



Castle Rock Water Commission Meeting Minutes - Draft

Todd Warnke Chair
John Wright Vice Chair
Wyn Barrett
Clark Hammelman
Bill Leung
Katherine Redmond
Carol Selos

Wednesday, May 26, 2021

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 - Chair Todd Warnke, Vice Chair John Wright, Commissioner Bill Leung, Commissioner Clark Hammelman, Commissioner Carol Selos, Commissioner Katherine Redmond, and Commissioner Wyn Barrett
- Attendance** 12 - Mark Marlowe, Tim Friday, Anne Glassman, Jennifer Thompson, Jeanne Stevens, Angie Brown, Sandra Aguilar, Walt Schwarz, Mike Hyman, MaryJo Woodrick, Caryn Johnson, and Laura Cavey

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 2021-048](#)

Approval of the April 28, 2021 Meeting Minutes Town Council Agenda Date: NA

It was moved by Bill Leung and seconded by Clark Hammelman to approve the meeting minutes for April 28, 2021 as written. The motion passed with a vote of 7-0

[WC 2021-049](#)

Update on Water Commission Interviews Town Council Agenda Date: May 18, 2021

Mr. Marlowe shared that interviews were held on May 11th at Town Hall. Council member Hollingshead joined Mr. Marlowe and Commissioner Leung for the interviews. Mr. Marlowe explained that the committee interviewed a lot of great candidates and were very happy with all of them. The interview committee recommended the re-appointment of Todd Warnke, John Wright and Wyn Barrett. The committee also recommended the new appointment of Kathryn Geinger.

Mr. Marlowe then explained that Carol Selos will be moving to Highlands Ranch at the

end of the month so Ben Johnson will also be recommended to Council to join the Water Commission.

Chairman Warnke welcomed Kathryn to the meeting had her introduce herself and then had everyone in the meeting introduce themselves.

WC 2021-050

Mr. Marlowe presented Commissioner Hammelman and Commissioner Selos with plaques and shared his gratitude for their service on the Water Commission Board.

Chairman Warnke also thanked Commissioner Hammelman and Selos for their service.

ACTION ITEMS (HIGH PRIORITY / TIME CRITICAL)

WC 2021-051

Resolution Approving the Intergovernmental Agreement
between the Town of Castle Rock and Dominion Water and
Sanitation District for the Parker Midsection Pipeline/Canyons
Pump Station Capacity License Agreement *[Parker, CO]*
Town Council Agenda Date: June 15, 2021

Mr. Marlowe introduced Mr. Benak and let him explain the item. Mr. Benak explained that this item is part of a couple of items that have previously been presented to the Water Commission. The first was the Parker MidSection Pipeline IGA which was entered into with Parker Water & Sanitation Dist. (PWSD) in March 2021. The second item was the Parker MidSection Pipeline Design.

This agreement is with Dominion Water & Sanitation Dist. (Dominion) for an IGA that is similar to the one that Castle Rock Water (CRW) entered into with PWSD. This agreement will be slightly different from the PWSD agreement because instead of receiving a cash payment from Dominion, they are going to convey additional infrastructure capacity in the WISE infrastructure. The current plan for the splits of ownership in the Parker Midsection pipeline are CRW 27.66%, Dominion 13.21% and PWSD 59%. The estimated cost of the project for Dominion is \$1.6M. Dominion will convey roughly \$1.3M of WISE infrastructure to CRW at signing of the agreement, and once the project is completed staff will make sure that the dollar amount charged to Dominion is trued up based on the actual cost of construction.

Commissioner Selos asked if this was permanent capacity or if it has limit? Mr. Benak explained that it is a lifetime capacity.

John Wright moved to recommend Town Council approval of the Resolution as presented. Carol Selos seconded the motion. Passed unanimously 7-0.

