



Castle Rock Water Commission Meeting Minutes

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

Wednesday, May 23, 2018

6:00 PM

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

CALL TO ORDER / ROLL CALL

Norman Joslyn, a citizen of unincorporated Douglas County, also attended tonight's meeting.

Present 6 - Caryn Johnson, Clark Hammelman, Richard Morton, Ernie Foerster, Chair Todd Warnke, and Vice Chair Amy Blackwell

Not Present 1 - Amy Graziano

Attendance 5 - Tim Friday, Matt Benak, Anne Glassman, Jennnifer Thompson, and Dawn Tiffany

ADMINISTRATIVE BUSINESS

[WC 2018-056](#) Approval of Minutes of April 25, 2018

Commissioner Johnson noted that there was a typo on page three and asked staff to correct the misspelling.

It was moved by Commissioner Blackwell; seconded by Commissioner Morton to approve the minutes with the correction as identified by Commissioner Johnson.

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

Not Present: 2 - Graziano, and Townsend

[WC 2018-057](#) Commission Interviews

There are three positions available on the Castle Rock Water Commission. There have been two successful interview candidates: Amy Blackwell will be reappointed and a prospective commissioner, Don Trujillo, will be brought to Town Council for approval on June 5, 2018. The remaining position will be advertised for and interviews will be held at a later date.

[WC 2018-058](#) Recognition for Outgoing Commissioners

Chair Hammelman extended his deep appreciation to Commissioner Morton for his five year tenure with the commission, and values the time that Commissioner Morton dedicated to the commission. He presented Commissioner Morton with a plaque and a plaque was given to Commissioner Graziano, who was unable to attend. Both members have been a valuable addition to the team and their significant contributions will be greatly missed.

COUNCIL UPDATE

Tim Friday and Commissioner Warnke updated the commission on the recent

Town Council meeting. The consent calendar was approved, after additional clarification from Mark Marlowe. The MB Pipeline Project and the Discovery Pipeline were approved. The Wireless Facility request for Quarry Mesa was brought before Town Council and was denied as it did not fit in with the character of the area and its intended use.

COMMISSION COMMENTS

Commissioner Blackwell noted that applications for Leadership Douglas County and the Our Town Academy were being accepted. She also mentioned the subject of her Capstone project for Metro State. Her project identifies nurseries in Town that carry Coloradoscape plants, which are recommended by our CRConserve website. She explained that these plants are not readily available in Town, making it harder for residents to comply. She will continue her research on this project. Chair Hammelman and Commissioner Foerster enjoyed attending the Water Wiser Workshop and found it very informative.

ACTION ITEMS (HIGH PRIORITY / TIME CRITICAL)

[WC 2018-059](#) Purchase and Sale of Cherokee Water Rights

Mr. Benak presented the Cherokee Ranch water rights purchase and sale topic. These rights were acquired as part of the United Water Asset Purchase in November 2017. Castle Rock Water had always intended to sell all or a portion of these water rights, which are not readily accessible, in order to recoup some of the costs of the transaction. Dominion has requested to purchase 1,599 acre-feet (AF) of Arapahoe aquifer water of the 3,570 AF of water rights, that we own under the Cherokee Ranch and Castle Foundation property, for the price of \$4,637,100. The purchase will also include the use of the well site easements and the easements to the south of the property. Commissioner Morton suggested that we also include first right of refusal sale verbiage in the contract. Mr. Benak said that this would be brought up with the Town attorney for discussion.

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

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

Not Present: 2 - Graziano, and Townsend

[WC 2018-060](#) Environmental Leadership Program - Gold and Environmental Management System Plan Town Council Agenda: June 5, 2018

Mr. Friday and Mr. Benak presented information about the voluntary Environmental Leadership Program, which recognizes progress toward sustainability and environmental stewardship, through the State of Colorado. We have received the Bronze and Silver awards and have recently developed an Environmental Management System (EMS) document that will help us achieve our goal of obtaining the top Gold award. The goals that are targeted in this document are to: reduce the Town's dependence on non-renewable water sources, reduce the numbers of sanitary sewer overflows per year, reduce overall water demand, optimize the existing recycling program and to reduce overall electrical energy consumption. The EMS will give us the needed tools to manage our progress and

identify any issues that may arise.

