

Updated: April 16, 2021

# **Frequently Asked Questions (FAQ) Fact Sheet**

Re: the proposed Inclusion (merger) of Castle Pines North Metro District's water & wastewater utilities with those of the Parker Water & Sanitation District.

- 1) **What is the value of renewable water in Colorado? Address the importance of having renewable water sources and the risks of not having renewable water in the future.**

The value of a renewable water resource is high. In 2009, CPNMD paid \$21K per acre-foot for senior, municipal-adjudicated, renewable water rights originating as snow pack at the Hock Hocking Mine in Colorado's Mosquito Mountain Range. An acre-foot is approximately enough water to supply two households per year. Today, those same rights are valued at between \$26K and \$35K.

Underground water is a finite resource. Millions of Coloradans rely on the Denver Basin Aquifer System of groundwater storage from Greeley, south to Colorado Springs, west to Golden, and east nearly to Limon.

PWSD's 75% renewable water plan reduces reliance on groundwater to preserve its availability in the future.

The proposed Inclusion would provide CPNMD's existing customers access to renewable water supplies when needed.

- 2) **What role does the City of Castle Pines have in the proposed Inclusion?**

None.

- 3) **In the context of the proposed Inclusion, please define ‘More For Less’ referenced in your Synopsis of the Proposed Inclusion (posted at <https://cpnmd.org/pwsd-cpnmd>).**

Projections show that Inclusion will provide access to more existing and planned renewable water resources at a lower cost than previous CPNMD administrations. Buying into PWSD’s 75% renewable water plan requires no additional debt-finance charges, will result in lower property tax rates, and would result in both fewer and lower monthly fees.

- 4) **What would happen if CPNMD voters reject the proposed Inclusion?**

If CPNMD voters reject the proposed Inclusion in now, then CPNMD would continue providing services in the current manner and continue working to secure affordable renewable water resources.

- 5) **In CPNMD’s Synopsis of the Proposed Inclusion we received in the mail a few weeks ago (<https://cpnmd.org/pwsd-cpnmd>), what is the difference between the two charts on pages 9 & 10, both of which appear to address bill impacts?**

- The chart on page 9 conveys annual *combined water and sewer* bill impacts for CPNMD’s existing residential customers.
- The chart on page 10 conveys annual *water-only* bill impacts for CPNMD’s existing residential customers.

- 6) **Suppose CPNMD voters approve the proposed Inclusion of our water & wastewater utilities with PWSD now. What would CPNMD then do with its remaining assets, service, and stewardship responsibilities — namely, parks, trails, open space, and the storm-drainage system?**

Speculation about CPNMD’s parks, trails, open space, and stormwater systems is premature and puts the cart before the horse. Consistent with its mission and core objectives (<https://cpnmd.org/about>), CPNMD’s board of directors, *in its sole discretion*, will determine what, *if anything*, to do with CPNMD’s assets, service, and stewardship responsibilities.

- 7) **What, if any, changes would residents see or experience, post Inclusion, regarding access, quality, and reliability of CPNMD's parks, trails, open space, and storm-drainage services?**

None, except for the planned improvements CPNMD makes each year.

- 8) **How would the proposed Inclusion impact my monthly bill and annual cost burden?**

Under PWSD's rate structure, approximately 82.4% of CPNMD's residential customers would pay less per year for combined water and sewer services. Property tax rates would decrease from 19.00 mills to 18.790 mills.

A water & wastewater bill-conversion calculator is available on our website. For the most accurate estimate, we highly recommend CPNMD residential customers visit <https://cpnmd.org/pwsd-cpnmd> and apply the bill-conversion calculator to each of twelve separate months from March 2020 through February 2021.

- 9) **Does CPNMD have sufficient cash on hand to make the required \$34.8 million payment to PWSD by January 3, 2022?**

Yes.

- 10) **What would CPNMD customers get in return for CPNMD's \$34.8 million payment to PWSD?**

Combined with PWSD's modest annual rate increases of 2.75% to 3.0%, with no additional debt burden or finance charges on CPNMD's existing customers, CPNMD's cash payment of \$34.8 million to PWSD would:

- A. Buy CPNMD's existing customers into PWSD's existing 75% renewable water plan.
- B. Pay for installing a new Advanced Metering Infrastructure (AMI) water meter at each customer-service address.
- C. Buy CPNMD's existing customers into Rueter-Hess Reservoir as equal co-owners of the reservoir and the water it stores. (CPNMD currently rents 1,500 acre-feet of inaccessible raw-water storage capacity in Rueter-Hess Reservoir.)

- D. Pay to expand PWSD's existing water-purification system to serve CPNMD's existing customers, as necessary, in the future.
- E. Pay for the design and construction of a water pipeline connecting CPNMD's water system with PWSD's.
- F. Pay for other improvements to CPNMD's existing water and wastewater infrastructure and systems.

