

# HALLIGAN WATER UPDATE SUPPLY PROJECT



April 2019



## BACKGROUND

Halligan Reservoir, located 25 miles northwest of Fort Collins, was built in 1909 on the North Fork of the Poudre River. Expanding the reservoir will help provide a reliable water supply for future generations of Fort Collins Utilities' water customers. The additional water storage will provide added protection from interruptions in water availability and delivery due to future emergencies like prolonged drought, fires, floods, landslides and infrastructure failures, as well as uncertainties related to climate change.

The project would expand the reservoir by about 8,100 acre-feet by increasing the height of the existing 70-foot dam by 25 feet. For context, an average single-family home uses almost a third of an acre-foot of water each year (about 108,000 gallons).

Permits are required from the U.S. Army Corps of Engineers (Corps) and other federal and state agencies. Before issuing permits, the Corps will produce draft and final Environmental Impact Statements (EIS), which will be published for public review and comment. The EIS will describe the environmental impacts of the project, along with the environmental impacts of alternatives to enlarging the reservoir.

## PROGRESS UPDATE

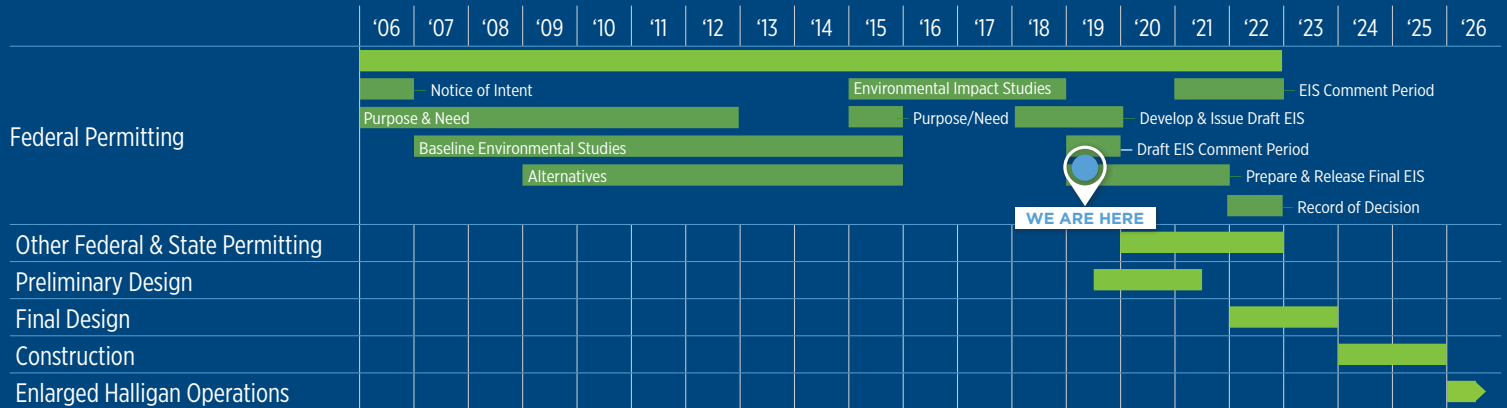
City staff, consultants and the Corps continued to make progress on the project during the first quarter of 2019. Developments include:

- **Draft EIS release** – The current schedule from the Corps indicates the draft EIS will be released in late 2019.
- **Development of mitigation and enhancement measures** – Staff continued developing project mitigation and enhancement measures and will issue a *Conceptual Mitigation Plan* at the same time as the draft EIS.
- **EIS development** – Staff is writing chapters 2 through 4 of the draft EIS, which will present a summary of the technical work conducted to date, including a description of environmental and cultural resources that could potentially be affected by enlarging Halligan and alternatives to the Halligan enlargement.
- **Land acquisition and easements** – Staff continue to pursue land acquisition and easements needed for the project.
- **Public Outreach** – Public outreach and communications have been ongoing, including articles in the *Coloradoan*, a project update in utility bills, presentations, meetings with project stakeholders, updates to environmental groups and federal and state elected officials, and answering citizen questions.
- **Finalize documents** – Staff will finalize documents to be released with the draft EIS, including the *Conceptual Mitigation Plan* and the *Operations Plan* for the Halligan Water Supply Project.
- **Preliminary design** – Steps being taken to build a design team.
- **State permits** – Formal consultation will begin with Colorado Parks & Wildlife and Colorado Department of Health and Environment on required state permits after public review of the EIS is complete.



