



Castle Rock Water Commission Meeting Minutes - Draft

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

Wednesday, June 28, 2023

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 175 Kellogg Ct. Bldg. 171 Castle Rock CO 80104 or this meeting can be accessed online at: <https://crgov.webex.com/crgov/j.php?MTID=mddd75b935390b3a57be9bf9fc64a2f12>

the Meeting password: CRWCommMtg62823 (24968922847 from video systems) or

phone in by calling (720) 650-7664, meeting code #24968922847#. 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 - Chair David Hammelman, Vice Chair Bill Leung, Brian Gaddie, KiKi Miller, Tony Rathbun, and Cortland Wolfe

Not Present 2 - Melanie Penoyar-Perez, and Jason Gray

Attendance 7 - Mark Marlowe, Nichol Bussey, David Van Dellen, Roy Gallea, Paul Rementer, Scott Tait, and MaryJo Woodrick

COUNCIL UPDATE

Time was allowed for Mark Marlowe to share a council update.

COMMISSION COMMENTS

Time was allowed for Commissioner Comments.

ADMINISTRATIVE BUSINESS

[WC 2023-058](#)

Welcome of New Water Commission Members and Selection of Chair and Vice Chair

Town Council Agenda Date: NA

Vice Chair Bill Leung welcomed the new Water Commission members.

Bill Leung nominated David Hammelman to serve as the Chair for the 2023-2024 Water Commission. Tony Rathbun seconded the motion. Motion passed unanimously 6-0.

David Hammelman nominated Bill Leung to serve as the Vice Chair for the 2023-2024 Water Commission. KiKi Miller seconded the motion. Motion

passed unanimously 6-0.

Yes: 6 - Chair Hammelman, Vice Chair Leung, Gaddie, Miller, Rathbun, and Wolfe

Not Present: 2 - Penoyar-Perez, and Gray

[WC 2023-059](#)

**Approval of the May 24, 2023 Meeting Minutes
Town Council Agenda Date: NA**

It was moved by Bill Leung and seconded by Cortland Wolfe to approve the meeting minutes as presented. The motion passed 5-0-1 (Brian Gaddie Abstained)

Yes: 5 - Chair Hammelman, Vice Chair Leung, Miller, Rathbun, and Wolfe

Not Present: 2 - Penoyar-Perez, and Gray

Abstain: 1 - Gaddie

ACTION ITEMS (HIGH PRIORITY / TIME CRITICAL)

[WC 2023-060](#)

**Resolution Approving the E-85 Wastewater
Intergovernmental Agreement between the Town of Castle
Rock acting through its Water Enterprise and Dominion
Water & Sanitation District acting through its Sterling Ranch
Water Activity Enterprise and the Sterling Ranch Community
Authority Board [*Located in Northwestern Douglas County with
Castle Rock Water managing the use of Douglas County's
American Rescue Plan Act Funding for this project*]
Town Council Agenda Date: July 18, 2023**

Mr. Marlowe explained that this item is in conjunction with the Regional Wastewater project that the Town of Castle Rock is working on with Douglas County.

This item is an intergovernmental agreement with Dominion Water and Sanitation Dist. (Dominion) for the mutual cooperation on the design and construction of the wastewater treatment and collection system for the Highway 85 corridor.

The key terms of the agreement are:

- Castle Rock
will implement Alternative 3 from the IGA between Castle Rock and Douglas County to provide 200,000 gallons per day on average of wastewater treatment and collection capacity and site the wastewater treatment facilities at the Chatfield Basin Water Reclamation Facility site on the South Platte River.
- Dominion will provide 200,000 gallons per day of capacity in their existing collection system infrastructure (gravity line in Sterling Ranch, Titan Road Lift Station and Force Main, and other key infrastructure).
- Dominion will work to provide a permanent agreement with South

Platte Renew to handle solids generated from the wastewater treatment facility for the Project so that separate solids handling facilities will not be necessary.

- Castle Rock and Dominion will jointly hire Carollo Engineers LLC to do the design for all aspects of the Project.
- Castle Rock and Dominion will work to utilize alternative delivery methods like the construction manager at risk (CMAR) form of contracting where allowable under the ARPA funding mechanism.
- Funding for the Project will be ARPA funding from Douglas County with Dominion having the right to fund additional capacity in the system at their sole discretion.
- Castle Rock and Dominion will partner to permit wastewater discharge locations on the South Platte and at Castle Rock Reservoirs 1 and 2.
- Castle Rock and Dominion will share ownership of a pump station to return reusable water supplies to Castle Rock Reservoirs 1 and 2 and to be determined locations for Dominion.
- Castle Rock will own, operate and maintain the Louviers Lift Station and all gravity sewer systems in the service area.
- Dominion will own, operate and maintain the CBWRF and all wastewater infrastructure downstream of the Louviers Lift Station.
- Castle Rock and Dominion will work together to determine final rates and fees for the service area based on cost of service.
- Castle Rock and Dominion will work together to develop system development fees for new development and redevelopment based on actual costs of capital infrastructure.
- Any system development fees collected for the first 200,000 gallons of capacity will all go back into building additional infrastructure for the Project. Above 200,000 gallons, the portion of the SDF related to Dominion's infrastructure will go to Dominion and Castle Rock will put the rest of the SDF into Project infrastructure (minus the 10% extraterritorial charge which Castle Rock will keep).
- The order of the use of the \$26.8M in ARPA funding in terms of priority will be Louviers Lift Station and Force Main, verification of capacities in Dominion's existing infrastructure, 400,000 gallons per day of wastewater treatment capacity and reuse pump station capacity, and design of the gravity system south of Louviers and additional capacity in the overall system.
- Castle Rock can provide service beyond the 200,000 gallons of capacity if customers in the service area pay all SDFs; build any needed infrastructure; meet Castle Rock's, Dominions, and SPR's rules and regulations; and for new development or redevelopment have a renewable water supply.
- At Castle Rock's sole discretion, Castle Rock can use excess capacity in Castle Rock's system to purify reuse water supplies for Dominion.

