

CASTLE ROCK WATER

**ORDINANCE 2020-018
FOURTH AMENDMENT TO THE
INTERGOVERNMENTAL AGREEMENT FOR THE
OPTION TO PURCHASE AND RIGHT OF FIRST
REFUSAL REGARDING GROUNDWATER RIGHTS,
EASEMENTS AND RELATED IMPROVEMENTS**

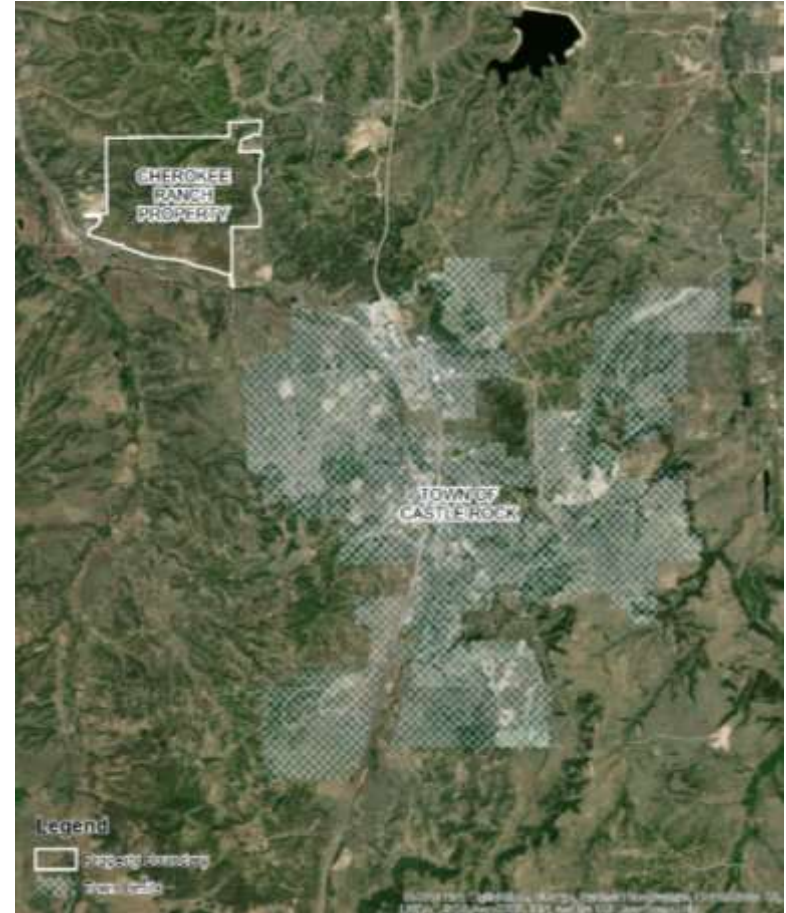
SEPTEMBER 1, 2020



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BACKGROUND

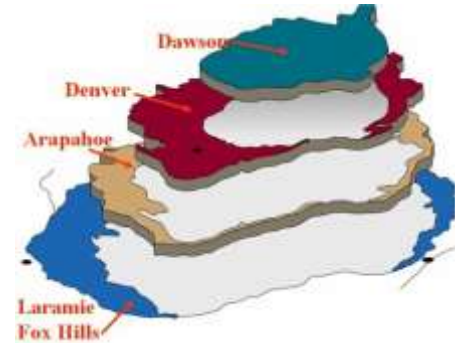
- Town acquired Cherokee Ranch water rights in November 2017 with United W&SD purchase
 - Not readily usable by Town
 - Purchased with intent to sell all or part
- Dominion requested the option to purchase groundwater over time
- Cherokee Castle Foundation has rights to 102 AF of water
- 2020 Option Payment dates extended by amendment to give additional time for this deal



DOMINION IGA

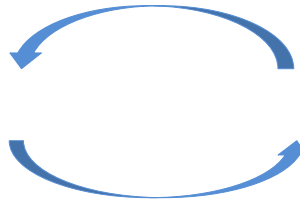
KEY TERMS OF FOURTH AMENDMENT

- Exchange of some of the Cherokee groundwater rights for additional WISE infrastructure owned by Dominion
- Dominion will forgo option on 500 AF of Arapahoe groundwater
- Future option payments would still be due June 3 of subsequent years through 2022



