



WATER & SEWER ADVISORY BOARD REGULAR MEETING

Town Hall - 8720 Spruce Mountain Road
SUMMARY MEETING MINUTES
December 13, 2018

ESTABLISH QUORUM

MEETING CALLED TO ORDER by Tricia Bernhardt @ 6:06 pm

PRESENT

Tricia Bernhardt (Chair)
Ruth Ann Arfsten
Richard Cargill
Brian Cook (Alternate)

ABSENT

Eric Waggle (Co-Chair)
Lynn Pfaff

NON-VOTING / GUESTS: Marvin Cardenas, Cindy Cook, Susan Kerry

MINUTES FROM PRIOR MEETING: Minutes from the 10-30-18 meeting were Approved. Minutes from the 11-13-18 meeting were Approved.

MOTIONS:

A motion to invite the Plant Manager from the Monument Wastewater Treatment Plant to attend a Water & Sewer Advisory Board meeting was made by Brian Cook. The motion was seconded by Richard Cargill. A roll-call vote was taken. Four (4) in favor, Zero (0) against; motion carried.

A motion to Approve the Minutes from 10-30-18 was made by Brian Cook. The motion was seconded by RuthAnn Arfsten. Motion carried by unanimous voice vote 4-0.

A motion to Approve the Minutes from 11-13-18 was made by Brian Cook. The motion was seconded by Richard Cargill. Motion carried by unanimous voice vote 4-0.

OLD BUSINESS:

The W&S Board was provided copies of the data they requested from Town staff which showed a comparison of Larkspur tap fees and water rates compared to the surrounding areas. This data was requested by the Council from the Water and Sewer Advisory Board, to support the 48% rate comparisons being quoted. The W&S Board reviewed the data and asked questions, which were addressed by Susan Kerry.

Marvin stated he would like the Town to determine what it costs for the Town of Larkspur to produce a gallon of water.

Brian reported that he had spoken to the Plant Manager from the Monument (Tri-Lakes) sanitation plant. They have 15,000 customers. The Board agreed that Brian will invite him to come to a future W&S Board meeting.

Review of the Council meeting regarding raising the Commercial tap fees was discussed by the W&S Board. Recollections varied about whether it was passed or not. It was unclear whether they passed (1) adding a Commercial breakout, and/or (2) what it was raised to. It was suggested that they pull a copy of the meeting minutes to see if it was passed, and what was passed. Brian and Tricia decided they would prefer to just ask the Council or Matt whether a commercial rate has been raised. They reaffirmed that they still wanted a higher Commercial rate and would like to review it year to year. Tricia reminded the Board that the Council has an obligation to also consider the tradeoff of discouraging development if the tap fees are too high. Marvin wants to proceed as quickly as possible to ensure any new tap fee agreements are covered. Tricia will talk to Matt about what is being done pursuant to their request. Brian asked about what size tap fees the Town currently offered and discussion ensued. Tricia confirmed that physical plant processing limitations may determine the size of taps being offered.

Brian recommended that the Town no longer offer bulk water sales. Marvin contended that we should know what it costs for the town to produce a gallon water before we sell it. All agreed that once the RCAC rate study is done, the W&S Board wants to be able to recommend to them that the Commercial rates be increased.

Brian questioned how the Campground agreement was made without these studies being done.

Brian asked for agreement by the Board to review the minutes within 60 days to confirm that items have been followed up on/followed through by the Board.

NEW BUSINESS:

Tricia addressed the questions that were asked of the Town as represented by Sandra Mason. Tricia also recommended that most Board business be done in writing.

- Could the Board see the proposal or bid for the new WWTP?
- Explain the finances of how the WWTP would be built?
- Explain the effluent Jellystone calculations with the current and future plant?
- Need an understanding of the renegotiated agreement with Jellystone.

Most responses from Sandra state that they don't have the answers yet.

Marvin commented that, at "the meeting", he believes Matt said the Jellystone agreement has been renegotiated and has been sent back to the State. Tricia said there is nothing on the CDPHE website about it at this time; there would be a site plan on the website if one were publicly available. Marvin said he would like a confirmation from Matt. He understands it has already been renegotiated and submitted to the State, and if that's the case, the W&S Board would not have the opportunity to review it before it's done. Marvin asked if they should approach Gerry Been, or would the Board want to contact the State and let them know they are having trouble obtaining information from the Town and see if they can get it from the State? Brian stated that if the State does have the renegotiated agreement in their hands, then they (the Board) did not get to look at it and Council was not able to vote on it before it was completed. Brian and Marvin

stated that they should go to Gerry right away. Brian also asked how many members of Town staff are involved in these negotiations. Richard expressed dismay that the Town “slid this through right under the radar”, and that someone is pushing this through for a reason. Tricia read an extract from the questions and responses addressed by Sandra where:

- the Board is assured that they will provide the financial information as soon as it is available;
- the rest of the information will be provided to the Council and the W&S Board simultaneously for their review and recommendations. The Board will then have the opportunity to provide their recommendations to the Council before entering into any agreement.

The Board agreed that this sounded reasonable.

Tricia asked if the request should be made regarding what the Board should expect regarding timing of a response from the Campground. There was no additional discussion or consensus.

