



Castle Rock Water Commission Meeting Minutes

Clark Hammelman, Chair
Ernie Foerster, Vice Chair
Amy Blackwell
Amy Graziano
Caryn Johnson
Richard Morton
Todd Warnke

Wednesday, March 28, 2018

6:00 PM

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

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** 6 - Caryn Johnson, Richard Morton, Amy Graziano, Vice Chair Ernie Foerster, Todd Warnke, and Amy Blackwell
- Not Present** 2 - Chair Clark Hammelman, and Council Member James Townsend
- Attendance** 5 - Mark Marlowe, Tim Friday, Jeanne Stevens, Matt Benak, and Dawn Tiffany

ADMINISTRATIVE BUSINESS

[WC 2018-033](#) Approve Minutes of February 28, 2018

Blackwell moved, seconded by Johnson, that CR Water Topic [FileID] be Approved with the formatting change completed. The motion passed by the following vote:

- Yes:** 6 - Johnson, Morton, Graziano, Foerster, Warnke, and Blackwell
- Not Present:** 1 - Chair Hammelman, and Council Member Townsend

[WC 2018-031](#) Town Council Update

Mr. Marlowe updated the commission on the recent Town Council meeting. The council approved these important items: the Pavement Maintenance Program, the Source Water Protection Plan, the Water Use Management Plan, the Wheeling Agreement and the agricultural water lease agreements. He also informed the commission that Master Magnetic's incentive package had been approved in concept, encouraging employment growth within the Town. Mr. Marlowe updated the Council on the Conservation Rebate program. He also informed the Commission that the Animal Code will be brought back before Council with additional revisions.

[WC 2018-032](#) Commission Comments

Commissioner Blackwell mentioned the One World One Water Center by Denver Botanic Gardens and Metropolitan State University which offers a Water Studies online certificate. Commissioner Foerster asked Mr. Marlowe if he had received any negative response to the proposed irrigation standards in the Water Use Management Plan. Mr. Marlowe responded that he had not received any negative responses and that the plan seemed to be well received. Commissioner Graziano mentioned that an Environmental Quality, Wildlife and Water open house was

being presented in Castle Rock on April 19th by Douglas County as part of their public outreach for the 2040 Douglas County Comprehensive Master Plan.

ACTION ITEMS (HIGH PRIORITY / TIME CRITICAL)

[WC 2018-034](#)

Maher Manhole Night Work

Town Council Agenda Date: April 17, 2018

Ms. Stevens presented the Maher Manhole Replacement Project. Flows are diminished between 11:00 p.m. and 5 a.m., and conducting the repair at this time will reduce residential impact. Due to the night work a resolution providing for a variance from the night noise ordinance is required.

Warnke moved, seconded by Graziano, that CR Water Topic [FileID] be Approved as presented. The motion passed by the following vote:

Yes: 6 - Johnson, Morton, Graziano, Foerster, Warnke, and Blackwell

Not Present: 1 - Chair Hammelman, and Council Member Townsend

[WC 2018-035](#)

Plum Creek Diversion Pump Station Design Project

Town Council Agenda Date: April 17, 2018

Ms. Stevens presented the Pump Station Design Project. The Plum Creek Diversion Pump Station Project consists of design modifications and repairs to the existing Castle Rock Reservoir and design of a new pump station to return captured water on Plum Creek, to which the Town has rights to, back to the Plum Creek Water Purification Facility for treatment. To meet the projected water demands, it is critical that the project design be completed and ready for bid to facilitate construction in 2019. Four proposals were examined and Dewberry Engineers, Inc. proposal was selected as the best value. The project schedule is completion by March 2019. Mr. Marlowe commented that the team will clarify the pumping capacity section in the memo before it goes to Council.

