



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, September 27, 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 171 Castle Rock CO 80104 or this meeting can be accessed online at: <https://crgov.webex.com/crgov/j.php?MTID=m60dc372b76c099221b51b96adfa36f92> the Meeting password:

CRWCommMtg92723 (27926666 from video systems) or phone in by calling (720) 650-7664, meeting code #24928772136#. 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, Melanie Penoyar-Perez, Tony Rathbun, and Cortland Wolfe
- Not Present** 1 - Kiki Miller
- Attendance** 7 - Jason Gray, Mark Marlowe, David Van Dellen, Matt Benak, Nichol Bussey, Paul Rementer, and MaryJo Woodrick

COUNCIL UPDATE

Time was allowed for Mayor Jason Gray to share a council update.

COMMISSION COMMENTS

Time was allowed for Commissioner Comments.

ADMINISTRATIVE BUSINESS

[WC 2023-083](#) **Approval of the August 23, 2023 Meeting Minutes**
Town Council Agenda Date: NA

It was moved by Melanie Penoyar-Perez and seconded by Bill Leung to approve the August 23, 2023 meeting minutes as presented. The motion passed 4-0-2 (Tony Rathbun and Brian Gaddie abstained).

- Yes:** 4 - Chair Hammelman, Vice Chair Leung, Penoyar-Perez, and Wolfe
- Not Present:** 1 - Miller
- Abstain:** 2 - Gaddie, and Rathbun

ACTION ITEMS (HIGH PRIORITY / TIME CRITICAL)

[WC 2023-084](#)**An Ordinance Amending Chapters 3.16, 4.04, 13.12, 13.15, and 13.30 of the Castle Rock Municipal Code By Changing Stormwater Development Impact Fees, Renewable Water Resource Fees, Water and Wastewater System development Fees, and Water, Water Resources, and Stormwater Rates and Surcharges****Town Council Agenda Date:** Oct 3rd & Oct 17th

Ms. Bussey and Mr. Rementer shared the staff recommendations for the 2024 Rates & Fees:

- Reduce the Catastrophic Failure Reserve in Water and Stormwater from 2% to 1%
- Maintain 2% in the Catastrophic Failure Reserve in Water Resources and Wastewater
- Existing customers rate increase in the water fund 4.5%
- System development fee (SDF) rate increase in the water fund 10%
- Existing customers rate increase in the wastewater fund 0%
- SDF rate increase in wastewater 3%
- Existing customers rate increase in stormwater 4.5%
- SDF rate increase in stormwater 3% for the Cherry Creek basin and 10% for Plum Creek
- Existing customers rate increase for water resources 7.5%
- SDF rate increase for water resources 3%

Ms. Bussey explained that the higher increase in the Stormwater SDF for Plum Creek is due to the increase in building that affects Plum Creek. Building in the Cherry Creek basin has slowed slightly.

Commissioner Wolfe asked for clarification on the Plum Creek SDF fee being higher. Ms. Bussey explained that SDF fees are paid when a home is built. The resident does not see a higher bill than those in the Cherry Creek Basin area.

Commissioner Hammelman asked if building permit estimates included remodels or just new customers? Mr. Rementer explained that it is just new builds.

Commissioner Gaddie asked if the 2024 building permit estimation is realistic? Ms. Bussey explained that Finance and Development Services are looking very closely at these numbers, and there may be revisions to this in the next few months.

Commissioner Hammelman asked when Dawson's Trail will begin building? Mr. Marlowe explained that it will probably be a few years before homes are built.

Commissioner Leung asked if staff expect push back on the rate increases? Mr. Marlowe explained that customers are always concerned with our rates, but he does not expect any specific push back at the Council Meeting.

Bill Leung moved to recommend Town Council approval of the Ordinance as presented. Melanie Penoyar-Perez seconded the motion. Motion passed unanimously 6-0.

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

Not Present: 1 - Miller

[WC 2023-085](#)

Resolution Approving a Construction Contract between the Town of Castle Rock and Applied Ingenuity, LLC for the 2023/2024 Denver Basin Aquifer Rehabilitation and Pumping Equipment Replacement Project [various locations throughout Town]

Town Council Agenda Date: October 17, 2023

Mr. Benak explained that this item is part of a program designed to help maintain water production yields from our current deep well assets and to reduce the likelihood of emergency well failures. The wells selected for rehabilitation are showing declines in well yield and/or have been identified as equipped with older pumping equipment. CRW is targeting 4 Denver Basin wells for the 2023-2024 season.

Applied Ingenuity was selected as the contractor. The contract amount is \$870,353.00 plus a 10% contingency of \$87,035.30 for a total budget of \$961,788.30.

Commissioner Rathbun asked if CRW has worked with Applied recently on a project? Mr. Benak shared that CRW worked with them a couple of years ago on a project. Applied has also worked on an emergency basis for CRW.

Tony Rathbun moved to recommend Town Council approval of the Resolution as presented. Cortland Wolfe seconded the motion. Motion passed unanimously 6-0.

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

Not Present: 1 - Miller

DIRECTOR FOLLOW-UP AND INFORMATIONAL / UPDATE ITEMS

[WC 2023-086](#)

Resolution Approving a Second Amendment to the Services Agreement between the Town of Castle Rock and Techneaux for the SSCADA Founders Water Treatment Plant (WTP) and Remote Sites Upgrade Project [Multiple Castle Rock Water locations throughout Founders Village]

Town Council Agenda Date: Sept 19, 2023

Mr. Marlowe explained that this was just a follow-up. This item was presented to Town Council on September 19, 2023 and was approved.

[WC 2023-087](#)

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:
There were no items to share

COMMISSIONER MEETING COMMENTS

EXECUTIVE SESSION

[WC 2023-088](#)

Executive Session: Determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators on matters concerning Castle Rock Water under C.R.S. §24-6-402(4)(e)(I)
Town Council Agenda Date: September 5, 2023

David Hammelman moved to adjourn to Executive Session, Tony Rathbun seconded the motion. Motion passed unanimously.

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

Not Present: 1 - Miller