



**Castle Rock Water Commission
Meeting Minutes - Final**

Tony Rathbun, Chair
Melanie Penoyar-Perez, Vice Chair
Edward Egnatios
Brian Gaddie
Ole Gjerde
David Hammelman
Kevin Snow

Wednesday, June 25, 2025

6:00 PM

Castle Rock Water
171 Kellogg Ct.
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 <https://crgov.webex.com/crgov/j.php?MTID=m62f330c9ded9d4ec6823690ac4e792b> the Meeting password: CRWCmtg62525 (27926846 from video systems) or phone in by calling (720) 650-7664, meeting code 2498 982 0118. 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 Tony Rathbun, Vice Chair Melanie Penoyar-Perez, Edward Egnatios, Brian Gaddie, Ole Gjerde, David Hammelman, and Kevin Snow
- Attendance** 7 - Mark Marlowe, Nichol Bussey, Paul Rementer, Emily Huth, Matt Benak, MaryJo Reese, and Mark Henderson

COUNCIL UPDATE

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

COMMISSION COMMENTS

Time was allowed for Commissioner Comments.

ADMINISTRATIVE BUSINESS

[WC 2025-052](#)

**Selection of Chair and Vice Chair
Town Council Agenda Date: NA**

I move to appoint Tony Rathbun as the Chair of the Castle Rock Water Commission.

I move to appoint Melanie Penoyar-Perez as the Vice Chair of the Castle Rock Water Commission.

- Yes:** 7 - Chair Rathbun, Vice Chair Penoyar-Perez, Egnatios, Gaddie, Gjerde, Hammelman, and Snow

[WC 2025-053](#)

**Approval of the May 28, 2025 Meeting Minutes
Town Council Agenda Date: NA**

I move to approve the Minutes as presented.

Yes: 7 - Chair Rathbun, Vice Chair Penoyar-Perez, Egnatios, Gaddie, Gjerde, Hammelman, and Snow

[WC 2025-054](#)

November/December Meeting Dates
Town Council Agenda Date: NA

I move to cancel the regularly scheduled Water Commission meetings for November and December and schedule a Special meeting on December 10, 2025.

Yes: 7 - Chair Rathbun, Vice Chair Penoyar-Perez, Egnatios, Gaddie, Gjerde, Hammelman, and Snow

ACTION ITEMS (HIGH PRIORITY / TIME CRITICAL)

[WC 2025-055](#)

Resolution Approving the Construction Contract between the Town of Castle Rock and Garney Companies Inc. for the Ray Waterman Raw Water Treatment Center (RWRWTC) and Bell Mountain Ranch (BMR) LAS Conversion Project- Work Package 1 [Ray Waterman Regional Water Treatment Center and Bell Mountain Ranch Water Treatment Plant] **DRAFT**
Town Council Agenda Date: July 15, 2025

Ms. Huth shared the purpose of this project is to convert both the Ray Waterman Regional Water Treatment Center (RWRWTC) and the Bell Mountain Ranch Water Treatment Plant (BMR) to liquid ammonium sulfate. This project will be split up into two work packages and this is the first work package.

Work Package #1 will include:

- Procurement of long lead equipment such as chlorine analyzers, programmable logic controller (PLC) panels, variable frequency drives (VFDs) for chemical feed pumps, and chemical storage tanks.

Work Package #2 will include:

- Installation of new liquid ammonium sulfate (LAS) chemical feed system at BMR
- Conversion of the existing anhydrous ammonia chemical system to liquid ammonium sulfate (LAS) at RWRWTC.
- Upgrade of the SCADA systems

By upgrading the BMR facility it will then align with the rest of the CRW system and can be connected to the CRW system anytime at a later date as needed. The purpose of upgrading the RWRWTC is to modify the clearwell at the facility from free chlorine to chloramines, this will improve operational flexibility and allow the Town to receive WISE flows even when RWRWTC is taken offline. This is important to CRW because the WISE program has a take the water or pay for what is not taken contract requirement. This will give CRW the ability to accept WISE during low demand season and will minimize any take or pay fees that have to be paid. These fees could be as high as several hundred thousand dollars per month.

Work Package #1 will be taken to Town Council on July 15th. Work Package #2 is scheduled to go to Town Council in August. Both projects are scheduled to be started in October 2025 and be completed by April 2026.

Work Package #1 is estimated at \$1,199,966 with a 10% contingency for a total estimated budget of \$1,319,628. The total estimated budget for both work

packages is \$3,250,000.

I move to recommend Town Council approval of the Resolution as presented.

Yes: 7 - Chair Rathbun, Vice Chair Penoyar-Perez, Egnatios, Gaddie, Gjerde, Hammelman, and Snow

[WC 2025-056](#)

Resolution Approving an Amendment to the Amended and Restate Intergovernmental Agreement with Douglas County for the Highway 85 Wastewater Collection and Treatment System *[Located along the Highway 85 Corridor North of E. Happy Canyon Rd. to W. Titan Rd. in Northern Douglas County]*

DRAFT

Town Council Agenda Date: July 15, 2025

Mr. Marlowe explained that we are receiving \$14M in American Rescue Plan Act (ARPA) funds from Douglas County to building a Lift Station in Sedalia. At this time the design is 30% complete and indicates the project may cost as much as \$18.8M. Therefore, the purpose of this amendment is to define how the potential funding gap will be covered.

