

# Park Water Company Board Meeting Agenda

**Date:** May 18, 2026

**Time:** 6:30 pm

**Call to Order:** 6:39 pm - 7 members present - Wayne Shephard - President, Tara Kulp - Vice President/Secretary, Kathy Fisher - Bookkeeper, Craig Fisher - Treasurer, Rhea Slowik, Susan Cotten, Bob Kulp - ORC

## Review and Approval of Previous Meeting Minutes -

- February 27, 2026 Minutes - document [HERE](#)

## Officer Reports

- **Treasurer**
  - Balances were reviewed. The \$21,000 bi-annual loan payment has been made. The new Chase account has a \$2,000 minimum balance.

- **2025 Filing Discussion/Loan Covenant**

On April 28, 2026 Bob, Tara and Rhea met with our accountant.

Following the meeting Bob sent an email summarizing the meeting:

*In 2025, the system incurred a higher-than-normal operating expense due to a periodic treatment media changeout and associated testing, which occurs on a multi-year cycle rather than annually. While the system had sufficient reserves to fully fund this work, the timing of the expense caused total operations and maintenance costs, when combined with debt service requirements, to exceed the annual revenue threshold defined in the loan covenant by approximately \$15k. This resulted in a technical non-compliance for the year under the loan covenant, despite the system remaining financially stable and appropriately funded over the near term.*

*Operator Recommendations to the Board:*

*Covenant Waiver - If Kathy or the Board can obtain a copy of the waiver form, I will prepare an initial draft for Board review and refinement prior to submission. This should be prioritized given upcoming deadlines.*

*Budget & Rate Review Process - Establish a formal requirement within PWC rules for an annual budget and rate structure review. This review should evaluate cost controls, revenue sufficiency, reserve strategy, and long-term financial alignment.*

**Action:** Rhea will contact Ian to get the waiver form

- Wayne shared a copy of the letter he will send formally rescinding the ~\$5,000 remaining of the loan.
- **Business Account at Chase Bank for Zelle payment option.**

Kathy and Wayne opened a Chase account to accept payments via Zelle

10 of 36 have responded to the Zelle payment option.

- **Operator in Responsible Charge (ORC) Updates**

- In an email on May 2, 2026 ORC, Bob Kulp, sent information and recommendations on three topics. The three letters are included at the end of this agenda document (see Appendix).
  - 1) Distribution System Replacement Effect on Water Use
  - 2) Copper Action Level Issue
  - 3) Ion Exchange Media Changeout and Disposal Recommendation

## **Unfinished Business**

- **Copper Action Level Exceedance - Discussion for this is tied to the 2nd letter from Bob.**

**Discussion/Action:**

June 30 deadline for the OCCT document to be sent to CDPHE.

Bob has written a draft of the OCCT document. He has an engineering contact he's exploring to review and stamp the document. The Board voted to approve \$200 to \$600 for him to secure the stamp through this firm. If this isn't possible, JVA can be used as a backup.

- **Uranium Disposal - Discussion for this is tied to the 3rd letter from Bob.**

**Discussion/Action:**

The Board voted to wait to retest the resin until after the next change out.

Bob will work on a calculation for the Ur. changeouts and disposals for the Annual Meeting. Funding for this may need to either be an increase in the monthly base rate, or a one-time assessment. The Board will seek feedback from Members at the Annual Meeting on financing this. The projected timeline for the next change out is 2.75 million gallons of water treated - (projected to be early 2028).

Bob will continue to look into licensing for testing, transportation and disposal. Kathy suggested ACZ as a possible lab.

- **Generator**

- Electrical is complete.
- The generator has arrived.
- A storage shed needs to be built to house the generator.
- Metal shed 4' x 6' \$209  
<https://www.homedepot.com/p/VEIKOUS-4-ft-W-x-6-ft-D-Metal-Lean-to-Shed-Storage-Shed-23-sq-ft-in-Gray-PG0301-29-1/338512748> OR SOMETHING with a larger door that could also house our lawn mower? Metal Shed 6' x 4' \$243..... this may not be large enough but there are many options out there.  
<https://www.homedepot.com/p/6-ft-W-x-4-ft-D-Outdoor-Storage-Metal-Shed-Lockable-Metal-Garden-Shed-for-Backyard-Outdoor-24-sq-ft-T-PS1146S0BN-1/322981047>
- Once in place, the generator will be tested and a procedure put in place for its use.

