



Castle Rock Water Commission Meeting Minutes

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

Wednesday, July 25, 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

Mr. Marlowe was present via telephone.

Present 7 - Caryn Johnson, Clark Hammelman, Ernie Foerster, Chair Todd Warnke, Vice Chair Amy Blackwell, Don Trujillo, and Katherine Redmond

Attendance 5 - Mark Marlowe, Anne Glassman, Jeanne Stevens, Jennnifer Thompson, and Dawn Tiffany

ADMINISTRATIVE BUSINESS

[WC 2018-085](#) Welcome New Commissioner - Katherine Redmond

Katherine Redmond was introduced and welcomed to the commission. She was appointed by Council on July 17, 2018.

[WC 2018-082](#) Approval of the June 27, 2018 Meeting Minutes

It was moved by Commissioner Trujillo; seconded by Commissioner Blackwell to approve the meeting minutes of June 27, 2018 with the following corrections:

Commssioner Foerster made motion to select Commissioner as vice chair.

Commissioner Trujillo abstained from approving the meeting minutes of May 23, 2018 since he was not on the commission at that time.

Yes: 6 - Johnson, Hammelman, Foerster, Chair Warnke, Blackwell, and Trujillo

Abstain: 1 - Redmond

COUNCIL UPDATE

Councilmember Townsend provided an update to the commission regarding recent Council actions, including Murdoch's coming to the old King Soopers location; approval of the WISE option; and changes to Municipal Code affecting group homes and e-cigarettes.

COMMISSION COMMENTS

The following comments were received by commissioners:

Vice Chair Blackwell mentioned a recent news article where a water worker in Aurora was trapped in a manhole. She commended Castle Rock Water on

providing good quality water and reminded everyone that sometimes what the field workers do everyday can be dangerous.

Chair Warnke mentioned that July 25, 2018 was "Colorado River Day."

Mr. Marlowe responded to a question by Commission Foerster about the status of the water usage in July. Mr. Marlowe said that we have had a good couple of weeks with the recent rains producing 1.9 million gallons the day before at the diversion, and we were taking some water out of Rueter-Hess Reservoir (details are presented in agenda item WC-2018-083). The water supply index (WSI) maintained >1.1.

Mrs. Stevens responded to Commissioner Johnson's question about status of well construction that the Founders wells were near to being completed.

ACTION ITEMS (HIGH PRIORITY / TIME CRITICAL)

[WC 2018-086](#) Escrow Agreement for Construction Work Package #1 for the Plum Creek Water Reclamation Authority (PCWRA) 3.0 MGD Expansion
Town Council Agenda Date: Aug. 21, 2018

Mrs. Stevens presented this item to the commission. A 2017 capacity update study revealed that a 3 million gallons per day (MGD) expansion was needed to meet the Colorado Department of Public Health and Environment (CDPHE) regulations. This agreement authorizes the transfer of Town funds in the amount of \$13,907,353 for the construction of work package #1, which includes procurement of treatment process equipment (which has a significant lead time), earthwork, site utilities, demolition and electrical work. In order to keep the project on schedule, the design team recommended separating the project construction into two work packages. By doing this, it will allow for the equipment procurement and early site work to begin. This project will undergo an approval process by CDPHE which has been delayed until possibly end of the year.

It was moved by Commissioner Blackwell, seconded by Commissioner Trujillo to recommend approval of Work Package #1 for the Plum Creek Water Reclamation Authority expansion. The motion passed by the following vote:

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

DIRECTOR FOLLOW-UP AND INFORMATIONAL / UPDATE ITEMS

[WC 2018-087](#) Proposed 2019 Rates and Fees
Town Council Agenda Date: Aug. 21, 2018

SYSTEM DEVELOPMENT FEES

Mr. Marlowe (via telephone) provided an introduction of the proposed increases to system development fees (SDF). The increase is approximately 8% depending on the basin, and the recommendation is consistent with Council's policy that "growth pays for growth." The water resources fund will see the highest increase, with modest increases to water and wastewater. Mr. Marlowe indicated that the

following items were driving the increases to water resources - 1) rate of growth; 2) entitlements/commitments; and 3) cost increases (more clarity on the costs of big projects, e.g. the expansion at the Plum Creek Water Purification Facility). Mr. Marlowe also noted that these rates are still tracking to the 2013 model. Mr. Marlowe responded to commissioner questions about actuals being higher than estimates; when SDFs are collected and how long it takes for these fees to show up as revenues to Castle Rock Water; and if the modeling takes into effect various types of scenarios. The commission also asked if some of the tables could be clarified. The proposed increase still shows Castle Rock in-line with neighboring water providers.

RATES AND FEES

Mr. Marlowe noted that the only increases proposed to rates and fees were in Tiers 2 and 3. While this message is intended to send a conservation message to ratepayers, it may take a couple of years for this to actual show in the numbers. Commission asked questions about how we can predict the impact of the proposed increases in Tiers 2 and 3 on water conservation. Mr. Marlowe answered that we have a conservation impact model that will help us look at this issues, and staff will bring that to commission at a future meeting.

While the commission was not ready to make a recommendation at this meeting. They were in agreement with the proposed increases and asked staff to pass this message to Council on August 21, 2018. This topic will be brought back to the August commission meeting for a recommendation prior to first reading in September.

[WC 2018-084](#)

Spot Water Leases

Mr. Benak gave a brief presentation on the two spot water leases that were presented to Council on July 17, 2018.

[WC 2018-083](#)

Temporary Rueter-Hess Agreement

Mr. Marlowe provided a copy of the letter acknowledged by Parker Water & Sanitation District (PWSD) to treat and deliver Castle Rock's water from the Rueter-Hess water supply through the WISE pipeline. This agreement will help us meet peak demands.

In the future, the Town will be working with PWSD to see if we could get more water in the reservoir.

COMMISSIONER MEETING COMMENTS

Vice Chair Blackwell asked to have volunteer opportunities placed on the next meeting's agenda. Mr. Marlowe agreed to provide an outline as to what a 30-minute presentation might cover.

Commission Trujillo asked about the status of the "Fill Your Rock" campaign. Mr. Marlowe will provide an update once the program is officially over on July 31, 2018 either in the next month's packet, or a link to the website.

Meeting adjourned at 7:30 p.m.