



STAFF REPORT

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

From: Mark Marlowe, P.E., Director of Castle Rock Water
J. David Van Dellen, P.E., Assistant Director

Title: **Informational Item Pertaining to the Proposed Senate Bill SB23-267
Concerning Protecting Water Quality in Chatfield Reservoir and the
Watershed**

Executive Summary

In November 2022, the Chatfield Watershed Authority contracted with lobbyists Steve Balcerovich and Amy Attwood (Lobbyists) to identify a funding source and introduce a fee bill during the 2023 Colorado Legislative Session to address a \$1.2 million shortfall over the next five years in Authority funding needed to address water quality issues at the reservoir and within the watershed. The Lobbyists worked with the Authority to identify that a water quality fee which mimics that which is applied through state statute at Cherry Creek State Park would cover the funding shortfall needed over the five-year term. A late bill was authorized and introduced on the senate floor on April 4, 2023 (**Attachment A**) proposing the water quality fee to be paid by visitors of Chatfield State Park in the amount of \$1 per vehicle per day or \$3 per annual pass, collected by Colorado Parks and Wildlife and distributed to the Authority on a quarterly basis. The proposed bill is anticipated to generate approximately \$250,000 annually and includes a repeal date of January 1, 2029 on the basis of the currently justified needs of the Authority.

The bill would allow for the Authority to apply funds from the water quality fee toward nutrient and nonpoint source pollution controls, construct, operate and maintain nonpoint source projects and enhanced water quality monitoring, stormwater runoff mitigation and erosion control within the Chatfield Watershed.

The Authority currently relies exclusively on voluntary member dues and has an annual budget of approximately \$200,000 to cover basic responsibilities according to Water Quality Control Regulation No. 73 including water quality monitoring, annual reporting of water quality compliance with the nutrient and chlorophyll-a standards and baseline modeling efforts. The Authority is charged with implementing nonpoint source pollution controls within the Watershed and implementing a Total Maximum Annual Load (TMAL) for phosphorus according to the

Control Regulation. The proposed funding source will allow for the Authority to begin addressing these issues in partnership with member entities.

A factsheet has been developed for this proposed fee bill and is included as Attachment B for reference.

On April 12th, 2023, the Agriculture and Water Resources Committee (Committee) heard the bill and voted to support the bill out of committee 4-3. They then referred the bill to the Finance Committee. Castle Rock is working with the Chatfield Watershed Authority on a white paper to answer some additional questions from the Committee. Douglas County, Jefferson County, Roxborough Water, Colorado Agricultural Leadership Foundation, and Castle Rock Water spoke in favor of the bill. Colorado Water Congress and South Metro Water Supply Authority are also supporting the bill.

Attachments

Attachment A: Draft Water Quality Fee Bill SB23-267
Attachment B: Factsheet

**First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 23-0994.01 Richard Sweetman x4333

SENATE BILL 23-267

SENATE SPONSORSHIP

Van Winkle and Cutter,

HOUSE SPONSORSHIP

Titone and Bradley,

Senate Committees

Agriculture & Natural Resources

House Committees

A BILL FOR AN ACT

101 **CONCERNING A WATER QUALITY FEE TO BE PAID FOR ADMISSION TO**
102 **CHATFIELD STATE PARK, AND, IN CONNECTION THEREWITH,**
103 **REQUIRING THE DIVISION OF PARKS AND WILDLIFE TO COLLECT**
104 **THE FEE AND TRANSFER THE AMOUNT OF THE FEE TO THE**
105 **CHATFIELD WATERSHED AUTHORITY.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill requires the division of parks and wildlife (division) to require each visitor to Chatfield state park to pay, in addition to any other

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

fee that the division charges for admission to the park, a water quality fee in the following amount:

- For a person who pays the daily fee to enter the park, the amount of the water quality fee is \$1, to be paid for each visit; and
- For a person who uses an annual parks pass or a keep Colorado wild pass to enter the park, the amount of the water quality fee is \$3, to be paid once annually.

Beginning April 1, 2024, and every 3 months thereafter, the division shall pay the total amount of money collected during the preceding 3 months as water quality fees to the Chatfield watershed authority (authority); except that the division may retain up to 3% of the money to pay the division's administrative expenses. The authority is required to expend the money to provide for a regional, coordinated approach to phosphorous and other nonpoint source pollution control in the Chatfield watershed, including providing for the construction, operation, and maintenance of nonpoint source projects, water quality monitoring, and urban runoff and erosion management and control.