**Discussion/Action:**

Bob and Wayne will move the generator from storage location to the well house this week.

Wayne will explore pre-fab shed options.

## New Business

- **Planning for Annual Meeting**

Kathy will contact Evergreen Lutheran for dates/availability.

Next Board Meeting will be held prior to the Annual Meeting to set the agenda.

## Meeting Adjourned: 7:35 pm

### Appendix:

Letters to the Board on May 2, 2026 from ORC

- 1) Distribution System Replacement Effect on Water Use
- 2) Copper Action Level Issue
- 3) Ion Exchange Media Changeout and Disposal Recommendation

#1

## Distribution System Replacement Results

Board and Member Summary

May 2, 2026

**To: Board of Directors and Members**

**Subject: Water System Improvement Following Distribution Main Replacement**

Dear Board Members and Members,

This letter summarizes what our well pumping records show about the Park WC Wonderview water system before and after the distribution system replacement project. Monthly pumping totals do not measure every factor that can affect water use, but they provide a clear and useful measure of system performance over time.

The new distribution system was placed into service at the end of August 2023. Prior to that work, the system included old mains that had experienced significant leaks over time, including major leak events in 2022. The historical pumping data show why those old mains needed to be replaced.

When this project was first planned, we expected that the subsidized revolving loan funding limit might allow us to replace approximately 75% of the oldest segments of the system. Through careful planning, strong negotiations, and the work of a capable contractor, the project delivered a better result: the distribution mains are now 100% new.

The benefits are visible in the data. From 2018 through 2021, before the replacement was completed, the system pumped an average of about 1,487,679 gallons per year. In the first two full years after the new system was in service, 2024 and 2025, the average was about 1,124,554 gallons per year. That is a reduction of approximately 363,125 gallons per year, or about 995 gallons per day, a 24.4% decrease from the old-system average.

The 2022 data show the impact of major leaks particularly clearly. Total pumping in 2022 was 1,666,405 gallons. By comparison, the 2025 total was 1,087,475 gallons, approximately 578,930 gallons lower, or a 34.7% reduction. A same-season comparison after the August 2023 switchover also shows improvement: September through December pumping averaged about 498,239 gallons before replacement and about 345,129 gallons afterward, a 30.7% reduction.

The early 2026 data continue to track the improved post-replacement pattern. Through April 2026, the system pumped 342,164 gallons, consistent with the post-replacement baseline and about 21.2% below the 2018-2021 pre-replacement average for the same January through April period.

In practical terms, the project has reduced unnecessary pumping, reduced stress on wells and pumps, reduced the risk of recurring main leak repairs, and improved confidence in the reliability of the system. The data support the conclusion that the distribution replacement project was not only necessary, but successful.

We should also recognize that the project outcome exceeded the original expectation. Instead of stopping at a partial replacement of the oldest sections, the system now has a fully renewed main network. That is a major improvement for current customers and a long-term investment in the reliability of the water system.

One important remaining point is at the service-line level. The distribution mains are completely new, and many resident-owned service lines have also been replaced; however, several service lines are middle-aged and some are still very old galvanized lines from original construction. As a result, our primary remaining near-term leak risk is at the service-line level. We will continue to monitor pumping records and field conditions actively and investigate suspected leaks as they arise.

