



## Castle Rock Water Commission Meeting Minutes - Final

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

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Wednesday, September 23, 2020

6:00 PM

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

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**This meeting is open to the public and will be held in a fully virtual format in accordance with Town Council Meeting Special Procedures During Declared Disasters. This meeting will be hosted online and can be accessed at <https://crgov.webex.com>, the meeting password is: DPfmwJMr238 (37369567 from video systems) or phone in by calling (720) 650-7664, meeting code 146 683 2654. 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 Wyn Barrett, Commissioner Clark Hammelman, Commissioner Bill Leung, Commissioner Katherine Redmond, and Commissioner Carol Selos
- Attendance** 7 - Caryn Johnson, Mark Marlowe, Tim Friday, Matt Benak, Anne Glassman, Jennifer Thompson, and MaryJo Woodrick

### COUNCIL UPDATE

Councilmember Johnson updated the commission on various Town Council topics from the September Council meetings. Topics included a proclamation for fire prevention week (the first week of October), approval of all service agreements for 2021, approval of the 2021 budget, 1st reading for property tax for 2020 being collected in 2021, approval of the CRW rates and fees, approval of one application for a community grant, an update on the Castle Pines Metro Dist., an update on the new traffic lights planned around town, an update on the Four Corners Project, approval of the design for CRR No 2, and approval of denial recommendations for the Pine Canyon Project.

### COMMISSION COMMENTS

Commissioner Redmond thank you to Mark for sending information on the HOA's.

Commissioner Leung appreciated the information that Mark sent as well.

Commissioner Hammelman noticed earlier this week. Plum Creek was drilling a well. Is there information on this? Mr. Marlowe explained that is one of the lawn irrigation return flow (LIRF) monitoring wells in a contract that was presented to Water Commission earlier this year.

Commissioner Barrett thanked staff for the work on the Pine Canyon development.

Commissioner Wright shared his ongoing lawn renovations and ability to receive rebate funds experience.

## ADMINISTRATIVE BUSINESS

[WC 2020-082](#)

### Approval of the August 26, 2020 Meeting Minutes

It was moved by Clark Hammelman and seconded by John Wright to approve the meeting minutes for August 26, 2020 as written. The motion passed unanimously with a vote of 7-0.

**Yes:** 7 - Chair Warnke, Vice Chair Wright, Commissioner Barrett, Commissioner Hammelman, Commissioner Leung, Commissioner Redmond, and Commissioner Selos

## ACTION ITEMS (HIGH PRIORITY / TIME CRITICAL)

## DIRECTOR FOLLOW-UP AND INFORMATIONAL / UPDATE ITEMS

[WC 2020-083](#)

### A Resolution Approving the Construction Contract for the Administration and Customer Service Building Town Council Agenda Date: October 20, 2020

Mr. Marlowe explained that this item needs to go to Town Council (TC) on October 20th but the bid process will not close until October 6th so staff will be unable to share with the Water Commission (WC) for a vote prior to the TC meeting. Once all the bid information is final, Mr. Marlowe will share with the WC. Mr. Marlowe also shared that this project was placed on hold due to COVID-19. Staff has been monitoring the economic impact of COVID and feels that it is safe to continue with this project.

Mr. Friday shared that the bid request was sent out September 9th with an original due date of September 29th. Contractors requested that due to the size of the project the bid deadline be extended to give additional time to complete bids.

Mr. Friday shared the timeline for the project. Once Council has approved the contract on October 20th, staff will award the contract on Oct 21st. At this time the goal is to break ground some time in November. The first priority will be to move the two north trailers away from the construction area. This will allow construction to begin shortly after that. The plan is to have the new building completed by December 2021.

The budget for this project has stayed roughly the same at just over \$4M. Nine contractors expressed their intent to bid. Castle Rock Water (CRW) Staff received thirteen bids.

[WC 2020-084](#)

### Water Service Disconnection Process Update

Mr. Marlowe explained that at the beginning of COVID CRW decided to discontinue disconnections based on our own desire not to do that at that time. The Governor then came out with an Executive order prohibiting disconnections. This order expired

at the end of June and was not renewed. The Governor also issued an Executive order that stated late fees and disconnection fees could not be charged. This order has been extended several times and is set to expire in October.

