TOWN OF ESTES PARK BOARD OF TRUSTEES
BOARD OF LARIMER COUNTY COMMISSIONERS

Joint Study Session

No public comment will be heard

Wednesday, March 22, 2023
9:00 a.m.
Town Hall Board Room

The Town of Estes Park will make reasonable accommodations for access to Town services, programs, and activities and special communication arrangements for persons with disabilities. Please call (970) 577-4777. This study session will be streamed live and available on the Town Youtube page at www.estes.org/videos

Agenda

I. Introductions.

II. Stormwater Authority Discussion. (Director Muhonen)

III. Adjourn for an informal lunch with the Town Board, Commissioners and Staff.

NOTE: The Town Board and County Commissioners reserve the right to consider other appropriate items not available at the time the agenda was prepared.

ESTES VALLEY STORMWATER MANAGEMENT PROGRAM

JOINT WORK SESSION

TOWN BOARD & BOARD OF COUNTY COMMISSIONERS

MARCH 22, 2023

Staff Direction Requested at the August 19, '22 Joint Meeting

Do the Trustees and Commissioners wish staff to draft an Intergovernmental Agreement that would potentially address:

1. Establishing the desired utility service area to include both Town of Estes Park (about 5400 parcels) and Larimer County (about 3100 parcels) within the former Estes Valley Development Code boundary that drain into the Big Thompson River.

2. Pursuing program funding options that could include: 20% grants ($28M), 30% user fees ($40M), and 50% sales tax ($70M) for a total program cost of $138M by the year 2050 (3% inflation applied to a 2017 program cost of $79M).

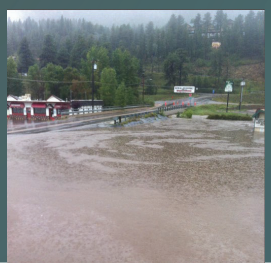
Staff Direction Requested at the August 19, '22 Joint Meeting

Do the Trustees and Commissioners wish staff to draft an Intergovernmental Agreement that would potentially address:

3. Imposition of a new user fee (estimated to range from $3/mo to $24/mo depending on parcel size and annual inflation) on both Town and Larimer County residents living within the former Estes Valley Development Code boundary.

What We Heard at the August 19, '22 Joint Meeting

1. Yes, both Boards are supportive of exploring a utility service area that includes both Town and unincorporated Larimer County property owners in the Estes Valley.
2. What cost models are used in other Colorado communities to pay for their stormwater utilities?
3. What grant funding opportunities exist to fund the design, construction, operation, and maintenance of stormwater infrastructure?
4. Can lodging , property, or sales taxes be used to fund a stormwater utility?

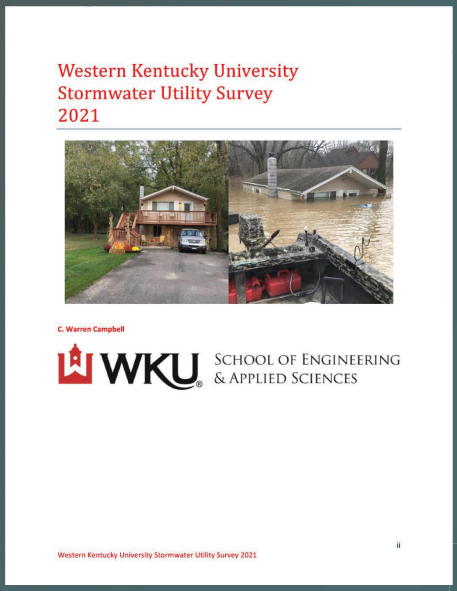


Cost Models for funding CO stormwater utilities

Western Kentucky University
Stormwater Utility Survey 2021

Approximately 40 stormwater utilities exist in Colorado. Fifteen of them are in small communities (population <100,000)

- 2 counties (Adams & Larimer/W Vine Basin)
- 2 authorities (Southeast Metro Stormwater Authority & Boxelder Basin Regional Stormwater Authority)
- 37 municipal jurisdictions (towns & cities)


Western Kentucky University
Stormwater Utility Survey
2021

C. Warren Campbell

WKU SCHOOL OF ENGINEERING & APPLIED SCIENCES

Western Kentucky University Stormwater Utility Survey 2021 ii

Cost Models for funding CO stormwater utilities

Western Kentucky University Stormwater Utility Survey 2021

Fee types are diverse, with fifteen different fee categories identified within 2057 stormwater utilities across the US.

