



Legislation Text

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A Resolution Establishing 2024 Drainage Basin Fees, Bridge Fees, Detention Pond Facility and Land Fees

Presenter:

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Summary:

At its October 10, 2023 meeting, the City/County Drainage Board approved a recommendation for a 7.6% adjustment in drainage, bridge and detention pond facility fees for 2024. The proposed fees are set forth in the 2024 Drainage, Bridge and Pond Fees Schedule attached as Exhibit A. The adjustments are based on the annual study of drainage facility construction cost trends conducted by City staff.

Background:

City staff performed their annual study of drainage facility construction cost trends. The study evaluated data for 2022 and 2023 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 contractors, suppliers, and vendors regularly involved in the drainage construction industry.

Staff recommends a 7.6% market adjustment to the drainage, bridge, and detention pond facility fees for 2024. Detention pond land fees will remain unchanged at \$98,010 per acre equal to the 2021 Park Land Dedication Fee for community parkland. City Code 7.4.702 states the following: "Prior to January 1 of each year the unit drainage fee and the unit pond land fees shall be reviewed by the Drainage Board, which shall make a recommendation to the City Council as to any adjustment to the fees. In the absence of additional studies, the unit pond land fees are intended to be raised or lowered by the same percentage as the City's park land dedication fee."

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

Previous Council Action:

On November 22nd, 2022, the City Council approved Resolution No. 202-22 (Exhibit C) establishing the 2023 Drainage Basin Fees, Bridge Fees, and Detention Pond Facility and Land Fees.

Financial Implications:

Drainage fees are paid by developers and are used to reimburse other developers who construct

drainage improvements. These basin fees are not utilized by the City of Colorado Springs for drainage infrastructure, maintenance, or improvements. Instead, the fees are used to help offset the costs that developers incur to build public infrastructure that is beyond their obligation. The increases to the drainage, bridge and detention pond facility fees should help preserve the financial integrity of the drainage fee program. The revenue and expenditures for drainage, bridge and detention pond facility fees are tracked in a separate fund. There is no impact to the General Fund.

City Council Appointed Board/Commission/Committee Recommendation:

On October 10, 2023, the City/County Drainage Board voted to adjust the drainage, bridge, and detention pond facility fees by 7.6% over the current fee schedule, with no change to the 2023 pond land fee. The staff report for the proposed market adjustment that was presented at the October 10, 2023 City/County Drainage Board Meeting is identified as Exhibit B.

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 7.6% to the city-wide drainage basin fees, bridge fees and detention pond facility fees for 2024 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 2024. Disapprove a market adjustment to the City wide drainage basin fees, bridge fees, and pond facility and pond land fees for 2024, keeping the Drainage Basin Fees the same as 2023.

Proposed Motion:

Move to approve the resolution establishing 2024 drainage basin fees, bridge fees and detention pond facility and land fees as shown on Exhibit A.

N/A