Blackwell moved, seconded by Warnke, that CR Water Topic [FileID] be Approved as presented. The motion passed by the following vote:

Yes: 6 - Johnson, Morton, Graziano, Foerster, Warnke, and Blackwell

Not Present: 1 - Chair Hammelman, and Council Member Townsend

[WC 2018-036](#)

Drought Management Plan

Town Council Agenda Date: April 3, 2018

Mr. Marlowe commented that this topic was deferred from the last meeting. Mr. Benak presented the Drought Management Plan. This Plan focuses on long-term drought management in addition to strategies that provide short-term responses to temporary drought-related water supply shortages. Implementing the Plan will provide an organized and conservative approach to declaring drought stages and communicating the needed actions, by the community, to protect the Town's water supplies. In order to properly implement the Plan, changes are proposed to Town Code to incorporate the Plan into the Town's response to drought under section 13.12.070, Emergency regulation of water. Commissioner Blackwell commented that it might be wise to add an environmental protection clause to the plan to ensure creek flows. Commissioner Morton commented he would prefer to

see a single decision maker identified in Section 13.12.070 (E) as opposed to the requirement for concurrence by two decision makers. After discussion, no change was recommended to this section. Mr. Marlowe commented that this could be incorporated into the document, along with updated communication procedures.

Graziano moved, seconded by Warnke, that CR Water Topic [FileID] be Approved as presented. The motion passed by the following vote:

Yes: 6 - Johnson, Morton, Graziano, Foerster, Warnke, and Blackwell

Not Present: 1 - Chair Hammelman, and Council Member Townsend

[WC 2018-037](#)

Funding for the Town's Existing Shares in the Chatfield Reservoir
Reallocation Project

Town Council Agenda Date: April 3, 2018

Mr. Benak presented the Chatfield Reallocation Project. Renewable water storage is a key component of the Town of Castle Rock's long-term water plan and participation in the Chatfield Reservoir Reallocation Project gives the Town unique access to additional renewable water sources. The original preliminary cost estimate in the Water Storage Agreement between the U.S. Army Corps of Engineers and the State of Colorado for the project was \$134 million (\$9.8 million for the Town at our full 1,500 acre-foot subscription). On October 13, 2017, the State provided notification that the estimated total project costs are now anticipated to be \$171,000,000 (\$12.45 million for the Town, assuming a 1,500 acre-foot subscription), which is more than ten percent of the original estimate (28 percent). Pursuant to the Water Provider Agreement, the Town had the right to terminate its agreement with the State and relinquish its Pro Rata Share for a period of 60 days following the date of the notice (by December 12, 2017).

On November 14, 2017, Town Council voted to remain in the project, and staff provided notice to the State of this decision. As such, Castle Rock has 180 days from 12/12/17 to fully fund the additional amount of its Pro Rata Share. For the Town, this amounts to an additional \$1,796 per acre-foot of storage space (for the initial 200 acre feet (AF) of storage space that we purchased), and \$1,301 per acre-foot (for the 174 AF of storage space purchased from Colorado Water Conservation Board under a separate agreement). This equates to an additional \$585,593 that must be provided to the escrow company no later than June 11, 2018. Mr. Marlowe commented that, even with the increased construction costs, this was a very good deal for the Town, with what amounts to a 20 year interest free loan provided by the funding structure with the State of Colorado. Staff is also requesting to move forward with the purchase of Castle Rock's 2018 option shares.

Blackwell moved, seconded by Johnson, that CR Water Topic [FileID] be Approved as presented. The motion passed by the following vote:

Yes: 6 - Johnson, Morton, Graziano, Foerster, Warnke, and Blackwell

Not Present: 1 - Chair Hammelman, and Council Member Townsend

DIRECTOR FOLLOW-UP AND INFORMATIONAL / UPDATE ITEMS

[WC 2018-038](#) CIP Project Update 2018 Rates and Fees Study

Mr. Marlowe presented the Castle Rock Water process for updating the Capital Improvement Plan (CIP), which is to update cost estimates for currently planned and ongoing projects, first. Then any projects that were previously planned, that are no longer needed or relevant, are removed. Then newly identified projects are added to the plan. Once all currently planned and newly added projects have been identified, costs estimates are created and updated as appropriate and the split of funding sources is updated or identified (i.e. rates from existing customers or fees from development/new growth). He related that the CIPs for the Water, Wastewater and Stormwater projects haven't changed much.

