



Castle Rock Water Commission Meeting Minutes - Draft

David Hammelman, Chair
Tony Rathbun, Vice Chair
Angie Brown
Brian Gaddie
KiKi Miller
Melanie Penoyar-Perez
Cortland Wolfe

Wednesday, October 30, 2024

6:00 PM

Castle Rock Water
175 Kellogg Ct., Bldg. 171
Castle Rock, CO 80109

This meeting is open to the public and will be held in a hybrid format in accordance with Town Council Electronic Participation, Connected, and Hybrid Meeting Policy. The in-person meeting will be held at 171 Kellogg Ct. Castle Rock CO 80109 or this meeting can be accessed online at: <https://crgov.webex.com/crgov/j.php?>

MTID=m2647c6e12770d31e3f47fcf2341e78d0 the Meeting password: Oct23CRWC (62823279 from video systems) or phone in by calling (720) 650-7664, meeting code 2490 791 3501. One or more Council members may also attend this meeting, during which the items listed herein will be discussed.

CALL TO ORDER / ROLL CALL

- Present** 6 - Vice Chair Tony Rathbun, Angie Brown, Brian Gaddie, KiKi Miller, Melanie Penoyar-Perez, and Cortland Wolfe
- Not Present** 1 - Chair David Hammelman
- Attendance** 10 - Jason Gray, Mark Marlowe, Matt Benak, Nichol Bussey, Roy Gallea, Frank Main, Erin Evans, Matt Hayes, Paul Rementer, and Melinda Pastore

COUNCIL UPDATE

Time was allowed for Mayor Gray and Mr. Marlowe to share a council update.

COMMISSION COMMENTS

Time was allowed for commissioner comments. Commissioner Wolfe informed the commission that he is moving out-of-state next month and this was his last meeting.

Mr. Marlowe and the other Commissioners expressed their appreciation for Commissioner Wolfe's service on the commission.

DOUGLAS COUNTY WATER COMMISSION UPDATE

Mr. Marlowe shared an update on the most recent Douglas County Water Commission meeting.

ADMINISTRATIVE BUSINESS

[WC 2024-104](#)

WEFTEC Utility of the Future Today Award
Town Council Agenda Date: NA

Mr. Marlowe informed the commission that Castle Rock Water received the Utility of the Future Award at the Water Environment Federation Technical Exhibition and Conference on October 8, 2024 in New Orleans, LA. The area of performance was for water reuse for innovative and forward-thinking practices that provide sustainable, efficient and value-added services to the community.

[WC 2024-105](#) **Approval of the September 25, 2024 Meeting Minutes
Town Council Agenda Date: NA**

I move to approve the September 25, 2024 Meeting Minutes

Yes: 6 - Vice Chair Rathbun, Brown, Gaddie, Miller, Penoyar-Perez, and Wolfe

Not Present: 1 - Chair Hammelman

[WC 2024-106](#) **Pine Canyon Update
Town Council Agenda Date: NA**

Mayor Gray and Mr. Marlowe updated the commission on the proposed Pine Canyon development. Douglas County continued this item to December 17, 2024. We are waiting on a pre-annexation agreement from the developer for the Town to consider.

[WC 2024-107](#) **Castle Rock Water Customer Mailer 2024
Town Council Agenda Date: NA**

Mr. Marlowe informed the commission about a Castle Rock Water mailer that is scheduled to be mailed late November 2024 to all Town of Castle Rock addresses. Though satisfaction for water topics remains high, confidence slipped slightly in 2023 with most of this attributed to growth. This mailer was designed to answer the questions regarding water quality, conservation programs, managing long-term water supplies, and the value of services for rates paid. The cost of the mailer is estimated at \$13,500, which will be funded through Castle Rock Water's marketing budget.

ACTION ITEMS (HIGH PRIORITY / TIME CRITICAL)

[WC 2024-108](#) **An Ordinance Amending Title 15.48 of the Castle Rock
Municipal Code Adopting by Reference as Primary Code the
Town of Castle Rock, Colorado 2025 Landscape and
Irrigation Criteria Manual [*Entire Castle Rock Service Area*]
Town Council Agenda Date: November 19, 2024**

Ms. Convy presented the proposed changes to the Landscape and Irrigation Criteria Manual. The manual outlines landscape and irrigation criteria that reduces water waste, improves watering efficiency, and supports landscapes that are native, regionally adaptive, functional, and appealing to the senses as a ColoradoScape design. The proposed changes focus on updating the minimum

criteria for ColoradoScape design requirements to improve functionality, overall value and appeal in residential applications.

