



**COLORADO**

**Colorado Water  
Conservation Board**

Department of Natural Resources

Jared Polis, Governor

Dan Gibbs, DNR Executive Director

Rebecca Mitchell, CWCB Director

**TO:** Colorado Water Conservation Board Members

**FROM:** Lauren Ris, Deputy Director

**DATE:** March 10-11, 2021

**AGENDA ITEM:** 9. Chatfield Shares Purchase

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**Introduction:**

Denver Water is interested in purchasing units from CWCB in the Chatfield Storage Reallocation Project (Project). The Project made 20,600 AF of additional water supply storage available in the existing reservoir by reallocating this space from the flood control pool into a multipurpose pool.

Denver Water is the public utility that serves water to 1.5 million people in the city of Denver and many surrounding suburbs. The utility is funded by water rates and new tap fees.

The Project is nearly complete with minor close-out items remaining. One unit in the Project is equal to one acre-foot (AF) of storage space. The expected final cost of one unit in the project is \$8,300.97. Denver Water is interested in purchasing 1,633 units of space for \$13,555,484.

Subject to the Board's approval of the sale, Denver Water and CWCB will enter a purchase agreement. As part of the sale, Denver Water will also be required to enter into a Water Provider Agreement with the Department of Natural Resources (DNR), which will require Denver Water's membership in the Chatfield Reallocation Mitigation Company and make Denver Water subject to the same financial obligations as the other Project participants.

**Staff Recommendation:**

Staff recommends that the Board approve the sale of up to 1,633 units in the Chatfield Storage Reallocation Project to Denver Water for \$8,300.97 per unit.

**Background:**

Chatfield Reservoir is an on-stream, multi-purpose reservoir built between 1967 to 1975 and is located at the confluence of the South Platte River and Plum Creek. The dam and reservoir are owned and operated by the U.S. Army Corps of Engineers (USACE). Chatfield's primary purpose is flood control but some of its storage space is used as a multipurpose pool for water supply. Denver Water was the sole user of Chatfield's originally allocated storage space for water supply.

Interstate Compact Compliance • Watershed Protection • Flood Planning & Mitigation • Stream & Lake Protection

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In the mid-1990s, DNR, acting through CWCB and on behalf of numerous local water providers, requested the USACE to reallocate a portion of Chatfield’s flood control storage for water supply storage. The USACE ultimately determined Chatfield can accommodate a reallocation of 20,600 AF from the flood control pool to a multipurpose pool for water supply without compromising Chatfield’s primary flood control function. Storing the additional 20,600 AF in Chatfield will raise operational water levels 12 feet in elevation from the historical operational high level of 5,432 feet to 5,444 feet. Construction costs of the Project were to mitigate both the environmental and recreational impacts a 12-foot rise will have at the reservoir site.

The Chatfield Reallocation Mitigation Company was formed in 2015 to implement the Project. It is comprised of all participants in the Project listed in Table 1. and is the entity that oversees the Project work, including managing contractors. Mitigation work for the Chatfield Storage Reallocation Project began in November 2017 and was substantially completed during the spring of 2020. The Project was approved for reallocated storage by USACE in May 2020. The anticipated final total cost of the Project is \$171 million.

**Table 1. Chatfield Reallocation Project Participants as of March 2021**

Participant	Storage Amount	Percentage
Castle Pines Metro District	10 AF	0.049%
Center of CO Water Conservancy District	131 AF	0.64%
Dominion Water & Sanitation District	500 AF	2.4%
Castle Rock	590	2.9%
Colorado Parks and Wildlife	1,000 AF	4.9%
Castle Pines North Metro District	1,006 AF	4.9%
Central CO Water Conservancy District	4,274	20.7%
CWCB	6,167 AF	29.9%
Centennial Water & Sanitation District	6,922 AF	33.6%