DIRECTOR FOLLOW-UP AND INFORMATIONAL / UPDATE ITEMS

WC 2021-052

WISE Project Update with a Resolution Approving Castle

**Rock Water's Portion of 2021 Binney Connection Costs and
a Resolution Approving the Authorizing of the Town
Manager to approve 2021 Monthly WISE Delivery Costs in
Excess of \$250,000 [WISE infrastructure from ADDRESS OF
Binney Plant to Castle Rock]**

Town Council Agenda Date: May 18, 2021

Mr. Marlowe wanted to share where CRW is at today with the WISE project as well as what the long term vision is for the project. The WISE project is one of CRW's most important long term renewable water projects. The ultimate goal is to use 2,000 AF of renewable water a year (just for scale CR currently uses 9,000 AF per year total water).

The WISE project is a partnership between a number of south metro water providers, Denver Water and Aurora Water. East Cherry Creek Valley is also a sub-partner. All of these partners share the WISE infrastructure. Mr. Marlowe shared a map of the infrastructure and how all the infrastructure works together.

The WISE system is based on a take or pay agreement. It is important for CRW to have the infrastructure to take their entire amount because whether we take the water or not, we are still required to pay.

At the beginning of each year the rate is evaluated. In 2021 the water rate decreased by \$.01, that is a savings of about \$3,000. Mr. Marlowe explained that WISE water is CRW's most expensive water. In addition to paying the mentioned rate, CRW pays rates and fees to PWSD to move the water through their system.

There are several projects currently underway with a completion date in the future:

- The Binney Pump Station Connection (to be completed by May 2022)
- The Parker MidSection Pipeline
- Revising of the water delivery agreement which is between the South Metro WISE Authority (SMWA which CRW is part of), Denver Water and Aurora. The update to the agreement is because the original agreement is for 7,250 AF and the new amount available is 10,000 AF. The agreement will also cover the new infrastructure that has been added.
- Denver International Airport Connection
- Blending/Desalination System (to be completed by 2030)

Commissioner Barrett asked if there is a concern that other municipalities would need to be added to the SMWA? Mr. Marlowe explained that all of the subscriptions have been sold. If one of the current partners would like to sell their share, they can but that would be the only opportunity for another entity to join SMWA.

Commissioner Redmond asked where CRW is with the drought and if it is affecting CRW now. Mr. Benak shared the U.S. Drought Monitoring Map. Douglas County is currently considered out of the drought. Mr. Marlowe added that CRW has been part of the Front Range Drought task force.

Commissioner Leung asked for an explanation of what the DIA Connection project is.

Mr. Marlowe explained that this is a connection to Denver Water's water system at the Denver International Airport (DIA). It allows Denver to provide WISE water while also keeping the water distribution system at DIA fresh.

[WC 2021-053](#)

2021 Rates & Fees Study Deliverables
Town Council Agenda Date: NA

Ms. Glassman shared that she and Ms. Thompson have been invited to present the process that CRW goes through for the Rates & Fees study at the Rocky Mountain American Water Works Association Conference this year.

The purpose of the first item, the Customer Characteristics Study, is for CRW to share the different trends and characteristics that they observe each year with customer water use. Ms. Glassman picked out just a couple items to highlight:

The first area of interest is the growth projections. Ms. Glassman pointed out that the estimated growth continues to come in lower than the actual growth numbers which results in higher than projected revenue. This is mainly due to residential growth, which tends to be quite a bit higher but when combined with the non-residential growth it doesn't seem as high. Staff uses these numbers to help with forecasting, but it is not the only item taken into consideration. Staff also looks at CIP Project planning, fund balances and other items to create the rates and fees plan.

Commissioner Barrett asked if a project like Pine Canyon is considered in the growth projections. Mr. Marlowe explained that Pine Canyon has been part of the long term planning for a long time.

Commissioner Wright asked how the Dawson Trail project would affect future projects. Mr. Marlowe explained that this item has also been part of the long term plan for many years.

Another area of interest is the conservation efforts. 2020 was a difficult year because of the drought, as well as all of the people/families that were home due to COVID. Ms. Glassman reminded Commission of the .67 discussion from the previous year. While staff are seeing that generally, 0.67 single family equivalent (SFE) homes are using less water than 1.0 SFE homes, the meter sizes are the same. She also mentioned that in January of 2021 because the meter sizes are the same the guideline changed and homes that currently have the .67 SFE discount will no longer be eligible for the discount when there is a change of ownership.

