



**Board of Directors Meeting
August 22, 2007**

**AMEC's Proposed Scope of Services:
Fees for New Development,
Permit Fees, and Review Fees**

Jon Sorensen, P.E.
AMEC



1

Today's Presentation

- **Summary of Current Situation**
 - SEMSWA Resolution 40
 - Fees are on an Interim Basis Until Study is Completed
- **Proposed Study**
 - Outline of Scope
 - Schedule
 - Fee Estimate



Board of Directors Meeting, August 22, 2007



2

Outline of Proposed Study

1. Comparative Analysis
2. Development of Development Fee Options
3. Development of Permit and Review Fee Options
4. Financial Analysis

Outline of Proposed Study, continued

5. Working Meetings with SEMSWA and District Staff- 8
6. Task Force Workshops- 4
 1. Large Developer(s)
 2. 3 Water Districts
 3. Parker-Jordan
 4. Others
7. Board Briefings- 3
8. Public Education Materials



Board of Directors Meeting, August 22, 2007



3



Board of Directors Meeting, August 22, 2007



4

Study Schedule

	Sept	Oct	Nov	Dec
1. Comparative Analysis	→	→		
2. Development Fee Options	→	→	→	→
3. Permit & Review Fee Options	→	→	→	→
4. Financial Analysis		→	→	→
5. Working Meetings with Staff	X X X	X X X	X	X
6. Task Force Workshops		X X	X	X
7. Board Briefings		X	X	X
8. Public Education Materials				→



Board of Directors Meeting, August 22, 2007



5

Fee Estimate- Not to Exceed

1. Comparative Analysis	\$7,749
2. Development Fee Options	\$65,725
3. Permit & Review Fee Options	\$8,332
4. Financial Analysis	\$21,073
5. Working Meetings with Staff	\$8,904
6. Task Force Workshops	\$18,296
7. Board Briefings	\$8,379
8. Public Education Materials	\$6,901
TOTAL	\$145,358



Board of Directors Meeting, August 22, 2007



6

Scope of Services
Basin Development Fees, Permit Fees, & Review Fees
for
SEMSWA

By
AMEC Earth and Environmental, Inc.

Proposed Scope of Services

- 1) **Comparative Analysis-** a comparative analysis of how other entities (counties/cities/districts) deal with land developers in regards to the costs of drainage infrastructure associated with new development will be completed. The comparative analysis will also include development fees, permit fees, and review fees. The analysis may be limited by available information from the surveyed entities. The comparisons will be completed in 2 parts as follows:
 - a) **Part 1 comparison.** Survey entities on structural and policy aspects of drainage basin fee and permit and review fee programs. Such aspects to include basis of charges (impervious area, square footage, fee per unit, and other); the method used (cost of new infrastructure, system buy-in, hybrid, basin specific, same for all basins); the type of development charged (new development, re-development, public, private); incremental versus total new fees for re-development, and other structural and policy items.
 - i) Develop and confirm comparative entity selection criteria and questionnaire with SEMSWA staff.
 - ii) Choose, confirm with staff, and survey 10 to 15 entities in Colorado, and the 5 participating SEMSWA entities by phone and/or email.
 - iii) Prepare technical memorandum in draft and final form
 - b) **Part 2 comparison.** Follow-up survey on same entities to determine rates and fees charged for development, review, and permit fees and other information determined during course of project.
 - i) Survey the above entities, and the 5 participating SEMSWA entities by phone and/or email.
 - ii) Prepare technical memorandum in draft and final form
- 2) **Development of Options for Basin Development Fees- Complete the Necessary GIS, Financial, and Engineering Analysis for 3 Options**
 - a) **Option 1- Basin Fees Proportional to Costs of New Facilities.** This option recognizes the nexus between the impacts of the runoff from the additional impervious area, added by a developer, and the costs of managing that additional amount of runoff. Work to develop this option consists of computing a development fee per impervious acre or other unit. The fee is equal to the estimated cost of new stormwater

infrastructure (required because of the new development), divided by the number of impervious acres or units to be developed, in each of the 3 areas described above. Two tasks are necessary:

- (1) **Estimate of Remaining Cost of Capital Improvements for New Development.** Using "CIP Summary 09 16 04 Meeting" spreadsheets furnished by SEMSWA, adjust, update and re-allocate costs from low, medium and high priority breakdowns to existing and new development for each basin listed. Adjust information based on working meetings with SEMSWA staff and Staff from ECCVWD, ACWWWD, and IWD. Three working meetings- Meet with SEMSWA, ECCVWD, ACWWWD, and IWD staff to receive additional information on CIP projects including those that are for new development vs existing development, build-out time frame estimates, and other information. Input to Excel and GIS to enable ready computation and analysis of options.
- (2) **Analysis of Remaining Developable Acres within SEMSWA.**
 - Obtain and prepare data for analysis
 - Determine developed area within each basin
 - Determine total ROW, easements, and government-woned parcels within each basin
 - Determine total area of undeveloped parcels and parcels with significant remaining developable area within each basin
 - Determine anticipated land uses within each basin and expected % development for each basin
 - Tabulate potential IA for private development, public development, and ROW for each basin
 - Develop map showing significant developable area, developed area, basins, ROW, easements, etc.
- (3) Build spreadsheet to model fees based on (1) and (2) above
- (4) Prepare draft technical memorandum summarizing results.

b) **Option 2 - System buy-in.** The rationale for this option is that developers must pay for their fair and equitable share of the existing stormwater system. This option is based on the value of the existing stormwater system and developers are required to "buy-in", similar to plant investment fees for water and wastewater. Required information is a valuation of the existing system, and a computation of the remaining developable acres within SEMSWA. This option calculates the fee per impervious acre by dividing the total value of the stormwater infrastructure within SEMSWA by the number of remaining developable impervious acres. Two tasks are necessary:

- (1) **Estimate of value of existing SEMSWA Stormwater Infrastructure.** Based on existing information, an estimate of the value of the existing SEMSWA owned stormwater infrastructure will be completed. The estimate will be completed for a selected typical basin in each of the three areas described above and extrapolated

to the remaining developable acres in each of the three areas. The estimate will utilize the infrastructure inventory completed by Muller Associates and AMEC for the Stormwater Funding Study. Additional information will be gained from staff interviews with SEMSWA.

(2) Analysis of Remaining Developable Acres within SEMSWA.

This task is included in Option 1, above.

(3) Build spreadsheet to model fees based on (1) and (2) above

(4) Prepare draft technical memorandum summarizing results.

c) **Option 3 – Hybrid.** Option 3 includes combining the results from the two options above. This option recognizes that developers will be utilizing the existing system and adding new facilities to the system, and that their basin fees should include aspects of both.

i) Add hybrid option by reconfiguring spreadsheets developed above, to include various combinations of Options 1 and 2 above.

ii) Prepare draft technical memorandum summarizing results.

d) **Prepare comprehensive draft and final technical memorandum summarizing results of all options.**

3) Prepare options for new permit, review and associated fees. This task will result in the recommendation of fees for permit, review and associated activities. The new fees will be based on the time and effort required to perform said activities. As such, a review will be completed of the staff and operating costs associated with the fees.

a) Collect, determine and review all cost associated with permit, review and associated activities.

b) Build spreadsheet to allocate salary and overhead costs to fees for permits, reviews, and associated activities.

c) Prepare draft and final technical memorandum summarizing results.

4) Prepare Financial Models Incorporating New Fees Developed Above

a) Prepare financial models including service fee revenue, revenue from participating entities, UDFCD, other sources and present results with revenue from above options.

b) Evaluate existing agreements between other entities and SEMSWA to determine the financial obligations.

c) Prepare draft and final technical memorandum summarizing results.

5) Regular Project Progress Meetings with Staff

6) Facilitation of Task Force- AMEC will provide independent and objective, but technically competent, facilitation of a task force. It is important to

develop a stormwater system development fee program in the context of the public and private sectors of the community. Representation from the key land owners including Steve Prokopiak, Parker-Jordan Metro District and the three SEMSWA water districts and others as identified by SEMSWA will be included.

- a) Lead planning, preparation, and facilitation of 4 Task Force meetings with SEMSWA staff. Tech Memos to be used to brief TF. PowerPoints also prepared to summarize tech memos.
- b) Prepare summary documentation of 4 meetings. To include material presented, key discussion topics, recommendations, consensus on issues, and other pertinent information.

7) Board Meetings

- a) Prepare 3 PowerPoint presentations in draft and final form
- b) Present at Board meetings and document meetings.

8) Prepare Public Education Materials

- a) Prepare preliminary draft, draft, and final handout describing final fees
- b) Modify above for placement on SEMSWA website

Legal Analysis (by others, not by AMEC)- the legal analysis will include a review of the technical memorandums and options presented to the Board.