



Castle Rock Water Commission Meeting Minutes

Todd Warnke, Chair
Amy Blackwell, Vice Chair
Ernie Foerster
Clark Hammelman
Don Trujillo
Katherine Redmond
John Wright

Wednesday, May 22, 2019

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** 4 - Ernie Foerster, Chair Todd Warnke, Vice Chair Amy Blackwell, and John Wright
- Not Present** 3 - Clark Hammelman, Don Trujillo, and Katherine Redmond
- Attendance** 8 - Mark Marlowe, Tim Friday, Anne Glassman, Jennifer Thompson, David Van Dellen, Matt Hayes, Melinda Pastore, and Caryn Johnson

COUNCIL UPDATE

Council Member Johnson provided an overview of recent Town Council activity (details regarding Town Council activity are posted online at CRgov.com). All Castle Rock Water projects were approved, including the First Amendment to the Intergovernmental Agreement (IGA) for water service between Dominion Water and Sanitation District and the Town; Change Order Number Two to the Construction Contract with Global Underground Corporation for the Red Hawk Reuse Pipeline; the Second Amendment to the Plum Creek Water Purification Facility Advanced Treatment Project Construction Agreement with Garney Companies; a Construction Contract with RN Civil Construction for the Plum Creek Diversion Pump Station Project; and an Agreement with Dewberry Engineers for Construction Phase Engineering Services for the Plum Creek Diversion Pump Station Project. An Ordinance regarding the Temporary Erosion and Sediment Control Manual, the Storm Drainage Design and Technical Criteria Manual, and illicit discharge was approved on first reading (second reading will be on June 18).

COMMISSION COMMENTS

Commissioner Blackwell gave kudos to staff, as she received conservation information via email today through CRConserve.com. Commissioner Foerster asked how conservation is going so far this year. Mr. Marlowe replied that some days use has been as high as 11,000,000 gallons, which is not what we want to see. Commissioner Foerster asked if HOA's have smart controllers. Mr. Marlowe responded that not all of the HOA's have them, but some do. Unfortunately, not all of the smart controllers are set up correctly. Mr. Marlowe and staff have a series of upcoming meetings with HOA's for outreach regarding conservation. Chair Warnke said that he has been asked by several residents recently how much the snowfall we had this week is helping the Town with water supply. Mr. Marlowe replied that it has helped a lot, as we have been able to take a lot more water from Plum Creek. Also, irrigation has slowed down.

ADMINISTRATIVE BUSINESS

[WC 2019-049](#) April 24, 2019 Meeting Minutes

It was moved by Commissioner Blackwell and seconded by Commissioner Wright to approve the meeting minutes of April 24, 2019.

Yes: 4 - Foerster, Chair Warnke, Blackwell, and Wright

Not Present: 3 - Hammelman, Trujillo, and Redmond

[WC 2019-052](#) Update on Water Commission Interviews

Commissioner Blackwell provided an update on the May 14 Castle Rock Water Commission interviews. She participated on the interview team, along with Tim Friday, Assistant Director, and Council Member Johnson. They interviewed five candidates, and the four incumbents were recommended for reappointment. The incumbents, Commissioners Warnke, Hammelman, Foerster, and Wright, were reappointed by council on May 21, with terms expiring on May 31, 2021. Strong candidates applied for these positions, and it is hoped that they will reapply in the future.

[WC 2019-058](#) Proposed Change in Unexcused Absences in Municipal Code
Town Council Agenda Date: TBD

Mr. Marlowe informed the commission that the Town Clerk's office is proposing a change to Municipal Code regarding unexcused absences for board and commission members. Currently, code states that members can have up to six unexcused absences, which conflicts with what is shown in many of the board and commission bylaws/charters. For consistency across the Town and with code, the clerk's office will propose a change to three unexcused absences. The Castle Rock Water charter currently allows for two unexcused absences; however, it will be changed to three following council's approval of the clerk's proposal. The commission was in agreement with this change and felt three unexcused absences was reasonable. Tentatively, the clerk's proposal will be presented to Town Council next month (June).

