



**COLORADO**

**Colorado Water  
Conservation Board**

Department of Natural Resources

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John Hickenlooper, Governor

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**TO:** Colorado Water Conservation Board Members

**FROM:** Tim Feehan, P.E., Deputy Director, Resource Management  
Tom Browning, P.E., Deputy Director, Integrated Water Resources  
Kirk Russell, P.E., Finance Section Chief

**DATE:** September 15-17, 2015 Board Meeting

**AGENDA ITEM:** 22d. Water Project Loans  
Chatfield Reallocation Project - Colorado Parks and Wildlife Agreement

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### Introduction

Colorado Parks and Wildlife (CPW) is working cooperatively with the Colorado Water Conservation Board (CWCB) to arrange financing for the Chatfield Reservoir Reallocation Project (Project). CWCB is currently holding 1,000 acre-feet of Project storage space on behalf of CPW within a larger "orphan share" pool. The two agencies are now ready to officially transfer the 1,000 acre-feet back to CPW, funded by a zero interest loan from CWCB. The original \$62 million in funding for the larger "orphan share" pool was approved by the Board, authorized in the 2012 and 2013 CWCB Construction Fund bills, and has been fully appropriated. The current planning estimate for all implementation costs is \$7,000 per acre-foot of storage space, which equates to a \$7,000,000 loan from CWCB to CPW.

### Staff Recommendation

Staff recommends the Board approve a loan not to exceed \$7,000,000 from the Construction Fund to the Colorado Parks and Wildlife, for costs related to the Chatfield Reservoir Reallocation Project. The loan terms shall be 30 years at an interest rate of 0% per annum. The Colorado Parks and Wildlife, in coordination with the Department Controller, will encumber from its Wildlife Cash Fund or other legally available fund, an amount of \$233,333, to be transferred annually to CWCB's Construction Fund, until such time as its debt obligation is paid in full.



### **Background**

Chatfield Reservoir Reallocation is a regional water supply project that makes use of an existing federal reservoir owned and operated by the U.S. Army Corps of Engineers (Corps). It currently provides for flood protection, water supply, and recreation. Chatfield State Park is an important asset to CPW and the community, and has been a centerpiece of the planning and permitting process. The reservoir is strategically located just upstream of the Denver Metropolitan area at the confluence of the South Platte River and Plum Creek, which enhances the viability of increased water supply and multi-objective reservoir uses. The Project involves reallocation of 20,600 acre-feet of storage space in the existing reservoir. A substantial amount of environmental mitigation plus modifications to a variety of recreation facilities are needed.

The original authorization to investigate reallocation of storage space in the reservoir was put forth by the U.S. Congress as part of the 1986 Water Resources Development Act. Study work began as early as 1996, including an important feasibility cost share agreement that was signed by the State of Colorado and Corps in 1999. More recently, a final Feasibility Report & Environmental Impact Statement was published, followed by project approval and a Record of Decision (ROD) issued by the Assistant Secretary of the Army for Civil Works. Further, a Water Storage Agreement between the Department of Natural Resources and the Corps was signed in October 2014.

A number of regional participants, including CPW, are prepared to obtain storage space within the Project for their own uses and will soon be signing Water Provider Agreements with DNR. The participants include M&I and agricultural entities. The State has a significant amount of direct participation and interest in the Project through DNR, CWCB, CPW, and DWR.

cc: Steve Cassin, CFO Colorado Parks and Wildlife  
Susan Schneider/Jennifer Mele, Colorado Attorney General's Office

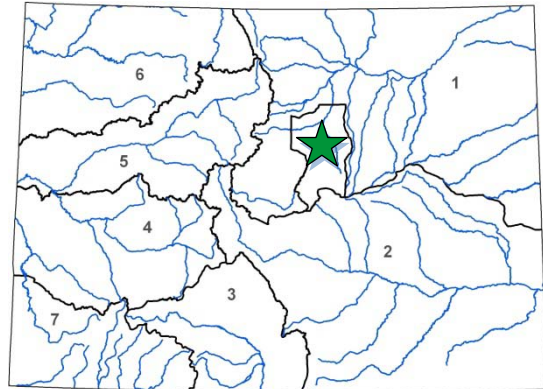
Attachment: Water Project Loan Program - Project Data Sheet



## Chatfield Reallocation Project

Colorado Parks and Wildlife  
September 2015 Board Meeting

L O A N   D E T A I L S	
Project Cost:	\$7,000,000
CWCB Loan:	\$7,000,000
Loan Term and Interest Rate:	30 Years @ 0%
Funding Source:	Construction Fund
B O R R O W E R   T Y P E	
State Government - DNR Agency	
P R O J E C T   D E T A I L S	
Project Type:	Reservoir Storage
Added Water Supply Storage:	1,000 AF



L O C A T I O N	
County:	Douglas
Water Source:	South Platte River, Plum Creek
Drainage Basin:	South Platte
Division:	1
District:	8

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The Chatfield Reallocation Project is a regional water supply project that makes use of an existing federal reservoir owned and operated by the U.S. Army Corps of Engineers (Corps). It currently provides for flood protection, water supply, and recreation. Chatfield State Park is an important asset to CPW and the community, and has been a centerpiece of the planning and permitting process. The reservoir is strategically located just upstream of the Denver Metropolitan area at the confluence of the South Platte River and Plum Creek, which enhances the viability of increased water supply and multi-objective reservoir uses. The Project involves reallocation of 20,600 acre-feet of storage space in the existing reservoir. A final Feasibility Report & Environmental Impact Statement (FR/EIS) was published in 2013, followed by project approval and a Record of Decision (ROD) issued by the Assistant Secretary of the Army for Civil Works in 2014. Further, a Water Storage Agreement between the Department of Natural Resources and the Corps was signed in October 2014.