Key terms of the proposed amendment with Douglas County include:

- Castle Rock Water will fund any funding shortfall for construction of the project up to a maximum of \$4.8 million.
- System development fees (SDFs) collected for connectors to the project will pay off the Castle Rock Water contribution to the project first before any of that funding goes back to Douglas County or for improvements or expansions of the sewer system.
- A 25% surcharge will be added to the portion of the system development fee reimbursing any funding gap covered by Castle Rock Water, and this surcharge will be for use by Castle Rock Water to benefit its existing customers and system.
- Interest will accrue to the balance of the funding provided by Castle Rock Water at a rate of 5% per year until the funds provided by Castle Rock Water have been fully reimbursed.
- System development fees will be handled consistent with the original agreement once Castle Rock Water has been reimbursed, except for the 25% surcharge which will continue to be collected and used for improvements or expansions to the system.

Benefits of the Amendment to the IGA to CRW include:

- Ensures the benefits from the original Amended and Restated IGA still apply;
- Gives CRW more financial resources from the additional 25% surcharge over and above the additional financial resources provided by the current extraterritorial surcharge to accomplish our core mission and vision; and
- Ensures that the \$14M in ARPA funding will still be used for a lift station and force main that will allow CRW to bring reusable supplies directly back to the Plum Creek Water Reclamation

Authority Wastewater Treatment Plant where those supplies can easily be accessed using CRW's existing infrastructure.

Commissioner Egnatios suggested adding a chart to the packet showing the best-case scenario vs. worst-case scenario.

Commissioner Snow asked if there was a potential for the costs to come in even higher? Mr. Marlowe explained that he expects them to come down. This estimate is the maximum amount expected by the contractor and design engineer and includes significant contingencies.

I move to recommend Town Council approval of the Resolution as presented.

Yes: 7 - Chair Rathbun, Vice Chair Penoyar-Perez, Egnatios, Gaddie, Gjerde, Hammelman, and Snow

DIRECTOR FOLLOW-UP AND INFORMATIONAL / UPDATE ITEMS

[WC 2025-057](#)

Resolution Approving a Professional Services Agreement with W.W. Wheeler and Associates, Inc. to support the Fremont Butte Water Court Application as part of the Platte Valley Water Partnership [To serve entire Castle Rock Water service area]

Town Council Agenda Date: June 17, 2025

Mr. Marlowe shared that this agreement is to hire support for the Fremont Butte Water Court Application that CRW is filing as part of the Platte Valley Water Partnership, and it was approved by Council at the last Council meeting in accordance with the general support from Water Commission.

[WC 2025-058](#)

Update: Spring Up the Creek & South Metro Water Festival
Town Council Agenda Date: NA

Mr. Marlowe shared that the Spring Up the Creek event was very successful again this year. 248 residents volunteered for the event.

Mr. Marlowe also shared that the South Metro WISE Authority held the 1st Annual Water Festival, and the Town of Castle Rock was happy to host it at the Phillip S. Miller Park. Everyone involved was extremely happy with the turn out.

Approximately, 1,000 people attended the event, and there were 40 vendor booths. At 6 pm, CRW transitioned for the Water Festival to an after party with a band and beer made from reuse water. CRW is very excited to participate in the event again next year which will be held in Highlands Ranch.

[WC 2025-059](#)

Update: Lost Canyon Groundwater Management District
Town Council Agenda Date: NA

Mr. Henderson gave a presentation on what the Lost Canyon Groundwater Management District is, how CRW is connected to them and what is going on in the district.

[WC 2025-060](#)**Douglas County Water Commission Meeting Update
Town Council Agenda Date: NA**

Mr. Marlowe gave an update on the June Douglas County Water Commission Meeting.

[WC 2025-061](#)**Update: Tallgrass Project
Town Council Agenda Date: NA**

Mr. Benak shared an update on the Tallgrass project. He shared that 91% of the overall mechanical construction is completed and 98% of pipe is installed and backfilled. Surface reclamation work is in progress where possible.

[WC 2025-062](#)**Community Survey Results
Town Council Agenda Date: NA**

Mr. Marlowe reported that the Town of Castle Rock sent out a survey in early 2025. The overall results of the survey were generally good. Mr. Marlowe shared the CRW specific results.

[WC 2025-063](#)**American Water Works Association (AWWA) Benchmarking,
Finance KPIs, 5-Year Capital Plan and Impacts of the
proposed CORE Rate Increases
Town Council Agenda Date: NA**

Mr. Rementer shared a presentation on current rates and fees as well as the American Water Works Association (AWWA) Benchmarking report. He highlighted a few high areas and a couple of areas that on which CRW will continue to try to improve.

[WC 2025-064](#)**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.