. The board discussed the current position of the District cash reserves as well as acceptable minimum balance.

Director Maras pointed out that the recent report from GMS, the engineering firm responsible for the Sageport Wastewater Treatment Plant (Sageport WWTP) upgrades, states that the project would be on hold for 6 years due to budgetary constraints. He expressed his concern that the project at risk for immediate state violations is the one that is being put off. Board members agreed that GMS' report warrants clarification, as there was no communication from the District regarding a 6-year hold on the Sageport Wastewater Treatment Plant upgrades. Director Maras echoed Director McCusker's position regarding the inadequacy of a $7.2 million loan.

Director Peterson requested that the District Manager request the details of a $8 million loan issuance from DA Davidson. He also asked Director McCusker if she had insight regarding the current state of interest rates. She replied that the interest rates for mortgages do not translate to the interest rates the District should expect as they are not affected by the same drivers. The District Manager offered that she would request Andrew Wheeler with DA Davidson be present at the October board meeting.

Director Peterson petitioned the board to be available to attend a Work Session prior to the next board meeting to fine-tune revenue producing initiatives, and to further discuss the amount of the loan that will be secured for the Waucondah Wastewater Treatment Plant Upgrades.

2.4 Smart Meters – The District Manager reported that there has been no change of status for the Smart Meters trial since the last meeting. Of the ten test meters provided by Zenner, only nine have been successfully installed, the tenth is an in-home meter and the effort to install has been ridden with challenges. Of the 9 meters installed, one is having continual communication issues. This meter is also an in-home meter. Director Lucas and Director Maras inquired regarding the use of an antenna or hard-wired remote to mitigate the transmission issues. Director Peterson advised that, should the board elect to move forward with Zenner, the District should have solutions for installation and transmission issues mapped out prior to the installation launch, especially for the in-home meter replacements.

2.5 Sageport Radium Removal Update – District Engineer, Michael Gerstner with TST Infrastructure LLC, Operations Manager, Will Parker with Semocor, Inc. and the District Manager spent numerous hours analyzing the costs of the Radium Mitigation Project. The District Manager offered that Mr. Parker put great effort into reducing the cost of the project. As a result, the District was able to reduce the estimated cost by $1.1 million by shrinking the footprint of the new chemical building and modifying the piping configuration. Director Peterson advised that once the project has been fully funded, the radium mitigation fee assessed to the customers would be removed. The funds collected for the radium mitigation would be solely used for radium mitigation.

2.6 Poncho Well Update – The board reviewed the update from Jay Blackburn, the engineer for the Poncho Well. The construction and oversight of the well is expected to be finalized as early as October and as late as November. Director Maras informed the District Manager that groundwork repair was necessary after an unexpected issue disrupted finalized grading and re-seeding. The District Manager advised she would follow up on the issue.

2.7 Capital Improvement Plan Update – The District Manager advised that the Capital Improvement Plan had been emailed to board members earlier in the day. The District Manager advised that Mark Morton with GMS, Inc. would be at the next board meeting to provide an update on the Capital Improvement Plan and answer any questions from the board.

2.8 Right of Way Vacation Tenderfoot Drive – The board discussed details regarding the proposed Public Right of Way Vacation in Sage Port Filing 2. Because of Director Maras's ownership interest in the adjacent lots, legal counsel was consulted and the additional recommended procedures provided by counsel were read by Director Peterson. After board discussion, it was determined that no action would be taken by Perry Park Water and Sanitation District regarding the proposed right-of-way vacation.

2.9 2026 Budget – Director Peterson offered that the District is required by the state to begin the process of establishing the 2026 Budget at this time of year. He explained that there are many unknown costs that need to be considered for the 2026 Budget, so the provided draft of the 2026 Budget will certainly undergo several reiterations. It is expected that the budget will be finalized in early December and adopted by December 15th to satisfy state requirements.

