

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

October 10, 2024

Erin Powers, Acting Stormwater Enterprise Manager Stormwater Enterprise City of Colorado Springs 30 S. Nevada Ave., Suite 401 Colorado Springs, CO 80903

Dear Ms. Powers,

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 2025 Drainage Fee Schedule.

We agree with the concept that increases in the drainage fee, bridge and pond fees be commensurate with actual cost increases in completing drainage facilities per the various Drainage Basin Planning Studies. Recent cost increases have certainly been above long-term averages, placing more focus on the methodology used in computing the fee increases.

After reviewing and considering the proposed 2025 fee increase of 7.5% over the 2024 Drainage, Bridge & Detention Pond Fees, we support the increase.

We ask that the City examine the methodology behind the computation for next year and consider the following:

- 1. Assuring that the Local Construction Cost component has a robust input process by engineers, contractors and developers. The HBA is ready to assist the City and encourage its members who operate in the drainage space to participate.
- 2. Adding in the Bureau of Labor Statistics Concrete Contractors nonresidential building work(PCU23811X23811X) in the formula.
- 3. Considering the applicability of the Denver CPI in favor of a local CPI or perhaps excluding a CPI to the index.
- 4. Reviewing the detail used in the CDOT and Engineering News record indexes for additional items or timing.



The balance required in computing the fees and fee increases is important as it can significantly impact the cost of providing housing in Colorado Springs and El Paso County. It is crucial to consider these cumulative impacts when proposing fee adjustments.

Given these complexities, we appreciate the City's ongoing efforts to monitor and adjust drainage fees to reflect current market costs, and the opportunity to provide our input and feedback in the process. We look forward to continued collaboration with the Stormwater Enterprise team to ensure fair and balanced cost adjustments.

Respectfully,

Ryan Klein, Sherman & Howard, LLC.

HBA Public Policy Chair