

**RESOLUTION NO. 2020-016**

**RESOLUTION APPROVING FUNDING FOR THE TOWN'S PURCHASE OF 2020  
OPTION SHARES IN THE CHATFIELD RESERVOIR REALLOCATION PROJECT**

**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**, this agreement was Modified (effective November 9, 2018), to increase the Town's annual acquisitions to no less than 129 acre-feet, up to 1626 acre-feet.

**WHEREAS**, the Town has already recognized the value of investing in storage in the Chatfield Reallocation Project by approving the purchase of a total of 461 acre-feet of space (200 AF in 2014, 87 AF in 2015, 87 AF in 2016, and 87 AF 2018); 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**, Construction for the project has been completed and first storage begins in April of this year; and

**WHEREAS**, Castle Rock deferred its purchase of its option shares in 2019, but plans to purchase its option shares in 2020 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 129 AF of additional storage shares for the 2020 option in the Chatfield Reservoir Reallocation Project.

**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 2020 appropriation account #211-4375-443.77-29 an amount not to exceed \$1,070,825.13 for the 2020 option shares.

**PASSED, APPROVED AND ADOPTED** this 4<sup>th</sup> day of February, 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