

**Water Commission Mtg.
December 11, 2024**

Present: Commissioners David Hammelman, Brian Gaddie, Melanie Penoyar-Perez, Angie Brown, Tony Rathbun, Ole Gjerde and Kiki Miller

Absent:

Guest: Becca Schnorr

Staff: Mark Marlowe, Nichol Bussey, Paul Rementer, Roy Gallea, David Van Dellen, Hannah Branning, Erin Evans, Scott Tait and MaryJo Reese

Start: 6:00 pm

End: 8:45 pm

Council Report

Time was allowed for Mr. Marlowe to share a council update.

Introduction of the New Water Commission Member

Commissioner Comments

Time was allowed for Commissioner Comments.

Douglas County Water Commission Meeting Update

Mr. Marlowe shared an update on the Douglas County Water Commission meeting.

Pine Canyon Update

Mr. Marlowe shared an update on the Pine Canyon development.

Approval of the October 30, 2024 Meeting Minutes

I move to approve the Minutes as presented.

It was moved by Melanie Penoyar-Perez and seconded by Brian Gaddie to approve the October 30, 2024 meeting minutes as presented. The motion passed (5-0-2). David Hammelman and Ole Gjerde abstained.

Resolution Approving the Progressive Design-Build Agreement with S.J. Louis Construction, Inc. for the Sedalia Lift Station and Force Main to Plum Creek Water Reclamation Authority Project [Located in Sedalia, CO]

Mr. Tait shared that this project is to design and build the main wastewater conveyance system for Sedalia and the surrounding area. The project will be accomplished in two phases and is funded by the American Rescue Plan Act (ARPA) through Douglas County.

Phase 1 of the project is to complete 60% design of the wastewater infrastructure from Sedalia to the Plum Creek Water Reclamation Authority.

S. J. Louis Construction, Inc. & Garver Engineering were selected as the Design-Build team. CRW and Douglas County both approved the vendors. The total cost of the project will be \$14M, CRW will receive a 1% Project Management fee for the project. Phase 1 should be completed in July 2025.

I move to recommend to Town Council approval of the Resolution as presented.

Melanie Penoyar-Perez moved to approve the Resolution as presented, Angie Brown seconded the motion. Motion passed unanimously (7-0).

Resolution Approving an Amendment to the Rueter-Hess Drought Water Supply Pilot Plan Intergovernmental Agreement (IGA) between the Town of Castle Rock Water Enterprise and Denver Water, Parker Water and Sanitation District, and East Cherry Creek Valley Water and Sanitation District [Located in northwest and northeast Douglas County]

Mr. Marlowe explained that CRW entered into an agreement with Denver Water, Parker Water & Sanitation District (PWSD), and East Cherry Creek Valley Water & Sanitation District (ECCV) four years ago, and this item is to renew that agreement for an additional four years.

The purpose of this partnership allows CRW to move water from Chatfield Reservoir to Reuter-Hess Reservoir without any infrastructure. How it works is Denver Water transfers “Pilot Water” into the WISE System. Pilot Water is then pumped through WISE infrastructure to PWSD’s Rueter-Hess Water Purification Facility (RHWPF) where it combines with other water and enters PWSD’s potable water distribution system. When PWSD uses the Pilot Water in the manner described above, PWSD has a reduced need to withdraw water supplies stored in RHR. Therefore, PWSD will book over water stored in a PWSD RHR storage account into a new PWSD subaccount titled “Pilot Plan Storage Account.”

CRW and Denver coordinated a swap of 390 acre-foot (AF) of water in 2024. This block of water was “moved” from Castle Rock’s Chatfield Reservoir storage account to a Denver Water Chatfield Reservoir storage account. At the same time Denver Water “moved” 390 AF of RHR Pilot Plan Storage water to the CRW RHR storage account.

The benefit of this agreement to CRW is that it gives an opportunity to add additional supplies into RHR, where through other agreements with PWSD, we can treat and deliver additional potable water to our customers. PWSD will realize higher water levels in RHR and Denver Water will be able to investigate potential future options for storing water in RHR. The pilot project will also use some of ECCV’s pumping and piping infrastructure to move water to PWSD’s system, and because the primary benefit is for CRW, the Town will pay energy recovery costs and administrative fees to ECCV during the pilot project. In 2024, CRW paid \$15,581 to ECCV.

