



Castle Rock Water Commission Meeting Minutes

Todd Warnke, Chair
Amy Blackwell, Vice Chair
Ernie Foerster
Clark Hammelman
Caryn Johnson
Don Trujillo
Katherine Redmond

Wednesday, October 24, 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 7 - Caryn Johnson, Clark Hammelman, Ernie Foerster, Chair Todd Warnke, Vice Chair Amy Blackwell, Don Trujillo, and Katherine Redmond
Attendance 5 - James Townsend, Mark Marlowe, Tim Friday, Jeanne Stevens, and Dawn Tiffany

Commissioner Redmond arrived at 6:07 p.m.
Council Member Townsend left at 6:30 p.m.

ADMINISTRATIVE BUSINESS

[WC 2018-116](#) Approval of Minutes of September 26, 2018

It was moved by Commissioner Blackwell and seconded by Commissioner Johnson to approve the meeting minutes of 9/26/18 as amended.

Yes: 5 - Johnson, Hammelman, Foerster, Chair Warnke, and Blackwell

Not Present: 1 - Redmond

Abstain: 1 - Trujillo

[WC 2018-109](#) Meeting Date in December

It was agreed that this issue will be tabled until the November 28, 2018 commission meeting. A decision will then be made to cancel the meeting or schedule a special meeting in December, if needed.

A motion was made by Commissioner Foerster and seconded by Commission Hammelman that this item should be tabled until the November 28, 2018 commission meeting.

COUNCIL UPDATE

Council Member Townsend updated the commission on some recent Town Council activity, including the Dawson Ridge Suspension issue and the Crystal Valley Interchange Coalition. Mr. Marlowe provided some updates from the October 16th Town Council meeting including the Environmental Leadership Gold Award that was issued to Castle Rock Water from Colorado Department of Public Health and Environment. Our Parks department also received a National Gold

Medal for excellence in park and recreation management. The Our Town Academy graduates were honored and Norris Croom was recognized, in a badge ceremony, as the new fire chief. An economic incentive as a primary employer request was approved for the Solaray Pugs Companies. Huddick Excavating was awarded the contract for the East Plum Creek trail extension and construction will begin soon on the connection from Plum Creek to Crystal Valley Parkway. The deep well rehabilitation contract with Applied Ingenuity was approved as well as the Town's 3rd quarter budget amendments.

COMMISSION COMMENTS

Commissioner Johnson reported that she has spoken with residents that are concerned with the high fee portion of their water bill. She wondered if these high fees were detrimental to promoting conservation. Mr. Marlowe replied that with the increases to the upper tier rate structure next year, savings will come with lower water use. Castle Rock Water will be publishing its rate comparison with 30 nationwide cities and local south metro water utilities. Commissioner Johnson also mentioned that she attended and enjoyed the Water Education Colorado Reuse event.

Commissioner Blackwell asked about the deadlines for the Water Commission Agenda posting to the Town Website. She also brought up the topic of lead contamination that was occurring in Idaho Springs and the disinfection by-products (DBPs) that were produced downstream, because of their pH manipulation. Mr. Marlowe discussed our testing protocol for lead and copper. Customers have had no issues in our regularly scheduled household sampling. Our Water Quality team recently partnered with Douglas County Schools, to test lead levels in local schools. There was only one high lead issue which was found in the science lab sinks at Douglas County High School. The sink plumbing in the lab was replaced and the issue resolved.

ACTION ITEMS (HIGH PRIORITY / TIME CRITICAL)

[WC 2018-110](#)

Water and Wastewater Criteria Manual Updates

Town Council Agenda Dates: Nov. 6, 2018 (1st Reading); Dec. 4, 2018 (2nd Reading)

Ms. Stevens presented the Water and Wastewater Manual updates. She explained that the last major update occurred in 2012 and that there were no major changes to these documents, but a few items had been changed for clarity. In order to protect the minimum fire flow of 1500 gallons per minute (gpm), all new distribution main installations would be utilizing 8-inch diameter pipe, 6-inch pipe would no longer be allowed. Also the installation of water or sewer mains under 48-inch or larger stormwater pipes or box structures would now need to be encased in steel casing to prevent damage from leaks and help with system repairs. This steel casing would also be required for use on pipe located in 100 year flood plain areas. There were no major concerns when these Criteria Manual changes were presented to developers at a Town event.

It was moved by Commissioner Trujillo and seconded by Commissioner Redmond to recommend to Town Council approval of the updated Water and Wastewater Criteria Manuals as presented

Yes: 7 - Johnson, Hammelman, Foerster, Chair Warnke, Blackwell, Trujillo, and Redmond

[WC 2018-119](#) Turf Type Water Budget Change

Mr. Marlowe explained the planned update to the turf type water budget and ordinance change for non-residential customers. The change to the ordinance will allow more flexibility in the future by changing the 'turf type' language to 'landscape type'. New non-residential customers in 2019 will now have their water budgets based on the type of landscaping installed as well as irrigated area and evapotranspiration rates. Previously the budgets were created based on Kentucky Bluegrass turf, which has a high water requirement. By using the actual turf type installed, the budget will be aligned with the actual needs of the landscape.

It was moved by Commissioner Blackwell and seconded by Commissioner Johnson to recommend to Town Council the Turf Type Water Budget Change as presented.

Yes: 7 - Johnson, Hammelman, Foerster, Chair Warnke, Blackwell, Trujillo, and Redmond

[WC 2018-113](#) Metzler Park Turf Replacement

Mr. Marlowe explained that the Metzler Park Turf Replacement Project was a partnership between Castle Rock Water (CR Water) and the Parks Department. The project consists of replacing the outfield of the baseball diamonds with artificial turf. This project is still in the development phase and all of the details of the deal with Parks have not yet been acquired. Because of the critical time frame, for project completion before irrigation season, it needs to be approved by Town Council at the November 6th meeting.