The major proposed changes are:

- Updating the defensible space definition to include a link to the CSU Extension Low Flammability Landscape Plants fact sheet.
- Updating surety percentage to 115% of the remaining work to be completed to provide an adequate amount should the project not be completed and the Town is required to finish.
- Redefining irrigable area for purposes of residential ColoradoScape design
- Adding functionality as a criterion for residential front and backyard access
- Enhancing plant quantities and varieties required to improve the visual appearance and vegetative cover
- Expanding non-vegetative landscape materials to include required categories enhancing the visual interest and diversity.
- Providing flexibility and adding diversity of backyard landscaping, larger areas of native or alternative grasses may be considered but must not exceed the established water budget of a 500-square-foot area of Tahoma 31 grass.

There are no significant anticipated additional costs to the Town for these proposed changes. Mayor Gray asked if there is a time period that residents are required to finish their backyard landscaping. Ms. Convy replied that the requirement is generally with the homeowners association (HOA) and is typically six months to a year. Mayor Gray said that council is concerned with aesthetics and drainage.

I move to recommend Town Council approve the Ordinance as presented.

Yes: 6 - Vice Chair Rathbun, Brown, Gaddie, Miller, Penoyar-Perez, and Wolfe

Not Present: 1 - Chair Hammelman

[WC 2024-109](#)

Resolution Approving a Construction Contract between the Town of Castle Rock and 53 Corporation, LLC, for the McMurdo Gulch Stream Reclamation Priority 3 Project

[McMurdo Gulch south of the intersection of Castle Oaks Drive and Autumn Sage Street]

Town Council Agenda Date: November 19, 2024

Mr. Main presented this request to award a construction contract to 53 Corporation, LLC for the McMurdo Gulch Stream Reclamation Priority 3 Project in the amount of \$2,412,127, plus approximately a two percent Town-managed contingency in the amount of \$48,000, for a total authorization of \$2,460,127. The project is located adjacent to Castle Oaks Drive; at four sites south of the intersection of Castle Oaks Drive and Autumn Sage Street. The improvements will mitigate impact and preserve the natural drainageway within the project area.

This project will be funded through the Stormwater Enterprise Fund (41%), a developer contribution (34%), and through a Participation Agreement from the Cherry Creek Basin Water Quality Authority (25%). Construction is scheduled for December 2024 through August 2025.

Commissioner Brown asked if we've been seeing challenges in this area. Mr. Gallea said he believes this has been prompted mostly by the growth in the area and making sure that with the increase in water runoff we don't run into any issues. Commissioner Wolfe asked if the Town of Castle Rock owns the McMurdo Gulch property. Mr. Main replied that the Town owns a big portion and Castle Rock Water is working to obtain permanent easements for the other areas so the work can be done.

I move to recommend Town Council approve the Resolution as presented.

Yes: 6 - Vice Chair Rathbun, Brown, Gaddie, Miller, Penoyar-Perez, and Wolfe

Not Present: 1 - Chair Hammelman

[WC 2024-110](#)

Resolution Approving the Third Amendment to the Participation Agreement between the Cherry Creek Basin Water Quality Authority (CCBWQA) and the Town of Castle Rock for the Design and Construction of Stream Reclamation Improvements for McMurdo Gulch [Near the intersection of Castle Oaks Drive and Autumn Sage Drive]
Town Council Agenda Date: November 19, 2024

Mr. Main presented this request to approve a Third Amendment to the Participation Agreement between the Cherry Creek Basin Water Quality Authority (CCBWQA) and the Town of Castle Rock (TOC) for the design and construction of stream reclamation for McMurdo Gulch. The Town has partnered with the CCBWQA on other projects since 2011 on McMurdo Gulch, with the CCBWQA contributing over \$1,470,000 to-date. In 2017, the Town completed a stream assessment of McMurdo Gulch that prioritized areas where McMurdo Gulch needed stream channel improvements. In 2020, the Town and the CCBWQA partnered to complete the Priority 1 improvements under separate agreement from this one.

The Town entered into this Participation Agreement with the Authority in October 2020 for design of the Priority 2 stream reclamation improvements for McMurdo Gulch, followed by the First Amendment that authorized construction of the Priority 2 improvements in December 2021. The Second Amendment to the Participation Agreement approved in June 2022 included a contribution for the design of the Priority 3 improvements in the amount of \$170,129. This Third Amendment to the Participation Agreement includes a contribution for construction of the Priority 3 improvements in the amount of \$1,290,347, which includes transfer of the remaining balance of funds from the Priority 1 and 2

improvements in the amount of \$251,380 and an additional contribution of \$868,846.

McMurdo Gulch is a western tributary to Cherry Creek, extending along the eastern edge of the Town. Under the terms of the agreement, funds will be received following the execution of this amendment, to implement construction of the McMurdo Gulch Stream Reclamation Priority 3 Project.

I move to recommend Town Council approve the Resolution as presented.