A number of utilities returned to disconnects as soon as the order was lifted and others have followed in the months since. Staff feels that with the current economic situation in Castle Rock, as well as the assistance programs that are in place, it is time to return to the disconnection process without assessing a late fee or disconnection fee.

Mr. Marlowe shared that CRW has several programs in place to assist customers to avoid disconnections. One program is the customer assistance program, an additional option that was created was a payment plan program. This gives customers the opportunity to pay an initial amount and then the rest can be paid over 12 months with no interest added. Both of these options can be used together if necessary.

#### [WC 2020-081](#)

### **Financial Management Plan**

Mr. Marlowe wanted to share with WC a couple of the goals from the Financial Management Plan. He shared that at this time CRW is achieving most of these goals.

- The most important goal that staff is continuing to work on is to minimize current and future rates for customers. This will always be a challenge as CRW works to acquire long term renewable water for all of our customers. At this time CRW has been successful with this goal as we are well below where staff originally thought CRW would be.
- Another goal is to make sure that CRW looks good from a debt stand point. It is important to not take on more debt than necessary and use debt as appropriate while maintain a strong financial position and cash fund. Currently CRW's carrying costs for its debt are about 2.54%.
- Balance fixed and variable costs with fixed and variable revenue. CRW has been able to do this successfully each year.
- Keep rates competitive with neighboring water providers.
- Maintain minimum fund balances and maximum fund balances in accordance with the reserve policy and still complete projects as necessary.

#### [WC 2020-085](#)

### **Resolution Approving a Construction Contract with Velocity Constructors, Inc. for the Well CR-231 Well Facility Project Town Council Agenda Date: September 15, 2020**

Mr. Marlowe explained that this item is part of the wells that were drilled out in the Meadows this year. This contract is for the construction of the Well Facility at that location. The pricing came in fairly competitive and in line with what the engineers had expected. CRW would like to get these in place and up and running before the next irrigation season.

This contract also includes an old alluvial well (near the new Parks Department building) that will be rehabbed and brought back on line.

[WC 2020-086](#)**Regional Partnership Presentation**

Mr. Marlowe shared a presentation on the partnerships and agreements that CRW has with other utilities. This was a high level overview of all the various key agreements and projects going on regionally. This item ties in to the Financial Management Plan because these regional partnerships provide economies of scale which reduce the overall cost to our customers for this infrastructure. Since the infrastructure is being used by many it helps to spread the cost out across more customers.

[WC 2020-087](#)**Resolution Of The Town Council Of Castle Rock Stating Its Opposition To The Appeal Submitted By JRW Family Limited Partnership, LLP, to The Water Supply Standards Set Forth in Section 18A of the Douglas County Zoning Resolution With Regard to the Proposed Pine Canyon Planned Development**

**Town Council Agenda Date:** September 15, 2020

Mr. Marlowe reported that the TC approved two resolutions, one opposing the zoning and the second opposing the water appeal. The key around the water appeal is that the County is supposed to review the water appeal based on two main items.

- Does it impact the future health, safety and welfare of existing or future residents?
- Do they have an adequate supply in terms of quality, quantity and reliability?

The Town feels that neither of these items have been met and that the County should deny the appeal.

Mr. Marlowe also shared that the Wastewater Site Location application is set to go before the Chatfield Watershed Authority Technical Advisory Committee on October 6th.

Mr. Marlowe will keep the WC apprised of dates and times as the process moves forward.

**COMMISSIONER MEETING COMMENTS**

Commissioner Wright shared that a lot of good information was shared during this meeting and thanked staff for all the hard work on these projects/items.

Commissioner Barrett expressed that the partnership presentation had a lot of great information and thanked Mr. Marlowe for sharing.

Commissioner Hammelman shared information about a presentation that was held at CALF.

Commissioner Warnke expressed his gratitude for the water partnership presentation

and hoped staff would share it again in the future.