- In the 15 small communities in Colorado studied by EPPW staff, the user fee structures varies from a simple flat per parcel to multi-tiered rates based on acreage, value, land use, and/or impervious area.
- Idaho Springs uses sales tax in lieu of user fees.

Code	Meaning
IA	Impervious Area
E	ERU
F	Fixed Rate
T	Tier System
R	Residential Equivalence Factor (or similar)
D	Two Level System (Residential/Commercial)
X	No information
S	Fee per Parcel Square Footage
A	Fee per Parcel Acre
-	Repealed
M	Water Meter
W	By Water Usage
AV	Ad valorem fee
LU	Land use based fee
ID	Intensity of development
Z	Zoning
PT	Parking spaces in tiers

Grant Funding Opportunities

- Eight grant or loan programs were identified from 5 federal and state sources.
- Available funding varies from $100,000 to several million dollars annually.
- Local match amounts vary from 10% to 50%
- Most have application opportunities are offered on an annual basis
- It is reasonable to expect periodic award selection for grant or loan funding if we have a reliable source of local match/repayment funding.
- Grant funding likelihood increases with over-match funding from a designated consistent and reliable funding stream.
- Construction grant funding selection is enhanced for shovel-ready projects with completed benefit-cost-analyses.

Can taxes pay for a new Storm Water Utility in Estes Park?

- According to state law, stormwater infrastructure is not a permissible use for the existing **lodging tax** revenues. A separate occupation tax on lodging businesses could be considered. There may be voter sensitivity on adding another layer of lodging taxation on top of the State's measure 6E that was approved in November 2022.

- Estes Park currently collects about $454,410 per year in **property taxes**. The Town could ask voters within the municipal boundary to increase property taxes for this purpose. This is considered unattractive because the financial burden is borne by a relatively small number of property owners (5400 +/-) while an additional untaxed 3100 parcels in Larimer County would also benefit from the work completed with the funds.

Can taxes pay for a new Storm Water Utility in Estes Park?

- The high volume of visitors (4 million + per year) in Estes makes **sales tax** an attractive alternative that could be considered by the voters within the municipal boundaries. The 1% sales tax increase approved in 2014 (sunsets in 2024) generates about $4.5M/year. These funds are allocated as follows: 0.60% to street maintenance, 0.12.5% to trail expansion, 0.025% to emergency services, and 25% to the community center. This funding stream could generate about $202M over 30 years if the annual growth rate is about 5%. Approximately 80% of sales taxes are paid by visitors vs 20% by residents.
- A special taxing district could be formed within the greater Estes Valley after approval by County and Town voters. The formation and expense of new, redundant administrative structure would be required.

What is the best funding formula?

The funding structure needs to be sensitive to the unique economic conditions of Estes Park more so than to the methods selected by other Colorado communities. Staff recommends the funding strategy consist of 3 parts implemented over a 30 year period (2024-2054). The amounts below reflect the 2019/2028 program cost of $138M and recognize the importance of launching the utility soon at an "affordable" rate vs escalating the future program costs now based on recent high inflation rates. Future funding needs should be periodically reviewed and adjusted as new information is received over the lifecycle of the program.

Grants. This gathers funds from state and federal land owners that would not otherwise contribute to the program cost. 20% ($28M) of the program cost is recommended. These funds are being actively pursued now without a stormwater utility.

What is the best funding formula?

2. **Sales Tax.** The high volume of visitors in Estes makes sales tax an attractive alternative for sharing the program cost among the largest number of beneficiaries (both land owners and visitors). 50% ($70M) of the program cost is recommended. This corresponds to a sales tax increase of 0.23% above the $0.5M budgeted by the Town for stormwater maintenance in 2023. Together this would generate about $1.56M/year. A public election by Estes Park residents is necessary to approve this. An initial taxation period of ten years is expected to be more palatable with taxpayers than a 30 year taxation commitment. Renewal after ten years would also create an opportunity to reconsider the funding formula based on current economic information.

What is the best funding formula?

