

Exhibit C

RESOLUTION NO. 202 - 22

**A RESOLUTION ESTABLISHING 2023 DRAINAGE BASIN FEES,
BRIDGE FEES, AND DETENTION POND FACILITY AND LAND
FEES.**

WHEREAS, the City Stormwater Enterprise prepared a study of drainage facility construction cost trends which recommended a 9.2% increase in Drainage Basin Fees, Bridge Fees, and Detention Pond Facility Fees for 2023; and

WHEREAS, the City/County Drainage Board at their September 13, 2022, meeting approved a recommendation to the City Council for a 9.2% increase for 2023 Drainage Basin Fees, Bridge Fees, and Detention Pond Facility Fees over the current fee schedule; and

WHEREAS, the Park Land Dedication Fee remains unchanged at \$98,010.00 per acre in 2023; such Park Land Dedication Fee is used as the basis for computing the Detention Pond Land Fee.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY
OF COLORADO SPRINGS THAT:**

Section 1. The 2023 Drainage Basin Fees, Bridge Fees, and Detention Pond Facility and Land Fees are established based on the City/County Drainage Board recommendation and as shown on the 2023 Fee Schedule, effective on January 1, 2023, and attached hereto as Exhibit A.

Dated at Colorado Springs, Colorado, this 22nd day of November 2022.



Council President

ATTEST:

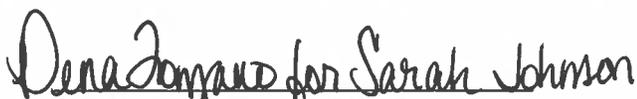

Sarah B. Johnson, City Clerk

Exhibit A

2023 DRAINAGE, BRIDGE AND POND FEES CITY OF COLORADO SPRINGS Effective January 1, 2023

Basin Name	DBPS Year	Drainage Fee/Acre	Bridge Fee/Acre	Pond Land Fee/Acre	Pond Facility Fee/Acre	Surcharge/Acre
19th Street	1964	\$5,068				
21st Street	1977	\$7,736				
Bear Creek	1980	\$4,979	\$469			
Big Johnson, Crews	1991	\$19,264	\$1,583	\$308		
Black Squirrel Creek	1989	\$17,648		\$4,784		
Camp Creek	1964	\$2,854				
Cottonwood Creek ^{1, 2}	2019	\$17,578	\$1,421			\$909
Douglas Creek	1981	\$16,008	\$358			
Dry Creek ³	1966	\$0				
Elkhorn Basin ⁴	n/a	\$0				
Fishers Canyon ⁵	1991	\$0				
Fountain Creek ⁶	n/a	VAR				
Jimmy Camp Creek	2015	\$10,030			\$3,269	
Kettle Creek ⁷ Old Ranch Trib.	2001	\$0				
Little Johnson	1988	\$16,812		\$1,570		
Mesa	1986	\$13,456				
Middle Tributary	1987	\$30,121		\$1,434		
Miscellaneous ⁸	n/a	\$14,973				
Monument Branch ¹²	1987	\$0				
North Rockrimmon	1973	\$7,737				
Park Vista (MDDP)	2004	\$21,550				
Peterson Field	1984	\$16,256	\$749			
Pine Creek ⁹	1988	\$0				
Pope's Bluff	1976	\$5,152	\$882			
Pulpit Rock	1968	\$8,532				
Sand Creek	2021	\$22,015				
Shooks Run ¹⁰	1994	\$0				
Smith Creek ¹¹	2002	\$0				
South Rockrimmon	1976	\$6,049				
Southwest Area	1984	\$17,197				
Spring Creek	1968	\$13,344				
Templeton Gap	1977	\$8,740	\$97			
Windmill Gulch	1992	\$18,355	\$341	\$3,909		

All Drainage, Bridge and Detention Pond Facilities Fees adjusted by 9.2% over 2022 by City Council Resolution No. ____-22 on _____, 2022 to be effective on January 1, 2023. Land Fees are based on the Community Park Land Dedication Fee which is currently \$98,010/acre for Community Parks (0% change for inflation in 2022).

¹ The 2023 Cottonwood Creek drainage fee consists of a capital improvement fee of \$13,650 per acre and land fee of \$3,928 per acre for a total of \$17,578 per acre. These fees are adjusted annually using different procedures but are combined for collection purposes. **The surcharge fee of \$909/ac is due in cash; credits for prior facility construction cannot be used to offset this fee,** which is deposited into a separate City fund known as the "Cottonwood Creek Surcharge" fund.

² The Wolf Ranch portion of the Cottonwood Creek Drainage Basin was approved as a "no fee" basin **as to Drainage Fees only** by City Council on August 28, 2018 by Resolution No. 96-18

³ Dry Creek is a closed basin per City Council Resolution No.118-08 on June 24, 2008

⁴ Elkhorn Basin is a closed basin per the Annexation Agreements for the area.

