



Drexel, Barrell & Co.

December 1, 2021, Revised March 23, 2022

El Paso County Development Services
Attn: Elizabeth Nijkamp, Engineering Manager
2880 International Circle, Suite 110
Colorado Springs, CO 80910

Re: Falcon Marketplace Filing No. 1
Request for reimbursement of Major Drainage Improvements
Falcon Drainage Basin

Ms. Nijkamp:

On behalf of Evergreen-Meridian & Woodmen, LLC (Evergreen), Drexel, Barrell & Co. is requesting drainage credits/reimbursement for construction costs associated with construction of a sub-regional detention pond and approximately 1,800 lineal feet of major drainageway facilities beginning at Woodmen Road just west of Meridian Road and extending upstream to the north property line of the Falcon Marketplace development. The improvements have been preliminarily accepted by El Paso County. This letter of request and supplemental materials is hereby submitted to El Paso County for review and hopeful recommendation for approval to forward to the City of Colorado Springs/El Paso County Drainage Board for a formal hearing for approval.

Evergreen believes this application satisfies the requirements of the El Paso County Drainage Criteria Manual for establishment of drainage/land credits and reimbursement for constructed drainage improvements and for public drainage land dedication.

Evergreen is requesting fulfillment of deferred drainage fees of \$779,058.60 from the recording of the Falcon Marketplace Filing No. 1 final plat as recorded on 12-23-19.

Evergreen is requesting a drainage fee reimbursement of \$1,331,125.71

The total requested construction cost deferral/reimbursement is \$2,206,773.25

Evergreen is also requesting a land fee reimbursement of \$760,284.22

The total requested deferred fees and reimbursements is \$2,967,057.47

A more detailed breakout of the approved DBPS costs (in 2013 dollars) as well our reimbursement request is provided below in 2018 dollars as that is when the bids were received.

Falcon DBPS Costs for Falcon Marketplace:

FALCON MARKETPLACE DBPS COSTS			
<i>COST INCREASE 2013 TO 2018 UTILIZED 4.3%/2014, 0%/2015, 4.8%/2016, 3.5%/2017 AND 5.7%/2018</i>			
ITEM	2013 COST	INCREASE	2018 COST
SUB-REGIONAL POND SR-4 CONSTRUCTION	\$ 412,665.00	\$ 80,802.51	\$ 493,467.51
REACH RMT 062 DROPS (2EA X \$198,427)	\$ 396,854.00	\$ 77,706.61	\$ 474,560.61
REACH RMT 064 DROPS (3EA X \$205,185)	\$ 615,555.00	\$ 120,529.70	\$ 736,084.70
CROSSING REPLACEMENT MT 6	\$ 166,177.00	\$ 32,538.55	\$ 198,715.55
CROSSING REPLACEMENT MT 6-2	\$ 181,365.00	\$ 35,512.45	\$ 216,877.45
SUB-TOTAL IMPROVEMENTS	\$ 1,772,616.00	\$ 347,089.82	\$ 2,119,705.82
ENGINEERING ALLOWANCE (10%)	\$ 177,261.60	\$ 34,708.98	\$ 211,970.58
TOTAL IMPROVEMENTS	\$ 1,949,877.60	\$ 381,798.81	\$ 2,331,676.41
SUB-REGIONAL POND SR-4 LAND COST (20.5 AC)	\$ 1,022,834.00	\$ 200,277.60	\$ 1,223,111.60
TOTAL (IMPROVEMENTS AND LAND)	\$ 2,972,711.60	\$ 582,076.40	\$ 3,554,788.00

Reimbursement for Falcon Marketplace (as accepted by El Paso County):

FALCON MARKETPLACE REIMBURSEMENT COSTS (ACCEPTED BY EL PASO COUNTY)	
ITEM	COST
IMPROVEMENTS (POND SR-4)	\$ 1,053,101.50
IMPROVEMENTS (WOODMEN CHANNEL)	\$ 119,191.00
IMPROVEMENTS (96" RCP & APPURTENANCES)	\$ 833,865.00
ENGINEERING	\$ 200,615.75
TOTAL IMPROVEMENTS	\$ 2,206,773.25
LAND VALUE \$68,546.05/ACRE (5.139 net acres)	
SUB-REGIONAL POND SR-4 LAND COST (5.904 AC)	\$ 404,695.88
DEDUCT FOR ONSITE FULL-SPECTRUM DETENTION LESS AS-BUILT WQ (0.97 AC)	\$ (66,489.67)
WOODMEN CHANNEL ADDITIONAL LAND COST (0.205 AC)	\$ 14,051.94
TOTAL LAND COST	\$ 352,258.15
TOTAL (IMPROVEMENTS AND LAND)	\$ 2,559,031.40

Requested Reimbursement for Falcon Marketplace (by Evergreen):

FALCON MARKETPLACE REQUESTED REIMBURSEMENT COSTS	
ITEM	COST
IMPROVEMENTS (POND SR-4)	\$ 1,053,101.50
IMPROVEMENTS (WOODMEN CHANNEL)	\$ 119,191.00
IMPROVEMENTS (96" RCP & APPURTENANCES)	\$ 833,865.00
ENGINEERING	\$ 200,615.75
TOTAL IMPROVEMENTS	\$ 2,206,773.25
REQUESTED LAND VALUE \$147,944.00/ACRE (5.139 net acres)	
SUB-REGIONAL POND SR-4 LAND COST (5.904 AC)	\$ 873,461.38
DEDUCT FOR ONSITE FULL-SPECTRUM DETENTION LESS AS-BUILT WQ (0.97 AC)	\$ (143,505.68)
WOODMEN CHANNEL ADDITIONAL LAND COST (0.205 AC)	\$ 30,328.52
TOTAL LAND COST	\$ 760,284.22
TOTAL (IMPROVEMENTS AND LAND)	\$ 2,967,057.47

Description of Drainage Improvements requested for reimbursement:

The major public drainage improvements for Falcon Marketplace included a sub-regional full-spectrum detention pond and related improvements. This pond is identified as Pond SR-4 in the Falcon DBPS. Pond inflow facilities including a grouted rip-rap rundown with cutoff walls, maintenance roads, forebays, trickle channel, outlet structure with micropool, rip-rap spillway and revegetation. A 96” RCP outfall pipe system to a drainage channel along Woodmen Road with outfalls to existing culverts crossing under Woodmen Road to the south.