Commissioner Barrett questioned whether there are additional options to share conservation information with customers, for example to help customers see what they are using vs. what others with like homes are using. Ms. Glassman shared that CRW is getting a new billing system, and there will be additional options to share information with customers.

The final item is the Water Wiser program and how effective the program actually is. Looking at the numbers, the Water Wiser customers are actually using more water

than the non-water wiser customers during irrigation season. Staff will be looking at why this would be and seeing if there are solutions to this problem.

Commissioner Barrett asked how much money was saved by moving the irrigation turn on from May 3rd to May 10th. Mr. Marlowe explained that there was definitely a savings in water, but the total value was difficult to identify.

[WC 2021-054](#)

Update: Water Resources Strategic Master Plan *[Entire Service Area for the Town of Castle Rock]*
Town Council Agenda Date: June 15, 2021

Mr. Benak explained that staff is in the process of updating the Water Resources Strategic Master Plan. This plan is updated every 5 years. One important aspect of this process is to reach out to all Town boards as well as community groups and offer open houses to share the accomplishments from the past five years and explain what is planned for the next five years. Mr. Marlowe shared that the overall goal has not changed, which is to get to 75% renewable water by 2050 and then 100% renewable water shortly after that time.

There are seven parts to this plan:

- Planning
- Conservation
- Storage
- Local water resources
- Imported water resources
- Ground water
- Financial information

Mr. Marlowe shared some of the accomplishments that will be highlighted.

- Imported water projects (WISE Water)
- Boxelder Project as well as the filing of the Water Court Application for Boxelder
- Lots of conservation efforts
- Purchased additional Chatfield Storage
- Successfully permitted the Aquifer Storage and Recovery Wells
- Purchased the United Water assets
- CR 1 Diversion is up and running as well as a second diversion/pump station in Sedalia
- Bought the Cherry Creek Water Authority Project water resources
- Added 8 non-renewable water wells

Moving forward staff will likely focus on:

- Coloradoscaping
- Some indoor water saving options
- Advanced metering infrastructure
- A pipeline from Plum Creek Basin to Rueter-Hess Reservoir
- Start on the design phase for the next phase of the PCWPF

- Infrastructure for moving the Chatfield water back to Town

Staff plan to have this plan updated by the end of the year and will take to Town Council in December. As part of this staff will be doing a lot of marketing and outreach through presentations at community meetings, open houses and through social media.

Commissioner Barrett asked what the irrigation audit inspections look like. Mr. Marlowe explained all of the different items that the irrigation audit looks at. There was discussion about potentially expanding access to irrigation audits.

[WC 2021-055](#)

Graywater Pilot Program

Town Council Agenda Date: NA

Mr. Marlowe reported that CRW passed a gray water regulation in 2019. To date, CRW had not had any interested home builders. Lennar Homes recently reached out to CRW, and they are looking at building 29 homes in the Red Hawk Subdivision. They have agreed to move forward with a gray water pilot project for these 29 homes. They are going to be using technology from a company called Greyter.

The way the program is designed is that it will take water from your shower and sink, runs the water through a filter, chlorinates the water, adds food coloring to the water and then sends the water to your toilets for reuse for flushing. Once used in the toilet it will go out through the sewer system. The unit is about \$5,000. Staff expects that customers will see about a 20% savings on indoor water use. Code requires that staff completes a full review of the Greyter system to make sure that it meets all the standards set forth by the state. Once the review is completed, the builder will submit an updated plan. Once those have been submitted Lennar will be able to start the project.

[WC 2021-056](#)

2021 Spring Up the Creek Results

Town Council Agenda Date: NA

Mr. Marlowe shared that it was a great day. The event looked different this year as CRW didn't have everyone meet at Festival Park and fan out. Instead 10 trails were designated and volunteers met at the trail head and cleaned that area. This seemed to work really well and staff is thinking this may be how the event will look in the future.

[WC 2021-057](#)

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.

At this time there are no projects for this item.

COMMISSIONER MEETING COMMENTS

Time was allowed for Commissioner Comments.