⁵ Fishers Canyon is a closed basin per City Council Resolution No. 74-08 on April 22, 2008.

⁶ Pursuant to the recommendation of the Subdivision Storm Drainage Board adopted at its meeting of September 15, 1977, there are exempted and excluded from the provisions of this part construction of the main Fountain Creek Channel from the confluence of Fountain Creek with Monument Creek northwest to the City limits. Land developments taking place adjacent to Fountain Creek shall remain responsible for dedicating rights of way necessary for the channelization of Fountain Creek, and the developers shall continue to pay to the City as a condition of subdivision plat approval the applicable drainage fees. Drainage fees are required in accordance with the appropriate basin study.

⁷ Kettle Creek Old Ranch Tributary is a closed basin per City Council Resolution 139-02 on August 27, 2002.

⁸ Miscellaneous fee is assessed on unstudied areas and the Roswell and Westside Basins.

⁹ Pine Creek is a closed basin per City Council Resolution No.236-88 on December 13, 1988.

¹⁰ Shooks Run is a closed basin pursuant to the recommendation of the Drainage Board, adopted at its meeting on October 15, 1963.

¹¹ Smith Creek is a closed basin per City Council Resolution 140-02 on August 27, 2002

¹² Monument Branch Basin is a closed basin per City Council Res. 177-10 on October 12, 2010

Exhibit B



DATE: September 13th, 2022

TO: City/County Drainage Board

FROM: Erin Powers, Compliance Program Manager, Stormwater Enterprise

SUBJECT: 2023 FEE STUDY

Following is a summary of research on drainage construction costs with a recommendation regarding the annual review of the Drainage, Bridge and Detention Pond fees in 2022 to adjust for inflationary costs for fees to be collected in 2023.

Background. The City's Drainage Code includes the following paragraph about annual fee adjustments:

City Code:

7.7.902: STUDIES OF DRAINAGE BASINS:

Prior to January 1 of each year the unit drainage fee and the unit detention reservoir land fee shall be reviewed by the Drainage Board who shall make a recommendation to the City Council as to any adjustment to the fees. *Upon such recommendation the City Council shall establish by resolution the unit drainage fee and the unit detention reservoir land fee in each drainage basin to be effective January 1 of each year.* Said fees will be reestablished in accord with changes in construction and other costs or revisions suggested by additional studies or other information obtained. (Ord. 96-44; Ord. 01-42; Ord. 02-130; Ord. 08-44) (Emphasis added)

Drainage Basin fees shall be reviewed and adjusted annually in order to comply with City Code and to stay current with reimbursement costs. The purpose is to ensure consistent, fair, and equitable reimbursements for the costs of constructing public stormwater infrastructure.

The drainage basin fees were increased by 4.0% in January of 2020, 3.5% in January of 2021, and 7.0% effective January 1, 2022 with the adoption by City Council at the recommendation of the City/County Drainage Board. There was no adjustment based upon a forecast for 2022.

Data Sources:

As was done in past years, this analysis looks back at actual construction cost increases for the past year.

The research for this year’s survey includes data from:

- Colorado Department of Transportation (CDOT) Colorado Construction Cost Index data;
- Denver-Aurora-Lakewood Consumer Price Index (CPI-U);
- Cost data from Engineering News Record (ENR);
- UCCS Economic Form data; and
- Local contractors and providers of construction materials.

Colorado Department of Transportation (CDOT) Colorado Construction Index Report (“CCI”):

For specific construction items (Earthwork, Structural Concrete, and Reinforcing Steel) the average cost increased by 46.80% from the first quarter of 2021 to the first quarter of 2022. The CCI is difficult to rely on as the projects that CDOT completes vary widely in location, size, scope, and CDOT’s own materials availability. As is evidenced below, the costs of earthwork indicate the highest increase.

<u>Item</u>	<u>1st Quarter. 2021 Index</u>	<u>1st Quarter. 2022 Index</u>	<u>% Change (averaged over year)</u>
Earthwork Price (\$/CY)	10.99	21.51	95.72%
Structural Concrete Price (\$/CY)	773.95	1,027.78	32.80%
Reinforcing Steel Price (\$/LB)	1.43	1.6	11.89%
			46.80%

Consumer Price Index (CPI-U): The nationwide CPI-U information provided in the UCCS Economic Forum data for July 2022 indicates all items less food and energy index advanced 5.9%. The Denver-Aurora-Lakewood CPI-U indicates all items less food and energy index advanced 6.6%.

Engineering News Record (ENR):

Calculations were based upon the following commodities for the Denver area: Concrete, 4000 psi; Reinforced Concrete Pipe (average of 24”, 36” and 48”); Rebar, Grade 60, #4; and Common Labor and Skilled Labor, comparing July 2021 to July 2022.