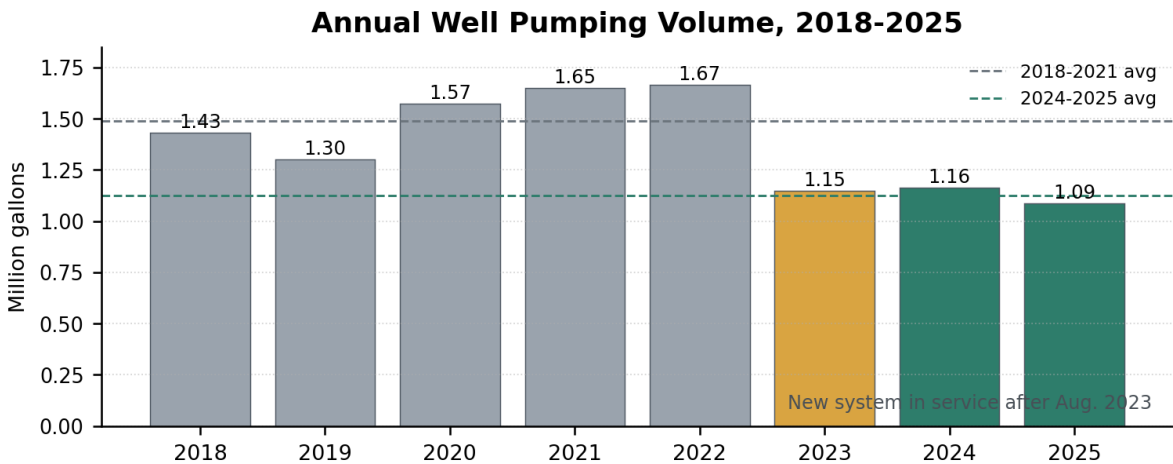
Best Regards,

Bob Kulp  
PWC Member & Contracted Water System Operator

# Pumped Water Data Summary

Monthly well pumping records show a clear reduction after replacement of the distribution mains.

|                                                                                 |                                                                                  |                                                                            |
|---------------------------------------------------------------------------------|----------------------------------------------------------------------------------|----------------------------------------------------------------------------|
| <b>363,125</b><br>fewer gallons pumped per year<br>vs. 2018-2021 old-system avg | <b>995</b><br>fewer gallons pumped per day<br>estimated annual-average reduction | <b>24.4%</b><br>lower annual pumping volume<br>2024-2025 vs. 2018-2021 avg |
|---------------------------------------------------------------------------------|----------------------------------------------------------------------------------|----------------------------------------------------------------------------|



## Key Findings

| Measure                                  | Result                                                                                                                                                                                  |
|------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Old-system average, 2018-2021            | 1,487,679 gal/year                                                                                                                                                                      |
| Post-replacement average, 2024-2025      | 1,124,554 gal/year                                                                                                                                                                      |
| Annual reduction from old-system average | 363,125 gal/year (24.4%)                                                                                                                                                                |
| Estimated average daily reduction        | 995 gal/day                                                                                                                                                                             |
| 2022 major-leak year total               | 1,666,405 gal                                                                                                                                                                           |
| 2025 total compared with 2022            | 578,930 gal lower (34.7%)                                                                                                                                                               |
| September-December same-season reduction | 153,110 gal lower (30.7%)                                                                                                                                                               |
| January-April 2026 performance           | 342,164 gal; tracking improved baseline                                                                                                                                                 |
| Service-line monitoring                  | Mains are 100% new; remaining near-term leak risk is primarily resident-owned service lines, including middle-aged and very old original galvanized lines. Active monitoring continues. |

**Note:** Data are monthly well pumping totals supplied for 2018 through April 2026. The 2023 year is a transition year because the new distribution system was placed into service at the end of August 2023; early 2023 was already lower than prior years, likely reflecting project work, repairs, operational changes, or demand patterns before final switchover. October 2022 was rounded for reporting. Future leak monitoring will focus especially on service lines, including middle-aged and very old original galvanized lines that remain.

## #2 Subject: Copper issue update

Hello PWC Board,

I wanted to share where things stand on the copper issue from our last round of testing.

In that round, copper came in above the action level, which triggered a notice from the State and a set of required follow-up steps.

Since then, Kathy completed the required follow-up sampling and also did some additional testing to get a better handle on what’s driving it. Based on that work, the copper isn’t coming from the source water. It’s coming from corrosion somewhere in the system plumbing, which is the more common scenario.

I've been adjusting the Seaquest dosing in small steps and watching how the system responds. We're already seeing improvement, so that part is moving in the right direction. It's not fully dialed yet, but it's getting closer.

I've also drafted the required corrosion control recommendation (the OCCT document). The approach in that document is to continue using the current treatment and optimize it, rather than introducing something new.

What still needs to happen is getting that document reviewed and stamped by a Colorado PE before we can submit it to the State.

I've reached out to two engineers and I'm waiting to hear back. Kathy is also looking for additional options. The deadline for submittal is June 1, so timing and cost on that piece are still a bit of an open question.

At this point, the system itself is responding the way we'd expect, and we have a solid plan. The main remaining piece is lining up the engineering review so we can get the formal submittal done.

