



Castle Rock Water Commission Meeting Minutes - Final

Todd Warnke
John Wright
Bill Leung
Kathryn Gienger
David Hammelman
Tony Rathbun
Kevin McHugh

Wednesday, September 28, 2022

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=m7d2aabfd6f731d54c4e21bca4ce26fde> the Meeting password: CTs4Tw5pFJ3 (28748957 from video systems) or phone in by calling (720) 650-7664, meeting code #24812260975##. 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** 7 - Chair Todd Warnke, John Wright, David Hammelman, Tony Rathbun, Kevin McHugh, Commissioner Bill Leung, and Commissioner Kathryn Gienger
- Attendance** 7 - Caryn Johnson, Mark Marlowe, Nichol Bussey, Paul Rementer, Matt Benak, Heather Justus, and MaryJo Woodrick

COUNCIL UPDATE

Time was allowed for Council Member Johnson to share an update on Town Council items.

COMMISSION COMMENTS

Time was allowed for Commissioner Comments

ADMINISTRATIVE BUSINESS

[WC 2022-079](#)

**Approval of the August 31, 2022 Meeting Minutes
Town Council Agenda Date: NA**

It was moved by John Wright and seconded by Kathryn Gienger to approve the meeting minutes for the August 31, 2022 meeting as written.

- Yes:** 7 - Chair Warnke, Wright, Hammelman, Rathbun, McHugh, Commissioner Leung, and Commissioner Gienger

ACTION ITEMS (HIGH PRIORITY / TIME CRITICAL)

[WC 2022-080](#)

Authorization for Resolution Approving a Construction Contract with Hydro Resources - Rocky Mountain, Inc. for the Drilling of the East Plum Creek Open Space (EPC OS)

Wells located north of Plum Creek Water Purification Facility*[Open space north of Plum Creek Water Purification Facility]***Town Council Agenda Date:** October 18, 2022

Ms. Justus explained that the purpose of this project is to drill three new wells north of the Plum Creek Water Purification Facility (PCWPF). This location is ideal as it is in an open space area and will not affect homes only businesses. These wells will supply water to PCWPF as well as the Meadows Treatment Plant.

The wells will be drilled one in each aquifer (Arapahoe, Denver, & Dawson) the anticipated production is 0.7 - 0.9 million gallons per day. The wells will also be designed as ASR wells.

Hydro Resources was selected as the vendor through a sole source process. The drilling will cost \$4,483,540. The total cost of the project is estimated at \$10,386,243 (this includes the design phase). Project will start in the Fall 2022 with an estimated completion date of Spring 2024.

Commissioner Rathbun asked for clarification as to why Hydro was selected. Ms. Justus explained that there are only three companies that do this type of project in the area and staff felt Hydro met the needs of the project best.

Bill Leung moved to recommend Town Council approval of the Resolution as presented. Kevin McHugh seconded the motion.

Yes: 7 - Chair Warnke, Wright, Hammelman, Rathbun, McHugh, Commissioner Leung, and Commissioner Gienger

[WC 2022-081](#)

Resolution: Approving an Agreement for Purchase and Sale of Ridgeway Pipeline Capacity between the Town of Castle Rock and Stonegate Village Metropolitan District *[Northern Douglas County near Parker, CO]*

Town Council Agenda Date: October 18, 2022

Mr. Marlowe shared that this project is part of the WISE project as well as the future Boxelder Project. This pipeline will be critical to moving water back to the Town of Castle Rock.

Mr. Benak explained where the pipeline is and how it will connect to CRW infrastructure and that it was built as part of the WISE infrastructure. Stonegate Metro District (SMD) was an original participant in the Ridgeway pipeline project, SMD has determined that they don't need to use their capacity, as they receive their water supply from other sources.

Currently, Castle Rock Water (CRW) can take 4 MGD, with this purchase CRW will be able to take 6.5 MGD which will get CRW very close to the maximum amount that they are allowed to take which is 7.4 MGD. The cost of

the 2.5 MGD is \$3,272,988.