2. **User Fees.** User fees allocate a fraction of the program cost to property owners who have added impervious area that increases the stormwater runoff rates within the drainage basins. 30% ($40M) of the program cost is recommended. These fees could be reduced by half if desired to fund only the administration, operation, and maintenance aspects of the utility. Capital expansion could then be funded by sales tax & grants. User fees can be imposed by the two governing bodies without a public election if desired.

- Residential. These fees would range from $3.00/mo to $24/mo depending on parcel size, average impervious area, and annual inflation. See page 12 of the FAQ document for details on the proposed tiered residential fees.
- Non-residential. The median fee would be $8.92/mo, the average fee would be $29.88/mo, and six parcels would have fees greater than $500/mo. The maximum fee would be $3560/mo.

Discussion Questions for Next Steps

1. Is the scope of work acceptable? The $79M program generally consists of $62M in large, river-oriented projects and $17M in small, neighborhood-oriented projects. The 2017 initial program cost was previously inflated to $138M over 30 years. This could be upwards of $208M based on recent inflation values seen in project costs. The scope of capital expansion work can be scaled up or down if preferred. No Action is another available option.
2. Is the proposed allocation and magnitude of these three funding sources acceptable? If one source is reduced, a corresponding increase is needed from a different source unless the scope is reduced or the time frame for completion is extended.
3. Is there a preference to seek the electorate's approval of a sales tax increase prior to taking any further action on user fees?
4. Do the governing officials wish to impose a user fee thru executive action or seek additional public input thru an election, survey, or other tool?

STORMWATER UTILITY GRANT RESEARCH (updated 03/13/2023)

GRANT OPPORTUNITY	FUNDING AGENCY	AMOUNT	MATCH	DEADLINE FOR SUBMISSION	SUMMARY
Emergency Community Water Assistance Grants in Colorado	USDA- Rural	$1,000,000		Ongoing	Grant to construct a water source, intake or treatment facility.
Water Plan Grant Application	Colorado Water Conservation Board	$100,000 +	50% Construction Project 25% Match study	Annually	Technical assistance regarding permitting, feasibility studies, and environmental compliance. Studies or analysis of structural, programmatic, consumptive, and non-consumptive water projects or activities. Design of structural projects or activities. Activities that promote education, outreach, and innovation consistent with the mission and goals of the Water Plan Grant.
Water & Waste Disposal Loan & Grant Program	USDA- Rural Agricultural	No limit *	50% loan 50% grant	Ongoing/ no deadline	40 yr term. rates determined from last quarter's interest rates. 10% of debt reserve mst be set aside.
Community Development Block Grant	CO DOLA			2023 CDBG funding consideration is Friday, February 17, 2023.- Annual deadline	Not a lot of information that I could find online. Can look into this further.
Water quality grants *2021 application	CO Depart Public Health and Enviornment	$25,000 - $150,000	10-61% (point based)	Not posted for 2023	Projects eligible for funding must fall within these categories: Stormwater management and best management practices training Projects to improve water quality where there has been a civil penalty imposed for a water quality violation Planning, design, construction, or repair of stormwater projects or domestic wastewater treatment facilities currently on the State Revolving Fund Intended Use Plan Nonfederal match funding for nonpoint source projects.
Colorado HMGP Hazard Mitigation Grant Program DR-4498 (COVID-19)	DHSEM partnered with FEMA	$19.7M split into 3 grant pools for the entire state	90% / 10% split	Annual- process takes 4-12+ months from NOI to submitted subapplication	1. Projects that help underserved and/or socially vulnerable populations. 2. Projects that reduce risk from at least one of Colorado's "Top 4" hazards: Drought, Flood, Severe Winter Weather, and Wildfire 3. For wildfire mitigation projects only: prioritize Hazardous Fuels Reduction projects outside of Colorado Strategic Wildfire Action Program (does not apply to defensible space)
BRIC-Building Resilient Infrastructure and	DHSEM partnered with FEMA	$2 M total for Colorado	75% / 25% split	Annual- need clarification	Projects must be eligible, feasible, and cost-effective, first and foremost • Projects must be competitive by maximizing the scoring rubrics (address each scoring criteria in the subapplication) • FEMA funded States whose projects addressed highest regional based hazards • Prioritization of projects that benefited disadvantaged communities • Include nature-based solutions, future conditions, climate adaptation, and ancillary benefits • Strong code adoption and BCEGS rating of 5 or less, remains a priority for success • Phased projects remain competitive; phase projects that are in a preliminary design stage • Projects should seek public private partnerships
Flood Mitigation Assistance	DHSEM partnered with FEMA BRIC and FMA phased projects	$400 million total	75% / 25% split	Annual- need clarification	Subapplicant must participate in the National Flood Insurance Program (NFIP) and not be withdrawn, on probation, or suspended 1.Project activities must benefit NFIP structures 2. Program prioritizes benefits to Severe Repetitive Loss (SRL) and Repetitive Loss (RL) properties 3. No construction or groundbreaking activities before grant award 4. NOI approved by DHSEM 5. Scope of Work with a clear level of protection increase/reduction in hazard risk 6.Benefit-Cost Analysis with a Benefit-Cost Ratio ≥ 1.0 (construction projects)

