



Drexel, Barrell & Co.

December 1, 2021, Revised February 11, 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 \$1,653,847.43

The total requested construction cost deferral/reimbursement is \$2,432,906.03

Evergreen is also requesting a land fee reimbursement of \$851,565.66

The total requested deferred fees and reimbursements is \$3,284,471.69

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.

Revise quantity for Reach RMT 062 and 064 to the per drop structure cost on the Small Drop Cost versus an average over the entire reach per LF.

Per the DBPS there are a total of 5 drop structures installed with the property.
Unit cost of the drop structure is \$198,427 in RMT062 and \$205,185 in RMT064

Falcon DBPS Costs for Falcon Marketplace:

FALCON MARKETPLACE DBPS COSTS			
COST INCREASE 2013 TO 2018 UTILIZED 4.3%/2014, 0%/2015, 4.8%/2016, 3.5%/2017 AND 5.7%/2018			
ITEM	2013 COST	INCREASE	2018 COST
SUB-REGIONAL POND SR-4 CONSTRUCTION	\$ 412,665.00	\$ 80,802.51	\$ 493,467.51
REACH RMT 062 (400LF X \$418.62/LF)	\$ 167,448.00	\$ 32,787.42	\$ 200,235.42
REACH RMT 064 (450LF X \$366.32/LF)	\$ 164,844.00	\$ 32,277.53	\$ 197,121.53
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	\$ 1,092,499.00	\$ 213,918.46	\$ 1,306,417.46
ENGINEERING ALLOWANCE (10%)	\$ 109,249.90	\$ 21,391.85	\$ 130,641.75
TOTAL IMPROVEMENTS	\$ 1,201,748.90	\$ 235,310.31	\$ 1,437,059.21
SUB-REGIONAL POND SR-4 LAND COST (20.5 AC)	\$ 1,022,834.00	\$ 200,277.60	\$ 1,223,111.60
IMPROVEMENTS AND LAND)	\$ 2,224,582.90	\$ 435,587.90	\$ 2,660,170.80

Requested Reimbursement for Falcon Marketplace:

FALCON MARKETPLACE REQUESTED REIMBURSEMENT COSTS	
ITEM	COST
IMPROVEMENTS (POND SR-4, WOODMEN CHANNEL, 96" RCP & APPURTENANCES)	\$ 2,211,732.75
ENGINEERING ALLOWANCE (10%)	\$ 221,173.28
TOTAL IMPROVEMENTS	\$ 2,432,906.03
SUB-REGIONAL POND SR-4 LAND COST (5.904 AC x \$147,944/AC)	\$ 873,461.38
WOODMEN CHANNEL LAND COST (0.437 AC x \$147,944/AC)	\$ 64,651.53
REACHES RMT 062 & 064 LAND COST DEDUCT (850'X30'=0.585 AC)	\$ (86,547.24)
TOTAL LAND COST	\$ 851,565.66
TOTAL (IMPROVEMENTS AND LAND)	

Update to the as-paid invoice for engineering. Submit the supporting invoice.

Separate the improvement cost to it's components.

- Pond Cost
- 96" RCP Cost
- Woodmen Channel Cost

Justify reimbursement request for the channel. A roadside ditch to convey runoff from the 96" RCP would have been constructed regardless of the culvert improvement. This is also a result of the over-detention design of the pond to the north. Land value should only be the additional width from a v-ditch

The reimbursement request for the improvements that were installed in-lieu of the DBPS would be capped up to the DBPS improvement cost.

Update description by providing comparative cost analysis for items #2 and 3 between the DBPS and facilities constructed. Reimbursement is capped up to the DBPS cost.

Description of Drainage Improvements requested for reimbursement:

1

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 included a grouted rip-rap rundown with cutoff walls, maintenance roads, forebay, channel, outlet structure with micropool, rip-rap spillway and revegetation. A 96" RCP outfall pipe system to a drainage channel along Woodmen Road and outfalls to existing culverts crossing under Woodmen Road to the south.

Fix the first sentence. Based on the table above you are requesting reimbursement for the 96" RCP in the DBPS improvement.

2

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 lieu of the installed 96" RCP in part. We have also deducted the land value of land that would have been associated with reach channel improvements from the land reimbursement request.

3

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 channel and pond 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.

4

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.

5

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.

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.

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 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. We are requesting a land reimbursement cost for the total 6.341 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 \$851,565.66 in this scenario. This is still our reimbursement request at this time.

Update. Escalation factor does not apply to the purchase cost

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 \$379,130.48 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 in 2018 dollars) and then transferred to Evergreen in 2020 in lieu of other obligations. The total land reimbursement value requested would be \$434,650.50 in this scenario utilizing the 2016 sales price.

Though not the same jurisdiction, the City of Colorado Springs utilizes a current land value of \$98,010 per acre for land reimbursement for drain **Delete.** believe this value would be a reasonable compromise for the value of the land in this case. The total land reimbursement value requested would be \$621,481.41 in this scenario.

County will support this option.

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. All of the scenarios noted above are well below this identified total land value as identified in the DBPS.

We would like to work with the County to find a land fee value that both parties can agree on before proceeding to Drainage Board if possible.

Falcon Drainage Basin Fee increase:

Based upon the cost of the drainage facilities being above and beyond the cost estimate for the facilities provided as provided for in the Falcon DBPS of \$624,300.89 (or ~23.5% above DBPS identified costs for these improvements), we anticipate working with County staff to request an increase in the Falcon Drainage Basin Fee once a final reimbursement number is agreed upon and a tally of remaining un-platted acreage within the Basin is provided by the County.

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.

A handwritten signature in black ink, appearing to read "Tim D. McConnell", with a stylized flourish at the end.

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