I'll keep you posted as I hear back from the engineers.

– Bob

**#3**

### **Park Water Company**

#### **Ion Exchange Media Changeout, Disposal, and Rate Structure Recommendation**

Dear Board Members,

This letter summarizes the current situation with the ion exchange media, the disposal issue we are facing, the operating plan I recommend moving forward, and the rate structure analysis I believe the Board should begin now.

Some of what follows is for future board members or anyone reading this later who may not have been involved along the way. In other words, I know some of this will not be new information for the current board members but I included it here just to make this something that is useful in the future.

#### **Action requested**

I am asking the Board to consider two related actions:

**1. Media Change-out and Disposal Strategy:** Approve the general operating plan described below: change the current ion exchange media at approximately 2.75 million gallons treated (approximately in the middle of 2028), defer disposal one more media change-out cycle, composite test all 18 stored drums after the next changeout, and dispose of the material if testing confirms it qualifies for the lower-cost disposal path.

**2. O&M Funding Plan:** Direct a rate structure analysis to determine whether current rates can support a dedicated ion exchange operations and maintenance reserve. If current rates cannot reliably support that reserve, the Board should consider a rate revision or other funding mechanism that allows the system to set aside approximately \$1,500 per month for ion exchange changeout,

testing, storage, transport, and disposal until the next changeout/disposal event. This should be incorporated into a recurring annual budget and rate review process so that multi-year operating expenses like media changeout and disposal are planned and funded consistently rather than occurring as isolated cost spikes.

After the next change-out event, the Board can reassess the actual costs and likely settle into a lower ongoing monthly reserve amount, currently estimated at about \$1,000 per month, adjusted as needed for usage, inflation, and disposal requirements.

### **Background:**

The uranium treatment system was installed in October 2012 because of a CDPHE/EPA requirement related to elevated radiological contaminants in our raw well water.

Since then, we have completed five media changeouts. Each changeout produces exactly **three 55-gallon drums** of spent media. We currently have **15 drums** in storage awaiting disposal.

The spent media is considered TENORM, which stands for Technologically Enhanced Naturally Occurring Radioactive Material. In plain English, that means the uranium is naturally present in the groundwater, but the treatment system concentrates it into the media over time. Once concentrated, the used media has to be handled, tested, stored, transported, and disposed of under specific rules.

Up to this point, disposal has been deferred. That has allowed us to avoid the disposal cost temporarily, but it also means we now have 15 drums stored in the PWS shed. We have reached the practical storage limit unless we install shelving or otherwise reconfigure the space.

### **Current test result**

The most recent lab test on the spent media showed:

**501 mg/kg of uranium**

The disposal threshold relevant to disposal pricing is:

**500 mg/kg of uranium**

The unit “mg/kg” means milligrams of uranium per kilogram of solid media. So this test is measuring how much uranium is contained in the used media itself.

In other words, we are not far over the line. We are right on it. The result was 501 compared to a threshold of 500. That is close enough that normal variation in sampling, mixing, or lab testing could matter.

That does not mean we should ignore it. It means we need to manage it carefully.

### **Why the 500 mg/kg threshold matters**

The cost difference is significant.

If the material stays below **500 mg/kg**, the lower disposal estimate is about:

- **\$800 per drum**

If the material is above **500 mg/kg**, the quoted disposal cost is about:

- **\$4,140 per drum**

That difference is not minor. For a combined disposal event of **18 drums**, the comparison looks like this:

| Disposal Path   | Cost per Drum | 18-Drum Disposal Cost |
|-----------------|---------------|-----------------------|
| Below 500 mg/kg | \$800         | \$14,400              |
| Above 500 mg/kg | \$4,140       | \$74,520              |

That is a difference of about **\$60,000** just in disposal cost.

This is why staying below the 500 mg/kg threshold is so important. If we slightly under-optimize the media by changing it earlier, that may cost us some useful media life. But that is much better than pushing the media too far and triggering a disposal cost that would be financially impractical for a system our size.

### **What makes this difficult**

We do not have perfect data to dial this in exactly.

The best recent data point we have and trust is the composite test that came back at **501 mg/kg**. There may be older information, but I do not think we should rely too heavily on old or incomplete data for this decision.