Estes Valley Stormwater Management Project
Frequently Asked Questions
April 2019

This document will be revised and updated as we all learn more about this project and are asked more questions. Please check back with the Public Works Department or online at estes.org/stormwater. Thank you for your interest in this project.

The following FAQs are grouped into the following areas:

A. Problems
B. Solutions
C. Utility/ fees
D. Other

Introduction

Stormwater is any precipitation that falls from the sky in the form of rain, hail, sleet or snow. Stormwater runoff is water that 'runs off' instead of seeping into the ground. The runoff flows to the nearest river, creek, lake, etc.

The Estes stormwater management system contains all the areas water flows, including property, roadside ditches, and creeks that carries stormwater away from houses and businesses and eventually downstream to Lake Estes or the Big Thompson River below the lake.

In 2016, the Board of Trustees asked Town employees to explore the need for a Stormwater Master Plan. The Town received a grant and contracted with a consulting firm to draft this plan and conduct a feasibility study to determine funding options. Documents for this project are located on the Town website at estes.org/stormwater. A copy of the plan is also available in the Estes Valley Library.

A. Problems

1. What is the risk of not doing anything and taking our chances with the "occasional flood"?

Major floods are economically and emotionally destructive. The recovery and repair of damaged private property and public infrastructure is often long and costly. The recovery efforts redirect Town staff and financial resources away from delivery of the daily services our community depends upon. Doing nothing perpetuates the risk of reliving these destructive flood consequences. Mitigation and resiliency projects often have a cost benefit. Research shows that every dollar spent on these projects saves between $4.00 and $8.00 on future flood response and recovery. The Town feels it is irresponsible to not take proactive steps to reduce these repetitive risks to our community. Just as many of us mitigate to prevent or minimize losses due to forest fires, we feel it is just as important to mitigate for floods.

It is important to note that a Stormwater Management Program includes roads, bridges, trails, sidewalks and utilities – infrastructure that we use every day.

2. What is the prediction of the 2013 flood happening again?

Hydrologic modeling tells us the flood flows experienced in Estes Park in 2013 have approximately a 1% chance of recurring every year. This is a statistical prediction and could occur more or less frequently than this.

Let's compare the one in 100 chance (1% chance event) of the Town experiencing the 2013 Flood in any given year to winning the Colorado Lotto. The odds of matching 4 or more of the 6 numbers are no better than approximately one in 500. This could be described as a 0.2% chance event. So, there is a 5 times better chance at seeing a 2013 Flood in any given year than matching 4 or more of the 6 numbers in any given Colorado Lotto drawing.

3. What are the factors that contribute to flooding?

Rainfall is the most significant factor. Other factors include snow melt, steep slopes, impermeable rock, and impervious surfaces such as roof-tops, paved driveways, and parking lots. Conversion of vacant land to a developed condition adds impermeable area and typically increases stormwater runoff onto downstream properties. Constrictions in the waterway such as narrow stream banks, undersized roads and pedestrian bridges, and culverts that can be blocked by debris also contribute to flooding.

4. How much flood water can the Estes Valley's bridges and culverts handle?

A summary of the Estes Valley's bridge and culvert capacities is provided in Table 4.11 of the Stormwater Master Plan. Many of the downtown bridges on Fall River and Big Thompson River can pass no more than about 1/3 of the predicted 1% annual chance flood flows. The table below provides a capacity summary of the downtown bridges/culverts.

