



STAFF REPORT

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

From: Mark Marlowe, P.E., Director of Castle Rock Water
Matt Benak, P.E., Water Resources Manager

Title: **Resolution Approving an Intergovernmental Agreement with Central Colorado Water Conservancy District for South Platte River Basin Project Partnerships** *[Douglas and Weld Counties]*

Executive Summary

Castle Rock Water (CRW) staff request Town Council approval of a Resolution approving an Intergovernmental Agreement (IGA) between the Town of Castle Rock and Central Colorado Water Conservancy District (Central) to partner on projects that would have a mutual benefit to the parties. This IGA simply sets the framework under which CRW and Central agree to cooperate to explore beneficial projects. Specific projects would be identified later and, if the parties agree, a Participation Agreement would be drafted and entered into for each specific project or opportunity. Central is a water district dedicated primarily to providing agricultural interests with water. Developing cooperative agreements to improve the use of water supplies with Central is a key tactic in CRW's 2024-2028 Strategic Plan.

Notification and Outreach Efforts

Notification and outreach efforts are not applicable for this item as it has no direct impact on customers or residents.

History of Past Town Council, Boards & Commissions, or Other Discussions

Castle Rock Water staff presented this item to the Castle Rock Water Commission at their meeting held on June 26, 2024, and the Castle Rock Water Commission voted unanimously 5 to 0 to recommend Town Council approval of the Resolution as presented.

Discussion

Central has been in operation since 1965 and was created to develop, manage and protect water resources in Northeast Colorado, primarily for agricultural purposes. The district boundaries range along the South Platte River from Commerce City in the northeastern part of the greater Denver metro area, to Fort Morgan in Morgan County. Central is also a member of the Chatfield Storage Reallocation Project with a current ownership of 4,274 acre-feet (AF) of storage space and another 1,000 AF under option with the State. Castle Rock currently owns 848 AF of space with another 1,152 AF under option with the State.

Furthermore, Castle Rock owns the Box Elder property and water rights in Weld County in similar areas to where Central owns water rights. While Castle Rock was working with objectors (including Central) to obtain a final court decree in its Box Elder case, Castle Rock and Central began discussing opportunities where the two parties might come to agreement to optimize the use of water rights in areas closer to each other's service areas. Some of these potential opportunities include:

1. Central's use of the Town's Rothe recharge credits (or other Box Elder or Lost Creek water rights) in exchange for water in Chatfield Reservoir.
2. Cooperation on a storage project on the South Platte River near Kersey, Colorado.
3. Cooperation on a pipeline extension to the South Platte River to transport the Town's Lost Creek water.
4. Cooperation on a pipeline project to transfer water from Chatfield Reservoir to Rueter-Hess Reservoir and sharing in Central's 1983 Chatfield Reservoir water right.

Budget Impact

This IGA does not create any financial obligation for either party.

Staff Recommendation

Staff and Castle Rock Water Commission recommend that Town Council approve the Intergovernmental Agreement with Central Colorado Water Conservancy District for South Platte River Basin Project Partnerships.

Proposed Motion

"I move to approve the Resolution as introduced by title."

Alternative Motions

"I move to approve the resolution as introduced by title, with the following conditions: (list conditions)."

"I move to continue this item to the Town Council meeting on _____ date to allow additional time to (list information needed)."

Attachments

Attachment A: Resolution
Exhibit 1: Agreement