Castle Rock Receives WISE Capacity

WISE Capacity in Exchange for Cherokee Groundwater	
Component	Capacity to Convey for GW (MGD)
WISE CORE Infrastructure	
State Land Board Line	0.34
Western Pipeline	0.80
Binney Connection	0.32
DIA Connection Ownership	2.03%



Dominion Receives Groundwater

Cherokee Water - Purchase Water Right			
Aquifer	Purchase Price (\$/AF)	Exchange Volume (AF)	Exchange Value (\$)
Arapahoe	\$ 2,900	400	\$ 1,160,000
Denver	\$ 1,970	200	\$ 394,000
LFH	\$ 1,970	20	\$ 39,400
Option Payment			\$ 181,460
Total \$			1,774,860

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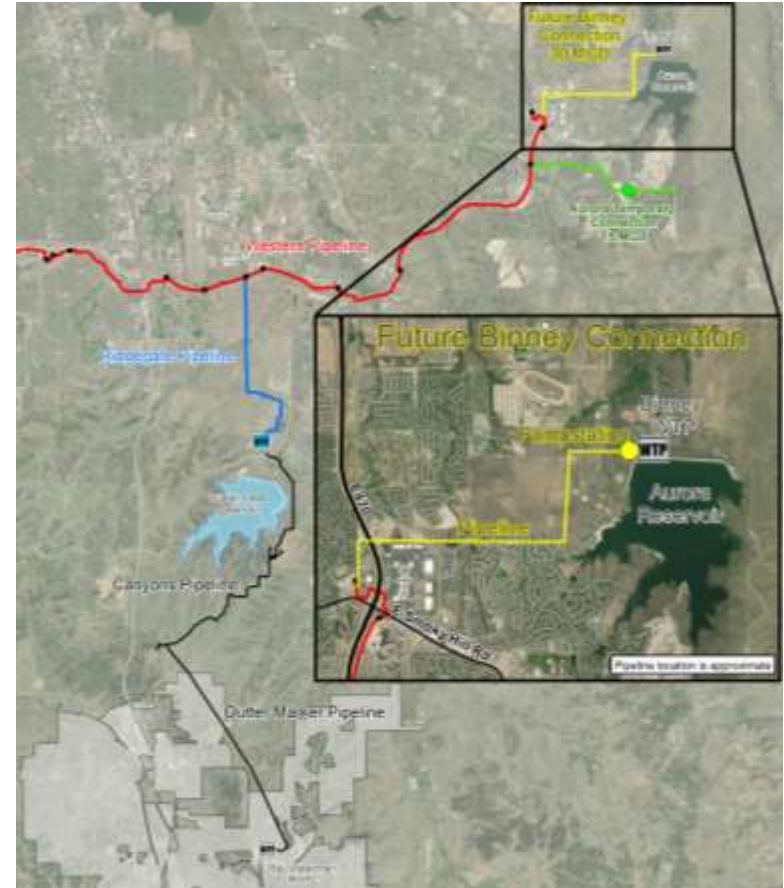
BUDGET & SCHEDULE

Costs

- Value of the exchange is \$1,774,860
- No money being exchanged
- Water Resources fund will need to make Water fund whole with a monetary transfer

Schedule

- Immediately upon mutual execution of Amendment



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RECOMMENDATIONS

- Castle Rock Water Commission
- Staff
- **Questions?**





THANK YOU

I MOVE TO APPROVE ORDINANCE #2020-018
APPROVING THE FOURTH AMENDMENT TO THE
INTERGOVERNMENTAL AGREEMENT FOR THE OPTION
TO PURCHASE AND FIRST RIGHT OF REFUSAL
REGARDING GROUNDWATER RIGHTS, EASEMENTS
AND RELATED IMPROVEMENTS – FIRST READING