



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 the Sublette Recharge and Chatfield Reservoir Project** *[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) for an exchange of water owned by Castle Rock in the Rothe-Sublette recharge plan and water owned by Central in Chatfield Reservoir.

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 to recommend Town Council approval of the Resolution as presented.

Discussion

Central has been in operating 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. One particular opportunity seemed to make a lot of sense. This would

be for Central's use of the Town's Rothe recharge credits in exchange for water in Chatfield reservoir.

This would be a mutually beneficial agreement in that Central could use the return flow credits as a projection tool for pumping of the hundreds of wells in their augmentation plan. In turn, Castle Rock can use Central's 1983 water stored in Chatfield by exchanging that water upstream to our various diversion points and using the water within the Town boundaries. Because the Town cannot use its Rothe water until the Box Elder project begins operating, the Town is agreeing to 1.5 AF of Rothe water credits for 1 AF of Chatfield water. Furthermore, Central would be agreeing to store the water in their storage account until Castle Rock requests that the water be booked over into the Town's Chatfield storage account. This will help the Town manage its volume of water stored. Carryover storage from one Chatfield account year (April 1 to March 31) will not be allowed as part of this agreement. Over the first term of this agreement the Town will be able to trade 156 AF of Rothe water for 113 AF of Central's 1983 stored water.

Budget Impact

This IGA provides for an exchange of water and there will be no monetary exchange between the parties.

Staff Recommendation

Staff and Castle Rock Water Commission recommend that Town Council approve the Intergovernmental Agreement with Central Colorado Water Conservancy District for the Sublette Recharge and Chatfield Reservoir Project.

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
Attachment B: Location Map