The water quality fee and associated requirements are repealed, effective January 1, 2029.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds that:

4 (a) Chatfield state park is situated in the lower foothills of the
5 front range on the southwestern edge of Denver, and Chatfield reservoir,
6 located in Chatfield state park, is a 1,400 surface acre water body at the
7 confluence of Plum creek and the South Platte river;

8 (b) Chatfield reservoir was constructed in 1970 for the purpose of
9 providing regional flood control for the Denver metropolitan area and is
10 a regional water supply source for multiple local and regional water
11 producers;

12 (c) Chatfield state park is one of the most popular recreation areas
13 in the Denver metropolitan region and in all of Colorado and offers
14 numerous recreational activities, including swimming, boating,

1 paddleboarding, fishing, wildlife viewing, biking, camping, and
2 horseback riding;

3 (d) The Chatfield watershed authority (authority) was established
4 in 1984 when the governor designated the authority as a 208 management
5 agency, in accordance with section 208 of the "Federal Water Pollution
6 Control Act", also known as the federal "Clean Water Act", 33 U.S.C.
7 sec. 1251 et seq.;

8 (e) The authority includes Jefferson county, Douglas county, the
9 town of Castle Rock, the city of Littleton, the town of Larkspur, and
10 water and wastewater providers in the Chatfield watershed;

11 (f) The authority's mission is to promote protection of water
12 quality in the Chatfield watershed for drinking water supplies, recreation,
13 fisheries, and other beneficial uses;

14 (g) The authority preserves these beneficial uses in Chatfield
15 reservoir and in the watershed through the promotion of point source,
16 nonpoint source, and storm water controls;

17 (h) Under regulation 73 of the water quality control commission,
18 the authority is required to limit the total maximum annual load of total
19 phosphorus entering the Chatfield reservoir;

20 (i) The authority continues to implement regulation 73 and
21 coordinate with state and federal agencies regarding water quality control
22 measures;

23 (j) The authority is also required to maintain compliance with
24 chlorophyll-a and phosphorous standards imposed by regulation 38 of the
25 water quality control commission;

26 (k) Since 1984, the authority and its members have monitored
27 water quality in the Chatfield reservoir and upstream in the Chatfield

1 watershed and have undertaken measures to protect water quality in the
2 watershed through voluntary funding contributions and grants;

3 (l) The Chatfield watershed plan identifies opportunities within
4 the watershed to address the chemical, physical, and biological pollutants
5 that impact the watershed, including controlling runoff from wildfire burn
6 areas, reducing phosphorus quantities by stabilizing degraded
7 streambanks, mitigating runoff from agricultural lands, minimizing
8 leachate from septic systems, and providing public education for reducing
9 contamination from the actions of people;

10 (m) The effects of increased floods and wildfires threaten to
11 increase pollutant loadings to Chatfield reservoir; and

12 (n) The authority is unable to qualify for grant programs, which
13 typically require a certain level of matching funds.

14 (2) The general assembly declares that it is in the best interests of
15 the state to:

16 (a) Create a water quality fee to be imposed with the entrance fee
17 that visitors pay to visit Chatfield state park;

18 (b) Require the division of parks and wildlife to collect the water
19 quality fee and pay the amounts collected as water quality fees to the
20 authority; and

21 (c) Require the authority to expend the money to provide for a
22 regional, coordinated approach to phosphorous and other nonpoint source
23 pollution control in the Chatfield watershed, including providing for the
24 construction, operation, and maintenance of nonpoint source projects,
25 water quality monitoring, and urban runoff and erosion management and
26 control.

27 **SECTION 2.** In Colorado Revised Statutes, **add** 33-9-114 as

1 follows:

2 **33-9-114. Chatfield state park - water quality fee - Chatfield**

3 **watershed authority - definition - repeal.** (1) AS USED IN THIS SECTION,

4 "CHATFIELD WATERSHED AUTHORITY", OR "AUTHORITY", MEANS THE

5 CHATFIELD WATERSHED AUTHORITY ESTABLISHED BY AN

6 INTERGOVERNMENTAL AGREEMENT EXECUTED PURSUANT TO SECTIONS

7 29-1-203 AND 29-1-204.2 AND INCLUDING THE FOLLOWING MEMBERS:

8 (a) JEFFERSON COUNTY;

9 (b) DOUGLAS COUNTY;

10 (c) THE CITY OF LITTLETON;

11 (d) THE TOWN OF CASTLE ROCK;

12 (e) THE TOWN OF LARKSPUR;

13 (f) CASTLE PINES METROPOLITAN DISTRICT;

14 (g) CENTENNIAL WATER AND SANITATION DISTRICT;

15 (h) DOMINION WATER AND SANITATION DISTRICT;

16 (i) LOUVIERS WATER AND SANITATION DISTRICT;

17 (j) PERRY PARK WATER AND SANITATION DISTRICT;

18 (k) ROXBOROUGH WATER AND SANITATION DISTRICT;

19 (l) THE CITY AND COUNTY OF DENVER, ACTING BY AND THROUGH

20 ITS BOARD OF WATER COMMISSIONERS; AND

21 (m) THE PLUM CREEK WATER RECLAMATION AUTHORITY.

