

RESOLUTION NO. 2020-004

RESOLUTION APPROVING THE SECOND AMENDMENT TO THE SOUTH METRO WISE AUTHORITY FORMATION AND ORGANIZATIONAL INTERGOVERNMENTAL AGREEMENT (IGA) AND CONTEMPORANEOUSLY APPROVING THE ASSIGNMENT AND ASSUMPTION OF RESERVATION WATER

WHEREAS, the Town developed a long-term renewable water resources strategic master plan in 2006, which was updated in 2010 and 2016, and which identifies how the Town will move from a nonrenewable supply to a 75 percent renewable supply by the year 2050; and

WHEREAS, on May 7, 2013 Town Council approved the South Metro WISE Authority (SMWA) Formation and Organizational Intergovernmental Agreement (WISE IGA), which made the Town of Castle Rock one of ten Members of the SMWA; and

WHEREAS, on August 14, 2013, the Water Delivery Agreement (WDA) between Denver Water, Aurora Water and SMWA was fully executed; and

WHEREAS, on January 28, 2015, the WISE Water Reservation Agreement (“County Option”) between Denver Water, Aurora Water, SMWA, and Douglas County was fully executed; and

WHEREAS, the County Option reserves for Douglas County 27,750 acre-feet (AF) of WISE Project water per Ten-Year Block or 2,775 AF on an average annual basis (“Reservation Water”); and

WHEREAS, the County Option stipulates that Douglas County may assign rights to receive Reservation Water to other entities for the purpose of reducing reliance on non-renewable groundwater; and

WHEREAS, on August 22, 2018 Town Council approved the purchase of an additional 1,137.5 AF of Reservation Water; and

WHEREAS, Castle Rock Water, in order to perpetuate regional water partnerships, negotiated with other SMWA members interested in Reservation Water to decrease the Town’s Reservation Water purchase to 1,000 AF; and

WHEREAS, the County Option states that the Delivery Obligation as defined in the WDA will be increased to include the full volume of Reservation Water exercised by Douglas County beginning on June 1, 2021; and

WHEREAS, SMWA is entering into an Assignment and Assumption Agreement with the Participating Members contemporaneously with the Second Amendment to the WISE IGA, whereby SMWA is assigning, and the Participating Members are assuming, those rights and obligations set forth in the County Option; and

WHEREAS, the SMWA Members desire to amend the WISE IGA regarding the corrected water subscription amounts and the SMWA Executive Board's determination of the appropriate amount of reserves that the SMWA will maintain for operations, catastrophic failures and other purposes once the option has been included.

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

Section 1. Approval. Approval of the Second Amendment to the WISE IGA contemporaneously with approval of the Assignment and Assumption Agreement for the Reservation Water.

PASSED, APPROVED AND ADOPTED this 7th day of January, 2020, 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

Jason Gray, Mayor

Approved as to form:

Approved as to content:

Robert J. Slentz, Town Attorney

Mark Marlowe, Director of Castle Rock Water