

RESOLUTION NO. 2018-038

A RESOLUTION AUTHORIZING THE FUNDING OF THE TOWN'S EXISTING SHARES IN THE CHATFIELD RESERVOIR REALLOCATION PROJECT AND PURCHASE OF THE 2018 OPTION SHARES

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 374 acre-feet of space in 2014, 2015 and 2016; 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.

WHEREAS, Cost estimates for the project have increased and additional funding is necessary for shares Castle Rock already owns; and

WHEREAS, Castle Rock deferred its purchase of its option shares in 2017, but plans to purchase its option shares in 2018 as it cannot defer two years in a row.

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

Section 1. Authorization. The Town Council hereby authorizes the funding for the Town's existing shares in the Chatfield Reservoir Reallocation Project as well as the funding for 87 acre-feet of option space consistent with Castle Rock's 2018 option.

Section 2. Encumbrance and Authorization for Payment. In order to meet the Town's financial obligations, the Town Council authorizes the expenditure and payment from the 2018 appropriation account #211-4375-443-7729 an amount not to exceed \$585,593 for the additional funding for Castle Rock's existing shares and \$722,187 for the 2018 option shares for a total of \$1,307,780.

APPROVED AND ADOPTED this 17th day of April, 2018, 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

Lisa Anderson, Town Clerk

Jennifer Green, Mayor

Approved as to form:

Approved as to content:

Robert J. Slentz, Town Attorney

Mark Marlowe, Director of Castle Rock Water