- Dominion will be given the opportunity to purchase capacity in the future reconstruction of Castle Rock's Ravenna pipeline.

Commissioner Gaddie asked what the capacity of the new facility will be and what portion of the water will Castle Rock receive? Mr. Marlowe indicated that the long-term capacity of the new facility will be larger than the initial capacity. Initially, the system will have 200,000 gallons per day of capacity for the proposed Highway 85 service area and additional 200,000 gallons per day of capacity for use by Dominion for Sterling Ranch. Castle Rock Water will receive all of the wastewater from Louviers in the near term, approximately 11,000 gallons per day and any customers using non-renewable groundwater supplies in the service area longer term. Commissioner Gaddie asked who will be using the new system? Mr. Marlowe stated that the system will be used primarily to provide service to existing and future customers in the Highway 85 corridor. Commissioner Rathbun asked what Dominion's status/opinion are of this agreement? Mr. Marlowe stated that Dominion is supportive of the agreement.

Commissioner Rathbun asked if all parties are aware of what the costs may potentially be? Do they understand the cost share percentages? Mr. Marlowe confirmed that they do.

Commissioner Wolfe asked about the deadlines for the project and if staff feel they can be met? Mr. Marlowe told the commissioners that the deadlines are very tight, but the staff believe they can be met. There are options to work with the County if timeframes cannot be met due to unforeseen circumstances.

Bill Leung moved to recommend to Town Council approval of the Resolution as presented. Tony Rathbun seconded the motion. Passed unanimously 6-0.

Yes: 6 - Chair Hammelman, Vice Chair Leung, Gaddie, Miller, Rathbun, and Wolfe

Not Present: 2 - Penoyar-Perez, and Gray

[WC 2023-061](#)

Resolution Approving the Tri-Party Agreement for Design Services for the Highway 85 Wastewater Collection and Treatment System Project *[Located in Northwestern Douglas County with Castle Rock Water managing the use of Douglas County's American Rescue Plan Act Funding for this project]*
Town Council Agenda Date: July 18, 2023

Mr. Marlowe shared that at the time of the meeting staff are still working on final costs and he suggested tabling the item until the additional information could be shared with the commission.

Commissioner Rathbun asked what the timeframe will be to see this item? Mr. Marlowe stated that the final memo and information would be sent to

Commission ahead of the Council meeting which is scheduled for 7/18/2023.

KiKi Miller moved to table this item until additional information can be shared, at which time the Water Commission can make a recommendation to Town Council for approval of the Resolution. Brian Gaddie seconded the motion. Passed unanimously 6-0.

Yes: 6 - Chair Hammelman, Vice Chair Leung, Gaddie, Miller, Rathbun, and Wolfe

Not Present: 2 - Penoyar-Perez, and Gray

[WC 2023-062](#)

Resolution Approving a Pumping Equipment and Installation Construction Contract with Hydro Resources - Rocky Mountain Inc. for Wells CR-234, CR-235 & CR-236
[Open space north of Plum Creek Water Purification Facility]

DRAFT

Town Council Agenda Date: July 17, 2023

Mr. Van Dellen explained that this item is part of the on-going project just north of the Plum Creek Water Purification Facility. Earlier this year three wells were drilled. Staff then began the construction of the well house. This item is to order and install the pumping equipment for all three wells.

Final costs are not in for the equipment but the engineer's estimate is \$1,700,000.00. Staff expects the costs to be close to the estimate. At this time, the overall project is under the estimated budget.

Bill Leung moved to recommend to Town Council approval of the Resolution as presented. David Hammelman seconded the motion. Passed unanimously 6-0.

Yes: 6 - Chair Hammelman, Vice Chair Leung, Gaddie, Miller, Rathbun, and Wolfe

Not Present: 2 - Penoyar-Perez, and Gray

DIRECTOR FOLLOW-UP AND INFORMATIONAL / UPDATE ITEMS

[WC 2023-063](#)

2023 Rates & Fees Study Deliverables - Five Year Financial Plan

Town Council Agenda Date: NA

Mr. Rementer shared a brief update on the Five-Year Financial Plan. Mr. Rementer and Mr. Marlowe explained how the drop in development, as well as unusual spring weather, have affected the budget at this time.

[WC 2023-064](#)

2023 ColoradoScape Contest Update

Town Council Agenda Date: NA

Mr. Marlowe shared that the 2023 ColoradoScape Contest was a success again this year and shared a short video of the top five videos.

[WC 2023-065](#)**Proclamation: Smart Irrigation Month - July 2023 Town****Council Agenda Date:** 1st Reading June 6th, 2nd Reading June 20th

Mr. Marlowe shared that the 2023 ColoradoScape Contest was a success again this year and shared a short video of the top five videos.

[WC 2023-066](#)**Upcoming Town Council Items****Town Council Agenda Date:** NA

This is a standing item that will be 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 yet.

The potential items are:

Mr. Marlowe explained that at the next Water Commission meeting staff will be presenting two items that have to do with initiating the eminent domain process for two different projects.

COMMISSIONER MEETING COMMENTS

Time was allowed for Commissioner Comments.