Bridge Location	Structure Capacity (cfs)*	Return Period (-years)	Percent Annual Chance of Occurrence
Fall River			
Pedestrian Bridge (Upstream of Confluence)	1,500	63	1.6
Pedestrian Bridge	450	5	20
Shopping Center	1,125	33	3.0
Existing Moraine Avenue (aka U.S. Highway 36)	1,100	30	3.3
Pedestrian Bridge	1,000	25	4
Weist Drive	1,160	36	2.8
Pedestrian Bridge	600	9	11
West Elkhorn Avenue at Water Wheel	600	9	11
Riverside Park Pedestrian Bridge	400	4	25
Spruce Drive	275	2	50
Pedestrian Bridge	650	10	10
Filby Court	500	6	17
West Elkhorn Avenue (Upstream of Filby Ct.)	1,225	40	2.5
Big Thompson River			
Riverside Drive	850	< 2	> 50
Rockwell Street	600	< 2	> 50
Ivy Street	250	< 2	> 50
Crags Drive	750	2	50

*Cubic feet per second

5. Does inclusion of my property in the floodplain affect its value?

There are many factors that go into the market value of property so this is not a simple answer. Also, in talking with various real estate brokers, their experience and opinions vary on this subject. Some think the floodplain maps have little negative impact on property values right now and others think these maps will devalue properties that are in the floodplain. In 2018 the demand continued to be high for all types of properties in the Estes Valley regardless of its status in the floodplain. This will likely continue in 2019. Properties on the Riverwalk in the downtown core have sold well since the 2013 Flood. This is also true for residential property along Fish Creek and on Fish Hatchery roads. Owners will likely pay more for flood insurance and lenders will require flood insurance, but that does not necessarily lessen the value of property. Of course, buyers make the ultimate decision as to the actual "value". So far, there does not seem to be any reluctance to purchase property in the floodplain.

The short answer is "yes" according to another real estate broker. The exact amount will be dependent on the individual property, and to what extent being in the floodplain affects it. Being in the floodplain limits what a property owner can do with the property from a construction and development point of view. This limitation will have a devaluing effect as improvements may become costly or just not allowed. As an example, owners may not be allowed to replace the improvements if there is a fire, or expanding the property may not be allowed. If property owners are not looking to improve the property, then this may not be immediately apparent. If there is a loan on the property, the lender will require Flood Insurance. The cost of this insurance can be very expensive, and you may or may not be able to pass it on to a tenant if it is leased out. Flood Insurance could easily cost several thousand dollars per year. If you own the property free and clear, then you can "self-insure", but that is risky and ill-advised. The additional cost of Flood Insurance will affect what the bottom line or Net Operating Income (NOI) for income received is and in broad terms, the lower the Net Operating Income, the lower the property value.

People who have experienced a flood or move from flood-prone areas may be more hesitant to purchase property that is in the floodplain. It is hard to predict market response to property, business, and housing values.

6. I'm not in the floodplain. Why should I pay a fee?

Stormwater utility fees are typically assessed to all owners of developed property within the impacted drainage basins. Estes Valley has five (5) basins causing almost everyone to be associated with at least one of these basins. When properties on higher ground in the basin are developed, the natural runoff is altered. By adding impervious (non-permeable) surfaces such as driveways and buildings, the amount of runoff that leaves the property increases, impacting properties downstream. The stormwater fees are generally based on the amount of impervious area on the property.

B. Solutions

7. What is the purpose of having a stormwater master plan (SMP) and a stormwater utility?

The short answer is to guide the design and installation of stormwater infrastructure to minimize damage caused by stormwater runoff. The recently released draft floodplain maps illustrate how the floodplain has changed and impacts properties as a result of updating the

stormwater runoff forecasting (hydrology) and the associated flood flow modeling. The Stormwater Master Plan evaluated the condition of the Town's stormwater infrastructure and the $79 million of improvements needed to safely convey a 1% annual chance of occurring flood down the major riverways and through the minor drainages in the Estes Valley. The proposed Stormwater Utility is the mechanism most public agencies use to fund the improvement, maintenance, expansion, and operation of stormwater infrastructure. A stormwater-focused entity does not currently exist in the Estes Valley.