I move to recommend to Town Council approval of the Resolution as presented.

Angie Brown moved to approve the Resolution as presented, Ole Gjerde seconded the motion. Motion passed unanimously (7-0).

An Ordinance Amending Title 15.36 of the Castle Rock Municipal Code Adopting by Reference as Primary Code the Town of Castle Rock, Colorado Storm Drainage Design and Technical Criteria Manual (First Reading) *Castle Rock Boundary*

Mr. Van Dellen shared that this item is to request changes to the Storm Drainage Design and Technical Criteria (Drainage Manual). The recommended changes are primarily in response to issues that were identified after the large storm event June 9, 2024.

The main changes to the manual are:

- Ensuring adequate street capacity in large storm events
- Providing for additional inlets in residential subdivisions to address over icing of residential roads and reduce flow depths in a smaller storm event
- Ensuring designated emergency over flow paths for ponds and inlets

I move to recommend to Town Council approval of the Ordinance as presented.

Brian Gaddie moved to approve the Resolution as presented, Angie Brown seconded the motion. Motion passed unanimously (7-0).

Commissioner David Hammelman left the meeting.

An Ordinance Approving Changes to Municipal Code, 13.12.070, Emergency regulation of water *[Entire Castle Rock Service Area]*

Ms. Bussey explained that the purpose of this item is to update the drought rates, in times of emergencies. This is part of the updates for the 2025 Drought Management Plan, which was last updated in 2018.

The largest change to the plan is the implementation of a reduction of residential water budget levels and an increase in the Tier 3 (excess) and water surcharge rates during various drought stages.

The chart below shows the changes and the affect CRW would see:

Drought Stage	Drought Rates in Effect	Conservation from Price (% total use)	Conservation Target (% total use)	Key Restrictions	Potential Additional Revenue
Advisory	N	N/A	10%	Voluntary	N/A
Watch	Y	3.19%	25%	2x per week outdoor water	\$2.8 Million
Warning	Y	4.86%	40%	1x per week outdoor water	\$3.2 Million
Emergency	Y	10.29%	50%	Outdoor water banned	\$5 Million
Critical/Crisis	Y	13.40%	60%	Outdoor water banned + indoor restrictions	\$5 Million

I move to recommend to Town Council approval of the Ordinance as presented.

Angie Brown moved to approve the Resolution as presented, Ole Gjerde seconded the motion. Motion passed unanimously (6-0).

Resolution Approving the 2025 Drought Management Plan [Entire Castle Rock Service Area]

Ms. Bussey shared that this item is to update the Drought Management Plan. The previous plan was approved in 2018. The plan is intended to be a guide to facilitate water use decision-making if supply or water production shortages present themselves.

Some of the key items of the plan are:

- Ongoing monitoring of drought indicators;
- Development of new water supplies (this includes WISE, the development of infrastructure to fully utilize our return flows in Plum Creek, and the Box Elder project);
- Cooperative water sharing agreements with neighboring communities;
- Operation and maintenance activities that improve water efficiency;
- Conservation measures specified in the Water Efficiency Master Plan (WEMP);
- Implementation of a reduction of residential water budget levels and an increase in the Tier 3 (excess) and water surcharge rates during various drought stages.

I move to recommend to Town Council approval of the Resolution as presented.

Melanie Penoyar-Perez moved to approve the Resolution as presented, Brian Gaddie seconded the motion. Motion passed unanimously (6-0).

2024 Sanitary Survey Results

Ms. Branning explained that every three years CDPHE is required to conduct a Sanitary Survey of the CRW system. Ms. Branning shared the results from that Survey and Mr. Marlowe explained what CRW will be doing in the future, based on those results.

Follow-up on Rates and Fees Study RFP

Mr. Rementer and Ms. Bussey shared an update on 2024 end of year numbers and a follow-up on the RFP for the 2025 Rates and Fees study.

Update on Tallgrass Project

Mr. Tait shared an update on the Tallgrass project.

Upcoming Town Council Items

This is a standing item that will be used to share information about projects that are being worked on at the time of the meeting but that staff doesn't have information ready yet.

Mr. Marlowe shared that staff is currently working on a project to get utilities placed along 5th St. prior to Public Works redoing the street. More information will be shared as it comes available.

Commissioner Meeting Comments

Time was allowed for Commissioner Comments.