Another complicating factor is that the uranium concentration in the raw well water changes over time. It is not a fixed number. Some years it has been higher, and more recently it has often been lower. That means the rate at which uranium loads into the media is not perfectly predictable.

So the goal is not to pretend we can optimize this perfectly. The goal is to make a practical decision that balances two things:

1. Get good use out of the media, because media changeouts are expensive.
2. Avoid pushing the spent media into the higher-cost disposal category.

Put another way: we want to optimize the use of the media, but not at the risk of creating a much larger disposal problem.

### **Why I am recommending a conservative changeout target**

Past media runs have varied quite a bit. The five changeouts were done after approximately:

- 1.92 million gallons treated
- 1.80 million gallons treated
- 2.65 million gallons treated
- 5.12 million gallons treated
- 6.25 million gallons treated

Using those numbers and the recent composite result, a rough estimate suggests that the disposal threshold may be somewhere around the mid-3-million-gallon range per media run. That is not a precise number, because the raw water changes and the historical data is not perfect.

For that reason, I recommend using a more conservative target for the next changeout:

### **2.75 million gallons treated**

That target gives us a reasonable buffer below where we think the disposal risk increases, without replacing the media unnecessarily early.

A brief note on the distribution system: because the old leaking mains were replaced, we are now treating less wasted water. That helps extend the time between media changeouts because fewer total gallons are being processed each month.

Based on current water use, which is generally around 80,000 to 90,000 gallons per month, the next media changeout would likely occur around **mid-2028**, depending on actual usage.

### **Proposed plan**

I recommend that we intentionally defer disposal one more media cycle.

That means:

1. Continue storing the existing 15 drums for now.
2. Change the current media at approximately **2.75 million gallons treated**.
3. Add the next **three drums** from that changeout to the existing stored material, bringing the total to **18 drums**.
4. Perform a new composite test across all 18 drums.
5. If that composite test comes in below **500 mg/kg**, proceed with disposal of all 18 drums at once under the lower-cost disposal path.

This is a planned deferral for one additional media cycle, not an indefinite postponement. The current result is barely over the threshold, and a composite sample across all 18 drums after the next changeout should provide a more representative basis for determining the correct disposal path.

There is also the option to re-test the current 15 drums now. A contractor estimate for re-sampling and testing came in at about **\$4,320**. Since the prior result was 501 mg/kg, it is possible that a re-test could come back under 500. However, that would still cost money and would not solve the broader issue of the next media cycle. My preference is to focus on the larger composite test after the next changeout, unless the board wants to pursue the re-test sooner.

### **In-house process review**

I also plan to look into whether we can handle more of the sampling, testing coordination, and possibly disposal transport process ourselves.

We would still use a contractor for the actual media changeout. That is specialized work that benefits from specialized equipment, and I do not recommend taking that on ourselves unless we have a clearly improved process and the required equipment. Prior in-house changeout efforts were far from ideal, and I cannot recommend we repeat the “manual approach” going forward.

But there may be parts of the process where we can save money or have better control, including:

- Sample collection
- Composite sample preparation
- Lab coordination
- Documentation
- Transport or disposal coordination

I do not yet know what is allowed, what certifications may be required, or what the actual savings would be. That needs to be researched before we assume anything. However, preliminary research suggests that the level of TENORM material that we produce can be managed in-house without going to extremes in certification and process. For now, we should plan financially based on contractor-level costs and treat any in-house savings as upside.

### **Storage issue**

We currently have 15 drums in the shed. The next changeout will add exactly three more, bringing the total to 18.

We are at or near the current storage limit. If we defer disposal one more cycle, we may need to install shelving or make another storage improvement so the drums can be stored safely and accessibly until disposal.

That storage cost is not included in the rate planning estimate below. I will price that separately if needed.

### **Cost context**

A recent contractor estimate for media exchange and sampling was about **\$9,481**, not including the new media that we provided separately. For planning purposes, I am using **\$14,000** for the next changeout including contractor labor and new media.

The contractor estimate for re-sampling/testing the current material was about **\$4,320**.