22 (2) ON AND AFTER JANUARY 1, 2024, IN ADDITION TO ANY OTHER

23 FEE THAT THE DIVISION MAY CHARGE VISITORS FOR ADMISSION TO

24 CHATFIELD STATE PARK, THE DIVISION SHALL REQUIRE EACH VISITOR TO

25 PAY A WATER QUALITY FEE IN THE FOLLOWING AMOUNT:

26 (a) FOR A PERSON WHO PAYS THE DAILY FEE TO ENTER THE PARK,

27 THE AMOUNT OF THE WATER QUALITY FEE IS ONE DOLLAR, TO BE PAID FOR

1 EACH VISIT; AND

2 (b) FOR A PERSON WHO USES AN ANNUAL PARKS PASS OR A KEEP
3 COLORADO WILD PASS, AS DESCRIBED IN SECTION 33-12-108, TO ENTER
4 THE PARK, THE AMOUNT OF THE WATER QUALITY FEE IS THREE DOLLARS,
5 TO BE PAID ONCE ANNUALLY.

6 (3) BEGINNING APRIL 1, 2024, AND EVERY THREE MONTHS
7 THEREAFTER, THE DIVISION SHALL PAY THE TOTAL AMOUNT OF MONEY
8 COLLECTED DURING THE PRECEDING THREE MONTHS AS WATER QUALITY
9 FEES PURSUANT TO SUBSECTION (2) OF THIS SECTION TO THE CHATFIELD
10 WATERSHED AUTHORITY; EXCEPT THAT THE DIVISION MAY RETAIN UP TO
11 THREE PERCENT OF THE MONEY TO PAY THE DIVISION'S ADMINISTRATIVE
12 EXPENSES.

13 (4) THE AUTHORITY SHALL EXPEND THE MONEY RECEIVED
14 PURSUANT TO SUBSECTION (3) OF THIS SECTION TO PROVIDE FOR A
15 REGIONAL, COORDINATED APPROACH TO PHOSPHOROUS AND OTHER
16 NONPOINT SOURCE POLLUTION CONTROL IN THE CHATFIELD WATERSHED,
17 INCLUDING PROVIDING FOR THE CONSTRUCTION, OPERATION, AND
18 MAINTENANCE OF NONPOINT SOURCE PROJECTS, WATER QUALITY
19 MONITORING, AND URBAN RUNOFF AND EROSION MANAGEMENT AND
20 CONTROL.

21 (5) THIS SECTION IS REPEALED, EFFECTIVE JANUARY 1, 2029.

22 **SECTION 3. Act subject to petition - effective date.** This act
23 takes effect at 12:01 a.m. on the day following the expiration of the
24 ninety-day period after final adjournment of the general assembly; except
25 that, if a referendum petition is filed pursuant to section 1 (3) of article V
26 of the state constitution against this act or an item, section, or part of this
27 act within such period, then the act, item, section, or part will not take

1 effect unless approved by the people at the general election to be held in
2 November 2024 and, in such case, will take effect on the date of the
3 official declaration of the vote thereon by the governor.

Please Support SB23-267

Concerning Protecting Water Quality in Chatfield Reservoir & Watershed

Senators Lisa Cutter & Kevin Van Winkle

BACKGROUND

*Chatfield Reservoir is a 1,400-acre reservoir in Chatfield State Park and the third most intensely utilized State Park in Colorado, with over **two-million visitors** annually. The reservoir offers public swimming, boating, camping, paddleboarding, fishing, wildlife viewing, biking, camping, horseback riding, and other recreational opportunities. Most importantly, Chatfield Reservoir is an essential water-storage facility for water providers throughout the metro region.*

To protect and improve water quality in Chatfield Reservoir & Watershed, in accordance with Section 208 of the "Federal Water Pollution Control Act," Governor Roy Romer designated The Chatfield Watershed Authority (Authority) as a 208-management agency in 1984. To date, the Authority relies on voluntary dues from local governments and water and wastewater providers (Authority members) to:

- *Monitor water quality.*
- *Perform watershed modeling.*
- *Execute 208 management activities.*
- *Fund non-point source projects and protections.*
- *Prepare water quality reports for the Colorado Water Quality Control Commission.*

The Authority has identified \$1.2 million in essential funding needs over the next five years for regionally coordinated water-quality planning and implementation, including:

- *Phosphorous and nonpoint source pollution control in the Chatfield watershed.*
- *Construct, operate, and maintain nonpoint source projects.*
- *Enhanced water quality monitoring, stormwater runoff mitigation, and erosion control.*

To help pay for essential water quality projects, SB23-267 establishes a user fee for Chatfield Park visitors. The proposed user-fee structure is intended to distribute water-quality-protection costs more fairly between Authority members and Chatfield Reservoir users.

- ✓ ***The proposed user fee is a flat \$1.00 per one-day admission and \$3.00 per annual pass.***
- ✓ ***The user fee would sunset on January 1, 2029.***
- ✓ ***The funding is identical to the water-quality fee visitors pay at Cherry Creek State Park.***

For more info, please contact Steve Balcerovich at 720-351-2007 and/or Amy Attwood at 720-840-4912.