



## Castle Rock Water Commission Meeting Minutes - Final

Todd Warnke, Chair  
John Wright, Vice Chair  
Commissioner Bill Leung  
Commissioner Katherine Redmond  
Commissioner Kathryn Gienger  
Commissioner Ben Johnson

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Wednesday, May 25, 2022

6:00 PM

Castle Rock Water  
175 Kellogg Ct., Bldg. 183  
Castle Rock, CO 80109

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**This meeting is open to the public. Three or more Council members may also attend this meeting, during which the items listed herein will be discussed**

### CALL TO ORDER / ROLL CALL

- Present** 5 - Chair Todd Warnke, Commissioner Bill Leung, Commissioner Katherine Redmond, Commissioner Kathryn Gienger, and Vice Chair John Wright
- Not Present** 1 - Commissioner Ben Johnson
- Attendance** 7 - Mark Marlowe, Tim Friday, Nichol Bussey, Roy Gallea, Matt Hayes, Paul Rementer, and MaryJo Woodrick

### COUNCIL UPDATE

Time was allowed for Mr. Marlowe to share an update on Town Council items.

### COMMISSIONER COMMENTS

Time was allowed for Commissioner Comments.

### ADMINISTRATIVE BUSINESS

#### [WC 2022-033](#)

#### **Approval of the April 27, 2022 Meeting Minutes Town Council Agenda Date: NA**

It was moved by Katherine Redmond and seconded by Kathryn Gienger to approve the meeting minutes for the April 27, 2022 meeting as written. The motion passed unanimously 5-0.

- Yes:** 5 - Chair Warnke, Commissioner Leung, Commissioner Redmond, Commissioner Gienger, and Vice Chair Wright
- Not Present:** 1 - Commissioner Johnson

#### [WC 2022-034](#)

#### **Recognition of Water Commission Board Members whose terms are completed as well as an Update on Interview Process and New Board Members Town Council Agenda Date: NA**

Mr. Marlowe recognized Katherine Redmond and Ben Johnson for their participation on the Water Commission Board. Both Katherine and Ben were

presented with appreciation plaques.

Mr. Marlowe shared that the interview process was successful. Bill Leung was re-appointed to the Water Commission Board. David Hammelman, Tony Rathbun and Kevin McHugh were selected as new Commission members. David Hammelman was able to attend the meeting as a guest and was introduced. The first official meeting for the new board members will be June 22, 2022.

## **ACTION ITEMS (HIGH PRIORITY / TIME CRITICAL)**

[WC 2022-035](#)

**Resolution Approving a Purchase and Sale Agreement with  
XXXX for the Deer Creek Water Rights and Associated Real  
Property [Deer Creek Golf Course, Jefferson County, Colorado]**

**Town Council Agenda Date:** June 21, 2022

Mr. Marlowe explained that In Play Sports owns a golf course in Littleton CO off of C470 between Kipling and Ken Caryl. There are water rights attached to this property that are fairly senior. The water rights include several different individual water rights (Glyn Plym Ditch, Deer Creek Canon Ditch, Tinker and Shaffer). Castle Rock Water (CRW) has been working to acquire this water since 2020. If CRW was able to use all of the water it would be 200 acre feet (AF) or more. Mr. Marlowe explained that due to the current status of the water rights they will have to be taken to water court to be changed for storage in Chatfield Reservoir. Unfortunately, due to some challenges related to the water rights CRW will probably not get all of the water. The water rights attorney for CRW is confident that CRW would get around 110 AF.

As part of the sale of the water rights CRW would also be purchasing the related property which includes 108 to 128 acres of golf course land, interests in a reservoir, easements and other infrastructure to manage the water rights. Mr. Marlowe shared that the hope would be to sell most of the 108 to 128 acres (keeping only what is needed to manage the water).

CRW has offered \$6M for everything. Mr. Marlowe also explained that this sale would be a partnership with Dominion Water & Sanitation Dist. so each water provider would be responsible for 50% of the cost which means the final cost for CRW would be \$3M.

Commissioner Gienger asked if it is in unincorporated Jefferson County? Mr. Marlowe explained that he thinks it is.

Commissioner Gienger asked if the owner was selling everything? Mr. Marlowe explained that he is keeping a small section that houses a club house and some additional buildings.

Commissioner Warnke asked if the property doesn't sell and CRW ends up owning it - what does that look like? Mr. Marlowe explained that CRW would maintain the property just like it does any of the other properties that CRW owns. CRW would look for other opportunities like using the property as a wetland bank. The ultimate goal though is to sell the property.