Yes: 6 - Vice Chair Rathbun, Brown, Gaddie, Miller, Penoyar-Perez, and Wolfe

Not Present: 1 - Chair Hammelman

[WC 2024-111](#)

Resolution Approving a Second Amendment to the Service Agreement with Dewberry Engineers Inc. for the Young American Infrastructure Improvements, Bell Mountain Raw Pipeline, and Bell Mountain Flow Meter Vault Upgrade Projects [Young American neighborhood and Bell Mountain Ranch]

Town Council Agenda Date: November 5, 2024

Ms. Evans presented this request. The current authorization for this Services Agreement includes Dewberry's project cost for design in the amount of \$623,784, with a contingency of \$31,189, for a total authorization of \$654,973. Additional scope and fee is needed to complete the Young American Infrastructure Improvements design. The total added fee under Amendment 2 is \$138,653. This project will encumber the remaining project contingency of \$31,189 and staff is requesting approval of an additional \$107,464, for a total revised authorization amount of \$762,437.

Dewberry was tasked with re-phasing the project into more phases to more closely align with budgeting through project completion. Public Works was brought into the design process of the Young American waterline improvements project to allow collaboration with their Pavement Maintenance Program (PMP) to minimize impacts to the neighborhood. Castle Rock Water staff identified two more locations in need of critical upgrades, which were added to Dewberry's scope; Hillside Drive and Overlook Road. Additional potholing for phases 2 and 3 will also be included in the scope of the waterline replacement design in the second amendment.

Staff is currently working with the HOA to try to determine a plan for the Overlook Road improvements, as it was developed as a private road in 1971. Most of the water and sewer infrastructure is private as well. There are four homes on Overlook Road.

Mr. Marlowe explained that we won't allow Dewberry to proceed with this piece of the work until Castle Rock Water has a written agreement with the HOA. According to the platting, Castle Rock Water owns a piece of the six-inch water main that runs up the road, and then it splits off into a four-inch pipe that goes up

the rest of the road which is private. The sewer line is private until it hits Castle Rock Water's infrastructure on Hillside. We are trying to determine who will pay for the portion of the infrastructure that is private. Castle Rock Water is working with the HOA on this issue. When there are leaks in that area, they don't currently have the ability to repair them quickly. Ultimately, this should be public infrastructure, and it should be rehabilitated and brought up to Town codes.

The sanitary sewer rehabilitation and Bell Mountain flow meter vault upgrade design has been completed and both projects are currently under construction. The Bell Mountain Raw Water Pipeline Project design is progressing on schedule. An alignment has been determined, which has narrowed down the locations where easements are required to execute the project. Easement legal descriptions were not included in the initial scope for this project, so they are included in this second amendment. Project completion is anticipated by December 31, 2025.

I move to recommend Town Council approve the Resolution as presented.

Yes: 6 - Vice Chair Rathbun, Brown, Gaddie, Miller, Penoyar-Perez, and Wolfe

Not Present: 1 - Chair Hammelman

DIRECTOR FOLLOW-UP AND INFORMATIONAL / UPDATE ITEMS

[WC 2024-112](#)

Artificial Intelligence (AI) Leak Detection, Equipment and Services Acquisition Agreement with Digital Underground Solutions

Town Council Agenda Date: 2025

Mr. Hayes shared information about how artificial intelligence (AI) can be used to detect water leaks. Castle Rock Water (CRW) plans to contract with Digital Water Solutions for leak detection technology using acoustical loggers installed on fire hydrants (several vendors were considered). The technology uses the data from acoustical loggers to identify and locate water leaks in the distribution system. The initial implementation of this technology will be used as a pilot study in Cobblestone Ranch. The cost for the initial phase of this project is \$89,444, including \$79,705 for eight permanent loggers for fire hydrants and \$9,739 for software and training (plus a contingency of \$8,900).

The goal of this software is to help reduce real water loss seen within the distribution system and capture lost revenue of produced water from these losses. CRW's annual real losses from leaks in the distribution system range from 133.3 million gallons to 240.0 million gallons over the last five years. The value of this water is \$410,770 to \$643,070. Reducing these water losses also helps to reduce the amount of water supply CRW has to develop to meet future demands.

Commissioner Brown asked what the timeline is for the pilot project. Mr. Hayes replied that the goal is to be under contact by November, then the pilot will be for

about six months. After that we could use the modules somewhere else.

[WC 2024-113](#)

Key Performance Indicators

Town Council Agenda Date: NA

Mr. Rementer shared an update on Key Performance Indicators from our financial management plan, which overall is looking good. Employee turnover is currently a big focus for us.

Mr. Marlowe explained that thanks to council for recently approving a change that increased wages in some positions, we've already seen a huge impact to the number of applications of qualified individuals that we are receiving.

Upcoming Town Council Items

Town Council Agenda Date: NA

This is a standing item that is used to share information about projects that are being worked on at the time of the meeting but that staff doesn't have information ready for yet.

There were no items at this time.

COMMISSIONER MEETING COMMENTS

Commissioners Penoyar-Perez and Brown congratulated Castle Rock Water on receiving the WEFTEC Utility of the Future Today award.