

PLUM CREEK WATER RECLAMATION AUTHORITY
4255 N. US Hwy 85, Castle Rock, CO 80108
SPECIAL MEETING MINUTES
Held Via GoToMeeting
November 10, 2021

CALL TO ORDER:

7:32 a.m.

ATTENDEES:

Jim Worley and Dick Munday, Board Members; Tim Friday, Alternate Board Member; Kirby Clark, Assistant Authority Manager; Lissa Oelkers, Director of Administrative Services; Lucinda Young, Administrative Assistant; and Darryl Farrington, Semple, Farrington, Everall & Case, PC.

ANNOUNCEMENT OF QUORUM:

Quorum present.

PUBLIC COMMENT:

None.

APPROVAL OF AGENDA:

Dir. Munday moved to approve the agenda. Alt. Friday seconded the motion. The motion was unanimously approved.

DISCUSSION ITEMS:

REUSE RATE PROPOSAL WITH A CAPITAL RESERVE COMPONENT:

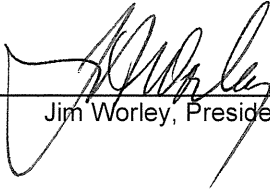
When posed with the question why the golf courses have different rates, Mr. Clark explained the biggest differential is in the cost of electricity to pump the water to the courses along with cost of assets and some minor differences in the rate model. He explained that staff is working on methods to even out the cost of reuse water, however the cost of electricity will always be a factor in a variable rate. For 2022, staff is proposing to change the method of reuse customers contributions to capital replacement by implementing a flat annual fee which will be charged monthly, regardless if water is pumped to the customer. As the customer uses water, a rate per thousand gallons pumped will be included as an additional line item on the invoice. The rates per thousand decrease for 2022 due to the SRF loan, which was paid off in 2021, and the reuse customers contributed to those payments. Mr. Clark presented an Excel document which provided the possibilities for the level of capital contribution per year which would ultimately end up with \$3 - \$5M in a reserve account to pay for reuse infrastructure. The suggestion from staff was to start with paying into \$3.5M over 30 years and ramp that up over the next two years so that the contributions will be \$5M over 30 years. Discussion ensued among the board. The board requested Mr. Clark to update the provided memo with why the rates are dropping to help them convey the information to the reuse customers. They also requested he send them the Excel document for their use. Mr. Clark inquired about how the information should be conveyed to the customers. Alt. Friday stated that Castle Rock Water would talk with Red Hawk; Dir. Munday stated he would get back to Kirby on who to talk to; and Dir. Worley requested that Mr. Clark meet with him and the Ridge. Dir. Worley and Dir. Munday will contact Mr. Clark for further instruction.

DISCUSS DRAFT 2022 BUDGET:

Mr. Clark opened discussion by informing the board of slight increases to the insurance and accounting line items due to information provided from those vendors. Additionally, the reuse revenue was updated and a new capital reserve for reuse line item was added. Discussion ensued among the board.

ADJOURNMENT

There being no further business to come before the board, Dir. Worley declared the special meeting adjourned at 8:10 a.m.



Jim Worley, President