



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

## Regular Meeting – October 15, 2025

### Board Members Present

Gary Peterson  
Brian Arthurs  
Tony Lucas  
Julia McCusker  
James Maras

### In-Person Guests

- |                           |                            |                     |
|---------------------------|----------------------------|---------------------|
| 1. Lloyd Riddle           | 9. Robin Maras             | 17. Tom Bennie      |
| 2. Olin Jones             | 10. Amy Womelsdorf         | 18. Tony Caterina   |
| 3. Chris Warren           | 11. John Graboski          | 19. Monti Shoemaker |
| 4. Jill Arthurs           | 12. Bryan Jones            | 20. Michael Dijulio |
| 5. Aaron Mathewson        | 13. London Perez           | 21. Steven Lechner  |
| 6. Catherine Lennox       | 14. Linda Yascavage        | 22. Tim McCawley    |
| 7. Brian & Jennifer Darby | 15. Paul & Margaret Rogers |                     |
| 8. Lisa Vanantwerp        | 16. Mike and Dee Redwine   |                     |

### Staff / Consultants in Attendance

Diana Miller – District Manager  
Melissa Keathley – Utility Assistant  
Andrew Wheeler – D.A. Davidson  
Matthew Chorske – D.A. Davidson  
Mark Morton – GMS Inc.  
Ashley Zahedi – Curtis, Justus, & Zahedi, LLC  
Alan Hill – Curtis, Justus, & Zahedi, LLC

### 1.0 Call To Order

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

Director Arthurs requested that agenda item E. Audience Participation, be edited to “Audience Participation and Board Response”. Board members agreed to the edit.

Director McCusker requested that agenda item L. 2026 Budget, be moved up the agenda. She also requested that an update from Raftelis be added to the agenda. Board members agreed to the changes.

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

- 2.1 Meeting Minutes – A motion was made and seconded; (RESOLUTION 25-079) TO APPROVE THE MINUTES OF THE SEPTEMBER 17, 2025, REGULAR BOARD MEETING OF THE PERRY PARK WATER AND SANITATION DISTRICT (PPWSD) AS PRESENTED. The motion passed unanimously.
- 2.2 Disbursements – A motion was made and seconded; (RESOLUTION 25-080) TO APPROVE ELECTRONIC PAYMENTS DATED SEPTEMBER 22, 2025, IN THE AMOUNT OF \$12,790.08 AND ELECTRONIC PAYMENTS DATED SEPTEMBER 23, 2025 IN THE AMOUNT OF \$224.22 THAT WERE PREVIOUSLY DISBURSED FROM 1<sup>ST</sup> BANK. The motion passed unanimously.

A motion was made and seconded; (RESOLUTION 25-081) TO APPROVE CHECKS 14613 THRU 14635 IN THE AMOUNT OF \$97,869.88 TO BE DISBURSED FROM 1<sup>ST</sup> BANK. The motion passed unanimously.

In reference to check 14620, issued to Fischer Enterprises, Director Maras requested additional information regarding the description associated with the check. The District Manager promised to review the associated documentation and provide further information after the meeting.

In reference to check 14634, issued to TST Infrastructure, LLC, Director Maras requested additional information regarding the description associated with the check. Mr. Parker, Operations Manager, responded that there is a new state regulation regarding reporting of secondary contaminants.

A motion was made and seconded; (RESOLUTION 25-082) TO RATIFY CONSENT AGENDA ITEMS DATED SEPTEMBER 29, 2025, IN THE AMOUNT OF \$8,096.13 AND CONSENT AGENDA ITEMS DATED OCTOBER 10, 2025, IN THE AMOUNT OF \$8,096.13 WHICH WERE PREVIOUSLY DISBURSED FROM WELLS FARGO BANK. The motion passed unanimously.

- 2.3 Larkspur Fire Protection District – Mr. McCawley, Chief of the Larkspur Fire Protection District, offered a summary of his meeting with Mr. Parker. The goal of the meeting was to ensure that the two Districts remain aligned in their priorities. The Districts plan to continue collaborative efforts through shared documentation of maintenance records and ISO (Insurance Services Office) standards.
- 2.4 Perry Park Water Together Alliance – Aaron Mathewson, PPWSD customer, addressed the board regarding the formulation of Perry Park Water Together Alliance, an organization aimed at strengthening communication and collaboration between District customers and the PPWSD Board of Directors. Mr. Mathewson explained that the Alliance would like to better understand the challenges facing the District, explore community involvement options, research strategies to help reduce rates, leverage experts in the community and establish a regular meeting schedule with board members. Discussion followed regarding details of setting up meeting dates, times and location, as well as who would attend. A few audience members commented that they opposed the meetings due to lack of public inclusion and were concerned that the Alliance wouldn't accurately represent the community. Mr. Mathewson agreed to propose dates for the meetings on a trial basis.
- 2.5 Audience Participation – Several customers addressed the board with their questions, concerns and/or comments.