11) **If CPNMD voters approve the proposed Inclusion, when would CPNMD customers begin receiving water from PWSD?**

If CPNMD voters approve the proposed Inclusion, then PWSD would construct the new interconnect pipeline sometime between 2024 and 2026. At least until the new interconnect pipeline is operational, both systems would continue relying on their existing water supplies. In other words, at least in the short term, PWSD and CPNMD customers would continue relying on the same water sources each currently does:

- A. From October 1st through April 30th of each year, CPNMD's customers would continue relying on the water in Chatfield Reservoir that travels through the Centennial water-treatment system, through CPNMD's existing interconnect pipeline, and into CPNMD's water-distribution system and homes;
- B. From May 1st through September 30th of each year, CPNMD customers would continue relying on deep-water wells in the Denver Basin Aquifer System; and
- C. PWSD has multiple water sources in its portfolio, including the Water Infrastructure & Supply Efficiency (WISE) partnership, Cherry Creek, Newlin Gulch, and the Denver Basin Aquifer. How and when PWSD will pull from those sources will depend on multiple factors, including season, daily water demand, and drought conditions.

12) **When do PWSD's board members stand for election, and when would one or more CPNMD residents have the first opportunity to serve on PWSD's board of directors?**

If CPNMD voters approved the proposed Inclusion now, then, from January 3, 2022 on, CPNMD residents and property owners would have two ways of seeking any of five non-partisan, at-large seats on the PWSD board of directors:

- A. Via the regularly scheduled May 2022 and May 2023 PWSD elections; and
- B. Via vacancy appointment. (As is the case in CPNMD, if a vacancy were to occur on the PWSD board, then the remaining PWSD directors would appoint an in-district resident or property owner to fill that vacancy until the next regularly scheduled election.)
- C. The following chart reveals each PWSD and CPNMD director's name and when their respective terms expire.

<b>Current PWSD Directors</b>	<b>Term Expires</b>	<b>Current CPNMD Directors</b>	<b>Term Expires</b>
Darcy Beard	May 2022	David McEntire	May 2022
Bill Wasserman	May 2023	Robert Merritt	May 2022
Kelly McCurry	May 2023	Denise Crew	May 2023
Merlin Klotz	May 2022	Chuck Lowen	May 2023
Dale Reiman	May 2023	Christopher Lewis	May 2023

13) **What are the downsides to the proposed Inclusion?**

- A. Though unaware of any constituent having done so, we suppose one *could* argue the proposed Inclusion would result in a larger bureaucracy, with less Castle Pines-centric governance, representation, and management — and therefore, less hyper-local control. Adding CPNMD’s existing 3,500 service addresses to PWSD’s 17,500 would result in a larger in-district service area encompassing 21,000 residential and commercial customers. (By comparison, Denver Water has approximately 240,000 in-district customers, while Aurora Water has roughly 89,000.)
  
- B. While all existing CPNMD property owners would benefit from PWSD’s renewable water plan, lower property tax rate, fewer monthly fees — and while 82.4% of CPNMD’s existing customers would pay less per year for their combined water and wastewater utility services — we recognize the remaining 17.6% of CPNMD’s existing customers (primarily those irrigating disproportionately large lots/yards and those using more than 20,000 gallons of water per month) would likely pay more for their combined water and wastewater utility services.

(**NOTE:** Don’t take our word for it! Get the facts. To learn how the proposed Inclusion would impact you and your family’s monthly residential water and wastewater utility bills, please visit our online monthly bill-conversion calculator. You may access the calculator by clicking on the joint PWSD/CPNMD logo on our homepage at [cpnmd.org](http://cpnmd.org) or by clicking the following link: <https://cpnmd.org/pwsd-cpnmd>. For the most accurate and complete bill-conversion picture, you must apply the bill-conversion calculator for *each of the last twelve-consecutive months*. Our conscientious customer service representatives, Susan and Carol, and billing manager, Dawne, are standing by at **(303) 688-8550**; they will provide you the two figures you will need to plug into the monthly bill-conversion calculator. Assuming you enter the two figures into the calculator correctly, the calculator will automatically compute your **Total Estimated Monthly Bill** for water and sewer services as it otherwise would have been under PWSD’s rate structure.)

- C. Instead of choosing five directors solely within CPNMD, voters would join PWSD voters in selecting directors from anywhere within the newly expanded PWSD, including, but not limited to candidates in the existing CPNMD.

14) **What can homeowners with disproportionately large lots/yards that use more than 20,000 gallons of water per month do to lessen the volume of irrigation water they use, and thereby lower their water bills, while continuing to maintain a beautifully landscaped yard?**

- A. Replace your water-loving Kentucky Bluegrass lawn with xeric Dog Tuff™ Grass (*Cynodon* 'PWIN04S') featured in *Craig's Corner* posted on CPNMD's website at [cpnmd.org](http://cpnmd.org), and featured in the April 2021 edition of the *Castle Pines Connection* (see page 4).
- B. Ensure the garden areas of your lot feature exclusively *xeric* plants, shrubs, and/or trees.
- C. As you transition your lawn and garden to xeric vegetation, take advantage of CPNMD's 2021 Water Conservation Rebates Program at [cpnmd.org](http://cpnmd.org).
- D. Sign up to participate in CPNMD's [Free Irrigation Testing - Slow the Flow](#) program.