We are requesting reimbursement for Reach Improvements (channel and small drop structures) identified on the property in the DBPS for reaches RMT062 and RMT064 and for the Protect-in-place reach within and downstream of the pond in part in lieu of the installed 96” RCP. The reimbursement requested for the 96” RCP and appurtenances does not exceed the identified reach improvements costs.

We are requesting reimbursement for Crossing Replacements identified directly downstream of the property at Woodmen Road for crossing MT 6 and MT 6-2 in lieu of the Woodmen channel and Pond SR-4 improvements in part as our design was able to eliminate the need for replacement of these previously deficient crossings by increasing the pond size from 19.37 acre-feet to 26.6 acre-feet, reducing release rates, constructing the channel and dike along Woodmen Road and other facility upgrades to eliminate the need for the replacements.

Added pond costs associated with a required impermeable clay liner is included in the construction costs due to shallow ground water at the site which is located in the Upper Black Squirrel Groundwater Basin. The liner was required by CGS, the County and the Upper Black Squirrel Ground Water Management District. These costs were not identified in the DBPS. Additional improvements to the pond related to changes in drainage criteria requirements resulted in higher costs than noted in the DBPS. The pond placement in the DBPS was also highly questionable and not feasible being placed in the middle of a CR zoned parcel of land rendering it mostly unusable.

Though minor, we are also requesting reimbursement for the replacement of the orifice plate on downstream Regional Pond MN as the repair was made by Evergreen at the request of the County due to prior failure of the facility.

The drainage improvements have been designed and constructed in general conformance with the Falcon Drainage Basin Planning Study (DBPS) as adopted on October 7, 2015, and current El Paso County drainage design criteria. A CLOMR was approved for pre-construction of the facilities and a LOMR was issued on October 7, 2021 under Case No. 21-08-0534P with an effective date of February 22, 2022.

The requested drainage improvements reimbursement value of \$2,206,773.25 is over \$124,000 under the improvement value assigned for the noted appurtenant facilities in the DBPS (\$2,331,676.41) so there are no anticipated deleterious effects to the basin fund.

Evergreen and/or the prior development owner LGHI Falcon, LLC secured four bids from local contractors for the construction of the site improvements to include the major drainage facilities. We have identified the line items associated with the major drainage facilities to compare the bids. The construction contract was awarded to HEI Civil. The bids are as follows:

HEI Civil	- \$1,809,742.25
Wildcat Construction	- \$1,770,800.00
Bryan Construction	- \$1,580,981.00
Fiore & Sons	- \$1,927,823.33

Description of Land Dedication for requested reimbursement:

The public land dedication for the major public drainage improvements for Falcon Marketplace Filing No. 1 included Tract A (5.904 acres) where Pond SR-4 is located and Tract B (0.437 acres) where the outfall channel along Woodmen Road is located for a total of 6.341 acres. Reimbursable acreage has been reduced within Tract A by 0.97 acres as would be required to accommodate on-site detention, and only a portion of Tract B (0.205 acres) is reimbursable as this is the

acreage above and beyond a typical roadside ‘V’ ditch per El Paso County. This leaves a net total acreage being requested for reimbursement of 5.139 acres.

The property was zoned Commercial Regional (CR) in 2008, well before the Falcon DBPS was started or adopted in 2015. We believe this is relevant to the DBPS identified land value of \$50,000 per acre (\$59,790.33 in 2018 dollars) as CR zoning of the property resulted in a higher land value. The total land reimbursement value requested would be \$307,262.50 in this scenario.

The property was purchased by the prior developer in 2016 for \$2,350,000 or \$62,656.64 per acre (\$68,546.05 per acre in 2018 dollars) and then transferred to Evergreen in 2020 in lieu of other obligations. The total land reimbursement value requested would be \$352,258.15 in this scenario. **This is the value being accepted by El Paso County staff for land reimbursement at this time.**

Evergreen; however, is requesting a land reimbursement cost for a total of 5.139 acres at a rate of \$147,944 per acre based upon the sales price of Lots 2 and 3 (total of 11.286 acres) of Falcon Marketplace Filing No. 1 in January of 2020. The settlement statement is attached for reference. **The total land reimbursement value requested would be \$760,284.22 in this scenario. This will be our reimbursement request of Drainage Board once scheduled for hearing.** We believe this is a reasonable request based upon the CR zoning of the property having been established in 2008 and recent and current fair market land values. The land value for Pond SR-4 as identified in the DBPS is \$1,022,834 (\$1,223,111.60 in 2018 dollars) for 20.5 acres of land. The requested reimbursement land value is over \$462,000 under the land value assigned for the facility in the DBPS so there are no anticipated deleterious effects to the basin fund.

Falcon Drainage Basin Fee:

Based upon the cost of the drainage facility improvements and the land value being below identified Falcon DBPS costs we do not anticipate the need for any increase to the Falcon Drainage Basin Fee.

We look forward to working with you during the review process of this request. Please contact us with any questions or requests for additional information.

Respectfully,

Drexel, Barrell & Co.



Tim D. McConnell, P.E.
Principal, Regional Manager