ACTION ITEMS (HIGH PRIORITY / TIME CRITICAL)

[WC 2019-054](#) Highway 85 Transmission Project
Town Council Agenda Date: June 4, 2019

Mr. Matt Hayes, Project Manager, presented. Mr. Hayes did a lot of the design work for this project, which will complete the looping in the water distribution system between the Promenade, Metzler Ranch and Meadows subdivisions. During the planning process for the 2017 Water Master Plan, the Highway 85 Transmission Project was identified in the 2018-2022 planning horizon. The invitation to bid was sent to six qualified contractors, bids were received from three contractors, and the low bid of \$611,000 was received from T. Lowell Construction, Inc. Staff recommended approval of \$611,000, plus a ten percent Town-managed contingency in the amount of \$61,100, for a total authorization of \$672,100. Construction is expected to begin in June and be completed this

summer.

It was moved by Commissioner Blackwell and seconded by Commissioner Foerster, to recommend Town Council approval of a construction contract with T. Lowell Construction for the Highway 85 Transmission Project.

Yes: 4 - Foerster, Chair Warnke, Blackwell, and Wright

Not Present: 3 - Hammelman, Trujillo, and Redmond

[WC 2019-056](#)

First Amendment to the Participation Agreement with Cherry Creek Basin Water Quality Authority for McMurdo Gulch
Town Council Agenda Date: June 4, 2019

David Van Dellen presented this request for approval of the First Amendment to the Participation Agreement for Design of Stream Reclamation Improvements for McMurdo Gulch. The Agreement is between the Cherry Creek Basin Water Quality Authority and the Town. The Authority's mission is to preserve and protect water quality in the Cherry Creek Reservoir and Cherry Creek Watershed. McMurdo Gulch is a western tributary to Cherry Creek, extending along the eastern edge of the Town.

In 2016 the Town identified four high priority areas where McMurdo Gulch was experiencing degradation. In 2017, the Town requested project funding in the amount of \$34,000 from the Authority for design of the project, which was approved. The Town's cost for the 2018 design project was \$136,000, resulting in a total design cost of \$170,000. This First Amendment to the Agreement is for construction of the project. The projected cost of construction is \$1,507,000, of which \$386,000 will be funded by the Authority, and \$1,121,000 will be funded by the Town.

It was moved by Commissioner Blackwell and seconded by Commissioner Wright, to recommend Town Council approval of the First Amendment to the Participation Agreement with Cherry Creek Basin Water Quality Authority for McMurdo Gulch.

Yes: 4 - Foerster, Chair Warnke, Blackwell, and Wright

Not Present: 3 - Hammelman, Trujillo, and Redmond

DIRECTOR FOLLOW-UP AND INFORMATIONAL / UPDATE ITEMS

[WC 2019-055](#)

2019 Rates & Fees Study Deliverable - Customer Characteristics

Anne Glassman presented this topic, which is key input before the 2019 rates and fees study. This study helps staff consider options in lieu of a rate increase. The Customer Characteristics Analysis, prepared by the Business Solutions Team, compares three years of data to look for trends in consumption patterns of customers. Given the results of the analysis, there are a few areas of concern that staff will be looking at in more depth.

Despite ongoing water conservation efforts, the residential three-year average monthly consumption continues to trend upward. This is a concerning trend given that this is based on average monthly consumption and not related to growth. Staff will be taking a closer look at accounts with high water usage to determine if

it is normal for them, or an isolated occurrence, such as a leak. On-line Water Wiser courses will be available in the future, which will enable more participation in this conservation program. Staff is also looking at non-residential water budgets, making sure irrigated areas are correct, and that people have correct plant types. The .67 water meters are also being evaluated, and the need for education on smart controllers was discussed.

Annual consumption and revenues in the outdoor watering tiers 2 and 3 is an area of interest, as 2018 billing data shows that 52% of consumption is in tier 2 and 3 combined. This presents a revenue risk if conservation takes effect and customers slow down outside watering and incorporate ColoradoScapes. Also, bulk water station usage has been trending down over the last few years. However, bulk hydrant usage for growth-related construction has risen sharply, putting a significant demand on the water supply.