It was moved by Commissioner Warnke, seconded by Commissioner Blackwell to recommend to Town Council. The motion passed by the following vote:

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

Not Present: 2 - Graziano, and Townsend

WC 2018-061 Nelson Family Spot Water Lease Agreement
Town Council Agenda Date: June 5, 2018

Mr. Benak presented that Castle Rock Water is seeking Town Council approval for a resolution for a spot water lease with the Nelson Family. They currently utilize an alluvial well along Little Dry Creek, to irrigate 12 acres of pasture at University and Belleview Ave., in Greenwood Village. They have asked to lease up to 17.24 acre-feet of the Town's surplus reusable water supplies along Plum Creek, for the amount of \$8,534 in 2018. Currently, the Town is limited in its ability to capture and utilize this water supply. Leasing water to other parties downstream provides an income stream for the Water Resources Enterprise, until the needed infrastructure is constructed, that will allow us to capture and utilize all of our water.

It was moved by Commissioner Blackwell, seconded by Commissioner Warnke to recommend to Town Council. The motion passed by the following vote:

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

Not Present: 2 - Graziano, and Townsend

DIRECTOR FOLLOW-UP AND INFORMATIONAL / UPDATE ITEMS

[WC 2018-062](#) Rates and Fees Deliverables - May 2018
Customer Characteristics Analysis

Ms. Glassman presented the draft copy of the Rates and Fees Study Customer Characteristics. Changes over last year's document include the use of more graphs, in order to provide clarity to the document. They are currently reviewing the data and analyzing usage to see if rate and fee changes have encouraged conservation among water customers. Commissioner Clark was wondering about the drastic difference in the Residential Actual vs. Projected Growth numbers in Chart 3, is this a reflection in the timing difference between Development Services permit process and the meter issuance from Castle Rock Water? Ms. Glassman replied that she would examine these differences and bring them back to the Commission in July. The final copy of the Rates and Fees Study is due before Council in September.

[WC 2018-063](#) Meter Radio Reading Devices (No Memo)

Mr. Friday presented the following update on the Meter Radio Reading Devices. An independent fire expert has been hired to investigate the recent house fire in The Meadows. The water MXU and the gas meter and its transmitting device were located, on the same corner of the house, where the fire began. Research has shown that none of the MXUs, or the lithium thionyl chloride batteries that they contain, have ever been implicated in a house fire. Black Hills Energy has also

hired an independent investigator, but it is doubtful that the cause of the fire will be isolated to one element. It was a very windy day and the flammable shrubs surrounding the corner could have been the ignition source of the event. As a precaution Castle Rock Water is inspecting all similar devices (approximately 5,000) to ensure safe operation and that any fire risk is mitigated.

[WC 2018-064](#) Castle Pines Metro District (No Memo)

Mr. Friday presented the Castle Pines Metro District update. He explained they have officially notified us that they would like to partner with us, by becoming a wholesale water customer. They plan on purchasing up to 2 MGD of renewable water coming from the Plum Creek Diversion treated at the Plum Creek Water Purification Facility.

[WC 2018-065](#) WISE Update (No Memo)

Mr. Friday presented the WISE water update. He informed the commission that we have been accepting .5 MGD for a few weeks and this figure will increase to 2 MGD and will continue through the months of July and August, if it is available. Communications are working well with our partners and the connection is operating as anticipated. A WISE water celebration is planned for June 8, 2018 at Gemstone Park in Sapphire Point, from 4:30pm -6:30pm.

[WC 2018-066](#) Results of the Mayor's Challenge -Artwork (No Memo)

Mr. Friday provided the Mayor's Challenge update. The Town of Castle Rock moved to the eighth position in the nation, up from number ten last year. Castle Rock area Middle School students participated in a water conservation poster contest and samples of the finalist's artwork were available for the Commission to view. The Mayor chose a winner and visited the school to award the prize to the creative student.

[WC 2018-067](#) Nevada Ditch (No Memo)

Mr. Benak presented the Nevada Ditch update. The Town submitted an offer for water rights down stream from Chatfield Reservoir. These are very senior water rights, from the 1860s, and we would be able to utilize our storage capacity in Chatfield Reservoir. They would yield at least 120 acre-feet (AF) of surface water, reusable to extinction at 250 AF per year. The price would be \$25,000 per AF, available after water court, which is anticipated to take approximately three years. If our offer is accepted, we would have the option of a Substitute Water Supply Plan to Use the water, by paying a yearly option of \$10,000. More information will be offered to the Commission in June.

[WC 2018-068](#) Legislative Update (No Memo)

Mr. Friday gave an update on the Technologically Enhanced Naturally Occurring Radioactive Material (TENORM) Legislation. The State will be required to conduct a Health Risk Assessment before enacting legislation regarding the disposal of radioactive materials resulting from the treatment of water and wastewater. Currently we are sending this waste material to the Plum Creek Water Reclamation Authority; one day we will be required to ship these solids to a facility that specializes in their disposal.