Commissioner Rathbun asked if this was a one-time purchase or if it would be an on-going cost. Mr. Benak explained that yes it is a one-time cost and that CRW will then own the capacity into perpetuity.

Commissioner McHugh asked how getting the water worked? Mr. Benak explained how the WISE project worked and how we receive the water.

Kevin McHugh moved to recommend Town Council approval of the Resolution as presented. Tony Rathbun seconded the motion.

Yes: 6 - Chair Warnke, Wright, Hammelman, Rathbun, McHugh, and Commissioner Leung

Abstain: 1 - Commissioner Gienger

[WC 2022-082](#)

Resolution Approving a Purchase Agreement between the Town of Castle Rock and Roxborough Water and Sanitation District for Water Rights and Other Infrastructure [Northern and Central Douglas County].

Town Council Agenda Date: October 18, 2022

Mr. Benak reported that this is an update on an item that was shared with Water Commission earlier in 2022. Some updates have been made and additional information has become available so staff wanted to bring it back to Water Commission.

As part of this agreement CRW will receive 424 acre feet (AF) of water per year, 50AF of renewable water and all the existing infrastructure. The total cost will be \$2.27M.

Commissioner Rathbun clarified that there are no substantive changes to the agreement just adjusted the agreement to include the costs? Mr. Benak replied that yes it is the same agreement with additional information added.

John Wright moved to recommend Town Council approval of the Resolution as presented. Bill Leung seconded the motion.

Yes: 7 - Chair Warnke, Wright, Hammelman, Rathbun, McHugh, Commissioner Leung, and Commissioner Gienger

[WC 2022-083](#)

An Ordinance Amending Titles 3, 4, and 13 of the Castle Rock Municipal Code by Changing Stormwater Development Impact Fees, Water Resources System Development Fees, Water System Development Fees, Wastewater System Development Fees, Water Resources, Stormwater and Wastewater Rates, Meter Set Fees: and Making Certain Editorial Updates to Such Titles [Entire Town of Castle Rock]

and extraterritorial service areas]

Town Council Agenda Date: 1st Reading - Sept 20th, Second Reading - Oct 4th

Ms. Bussey shared the presentation that was given to Town Council. The major points that she shared were:

- 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 10%
- Existing customers rate increase in stormwater 4.5%
- SDF rate increase in stormwater 10% (in both Cherry Creek & Plum Creek)
- Existing customers rate increase for water resources 7.5%
- SDF rate increase for water resources 15%

Ms. Bussey also shared that CRW plans to hire five (5) new positions in 2023.

Kevin McHugh moved to recommend Town Council approval of the Resolution as presented. David Hammelman seconded the motion.

Yes: 7 - Chair Warnke, Wright, Hammelman, Rathbun, McHugh, Commissioner Leung, and Commissioner Gienger

DIRECTOR FOLLOW-UP AND INFORMATIONAL / UPDATE ITEMS

[WC 2022-084](#)

Discussion Annexation Policy

Town Council Agenda Date: NA

Mr. Marlowe shared that he is working on an update to the Annexation Policy. It will not change code just clarify and make clear the expectations moving forward.

[WC 2022-085](#)

2023 Water Efficiency Master Plan Update

Town Council Agenda Date: NA

Mr. Benak explained that it is time for CRW to update the Water Efficiency Master Plan. He shared the schedule for receiving feedback from the community and then updating the plan. Once a draft plan is ready staff will present the plan to Water Commission and then Town Council.

Mr. Benak encouraged everyone to take the survey, the link was shared with the board members and is available to anyone who is interested in sharing feedback.

[WC 2022-086](#)

Update on the Regional Wastewater Proposal

Town Council Agenda Date: NA

Mr. Marlowe shared an update on the Regional Wastewater Proposal.

[WC 2022-087](#)

Update on the State Water Plan

Town Council Agenda Date: NA

Mr. Marlowe shared an update on the State Water Plan.

[WC 2022-088](#)

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.

Mr. Marlowe shared that staff are working on an agreement with Dana Kepner for Flexnet Infrastructure Software. The software is for our future AMI system.

COMMISSIONER MEETING COMMENTS

Time was allowed for Commissioner Comments.