Chair Warnke said that a rate increase would probably have two outcomes - a decrease in water use, and an increase in revenue. He said the commission would probably need to see some models.

[WC 2019-053](#)

Results of Community Survey

Mr. Marlowe presented the water-related portions of the recent community survey. Two of the key things that came out of the survey are: 1) The community thinks water is a high priority, and 2) There is a feeling that water quality has declined since 2017. This is likely due to changes in the aesthetics of our water, resulting from changes in mineral content due to a new and different mix of sources that change seasonally. Staff has taken steps to address this perception issue. Value for the rates and fees is the lowest rated factor, and will continue to be an area of focus for staff. Future ability to provide water and water infrastructure to keep up with the current growth is clearly a concern for residents. The survey indicated there is some interest in having Castle Rock Water pursue advanced metering infrastructure.

[WC 2019-051](#)

Plum Creek Diversion Pump Station Project

Town Council Agenda Date: May 21, 2019

On May 21, 2019, Town Council approved a Construction Contract with RN Civil Construction for the Plum Creek Diversion Pump Station Project, located west of Sedalia. The contract amount is for \$9,228,500 (plus a ten-percent Town managed contingency). In 2017 Castle Rock Water purchased United Water and Sanitation District's infrastructure, which included the Plum Creek Diversion. The diversion has a capacity to capture up to 25.8 million gallons per day (MGD), but is only able to pump 1.15 MGD up to Castle Rock Reservoir 1. This project is to construct a new diversion pump station that is capable of pumping 25.8 MGD to the reservoir. This project will also construct the new Plum Creek Pump Station that will pump water from Castle Rock Reservoir 1 to the Plum Creek Water Purification Facility.

[WC 2019-057](#)

Construction Services for the Plum Creek Pump Station

Town Council Agenda Date: May 21, 2019

On May 21, 2019, Town Council approved a Construction Phase Engineering

Services Agreement with Dewberry Engineers, Inc., for the Plum Creek Diversion Pump Station Project. Per the Agreement, the cost of Dewberry's services will not exceed \$496,470. Dewberry was the design engineer for this project.

[WC 2019-048](#)

Change Order with Global Underground for the Red Hawk Reuse Pipeline
Town Council Agenda Date: May 21, 2019

On May 21, 2019, Town Council approved a Change Order with Global Underground for the Red Hawk Reuse Pipeline. The change order authorized an increase of \$501,993 in the contract sum, and increased the Town-managed contingency by \$50,000. Town Council previously approved the original contract with Global in the amount of \$1,381,314 (plus a contingency of \$207,200). The amendment includes conversion of 2,050 feet of open trench construction to trenchless horizontal directional drill (HDD) construction along Prairie Hawk Drive. It also adds construction of an additional 1,000 feet of HDD construction underneath Plum Creek, as well as open trench construction of 900 feet of pipe to replace failed existing reuse pipe.

Commissioner Foerster raised a concern with increased approvals of change orders. Mr. Marlowe indicated this was primarily a result of the speed with which projects need to be completed to keep pace with growth. He discussed a potential plan of adding a project manager to staff for next year's budget. Commission was generally supportive of doing this if it will help the team keep up with growth related projects.

Council Member Johnson noticed that some of the pipe in the project area appears to be bleached out (not purple). Mr. Marlowe said he would discuss this with the Project Manager, but that the pipe she is referring to may belong to another project going on in the area.

COMMISSIONER MEETING COMMENTS

Commissioner Wright asked if there has been good progress on the project in The Lanterns, and Mr. Marlowe replied that we are making good progress.

[WC 2019-050](#)

Adjourn to Executive Session to Discuss Potential Water Acquisition Projects

At 7:43 p.m., Chair Warnke moved that the commission adjourn to executive session to discuss potential water acquisition projects. The motion was seconded by Commissioner Wright.

Yes: 4 - Foerster, Chair Warnke, Blackwell, and Wright

Not Present: 3 - Hammelman, Trujillo, and Redmond