# PROJECT SCHEDULE

The project is approaching a key permitting milestone this year with release of the draft EIS. Construction could begin as early as 2024. Other project milestones are shown in the timeline below.



Project schedule is dependent on permitting schedule and subject to change.

## ANTICIPATED COST

The current total estimated cost of the project is \$74.1 million, based on an updated 2018 cost estimate. A breakout of costs is provided at right. Most of the cost is related to permitting, mitigation and construction.

Standard practices indicate costs could vary significantly due to the conceptual nature of the project. Costs of the project will continue to be refined as additional information is obtained and project requirements are further defined. The next cost estimate update will be performed later this year after refining land acquisition and mitigation needs. Costs will again be updated in 2020 after preliminary design is complete.

Although costs of the Halligan Project continue to be updated as new information is obtained, it continues to be a cost-effective project for meeting the City's water supply needs. The project is currently anticipated to provide firm yield at a cost of about \$10,000 per acre-foot. For comparison, the market rate for firm yield from the Colorado-Big Thompson (CBT) Project is approximately \$80,000. Unit costs of the Northern Integrated Supply Project (NISP) and Windy Gap Firming Project are currently \$27,500 and \$19,000 per acre-foot, respectively.

### EXPENSES (\$M)<sup>1</sup>

	To Date <sup>2</sup>	Future	Total
Acquisition	\$3.3	\$0.3	\$3.6
Permitting & Mitigation	\$13.3	\$7.7	\$21.0
Construction	-	\$31.3	\$31.3
Debt Service <sup>3</sup>	\$1.9	-	\$1.9
Risk Mitigation/Contingency	-	\$16.3	\$16.3
<b>Total</b>	<b>\$18.5</b>	<b>\$55.6</b>	<b>\$74.1</b>

### ESTIMATED FINAL UTILITY COST (\$M)

	To Date <sup>2</sup>	Future	Total
Project Costs	\$18.5	\$56.0	\$74.1
Less Reimbursements <sup>4</sup>	(\$4.6)	(\$0.1)	(\$4.7)
<b>Total<sup>5</sup></b>	<b>\$13.9</b>	<b>\$55.5</b>	<b>\$69.4</b>

### APPROPRIATIONS (\$M)

	To Date <sup>2</sup>	Future	Total
Past Appropriations	\$37.4	-	\$37.4
Required Future Appropriations	-	\$36.7	\$36.7
<b>Total</b>	<b>\$37.4</b>	<b>\$36.7</b>	<b>\$74.1</b>

1. Future expenses include escalation through 2023 in each line item. **Future expenses are expected to change as new project information is obtained.** Line items may not sum to total due to rounding.
2. Life-to-date project costs through March 2019.
3. Debt service payments from 2004-2014 were allocated as Halligan Water Supply Project expenses. Future debt service payments will not be a project cost.
4. Reimbursements were received from former project partners (North Poudre Irrigation Company and the Tri-Districts) between 2005-2014; miscellaneous reimbursements have been and will be collected from the City of Greeley and future rents. Reimbursements for project expenses require Council action to be reappropriated to the project budget.
5. Total cost includes debt service and deducts reimbursements.

For more information, visit [fcgov.com/halligan](http://fcgov.com/halligan).

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Auxiliary aids and services are available for persons with disabilities, V/TDD 711.  
Esta información puede ser traducida, sin costo para usted, 970-212-2900.