8. What are the proposed projects, and when will they be built? Who decides the priorities?

The program is intended to be nimble and change direction in response to unknown future funding and political realities that will emerge over the program term. The Project Manager, with approval of the Trustees and Commissioners, will recommend the annual construction work schedule. Table 1 in the Stormwater Utility Feasibility Study shows the list of projects and the timing of construction assumed by the consultant author. The table below shows the project list and construction year assumptions used in the staff 20% Grants cost model. The actual timing will likely be different. Construction scheduling currently prioritizes building downstream projects first so the flood flows can be safely handled as successive upstream projects are completed and send increase volume down the waterways. The availability of funds will also impact timing. Revenue bonds could accelerate construction, and a pay-as-you-go approach delays construction until project funds are saved up.

EXPENSES	Present Value	Inflation	Year	Future Value
Capital Projects				
Priority 1 Projects				
Big Thompson River Improvements				
Upstream U.S. 36 to Downstream Riverside	$ 11.90	3%	2021	$ 12.26
Riverside Bridge Replacement	$ 5.24	3%	2022	$ 5.56
BTR Improvements: Rockwell Bridge Replacement	$ 4.09	3%	2022	$ 4.34
Fall River Improvements				
Confluence to W end of Riverside Parking Lot	*$ 1.42*	3%	2023	$ 1.55
Mall to Downstream of Moraine	*$ 1.44*	3%	2024	$ 1.62
Upstream of Moraine to upstream of Weist	*$ 4.00*	3%	2025	$ 4.64
Upstream of Weist to upstream of Elkhorn	*$ 8.53*	3%	2030	$ 11.46
Upstream of Elkhorn to upstream of Spruce	*$ 3.30*	3%	2032	$ 4.71
Fall River Lane Bridge	$ 1.63	3%	2045	$ 3.41
Brook Drive storm sewer	$ 0.12	3%	2026	$ 0.14
Local drainage and property-specific improvements	$ 2.50	3%		$ 2.85
Subtotal:	*$ 44.17*			*$ 52.54*
Priority 2 Projects				
Town Hall Improvements: MacGregor to Elkhorn	$ 3.25	3%	2040	$ 5.87
High School: outfall channel improvemnts	$ 0.04	3%	2041	$ 0.07
Matthew Circle Outfall	$ 0.06	3%	2042	$ 0.11
Old Ranger Road: channel and stormwater	$ 1.03	3%	2043	$ 2.03
Prospect Road Drainage Improvements	$ 0.10	3%	2044	$ 0.20
Crags Drive Bridge Replacement	$ 4.50	3%	2035	$ 7.01
Fall River Improvements				
Upstream of Spruce to downstream of Murphy's	$ 2.79	3%	2036	$ 4.48
Downstream of Murphy's to downstream Filby	$ 1.35	3%	2038	$ 2.30
Downstream of Filby to upstream Elkhorn	$ 5.14	3%	2047	$ 11.42
Local drainage and property-specific improvements	$ 5.00	3%		$ 7.57
Subtotal:	*$ 23.26*			*$ 41.07*
Priortity 3 Projects				
Fish Hatchery Road Bridge (downstream bridge)	$ 1.63	3%	2040	$2.94
Local drainage and property-specific improvements	$ 10.00	3%		$ 20.66
Subtotal:	*$ 11.63*			*$ 23.60*
Capital Projects Total:	**$ 79.06**			**$ 117.21**

9. Does this project include properties outside of Town and within unincorporated Larimer County?

Yes. Around 8,583 parcels within the Estes Valley Development Code (EVDC) Boundary are included. Collection of a User Fee from properties outside of the Town limits could be authorized by the Larimer County Commissioners through an Intergovernmental Agreement (IGA) with the Town of Estes Park. A map of the EVDC is located on the Town website at www.estes.org/maps - scroll down to appropriate map.

10. What are other communities doing?

According to a Western Kentucky University Stormwater Utility Survey in 2016, there were 7 states with 100 or more stormwater utilities (SWUs). Thirty-nine states have one or more Stormwater Utilities. They identified 1,600 Stormwater Utilities with 22,192 communities participating in the National Flood Insurance Program (NFIP). Their data was mostly based on web searches and knowing that some may not be evident on the internet, their estimate was that there were between 2,000 and 2,500 Stormwater Utilities in 2016. It was predicted that this number would continue to grow.