**Bill Leung moved to recommend Town Council approval of the Resolution as presented. John Wright seconded the motion. Passed unanimously 5-0.**

**Yes:** 5 - Chair Warnke, Commissioner Leung, Commissioner Redmond, Commissioner Gienger, and Vice Chair Wright

**Not Present:** 1 - Commissioner Johnson

[WC 2022-036](#)

**Resolution Approving the Second Amendment to the Participation Agreement between the Cherry Creek Basin Water Quality Authority and the Town of Castle Rock for Design of Stream Reclamation Improvements for McMurdo Gulch [Near the intersection of Castle Oaks Drive and Autumn Sage Drive]**

**Town Council Agenda Date:** June 21, 2022

Mr. Friday explained that this is a continuation of the McMurdo Gulch project. This item addresses the improvements for what is called the McMurdo Gulch Priority 3 Project. CRW has partnered with the Cherry Creek Basin Water Quality Authority (Authority) on stream channel improvements along McMurdo Gulch. The Authority's portion of this section of the project will be \$170,121.

**John Wright moved to recommend Town Council approval of the Resolution as presented. Kathryn Gienger seconded the motion. Passed unanimously 5-0.**

**Yes:** 5 - Chair Warnke, Commissioner Leung, Commissioner Redmond, Commissioner Gienger, and Vice Chair Wright

**Not Present:** 1 - Commissioner Johnson

[WC 2022-037](#)

**Resolution Approving an Extraterritorial Water and Wastewater Service Agreement with Castlevue Baptist Church, Inc. [Crowfoot Valley Road near Macanta Development]**  
**Town Council Agenda Date:** June 6, 2022

Mr. Friday shared that Castlevue Baptist Church is building on a property that is outside of town limits but is adjacent to the Macanta development on Crowfoot Valley Road. The property owner has requested an extraterritorial agreement for water and wastewater services. As part of the agreement the property owner would install the infrastructure required to make the connection as well as pay the applicable system development fees, monthly service charges and dedicate their water rights over to the Town of Castle Rock. The church will pay an extraterritorial charge of 10% for water and 25%

for sewer similar to Macanta. The big benefit to CRW is the extension of a water transmission main that will allow for a future regional connection to Parker or Pinery or both. Mr. Friday explained that this is still in the negotiation stage and the developer hasn't decided yet if they will move forward with it.

**John Wright moved to recommend Town Council approval of the Resolution as presented. Katherine Redmond seconded the motion. Passed unanimously 5-0.**

**Yes:** 5 - Chair Warnke, Commissioner Leung, Commissioner Redmond, Commissioner Gienger, and Vice Chair Wright

**Not Present:** 1 - Commissioner Johnson

[WC 2022-038](#)

**Ordinance Updating the Water Commission Bylaws**

**Town Council Agenda Date:** February 1, 2022

Mr. Marlowe explained that this item was tabled at the May meeting so that staff could get further clarification from the Town's legal department. At this time staff has worked with the Town's legal team to update the bylaws to better reflect the flow of the agenda and meeting.

Mr. Marlowe also reported that the Legal department is good with an Affirmation of Office rather than an Oath of Office. Ms. Woodrick will hand out the new forms after the meeting.

**Todd Warnke moved to approve the Water Commission Bylaws as presented. Bill Leung seconded the motion. Passed unanimously 5-0.**

**Yes:** 5 - Chair Warnke, Commissioner Leung, Commissioner Redmond, Commissioner Gienger, and Vice Chair Wright

**Not Present:** 1 - Commissioner Johnson

[WC 2022-039](#)

**Ordinance Approving the 2022 Water Lease Agreement  
between Town of Castle Rock and the Town of Wiggins**

*[Morgan County, Colorado]*

**Town Council Agenda Date:** June 7, 2022

Mr. Marlowe shared that this is a water lease agreement with the Town of Wiggins. CRW originally leased this water to the Town of Wiggins in 2016 and it is now time to renew the agreement. The new lease agreement will allow for the lease of 325.4 AF of water in the first year and 600 AF of water in the second year, with the option of an annual renewal thereafter. The intention is to use the water to augment their tributary well pumping while they proceed through water court on other augmentation sources.

**John Wright moved to recommend Town Council approval of the Ordinance as presented. Bill Leung seconded the motion. Passed unanimously 5-0.**

**Yes:** 5 - Chair Warnke, Commissioner Leung, Commissioner Redmond, Commissioner Gienger, and Vice Chair Wright

**Not Present:** 1 - Commissioner Johnson

[WC 2022-040](#)

**Resolution Approving the 2022 Town of Castle Rock/Sublette Water Lease Agreement [Rothe/Sublette Recharge Project, Weld County, CO]**

**Town Council Agenda Date:** June 7, 2022

Mr. Marlowe explained that this is an agricultural water lease agreement with Sublette for up to 400 AF. The cost of agricultural water is currently \$36.50 an AF which means CRW could potential receive \$14,600 in revenue.