In general the thought is the cost of this replacement would be paid up front by Castle Rock Water, by conducting an inter-fund loan, with an interest rate of 1.5%, for a loan amount of \$1.3 million and a capital contribution from water resources of \$800,000. The Parks Department would pay back this loan by continuing to pay CR Water the amount of their normal monthly water bill; this payback process would occur over a period of 20 to 30 years.

Replacing the bluegrass turf with artificial turf would result in an immediate water savings of 18-19 acre feet, during the peak demand irrigation season. The other benefits of this project include: year round use of the Parks facility, reduced maintenance and a public demonstration of the water conservation ethic promoted by the Town. Four bids were received. The low bid was from _____ for \$2.1 million.

It was moved by Commissioner Trujillo and seconded by Commissioner Blackwell to recommend to Town Council approval of the Metzler Park Turf Replacement.

Yes: 5 - Johnson, Hammelman, Chair Warnke, Blackwell, and Trujillo

No: 2 - Foerster, and Redmond

[WC 2018-117](#) Escrow Agreement for Construction Phase Engineering Services for Wastewater Treatment Plant 3.0 MGD Expansion
Town Council Meeting Date: November 6, 2018

Mr. Marlowe presented an overview of the escrow agreement. Castle Rock Water is seeking the Town Council approval of a Resolution for the Construction Phase Engineering Escrow Agreement with Plum Creek Water Reclamation Authority (PCWRA), Castle Pines North Metropolitan District and Castle Pines Metro District for the wastewater treatment plant's 3.0 million gallons per day (MGD) expansion.

Burns and McDonnell submitted the selected proposal for construction phase engineering services. Due to the complexity of the overall project, it will be crucial to have the Design Engineer onsite to ensure that the project is constructed in accordance with the design intentions and assist PCWRA in meeting effluent water quality requirements during and after construction. Their proposal is \$1,078,323 and the Town's share of these costs is \$917,613 (based on 85.1% project participation rate). In the near term, the Town will front the full cost. The expansion agreement will outline the cost responsibilities of all PCWRA entities participating in the plant expansion as well as any repayment terms and conditions necessary. This agreement will come to commission in November or December for consideration.

It was moved by Commissioner Blackwell and seconded by Commissioner Hammelman to recommend Town Council approval of the Escrow Agreement for Construction Phase Engineering Services for the Plum Creek Water Reclamation Authority as presented.

Yes: 7 - Johnson, Hammelman, Foerster, Chair Warnke, Blackwell, Trujillo, and Redmond

DIRECTOR FOLLOW-UP AND INFORMATIONAL / UPDATE ITEMS

[WC 2018-111](#) Conservation Impact Model

Mr. Marlowe presented the update on the Conservation Impact Model (CIM). Developed in 2007, the CIM is an excellent model for evaluating price elasticity impacts; provided appropriate data are available for populating the model. This data includes annual billing data by class, price elasticity estimates, and Evapo-Transpiration requirements by month.

One of Stantec's 2018 rates and fees study recommendations was to complete a more thorough review of cost of service for a future test year. Updating the CIM with cost-of-service model generated rates during that review and comparing the results with existing rates would be beneficial. The current CIM did not deliver the level of detail that was needed; we will be looking in depth at our cost of service figures and other data used in the model in 2019.

[WC 2018-112](#) Water Court Cases

Town Council Agenda Date: October 16, 2018

Mr. Marlowe presented an update on our current water court cases. The Town currently has three active cases where we are the applicant. These cases will provide maximum benefit for use of our water rights and our goal is to obtain stipulations from opposers as quickly as possible.

There are six active cases that the Town is opposing, that could injure our water

rights. On cases we oppose, we want to stipulate as early as possible but we must make sure we can do this while protecting our rights.

Castle Rock Water budgeted \$220,000 for Water Court cases in 2018. So far this year we have spent \$158,500 on legal fees and \$35,000 on consulting services. For 2019 \$110,000 has been budgeted for legal fees and \$110,000 has been budgeted for engineering fees.

[WC 2018-114](#)

Non-residential Smartscape Pilot Results

Town Council Agenda Date: November 6, 2018

Mr. Shultz provided a recap of the Non-Residential Smartscape Pilot results. Presentations were given to area Home Owner Associations (HOAs) and many expressed interest in including Smartscape landscaping renovation in future budgets. There were three HOAs that participated in the 2018 Smartscape program: The Woodlands, Castlewood Ranch and Sapphire Point. A total of 30,363 square feet of high water use landscaping was replaced with low or no water landscape materials. Of the original budget of \$100,000, rebates of \$30,363 were distributed. Staff recommends evaluating the program to increase the minimum square footage and the amount of reimbursement per square foot for the 2019 program.

[WC 2018-115](#)

Plum Creek Water Purification Facility Advanced Treatment Open Houses

Mr. Marlowe updated the commission on the use of Plum Creek Water Purification Facility open houses for public outreach. Consideration is being given to utilizing other public events, such as the Star Lighting celebration, to reach out to citizens. This will enable staff to interact with more residents at events that have higher public attendance. Our Customer Relations Program Manager, Sandra Aguilar, has created sign boards and displays, that could be used at a booth, for these type of events.

[WC 2018-118](#)

Graywater Systems

Mr. Marlowe updated the commission on the work progress for an ordinance that will allow certain gray water systems in the Town of Castle Rock. These types of indoor contained systems would filter and chlorinate shower and sink water, then recycle them to the tank of the toilet for flushing; potentially resulting in water savings of up to 20 percent. An ordinance is being developed and will come back to commission for consideration.

COMMISSIONER MEETING COMMENTS