

**RESOLUTION NO. 2016-**

**A RESOLUTION APPROVING THE PURCHASE OF 87  
ADDITIONAL PROJECT SHARES IN CHATFIELD RESERVOIR  
REALLOCATION FROM THE STATE OF COLORADO**

**WHEREAS**, the Town of Castle Rock, a Colorado Home rule municipal corporation, by and through the Town of Castle Rock Water Enterprise and the State of Colorado, acting by and through the Department of Natural Resources, Colorado Water Conservation Board (“CWCB”), entered into an agreement to provide the option for the Town to purchase additional orphan shares in the Chatfield Reallocation Project, up to 1,300.39 acre-feet of shares per Resolution #2015-57; and

**WHEREAS**, the Town has already recognized the value of investing in storage in the Chatfield Reallocation Project by approving the purchase of 287 acre-feet of space in 2014 and 2015; and

**WHEREAS**, the Town recognizes the need to obtain additional storage in the Chatfield Reallocation Project as part of its long term water plan; and

**WHEREAS**, the Option Agreement provides the Town with a cost effective way to obtain additional storage in the Chatfield Reallocation Project and spread the costs over time for the benefit of the Town’s customer base; and

**WHEREAS**, the Town has a 2,000 acre-foot water storage right in the Chatfield Reservoir and treated effluent return flows that will help the Town fill the storage space; and

**WHEREAS**, the Town has an approved Water Court decree that will allow the Town to exchange water in Chatfield back to the Town in a cost efficient manner.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF CASTLE ROCK AS FOLLOWS:**

**Section 1. Approval.** The Town Council, authorizes the purchase of the additional 87 project shares on behalf of the Town of Castle Rock Water Enterprise in accordance with the terms of the approved Option Agreement.

**Section 2. Encumbrance and Authorization for Payment.** In order to meet the Town’s financial obligations under the Option Agreement, the Town Council authorizes the expenditure and payment from the 2016 appropriation account #211-4375-443-7729 an amount not to exceed \$700,000 for the purchase of 87 shares in the Reallocation Project and Operation, Maintenance, Repair, Rehabilitation, Reconstruction and Replacement (O&M-RRR&R) for all remaining optioned shares.

**PASSED, APPROVED AND ADOPTED** this \_\_\_\_ day of September, 2016, by the Town

Council of the Town of Castle Rock, Colorado, on first and final reading by a vote of \_\_\_\_\_ for and \_\_\_\_\_ against.

**ATTEST:**

**TOWN OF CASTLE ROCK**

\_\_\_\_\_  
Sally A. Misare Town Clerk

\_\_\_\_\_  
Paul Donahue, Mayor

**Approved as to form:**

**Approved as to content:**

\_\_\_\_\_  
Robert J. Slentz, Town Attorney

\_\_\_\_\_  
Mark Marlowe, Utilities Director