



Castle Rock Water Commission Meeting Minutes

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

Wednesday, April 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

Present 7 - Caryn Johnson, Clark Hammelman, Richard Morton, Amy Graziano, Ernie Foerster, Chair
Todd Warnke, and Vice Chair Amy Blackwell

Attendance 5 - Mark Marlowe, Matt Benak, Anne Glassman, Jennifer Thompson, and Carolyn Richards

CALL TO ORDER / ROLL CALL

ADMINISTRATIVE BUSINESS

[WC 2018-045](#) Approval of Minutes of March 28, 2018

Commissioner Blackwell noted that there was "code" showing in the Minutes and asked staff to correct the wording.

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

Yes: 7 - Johnson, Hammelman, Morton, Graziano, Foerster, Chair Warnke, and Blackwell

Not Present: 1 - Townsend

[WC 2018-046](#) Boards and Commission interviews - May 8, 2018

Chair Hammelman and Vice Chair Foerster will participate in the interviews.

COUNCIL UPDATE

Mr. Marlowe briefed commission on recent projects approved at Council, including the Pursuing Excellence Gold Award, disposition of real property, Master Magnetics incentive package, Drought Management Plan, Code updates regarding bulk water and animal Code.

COMMISSION COMMENTS

Commissioner Blackwell announced applications are now being taken for the 2019 Leadership Douglas County program, and that more information can be found on their website.

Chair Hammelman thanked Vice Chair Foerster for leading last month's commission meeting.

ACTION ITEMS (HIGH PRIORITY / TIME CRITICAL)

[WC 2018-047](#) Pipeline Right-of-Way with Discovery DJ Services LLC (Box Elder, Weld County)

Town Council Agenda Date: May 15, 2018

Mr. Benak gave a presentation on the pipeline right-of-way grant on the Box Elder property in Weld County. The easement allows for the construction of two gas pipelines in an easement previously granted to Cureton Midstream. Mr. Benak responded to questions concerning depth of pipeline and conformance with industry standards.

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

Yes: 7 - Johnson, Hammelman, Morton, Graziano, Foerster, Chair Warnke, and Blackwell

Not Present: 1 - Townsend

[WC 2018-048](#) Intergovernmental Agreement with Dominion for Sedalia Pipeline
Town Council Agenda Date: May 1, 2018

Mr. Benak provided information to commission about the intergovernmental agreement with Dominion Water and Sanitation District for the Plum Creek raw water return pipeline / Eastern Regional pipeline project. The design and construction of this infrastructure will be managed by Dominion, including acquisition of all easements and right-of-ways. On April 16, 2018, Dominion attended a Location and Extents hearing before the Douglas County commissioners, and received unanimous approval. Staff responded to Commissioner Blackwell's concern about working with the railroad.

The Town and Dominion will each have sole ownership of their water infrastructure. The major benefit of this agreement is cost savings in construction. The additional pipeline is needed so that Dominion can receive their WISE water supplies that will be wheeled through Castle Rock's infrastructure. Upon execution of the agreement, the Town will pay Dominion \$680,308 for the proportionate share of Phase I design, and \$411,770 for Phase II design.

Dominion will be responsible for competitively bidding the project and entering into a guaranteed maximum price (GMP) contract. The Town will be highly involved in this process. The GMP contract will be brought back to Council for approval.

Commissioner Morton expressed concern over giving the money directly to Dominion rather than using an escrow agreement. Chair Hammelman suggested recommending approval to Council with the caveat that Mr. Marlowe will discuss with Bob Slentz, Town Attorney, to confirm that adequate protection for the Town is in place in the document.

It was moved by Chair Hammelman, and seconded by Commissioner Blackwell to approve this item, as presented with the caveat that Mr. Marlowe would confer with Bob Slentz, Town Attorney.