Audience Question/Comment – Has the District applied for Grants? How does the District arrive at decisions to raise rates?

Board/Staff Response – The District applies for Grants on a regular basis, however, it is often passed over due to the higher-than-average income level of the customer base. Rate increase decisions are voted on by the Board, following recommendations provided in a rate study conducted by an outside consultant. For the July 1, 2025 rate increase, the Radium Water Treatment Plant Upgrade Fee of

\$92/billing cycle, the board voted unanimously. It was clear that the community viewed radium mitigation as a priority. Additionally, the near violation of the state-regulated radium level warranted an immediate response. Given the depletion of the aquifer and high radium levels experienced by neighboring Water Districts, it was clear to the Board that although the Radium Mitigation would be a costly burden to the customer-base, it was an issue that needed to be rectified for community peace-of-mind and state regulation compliance.

Audience Question/Comment – It seems unfair that our community is expected to pay for upgrades and improvements that will be utilized more by future customers than current customers, can the District defer a portion of the expense or spread the cost out over a longer period? And, why are customers on septic systems paying for capital improvements to the Wastewater Treatment Plants?

Board/Staff Response – Board members explained that the nature of a water and wastewater treatment facility is to not only provide reliable service and protection to today's customers, but also for future generations. Past generations have paid for the equipment, water rights, wells, storage tanks, hydrants, etc. that our community relies on today. We must do the same for those who come after us. On the capital improvement fee being allocated to all customers, regardless of wastewater system usage, the Board and District Manager explained that the Capital Improvement Fee was established in 2012. Since then, the majority of the capital improvement projects have been related to water service. The board noted that the upcoming capital improvement to the Waucondah Wastewater Treatment Plant will require careful consideration of the capital improvement fee and whether or not septic customers should incur the same fee as wastewater treatment customers. That decision is forthcoming. The District manager explained how even septic customers use the wastewater treatment plant. She outlined that the method to treat the water that septic customers use results in backwash that must go through the wastewater treatment plant. Septic users do not return water to the system and the District must make up for that water loss, which has cost implications.

Audience Question/Comment - Douglas County is filling up their trucks with hydrant water and they aren't using a back-flow preventer or meter to track the quantity. And, it seems like they should be using gray water, rather than treated water for their road work and/or construction.

Board/Staff response – Mr. Parker explained that the Douglas County Transportation Supervisor calls the District every month to report the number of gallons used, based on the truck loads and truck capacity. Then, the District bills the County the standard rate for construction water (currently \$31.20/1,000 gallons). Mr. Parker further explained that the county trucks are filled until they reach the weight limit, which allows for an air gap, which acts as a back-flow preventer. Mark Morton, Engineer for the District, answered the question regarding the use of grey water for road maintenance and construction, stating the water use for groundwork must be treated per state health department regulations. Mr. Parker concluded by requesting all customers to be aware of water being pulled from hydrants without use of a meter and to report the violation to the District (Douglas County vehicles being the exception).

Audience Question/Comment – What is the District doing to address the unaccounted-for water usage, which is currently estimated around 30%?

Board/Staff response – The entirety of the infrastructure has been analyzed for leaks, and none have been found. The treatment plants have also been analyzed and determined to be sound, although not all infrastructure is metered. Possibly contributing to the unaccounted-for water is the meters at customers' homes, which may no longer be tracking consumption accurately. The District has been running a test study of new meters and is aiming at a District-wide replacement program to address.

Audience Question/Comment – What would happen if the District deferred the upgrades to the Waucondah Waste Water Treatment Plant (WWTP)?

Board/Staff response – Mr. Morton responded that given the age of the plant, over 50 years old, it has already surpassed the life-cycle of the average wastewater treatment plant. Over the last 50 years, the Waucondah WWTP has been maintained according to manufacturer's recommendations. It can be projected that if the aging plant is not updated, the ability to treat sewage to effluent limits in the discharge permit may get more costly (chemical addition and electricity). If the plant can no longer meet effluent limits, it would be in violation with the state, which could result in penalties to the District. Mr. Morton added that the Waucondah WWTP is older and two times the size of the Sageport plant and it serves the larger portion of the District.