For lower-cost disposal, the contractor-based estimate is:

- **\$800 per drum**
- Plus about **\$1,000** in transport/event overhead

For higher-cost disposal above the 500 mg/kg threshold, the quoted cost is:

- **\$4,140 per drum**

For 18 drums, that means:

| Item                       | Below 500 mg/kg | Above 500 mg/kg |
|----------------------------|-----------------|-----------------|
| Disposal cost per drum     | \$800           | \$4,140         |
| Disposal cost for 18 drums | \$14,400        | \$74,520        |
| Transport/event overhead   | \$1,000         | \$1,000 assumed |
| Total disposal/event cost  | \$15,400        | \$75,520        |

That higher-cost path is not something we should inadvertently trigger. Avoiding it should be a major part of how we manage future media changeouts.

### Rate structure analysis and IOX O&M reserve recommendation

Because this is a recurring cost, we should not treat it as a surprise expense every few years. I recommend that the Board direct a rate structure analysis to determine whether current rates can support a dedicated ion exchange, or IOX, operations and maintenance reserve.

The purpose of that analysis is to answer a specific question: can the current rate structure fund the needed IOX reserve, or does the Board need to consider revising rates or using another dedicated funding mechanism?

The expected cost for the next full event, assuming we stay below the 500 mg/kg disposal threshold, is approximately:

| Item                                      | Estimated Cost |
|-------------------------------------------|----------------|
| Contractor changeout labor + new media    | \$14,000       |
| Composite testing, if handled in-house    | \$1,500        |
| Composite testing, if done by contractor  | \$4,300        |
| Disposal, assuming 18 drums at \$800 each | \$14,400       |
| Transport/event overhead                  | \$1,000        |

That gives two likely planning scenarios if we stay below the threshold:

| Scenario                     | Estimated Total in Current Dollars |
|------------------------------|------------------------------------|
| In-house composite testing   | \$30,900                           |
| Contractor composite testing | \$33,700                           |

If we end up above the threshold, the event cost changes dramatically:

| Scenario                                         | Estimated Total in Current Dollars |
|--------------------------------------------------|------------------------------------|
| Above-threshold disposal with in-house testing   | \$91,020                           |
| Above-threshold disposal with contractor testing | \$93,820                           |

That comparison is the whole point. We are not trying to squeeze every last gallon out of the media if doing so risks turning a roughly \$31,000 to \$34,000 event into a roughly \$91,000 to \$94,000 event.

These are current-dollar estimates. Since the next major event will likely happen around mid-2028, we should assume costs will increase. Labor, fuel, disposal, insurance, and regulatory compliance costs are not likely to stay flat.

Using a reasonable inflation/escalation allowance, I think we should plan for the next below-threshold event to cost roughly:

**\$35,000 to \$40,000**

For ongoing rate planning after the next event is funded, this supports setting aside approximately:

**\$1,000 per month**

That should cover the expected recurring IOX changeout, testing, and lower-cost disposal path over a normal cycle after the next event has been funded.

However, if we are starting without a dedicated IOX reserve already built up for the next event, then the near-term rate structure analysis should evaluate whether we can set aside closer to:

**\$1,500 per month until the next changeout/disposal event**

If the current rate structure cannot support that near-term reserve target, the Board should consider a rate revision or other funding mechanism. After the next change-out event, we can reassess and likely settle into the ongoing monthly reserve amount, adjusted for actual costs, usage, and disposal requirements.

### **Recommendation**

I recommend that the Board plan to change the media at approximately 2.75 million gallons treated, which should put the next changeout around mid-2028 based on current water use. We should continue storing the existing 15 drums, add the next three drums from the upcoming changeout, and then perform a new composite test across all 18 drums. If testing confirms the combined material qualifies for the lower-cost disposal path, we should dispose of all 18 drums at once. Because above-threshold disposal has been quoted at \$4,140 per drum, compared to about \$800 per drum below the threshold, avoiding the higher-cost category should be a priority even if it means changing the media somewhat earlier than its absolute maximum useful life.

I also recommend that the Board direct a rate structure analysis now. The goal should be to determine whether the current rate structure can support a dedicated IOX operations and maintenance reserve of approximately \$1,500 per month until the next changeout/disposal event. If the current rate structure cannot support that reserve, the Board should consider a rate revision or other funding mechanism. After the next event, we should reassess and likely settle into an ongoing monthly reserve amount of about \$1,250, adjusted for actual costs, usage, inflation, and disposal requirements. In the meantime, I will look into whether we can safely and legally handle more of the sampling, testing coordination, and disposal process ourselves while still using a contractor for the actual media changeout.

-Bob Kulp