Yes: 7 - Johnson, Hammelman, Morton, Graziano, Foerster, Chair Warnke, and Blackwell

Not Present: 1 - Townsend

[WC 2018-049](#) Proposed changes to Title 4, 17 and 20
Town Council Agenda Date: May 1, 2018

Mr. Marlowe updated the commission regarding the changes to Titles 4, 17 and 20. The proposed Code changes will required Water Efficiency Plans for all new annexations regardless of conditions of annexation and whether the proposed annexation is deemed to be exceptional due to presentation of open space, landforms or vistas of community-wide significance or interest, significant primary employment generation or enhanced urban design, community amenities and aesthetics. To meet renewable water needs for the annexation, a potential annexor can use one of three options. Option 1 - identify a potential source of renewable water and funding; Option 2 - transfer existing entitlement while also reducing existing entitlements; or Option 3 - dry up irrigated land. During this discussion, commission expressed concerns over the number of homes being built throughout the County and State.

There were two motions associated with this item.

It was moved by Commissioner Graziano; seconded by Commissioner Warnke to recommend Council approve the Title 4 ordinance, as presented on first reading.

It was moved by Commissioner Warnke; seconded by Commission Johnson to recommend Council approve the Titles 17 and 20 ordinance, as presented on first reading.

Yes: 7 - Johnson, Hammelman, Morton, Graziano, Foerster, Chair Warnke, and Blackwell

Not Present: 1 - Townsend

DIRECTOR FOLLOW-UP AND INFORMATIONAL / UPDATE ITEMS

[WC 2018-050](#) Plum Creek Water Reclamation Authority Preconstruction Agreement
Town Council Agenda Date: May 1, 2018

Mr. Marlowe provided an update regarding the Preconstruction Escrow Agreement for the Plum Creek Water Reclamation Authority. This agreement is part of a broader expansion of the expansion of the wastewater treatment facility. The preconstruction services provided by Moltz Construction Inc. is in the amount of \$70,363 and falls within the Town Manager approval authority level. The construction contract, in the form of a guaranteed Maximum Price Construction Management (GMPCM) contract, will be brought back to Council in late August. The project cost is estimated to be approximately \$34 million. Other partners involved in this project are Castle Pines Metro District and Castle Pines North.

[WC 2018-051](#) Purchase and sale of Cherokee Water Rights
Town Council Agenda Date: June 5, 2018

The sale of Cherokee Ranch water rights was initially part of the United assets purchase. It was always considered to be sold to Dominion Water and Sanitation District. The property disposition ordinance presented to Council on 4/17/2018 allows for the property to be sold without going to a public vote. The sales price

has not yet been determined. Once all the details are known, this will be brought back to commission for recommendation to Council in May/June timeframe.

[WC 2018-052](#)**Rates and Fees Study Deliverables - April 2018**

As part of the rates and fees study deliverables, Mr. Marlowe briefed the commission on the 2017 year end financials, 2017 year end fund balances, 2019 business case requests, and 2018-2023 growth forecast.

[WC 2018-053](#)**AWMC Reset - No memo**

The commission was updated on the recent changes to how the average winter monthly consumption will be calculated. Previously, the sewer and indoor budget was calculated by averaging November, December, January and February usage. The previous process involved staff reviewing any of the bills that had a high month, and then a subjective decision was made to discard the usage for that particular month.

After reviewing Municipal Code and consulting with the Town's Legal Department, it was decided that a much fairer method would be to look at the four months, and discard the high month for each customer. The billing system now automatically reviews the monthly usage for that same four month period, and "throws away" the high usage for each customer. Staff considered this to be fairer to all customers.

Also, there was some difference in the rounding for sewer calculation and indoor water use calculation. Now the methodology will be consistent for all customers. Municipal Code will be updated to account for these changes during the annual rates and fees study.

[WC 2018-054](#)**WISE Celebration**

Mr. Marlowe announced plans are in place for the WISE celebration on June 8. More information to follow.

[WC 2018-055](#)**Pilot Testing Facility / Sedalia Site Visit - No memo**

Mr. Marlowe updated the commission on the pilot testing facility in Sedalia. Staff will arrange a tour of the facility in May or June.

COMMISSIONER MEETING COMMENTS

Commissioner Morton commented that he was disappointed that changes to the average winter monthly consumption (AWMC) were not vetted with commission prior to showing on bills.