**Kathryn Gienger moved to recommend Town Council approval of the Resolution as presented. Katherine Redmond seconded the motion. Passed unanimously 5-0.**

**Yes:** 5 - Chair Warnke, Commissioner Leung, Commissioner Redmond, Commissioner Gienger, and Vice Chair Wright

**Not Present:** 1 - Commissioner Johnson

**DIRECTOR FOLLOW-UP AND INFORMATIONAL / UPDATE ITEMS**

[WC 2022-041](#)

**Resolution Approving a Construction Contract Between the Town of Castle Rock and Contractor for the Bell Mountain Ranch Water Connection [Bell Mountain Ranch Subdivision]**  
**Town Council Agenda Date:** June 21, 2022

Mr. Gallea explained that the design for the Bell Mountain Connection, Ground Storage Tank and Booster Station has been completed and staff is now ready to move forward with construction. Requests for Bids have been placed on BidNet and staff is waiting for final bids.

Mr. Gallea explained that this item is part of the consolidation project to incorporate Bell Mountain Ranch into the Towns infrastructure. This part of the project will construct a new 12-inch water transmission main between the Town's distribution system and Bell Mountain's distribution system.

The cost for this project will be reimbursed by the Bell Mountain Ranch customers and The Ridge at Crystal Valley Ranch based on a 70/30 split.

[WC 2022-042](#)

**Resolution Approving a Construction Contract Between the Town of Castle Rock and Contractor for the Ground Storage Tank 20C & Booster Station Construction Plans [Bell Mountain Ranch Subdivision]**  
**Town Council Agenda Date:** June 21, 2022

Mr. Gallea explained that the design for the Bell Mountain Connection, Ground Storage Tank and Booster Station has been completed and now staff is ready to move forward with construction. Requests for Bids have been placed on BidNet and staff is waiting for final bids.

Mr. Gallea explained that this item is part of the consolidation project to incorporate Bell Mountain Ranch into the Towns infrastructure. This part of the project is to construct a ground storage tank (20C) and a booster station. Both of these will be used to serve The Ridge at Crystal Valley and Bell Mountain Ranch.

The cost for this project will be reimbursed by the Bell Mountain Ranch customers and The Ridge at Crystal Valley Ranch based on a 70/30 split for the booster pump station, and The Ridge at Crystal Valley Ranch will be responsible for the entire cost of the storage tank.

[WC 2022-043](#)

**2022 Customer Characteristics**

**Town Council Agenda Date: NA**

Mr. Marlowe introduced Nichol Bussey as the new Business Solutions Manager.

Mr. Rementer shared a presentation on the 2022 Customer Characteristics. Some of the items that he highlighted were:

- Projections for estimated growth continue to be lower than actual growth numbers. The actual growth results have resulted in higher than projected revenues. We regularly review our capital projects to ensure that both timing and capacities meet the needs of this growth. We look at various planning scenarios and move up capital projects where necessary to meet the future needs of the system.
- The three year rolling average in residential consumption shows a slight decrease during the past comparison period.
- Non-residential customer water use has remained flat year over year with the exception of the hospital, where water use has been rising since 2013.
- The 0.67 program appears to be working fairly well in terms of meeting the goals of reduced water consumption.
- The Water Efficiency Plan program also appears to be working in terms of reducing average water use of residential development.
- The Water Wiser program does not appear to be resulting in as much savings in water as we would hope, with water wiser customers on average using more water during irrigation season than non-water wiser customers. However, we did see the average consumption for water wiser customers decrease at a slightly higher rate than

non-water wiser customers versus the prior study.

[WC 2022-044](#)

**2022 ColoradoScape Contest Update**

**Town Council Agenda Date:** NA

Mr. Marlowe shared an update on the 2022 ColoradoScape Contest. This was the fourth year of the contest. CRW received 13 entries, the top five were placed on the Town's Social media sites and the top two videos received 515 and 505 votes respectively. It is estimated that 57,000 people were reached through this effort, on social media.

[WC 2022-045](#)

**Pine Canyon Development Update**

**Town Council Agenda Date:** June 7, 2022

Mr. Marlowe explained that the last time the Pine Canyon Development was discussed the State had denied the wastewater site application because they did not have a phosphorus allocation. Since that time the developer has revised their wastewater site application to include a Land Application Management Plan (LAMP) and resubmitted it to the State. CRW is currently working with two consultants to draft a recommendation to the State to deny the application.

[WC 2022-046](#)

**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.

There were no items at this time.

**COMMISSIONER MEETING COMMENTS**

Time was allowed for Commissioner Comments.