- 2.6 Request for Board Consideration – The Board reviewed an accommodation request from a customer who installed a reverse osmosis system in his home. The customer stated that the system was “required” in order to mitigate the radium in the water. Director Peterson explained that the District does not reimburse customers for their in-home treatment systems. The District's priority is to resolve any water quality issues at the plant, as required by law. A motion was made and seconded; (RESOLUTION 25-083) TO DENY THE ACCOMMODATION REQUEST FOR CUSTOMER INSTALLED REVERSE OSMOSIS SYSTEM. The motion passed unanimously.
- 2.7 Capital Improvement Plan– Board Members reviewed the Capital Improvement Plan presented by Mark Morton. Mr. Morton offered a thorough presentation of the Capital Improvement Plan and answered questions from the board. Director Maras recognized that pipeline improvements were not included in the plan and suggested to the board that water line replacement be included in an ongoing maintenance schedule. He requested from Mr. Morton a recommended timeline and pricing for District pipe replacement. Director Maras also asked Mr. Morton for his professional opinion on the unaccounted-for water loss. Mr. Morton responded that the aging meters could be a contributing factor.
- 2.8 Waucondah Wastewater Treatment Plant Funding Update – District financial advisor, Andrew Wheeler of DA Davidson, led Board members through a review of the five banking institutions that responded to the request for funding for the Waucondah Wastewater Treatment Plant Upgrade. Director McCusker offered that the board is still deliberating on the terms. Mr. Wheeler responded that if the goal was to solidify the lender by the end of the year, the terms need to be confirmed

soon. Director McCusker stated that she was skeptical of any loan that would have a rate reset within the terms. Mr. Wheeler offered that it was unlikely that the rates quoted by the five banks would change before closing and that closing before the end of the year was not actually a significant concern. The board asked DA Davidson if they had a recommendation regarding the five banks. DA Davidson responded that they find NBH Bank to have the most favorable parameters.

- 2.9 Execute Waucondah Wastewater Treatment Plant Improvement Project Contract Document – The Board reviewed the contract for the Waucondah WWTP improvement project. Director Maras noted that the contract package was only made available recently and he hadn't had time to give it a full review. In the short term, Director Maras had questions/concerns regarding the change order documents and the payment performance bonds. Legal counsel, Ashley Zahedi, confirmed review of the documents, but also stated that she would like to look at the documents in further detail before giving approval to execute. Alan Hill, legal counsel, noted that there were some omissions and inconsistencies in the contract. Mr. Hill offered that the board could approve the contract today, noting that final approval was dependent on further review from legal counsel. The board confirmed that the documents state that the contractor is bound to the final pricing at the time the project was awarded and that the contractor committed to a 450-day completion. Ms. Zahedi and Mr. Hill agreed to submit a list of proposed changes by the end of the week. A motion was made and seconded; (RESOLUTION 25-084) TO APPROVE THE WAUCONDAH WASTEWATER TREATMENT PLANT IMPROVEMENT PROJECT CONTRACT PREDICATED ON CHANGES THAT MAY BE MADE TO THE CONTRACT UPON REVIEW BY LEGAL COUNSEL. The motion passed unanimously.

A motion was made and seconded; (RESOLUTION 25-085) TO EXECUTE THE ACCESS/STORMWATER DRAINAGE EASEMENT WITH THE DOUGLAS COUNTY BOARD OF COUNTY COMMISSIONERS. The motion passed unanimously.

- 2.10 2023 Reimbursement Resolution - Board members reviewed Resolution 23-086 regarding reimbursement of previously paid expenditures with loan funds. The Board agreed that the resolution should remain as presented.
- 2.11 Smart Meters Update – The District Manager noted that the meter readings from the pilot test meters are working well for the most part, consumption seems to be comparable to the previous year, and two meters that are not transmitting. Mr. Parker responded that while the reported readings aren't definitive, it's advantageous to automate the data collection, which will result in a District cost-savings. He added that he believes the installation of Smart Meters will be a benefit to the customer, but an educational initiative should be developed. Director Maras revealed that a local water and sanitation district reported that customer satisfaction ratings improved upon installation of Smart Meters. The District Manager noted that the District could incur additional costs above those already assessed, due to the need for electrical work for the in-home meter installations. Mr. Parker added that the difficulty and irregularity associated with the installation of in-home meters may add significantly to the length of the project. A motion was made and seconded;

(RESOLUTION 25-086) TO PROCEED WITH THE METER REPLACEMENT PROJECT USING ZENNER SMART METERS. The motion passed unanimously.

