

This scenario would generate \$975,808 from base rates and another \$745,186 from usage.

Another scenario proposed increasing tiers by 3,000 gallons and increasing the cost per 1,000 gallons by 15% between tiers.

The last scenario addressed how much the tiers would have to increase to balance the water budget without increasing the base rate. In this model the cost of each tier would increase by 37.5%.

Brandewie asked the board to give him direction about which of these scenarios to pursue. He also suggested the board consider raising the rates for the few out-of-town customers.

Following Brandewie's presentation of his revised study, Havenar reiterated her preference for beginning with a large increase, arguing that the 3% increase in the base rate already scheduled was not adequate the balance the water budget. She said she wanted a solution that would not overwhelm a senior citizen who lives alone.

To address Havenar's concern, Brandewie suggested making the first usage tier free so low usage customers would pay only the base rate. He also pointed out that if high usage tiers were too costly, large customers would pursue getting their own wells.

The board will hold a virtual meeting with Brandewie on June 7 to continue the discussion of water rates. Check the town's website for meeting details.

Board sets direction for water system improvements

At the May 3 workshop, Morton reviewed the water system improvements called for in the PER he prepared for the town and discussed potential funding sources.

The PER lists three priority one improvements:

- A new well into the Arapahoe aquifer. Morton said a new well is urgently needed because if one of the town's existing wells was out of service the town will not have enough water to meet demand.
- Upgrades to the water treatment plant. Radium mitigation technology needs to be added to the treatment plant and additional treatment capacity is needed to provide redundancy.
- Six segments of pipeline need to be replaced. These segments are the most prone to failure.

The PER also listed three priority two improvements:

- Build pipeline loop at County Line Road.
- Build pipeline loop at Shady Lane.
- Build pipeline loop at the southern boundary of the service area, adjacent to Red Rocks Ranch.

Turning these existing pipelines into loops is necessary to avoid water quality issues in

the current pipelines, which have dead ends. The dead ends make it necessary to flush the pipelines of stale water, which wastes water. Pipelines that loop also provide a redundant water supply in the case of a pipeline break and help supply adequate water pressure to support firefighting.

The total preliminary cost estimate for priority one and two projects is just over \$6 million, according to the PER.

To fund the water system improvements, Morton recommended the town begin by seeking a loan. If grants can be found, those funds can be used to pay down the principal on the loan, reducing interest costs.

Collins pointed out that the longer the town waits to begin on these improvements, the higher the cost will be. Havenar asked her to begin investigating financing options.

At the board meeting on May 11, Havenar and the board passed a resolution directing Collins to work with Morton to investigate funding for all the proposed water system improvements. Morton offered to update the costs in the PER, which is now a year old, adding that costs may have increased by 5% to 10% due to inflation.

At the May 25 board meeting, the board decided to pursue drilling a new well into the Arapahoe aquifer. Collins said BBA Water Consultants Inc. identified a location in the northeast section of Palmer Lake near County Line Road as the best location for the well. Collins said that \$337,000 in American Recovery Plan Act funds were available to fund the well drilling investigation.

At the same board meeting, attorney Matt Krob proposed amending Ordinance 16-2018, an emergency ordinance that restricts the expansion of the water system. Krob said the emergency ordinance could be interpreted to prevent some of the planned water

system improvements. Collins said the ordinance obstructed the creation of pipeline loops.

Moseley objected to Krob's proposed amendment, saying he suspected the amended ordinance would enable development. He suggested town staff might be colluding with developers but offered no evidence this was true. He also argued the original ordinance says it must remain in place until the town has acquired new sources of water. Trustee Shana Ball pointed out that the proposed well could be thought of as a new water source.

Krob said he would redraft the ordinance and bring it to the board at a future meeting.

Design for stormwater drainage selected

The town's plan to improve the quality of its stormwater drainage was discussed at the May 3 workshop. A previous board began developing this plan in May 2022 in response to a report from John Chavez, of Chavez Consulting LLC, that found that the town was not complying with the terms of its Municipal Separate Storm Sewer System (MS4) permit.

GMS did a study in April 2022 that presented three stormwater drainage designs to bring the town into compliance with its permit. Reporting on that study can be found in a previous issue of OCN here: <https://www.ocn.me/v22n5.htm#plbot>.

At the workshop, Morton said his understanding was that the board wanted to pursue the storm drainage design referred to as the "hybrid" design that would build a drainage system on High Street that would have underground and aboveground segments. The estimated cost is \$885,000.

Morton explained that the drainage project requires the creation of a stormwater drainage enterprise fund. Such a fund is a prerequisite for borrowing the money needed to

construct the drainage infrastructure. The fund would create a revenue source for the project by charging each resident a fee; those fees would cover debt service and the creation of a reserve to be used for future drainage improvements. The enterprise fund would cover the entire town's drainage issues, Morton said.

Morton emphasized that the town's MS4 permit obligates it to produce a good quality of stormwater discharge or face penalties. Krob said the entire town would be responsible for paying those penalties should violations occur.

At the May 25 meeting,

the board approved a resolution confirming their choice of the hybrid design. Collins was directed to provide the board more detail on the required enterprise fund. She said the enterprise fund would need to be set up for a year and audited before the town could pursue other loans or grants to fund the improvements to drainage.

Wedding venue proposed for Elephant Rock

At the May 11 board meeting, Havenar said out of the several proposals to develop the Elephant Rock property that the board had received, two were

PALMER LAKE REC MJ DISPENSARY



AlpineEssentials

DIRECTIONS



MENU



9am - 9pm
(719) 375-1134
AlpineMJ.com
850 Commercial Ln.

REC DISPO

\$5 OFF YOUR PURCHASE OF \$50+

Valid until 4/3/23-7/3/23. Must spend \$50 before tax. Limit one per customer. REC only. Must be 21+.



"The Dump"

A Dump Site Open to the Public



Hours: Mon. - Fri. 8 a.m. - 4 p.m.
Sat. - 10 a.m. - 4 p.m. • Sun. - Closed

856 Washington St.
Monument, CO 80132
(719) 481-2340
peakdr.com
Cash * Debit & Credit Cards



PAY BY THE POUND!

Prices starting at 14¢ per lb.
and as low as 5.9¢.

Metal accepted in the recycling bin at no charge

We accept:

- Mattresses (\$22+weight)
- Yard Waste
- Refrigerators (\$39 each)
- Construction Debris
- Furniture
- Household Waste
- And Much More!

We can't accept:

- Tires
- Televisions