



Legislation Details (With Text)

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Title: A resolution establishing 2019 Drainage Basin Fees, Bridge Fees, Detention Pond Facility and Land Fees

Presenter:
Richard Mulledy, P.E., Water Resources Engineering Division Manager
Brian Kelley, P.E., Stormwater Capital Programs Manager

Sponsors:

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Attachments: 1. ResDrainageFeeIncrease2019, 2. Exhibit A_2019DrainageFeeScheduleProposed, 3. Exhibit B_2018_Drainage_Fee_Schedule, 4. Exhibit C_DrainageBoardMemo, 5. Exhibit D_HBALtr, 6. CC Drainage Fee Adjustment 2019, 7. Signed Resolution 159-18

Date	Ver.	Action By	Action	Result
12/11/2018	1	City Council	adopted	Pass
11/26/2018	1	Council Work Session	referred	

A resolution establishing 2019 Drainage Basin Fees, Bridge Fees, Detention Pond Facility and Land Fees

Presenter:

Richard Mulledy, P.E., Water Resources Engineering Division Manager
Brian Kelley, P.E., Stormwater Capital Programs Manager

Summary:

At its November 1, 2018 meeting, the City/County Drainage Board approved a 6.7% adjustment in drainage, bridge and detention pond facility fees for 2019. The proposed fees are set forth in the 2019 Drainage, Bridge and Pond Fees Schedule attached as Exhibit A. The adjustment is based on the annual study of drainage facility construction cost trends conducted by City staff. The current Fee Schedule is attached as Exhibit B.

Previous Council Action:

On December 12, 2017, the City Council approved Resolution No. 17-1376 establishing the 2018 Drainage Basin Fees, Bridge Fees, and Detention Pond Facility and Land Fees.

Background:

City staff performed their annual study of drainage facility construction cost trends. The study evaluated data for 2017 and 2018 from the Colorado Department of Transportation Colorado

Construction Index Report (CCI), Engineering News Record (ENR) Materials and Labor Indices for Denver, Denver-Boulder-Greeley Consumer Price Index (CPI), UCCS Economic Forum statistics for the local economy, and local construction cost data. The local construction cost data input was received from several local developers, contractors, consultants, suppliers and vendors regularly involved in the drainage construction industry. Much of the local cost increases cited were attributed to the extremely high demand for construction services for the combination of local land development growth, the 2C ballot measure, dedicated stormwater funding, and high increases by suppliers for cement, rebar, boulders, and riprap, along with an increase in skilled labor costs.

Staff recommends a 6.7% market adjustment to the drainage, bridge and detention pond facility fees for 2019. Detention pond land fees will remain unchanged at \$76,602 per acre equal to the 2018 School/Park Land Dedication Fee. The School/Park Fee is governed by City Code 7.7.1207.C.2 which states that the School/Park Fee Advisory Committee shall meet annually and advise City Council for the school and park fees in lieu of dedication for residential development.

The City received a letter of support for the 6.7% adjustment in drainage, bridge, and pond facility fees from the Housing and Building Association. The letter of support is attached hereto as Exhibit D.

Drainage infrastructure is vital to insure the City's ability to protect its citizens and downstream neighbors from potential damage due to stormwater.

Financial Implications:

Drainage, bridge and detention pond facility fees are paid by developers and are used to reimburse other developers who construct drainage improvements within the same drainage basin that cost more than their fee obligation. It is important to keep these fees current with the construction and material cost inflation rates to minimize the disparity between facility reimbursement cost and revenues collected to refund these costs. There are no City budget impacts.

Board/Commission Recommendation:

On November 1, 2018 the City/County Drainage Board voted to adjust the drainage, bridge and pond facility fees by 6.7% over the current fee schedule, with no change to the 2018 pond land fee. The staff report for the proposed market adjustment that was presented at the November 1, 2018 City/County Drainage Board Meeting is identified as Exhibit C.

Stakeholder Process:

The industry was contacted as part of the research and stakeholder process and they provided a letter of support through the Housing and Building Association (Exhibit D).

Alternatives:

Approve a market adjustment of 6.7% to the city-wide drainage basin fees, bridge fees and pond facility and pond land fees for 2019 as shown on Exhibit A. Approve a different percentage adjustment to the drainage basin fees, bridge fees and pond facility and pond land fees for 2019. Disapprove a market adjustment to the City wide drainage basin fees, bridge fees, and pond facility and pond land fees for 2019, keeping the Drainage Basin Fees the same as 2018.

Proposed Motion:

Move to approve the resolution establishing 2019 drainage basin fees, bridge fees and detention pond facility and land fees as shown on Exhibit A.

N/A