- 2.12 2026 Budget – The board reviewed the latest version of the 2026 Budget draft. Director Peterson recommended the addition of an additional line item for the maintenance of the District’s 450 hydrants. The District Manager offered that she would change the name of the current line item “Hydrant Replacement” to “Hydrant Maintenance”. Director Peterson noted that the draft budget looks to be accurate from a historical perspective. Director Maras made several comments regarding the lease for the Waucondah Plant Upgrade, the Smart Meter Project and the Capital Improvements as recommended by GMS Engineers. He added that the budget may need adjustments once a rate increase is established and further information about future expenses is obtained. The District Manager offered that Raftelis is currently factoring in new data, and the revised rate study is forthcoming.
- 2.13 District Systems Report – The members of the Board reviewed the District Systems Report that was prepared by Mr. Parker. Mr. Parker reported that the Combined Radium Testing which was received from the lab in August was under 5 pCi/L. He continued that shaft maintenance is required for the RBC #2 at Sageport. He highlighted that the water consumption is down, likely because of the high rainfall, as well as customers striving to lower their water bill. It was mentioned that Dakota Well was omitted from Mr. Morton’s Capital Improvement presentation. It was also mentioned that the District is unable to maximize the alluvial well water in the summer.
- 2.14 District Staff Report – The members of the board reviewed the Monthly Staff Report that was presented by the District Manager. Director McCusker noted that the unofficial third quarter financial report was in the board packet. Director McCusker added that the financial reports will be very helpful moving forward.
- 2.15 Legal Counsel – ADUs (Accessory Dwelling Unit), Reservoir Property, Legacy Tap Fees and Inclusion – Ms. Zahedi provided the board with guidance regarding ADUs, the Reservoir Property and Legacy Tap Fees and Inclusion.

Ms. Zahedi explained the new law regarding ADUs and the fees associated with establishing water service to these units. The law states that the dwelling must have water availability to the same standards as the existing dwelling, however, the fee for service to the additional dwelling must not be overly burdensome to the owner. Ms. Zahedi offered that District rules and regulations provide guidance regarding additional dwellings constructed, and that they must tap into the mainlines, rather than join into the existing service lines for the main dwelling. Director Peterson suggested that further discussion of this topic be tabled for now.

Ms. Zahedi explained recent changes to the law regarding how Districts establish tap fees. Colorado’s House Bill 25-1211 took effect on August 9, 2025, and has been incorporated into Section 32-1-1006(9) of the Colorado Revised Statutes (“Tap Fee Law”). The Tap Fee Law states that a district has a duty to provide water within its service areas, if the district has the capacity to do so. A district’s “capacity” includes consideration of; the physical capacity of a district’s existing infrastructure;

the legal capacity of the district, including the sufficiency of a district's existing water rights pursuant to any relevant decrees to provide water or sewer service to new customers; and a district's financial capacity to fund all required infrastructure and water rights without creating detriment or harm to existing customers.

Ms. Zahedi added that pursuant to the Tap Fee Law, all tap fees must be "reasonably related" to costs incurred by the water district in funding and providing water and sanitation services. C.R.S. § 32-1-1006(9)(b)(I). This may include costs related to infrastructure construction and acquisition, the costs associated with adding to existing system capacity or expanding system capacity, as well as costs associated with water rights planning, and the acquisition and development of water rights. Tap fees must be reasonably related to the costs associated with establishing service.

Director McCusker suggested that the District engage a consultant to conduct a cost of service study and added that the tap/development fees could include the cost of water acquisition rights.

- 2.16 Board Member Discussion Items – Director Maras encouraged board members to review case studies from Colorado Waterwise related to their Colorado Water Loss Initiative.

Director McCusker shared an opportunity offered by the UNC School of Government Environmental Finance Center. She encouraged board members and the utility assistant to attend webinars related to core responsibilities of managing a public water/wastewater utility.

- 3.0 Adjournment** - A motion was made and seconded: (RESOLUTION 24-087) TO ADJOURN THE REGULAR MEETING. The motion passed unanimously. The meeting was adjourned at 17:41.

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Jim Maras, Secretary