<u>Item</u>	<u>July 2021 Index</u>	<u>July 2022 Index</u>	<u>% Change (averaged over year)</u>
Concrete, 4000psi	148.08	152.1	2.71%
Pipe (avg. of 3 sizes)	88.12	97.74	10.92%
Rebar, Grade 60, #4	57	73.02	28.11%
Common Labor	818.18	818.18	0.00%
Skilled Labor	854.73	902.92	5.64%
			9.47%

Based on these ENR statistics for the Denver area of a normal mix of labor and materials, a typical drainage project likely saw an average increase of approximately 9.47%.

Local Construction Costs (compiled by contacting local drainage construction contractors and materials providers):

City staff surveyed the local development community regarding project costs. The survey included questions regarding concrete, rock, pipe and labor from 2021 to 2022, and reported an average increase of approximately 15% in industries that support drainage projects.

Summary:

2022 Overall: Using weighted averages based on the impact of local contractor and consultant data for the past year, CCI, CDOT, ENR (Denver), the CPI-U, and UCCS Economic Forum data for the same time period, it is estimated that overall drainage construction costs have increased an average of 9.2% from the second quarter of 2021 to the second quarter of 2022.

2023 Forecast: The Governor’s Office of State Planning and Budgeting has forecast an increase to the Consumer Price Index of 8.2% for 2022 and an increase of 4.4% for 2023 for Colorado. An increase based on the 2022 forecast is not recommended at this time.

Recommendation:

Staff recommends an increase of 9.2% over the 2022 drainage, bridge and detention pond facility fees, to include the Miscellaneous Basin fee, and approval of the attached fee schedule effective January 1, 2023.

There has been no adjustment to the Park Land Dedication Fee (\$98,010 per acre); therefore the Detention Pond Land fee will remain the same as in 2022.

A recommended motion would be:

I move to approve a recommendation to City Council for an increase of 9.2% over the 2022 drainage, bridge and detention pond facility fees, to include the Miscellaneous Basin fee, and approval of the attached fee schedule effective January 1, 2023.

Attachments:

Exhibit A – 2023 Proposed Fee Schedule

Exhibit B – 2022 Current Fee Schedule

Exhibit C – HBA Memo

Exhibit C

RESOLUTION NO. 195-21

**A RESOLUTION ESTABLISHING 2022 DRAINAGE
BASIN FEES, BRIDGE FEES, AND DETENTION
POND FACILITY AND LAND FEES.**

WHEREAS, the City Stormwater Enterprise prepared a study of drainage facility construction cost trends and recommended a 7% increase in Drainage Basin Fees, Bridge Fees, and Detention Pond Facility Fees and a 28% increase in Detention Pond Land Fees for 2022; and

WHEREAS, the City/County Drainage Board at their November 4, 2021 meeting approved a recommendation to the City Council for a 7% increase for 2022 Drainage Basin Fees, Bridge Fees, and Detention Pond Facility Fees and a 28% increase in Detention Pond Land Fees over the current fee schedule; and

WHEREAS, the Park Land Dedication Fee was modified from \$76,602 per acre for all parkland to \$98,010 per acre for community parkland and \$137,694 per acre for neighborhood parkland in 2022; such Park Land Dedication Fee is used as the basis for computing the Detention Pond Land Fee.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF
COLORADO SPRINGS THAT:**

Section 1. The 2022 Drainage Basin Fees, Bridge Fees, and Detention Pond Facility and Land Fees be established based on the City/County Drainage Board recommendation and as shown on the 2022 Fee Schedule, effective on January 1, 2022, and attached hereto as Exhibit A.

Dated at Colorado Springs, Colorado this 14th day of December 2021.

City Council President

ATTEST:

Sarah B. Johnson, City Clerk



Exhibit A

2021 DRAINAGE, BRIDGE AND POND FEES
CITY OF COLORADO SPRINGS
Effective January 1, 2022

Basin Name	DBPS Year	Drainage Fee/Acre	Bridge Fee/Acre	Pond Land Fee/Acre	Pond Facility Fee/Acre	Surcharge/Acre
19th Street	1964	\$4,641				
21st Street	1977	\$7,084				
Bear Creek	1980	\$4,559	\$430			
Big Johnson, Crews	1991	\$17,641	\$1,450	\$308		
Black Squirrel Creek	1989	\$16,161		\$4,784		
Camp Creek	1964	\$2,614				
Cottonwood Creek ^{1, 2}	2019	\$16,428	\$1,301			\$833
Douglas Creek	1981	\$14,659	\$328			
Dry Creek ³	1966	\$0				
Elkhorn Basin ⁴	n/a	\$0				
Fishers Canyon ⁵	1991	\$0				
Fountain Creek ⁶	n/a	VAR				
Jimmy Camp Creek	2015	\$9,185			\$2,993	
Kettle Creek ⁷ Old Ranch Trib.	2001	\$0				
Little Johnson	1988	\$15,396		\$1,570		
Mesa	1986	\$12,323				
Middle Tributary	1987	\$27,583		\$1,434		
Miscellaneous ⁸	n/a	\$13,711				
Monument Branch ¹²	1987	\$0				
North Rockrimmon	1973	\$7,085				
Park Vista (MDDP)	2004	\$19,735				
Peterson Field	1984	\$14,886	\$686			
Pine Creek ⁹	1988	\$0				
Pope's Bluff	1976	\$4,718	\$807			
Pulpit Rock	1968	\$7,813				
Sand Creek	2021	\$20,160				
Shooks Run ¹⁰	1994	\$0				
Smith Creek ¹¹	2002	\$0				
South Rockrimmon	1976	\$5,539				
Southwest Area	1984	\$15,748				
Spring Creek	1968	\$12,220				
Templeton Gap	1977	\$8,004	\$89			
Windmill Gulch	1992	\$16,809	\$312	\$3,909		

All Drainage, Bridge and Detention Pond Facilities Fees adjusted by 7.0% over 2021 by City Council Resolution No. _____ on December __, 2021 to be effective on January 1, 2022. Land Fees are based on the Park Land Dedication Fee which is currently \$98,010/acre for Community Parks (28% change for inflation in 2021).

¹ The 2021 Cottonwood Creek drainage fee consists of a capital improvement fee of \$12,500 per acre and land fee of \$3,928 per acre for a total of \$16,428 per acre. These fees are adjusted annually using different procedures but are combined for collection purposes. The surcharge fee of \$833/ac is due in cash; credits for prior facility construction cannot be used to offset this fee, which is deposited into a separate City fund known as the "Cottonwood Creek Surcharge" fund.

² The Wolf Ranch portion of the Cottonwood Creek Drainage Basin was approved as a "no fee" basin as to Drainage Fees only by City Council on August 28, 2018 by Resolution No. 96-18

³ Dry Creek is a closed basin per City Council Resolution No. 118-08 on June 24, 2008

⁴ Elkhorn Basin is a closed basin per the Annexation Agreements for the area.

⁵ Fishers Canyon is a closed basin per City Council Resolution No. 74-08 on April 22, 2008.

⁶ Pursuant to the recommendation of the Subdivision Storm Drainage Board adopted at its meeting of September 15, 1977, there are exempted and excluded from the provisions of this part construction of the main Fountain Creek Channel from the confluence of Fountain Creek with Monument Creek northwest to the City limits. Land developments taking place adjacent to Fountain Creek shall remain responsible for dedicating rights of way necessary for the channelization of Fountain Creek, and the developers shall continue to pay to the City as a condition of subdivision plat approval the applicable drainage fees. Drainage fees are required in accordance with the appropriate basin study.

⁷ Kettle Creek Old Ranch Tributary is a closed basin per City Council Resolution 139-02 on August 27, 2002.

⁸ Miscellaneous fee is assessed on unstudied areas and the Roswell and Westside Basins.

⁹ Pine Creek is a closed basin per City Council Resolution No. 236-88 on December 13, 1988.

¹⁰ Shooks Run is a closed basin pursuant to the recommendation of the Drainage Board, adopted at its meeting on October 15, 1963.

¹¹ Smith Creek is a closed basin per City Council Resolution 140-02 on August 27, 2002



HOUSING & BUILDING
ASSOCIATION
OF COLORADO SPRINGS

4585 Hilton Parkway Suite 100, Colorado Springs, CO 80907
Phone: 719-592-1800 • CSHBA.com

MEMO

To: Erin Powers, Stormwater Enterprise

From: Andrea Barlow, HBA Public Policy Chair

Date: October 4, 2022

Subject: 2023 Proposed Drainage Fee Increase

On behalf of the Housing & Building Association of Colorado Springs (CSHBA), we would like to thank you for giving us the opportunity to review the proposed fee increases to the 2023 Drainage Fee Schedule. While all increases to development and building costs are taken seriously (as they all play a role in housing attainability), we understand that the proposed fee adjustments are based upon actual cost increases seen by the industry.

After review from our members, no major concerns were identified regarding the proposed fee increase of 9.2% over the 2022 Drainage, Bridge & Detention Pond fees. This is an increase that is justified by current inflationary costs. It's important to note that as material costs stabilize, we may realize a period when no increase should be applied.

We appreciate the City's efforts to monitor and adjust drainage fees to reflect current market costs to build. We look forward to continued collaboration with the Stormwater Enterprise team.

Thank you,

Andrea Barlow
Public Policy Chair