2.10 District Systems Report – This was postponed until the next meeting.

2.11 District Staff Report – The members of the board reviewed the Monthly Staff Report that was presented by the District Manager. The District Manager offered that two new permits have been submitted in the month of September and that results from the third quarter combined radium lab report have not yet been received.

2.12 Update on the Rules and Regulations from Legal Counsel – The District Manager reported that half of the Rules and Regulations have been marked up for revision. The project has been at a lower priority level since last Fall when the radium issue required redirected focus. The District Manager offered that the cost to date to update the Rules and Regulations is approximately $121,000.

2.13 Estimated Billing for Customer at 4440 Red Rock Drive – The District Manager offered the rationale for estimating water consumption at 4440 Red Rock Drive. The meter and PRV valve have since been replaced to eliminate the need for estimating the meter readings.

2.14 GMS Update – The agenda item was discussed earlier in the meeting where it was determined that clarification was warranted regarding the timing for the Sageport Plant Upgrade.

2.15 Board Packet Posting on District Website – Director Maras requested that the District improve transparency by posting board packets on the District's website prior to the board meeting. The District Manager offered that the board packet had been posted to the District website prior to the board meeting.

2.11 Audience Participation – Mr. Mathewson, a District customer, informed the board that he was representing several customers and proceeded in listing several specific areas of concern. These concerns included, but were not limited to, communication regarding the recent rate increase, a rumored future rate increase, maintenance of several fire hydrants, the structure of the board and the appearance of a lack of long-term planning for capital improvement projects. Board members responded to the comments.

Ms. Johnson, a District customer, asked the board for an update on the radium issue and wondered if outside funding assistance had been explored. Board members responded that radium testing results have not been in violation with the state and that the District is regularly overlooked for need-based funding due to the median income in Perry Park.

Another District customer asked for information regarding the District's wells and how they have been performing. He also asked if our water supply was in jeopardy. Board members responded that the District is in a strong position regarding water rights and that the ground wells are currently stable.

Mr. Caterina, a District customer, inquired about the fees for the customers on septic systems, who are only utilizing the water service provided by the District. He also offered kudos to the District for maintaining the treatment infrastructure to exceed the normal life-expectancy. Additionally, Mr. Caterina asked when the District last increased tap fees. Director Peterson answered Mr. Caterina and Director McCusker provided additional information regarding regulations for establishing tap fees.

Ms. Murray, a District customer asked if there was a long-term capital improvement plan. She also asked if the board was open to community involvement. Board members responded to Ms. Murray's questions, directed her to the website to view the Master Plan and encouraged community involvement through board meeting attendance.

Another District customer commented that the board might find that the community involvement at board meetings will increase because of the increase in rates. He asked for an explanation regarding the rising rates. Director Peterson offered that the equipment the District relies on is aging and the cost of parts and the cost of labor to replace those parts is rising. He added that state-regulations are increasing, and compliance is costly.

A Zoom participant asked for an update on the Smart Meters and what the advantages are. Director McCusker offered that once the board elects to move forward with the project, it will take approximately a year to install the meters for all customers. She continued that with the Smart Meters, the District will move to a monthly billing cycle, allowing customers a greater awareness of water consumption over a shorter period, which can aid in the discovery of costly leaks. Also, the Smart Meters will provide more reliable data, allowing the District to increase the accuracy of water consumption billing.

2.12 Board Member Discussion Items – Director Maras shared an update from the Douglas County Water Commission, advising that upcoming topics to be addressed will include unaccounted for water consumption, irrigation limitations and water reuse. The District Manager agreed to provide board members with a survey that every Douglas Country Water District was asked to complete.

Director McCusker asked board members to consider changing the meeting time for board meetings. She suggested that board meetings be held after business hours 2-4 times per year.

3.0 Adjournment - A motion was made and seconded: (RESOLUTION 24-078) TO ADJOURN THE REGULAR MEETING. The motion passed unanimously. The meeting was adjourned at 16:06.

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Jim Maras, Secretary