Marvin and Brian again questioned what the status of the agreement is. Marvin said he believes it must be approved by the State before it will come to the Board. All agreed that they should call Matt to ask.

Tricia asked Board members if anyone had a copy of the full original agreement with the Campground. Brian stated he does have it. She asked Brian what the figures in that agreement were with the Campground, i.e., the Investment, the Tap Fees, and the monthly Service Fees. Brian will forward it to Tricia. He doesn't feel it provides all the necessary information.

Discussion continued regarding the 102 Town taps and what the impact on the lagoon in mid-July with the Campground and the Renaissance would be. Brian stated that he feels the Board has been patient enough, that they have been told it's not their business long enough, and they should vacate the agreement. Marvin said staff is racing toward finishing the agreement without protecting the Town's interests. Brian brought up the tax shareback with the Campground and that it doesn't support the costs of the treatment plant. The Board doesn't feel that the Council has been given sufficient information to make this agreement. Brian feels that small modifications will not fix the problems with this agreement and that the full agreement should be vacated, either by petition or not, and that the Campground “will not sue this poor town”. Others agree it should be vacated, but do not think this is legally possible. Marvin said he would call Gerry and they would talk with Matt about this.

Brian said that the 500 people from the Campground would become voters after living there 60 days, and they can just take the Town over. He feels that everyone should get the Town to “just shut this thing down.” Frink and Frank roads should be cleaned up as the main town centre. The wastewater plant should be put up top, north of the lagoon, not next to Frank who donated the land. He feels it's disrespectful to long term residents.

RuthAnn said that the Campground appears to be going forward with construction so there must be a site plan somewhere on all of this. Discussion ensued regarding pipe installations, flagging for other lines, etc. Marvin suggested it may be fiber optic cables; not water or sewer. Some of the construction near the Campground may be from CDOT for the new driving lane.

Tricia stated that the main concern is that the Town will proceed with an agreement for a huge investment that there is no way for the Town to pay for.

Marvin again mentioned about talking with Gerry, and with Matt, about getting these answers or finding another alternative to get them.

Tricia is hesitant to go before the Board at the next Council meeting. There was a strong feeling that the Council was not respectful of Tricia's report at the last presentation. Maybe they need to ask if the Council really wants a Board to help advise them. Is Staff not giving information to the Board because the Council doesn't want them to? Brian was unhappy with the time Barbara spent talking about the rate study, wasting their time.

Marvin said he would prefer to approach Gerry and Matt tomorrow to get some of this information. Brian said that they should probably move forward with the petition right away because the (Jellystone) deal is marching forward. Richard said he will talk with them tomorrow and he will make a decision whether to go on with the petition tomorrow; the Mayor needs to get control of Matt and his crew.

Tricia again asked what they want to put forth to Council at the next meeting. Brian reminded them that they recommend that they should no longer sell bulk water.

Brian asked why separate Boards exist for Water and Sewer. Other members informed Brian that they are a Water and Sewer Board. They decided they need to address water more. Tricia stated that she is more experienced regarding the water side of the business.

Information Tricia was given from experts in the field suggest that the WWTP may end up costing more in the range of \$10-\$12 million. She understands that GSM is also the engineering firm the Campground is using. Tricia read additional responses from Sandra, including asking whether GSM could attend their Board meeting. Other members of the Board wondered if GSM and Atwell, represent a conflict of interest if they both also work for Jellystone. Brian said the Campground has done a very good job of manipulating this Town. Richard and Marvin will address this with Matt tomorrow.

BOARD COMMENTS:

RuthAnn is happy that the Plant Manager from Monument is willing to be involved. Brian stated he gave him a pretty good overview.

Marvin asked if there wouldn't be some engineering students at Colorado School of Mines who would help work through the wastewater plant ideas for a nominal fee. Tricia stated that the problem would still be that they can't get enough information for them to work with.

Brian and Marvin stated agreement that they don't want to argue with the Town and fight with others. Tricia reminded them that they are residents of the Town and can run for Town Council.

Tricia informed the Board that the Town is preparing to engage in the Colorado Rural Water Association's Source Water Protection Program. The Board agreed to invite Linda to a future

meeting. However all agreed this is not the primary issue at this time; the WWTP and Jellystone agreement need to be resolved.

NEXT MEETING:

The Board agreed that they need to meet twice a month going forward. Tricia can't be here during the entire month of January, therefore a co-chair will need to be appointed. Eric has not been able to attend much, so Richard suggested that Lynn Pfaff be approached to take the roll of co-Chair. Tricia will invite Lynn to consider that role.

The W&S Board decided to meet again Tuesday, December 18, 2018. Brian asked if this is to discuss the strategy going forward. Tricia said it is not to discuss replacing Council; that is not a W&S Board responsibility. It is to discuss the results of Marvin and Richard's conversation with Gerry and Matt. Brian said that if they are "not all in" tomorrow, that just kicks the ball down the road for the petition. Tricia will check with Becky to make sure the Town Hall is available next Tuesday, the 18th at 6:00 pm.

MEETING CALLED TO ADJOURN by Brian Cook. The motion was seconded by Tricia Bernhardt. Motion carried by unanimous voice vote 4-0-0. Tricia Bernhardt adjourned the meeting at 7:34 p.m.