Water resources took out \$30M for the Raw Water Pipeline from the South Platte to Box Elder, which helps to offset some of the other increased CIP costs. There was a \$15.9M increase in the 5 year plan for the expansion of the Plum Creek Water Purification Facility (PCWPF) to match the projected costs needed to upgrade. Also in Water Resources, a \$2.25M increase was accounted for in total costs in the 5 year plan for the Raw Water Pipeline from the Diversion to PCWPF. Water resources also has some low ranked priority projects that are causing large differences in the CIP plans from last year's study. These projects include \$6.5M for Castle Rock Reservoir #1, \$11.3 for Castle Rock Reservoir #2, \$11.78M for the Chatfield Raw Pipeline and Pump Station, \$6.08M for the Ravenna Pipeline Modifications, and \$5M for the PV Pipeline to Prospect Reservoir.

[WC 2018-039](#) Mayor's Challenge
Town Council Agenda Date: April 3, 2018

Mr. Marlowe presented the Mayor's Challenge, previously titled Fill Up the Rock, water conservation awareness project, which is a national water pledge competition between cities across the nation. Castle Rock has finished in the top ten for the last two years. Castle Rock Water will support the My Water Pledge through community outreach including Town Talk, social media and press postings. Participants can win prizes. Castle Rock middle school students will also be creating art pieces with a water conservation message, that will be used in the public outreach for this non-profit campaign, sponsored by Toyota and the Wyland Foundation.

[WC 2018-040](#) TENORM Legislation (No Memo)

Mr. Marlowe presented an update on proposed State legislation regarding Technologically Enhanced Naturally Occurring Radioactive Materials (TENORM) produced during water and wastewater treatment. Currently, the Plum Creek Water Purification Facility holds a variance for TENORM disposal. If the legislation addresses concerns of Castle Rock Water, Castle Rock Water may seek to actively support it.

[WC 2018-041](#) PCWRA Strategic Plan

Mr. Marlowe explained the strategic planning process undertaken by Plum Creek Water Reclamation Authority (PCWRA) to update their overall mission, vision and direction. Two of the strategic goals were highlighted: Collaboration and Communication and Sustainable Water Resource Management, including reusing water, nutrients and biosolids. All of their strategies will fit nicely into Castle Rock Water's long term goals, especially relating to reusing all of the water that we own the legal right to use.

[WC 2018-042](#) Disposition of Real Property
Town Council Agenda Date: April 3, 2018

Mr. Marlowe updated the Commission on the Disposition of Real Property. This ordinance broadens the circumstances under which Town-owned real property may be conveyed by ordinance, rather than requiring a vote of the people. Some issues, such as selling existing water rights are more complicated to explain to the public, so a vote on these issues would be difficult. All dispositions would still require two readings before Council, with public input at each meeting.

[WC 2018-043](#) Title 4 (Annexation)
Town Council Agenda Date: May 1, 2018

Mr. Marlowe presented an overview of the Title 4 Annexation code changes being brought before Town Council in May. This amendment to the code would require an annexor to identify how renewable water resources will be provided for at annexation. One option developed is to create a transferable redevelopment right process that would reduce the overall existing entitlements. The concept is that 2 for 1 exchanges help the Town meet its renewable water goals. It will also create a 2020 deadline for projects deemed "in process" or exempt from the proposed code changes that have been proposed, but have not proceeded.

[WC 2018-044](#) WISE Update (No Memo)

Mr. Marlowe presented updates on the WISE project, including the Wheeling Agreement and the infrastructure testing that has been conducted on the pipeline that runs from Parker Water to the Ray Waterman Regional Water Treatment Plant. A grand opening celebration is planned for June.

COMMISSIONER COMMENTS ON MEETING