In Larimer County Stormwater Utilities or districts are operating in Loveland, Wellington, Windsor and Fort Collins. Properties in unincorporated Larimer County are included in the West Vine Basin Utility and the Boxelder Basin Regional Stormwater Authority.

11. Why not just deepen the channels to contain the predicted increased flood flows?

Deepening some river channels may be possible. Because the Stormwater Master Plan is conceptual only, this could be considered at the time specific projects are designed. Bedrock, buried utilities, and nearby buildings are cost and time challenges that impact the feasibility of excavating deeper channels.

12. Why not manage the flow upstream from Town?

Our consultant, Anderson Consulting Engineers, explored the potential of creating an upstream lake or detention area to hold future stormwater runoff. The vacant land areas of sufficient size are situated on Federal land within Rocky Mountain National Park. Converting natural open park lands into submerged detention areas utilizing sizable dams is not consistent with the purpose and mission of the National Park Service.

13. How long will this construction project take (road closure, disruption to businesses)?

The Stormwater Master Plan is conceptual only for cost-estimating purposes and will change during the specific project's design process. Information on project construction would be identified during the design phase for each project. Detailed project information is not available at this project concept level. Town infrastructure project scheduling would consider the sensitivity and need to minimize adverse construction impacts during our peak visitation periods of June through October.

14. When will this project be done?

To keep the monthly user fees to a reasonable minimum, the duration of the program is modeled to occur over a 30-year time frame. If fees increase or other funds are obtained, the completion time frame can be shortened. The Stormwater Master Plan includes estimated years for project implementation; however, this schedule was for establishing a basis for

project costs over the years of implementation. Actual implementation dates would be part of the projects implementation plan developed by working closely with the community.

15. What if a property owner has already done some mitigation work – do they get "credit" for this?

The proposed user fees are based on the impervious areas (*impervious surface refers to the area covered by hard surfaces where rainfall does not soak into the ground, i.e. rooftops, paved driveways, patios, parking lots, etc.).* The Town contracted with a consulting professional to measure impervious areas using aerial imagery on improved properties within the Estes Valley Development Code boundary. Property owners could provide information to the Town documenting their efforts to measurably and significantly mitigate the release of stormwater from a parcel. It is expected that a fee adjustment provision should be included in any future stormwater utility ordinance. Such a credit provision or formula has not yet been developed for Estes. The Town understands the importance of the having accurate information.

Properties with local detention ponds typically focus on immediate local needs and may mitigate for peak rate discharges of water. They typically do not alter the overall volume of stormwater, nor do they impact the need for regional system improvements. The regional improvements funded with the fees will be designed to accommodate both the peak rate of discharge and the overall volume of water on a regional level.

The same applies to runoff factor. Properties in the Estes Valley have stormwater runoff that contributes to existing storm flows during a rain event. It is most equitable to have all developed properties pay a fee to construct, operate and maintain a stormwater system that manages those flows for community benefits.

The adopted program is intended to allow administrative adjustments to the fees.

16. Isn't this what "Northern Colorado Water Conservancy District" does?

No. According to the Northern Colorado Water Conservancy District, they distribute water to portions of eight counties in Northeastern Colorado via the Colorado-Big Thompson (C-BT) Project's West Slope collection system and East Slope distribution system. Their customers buy water for agricultural and municipal uses. Their facilities are not designed specifically for flood control purposes.

17. Is the Moraine Bridge project part of this project?

Not directly. This project was funded by a grant for resiliency following the 2013 Flood. This redesign and new box culvert will help with the Fall River flow after downstream capacity improvements are constructed.

18. What responsibility does CDOT have with stormwater systems?

Very little. By state statute, the Colorado Department of Transportation is responsible to maintain the roadway travel surface in between the concrete gutters.

19. What are possible grants for this project?

Grant research would be conducted for specific projects. Possible sources for grants include:
Colorado Water Conservation Board (CWCB)
U.S. Department of Agriculture (USDA)

Natural Resource Conservation Services (NRCS)
Department of Commerce, Economic Development Administration (EDA), Public Works Grants
U.S. Army Corps of Engineers (USACE)
Federal Emergency Management Agency (FEMA) Pre-Disaster Mitigation (PDM) and Flood Mitigation Assistance (FMA)

20. What assurance is there that the completed stormwater projects will result in reducing the floodplain area?

The Town will follow the process to change the floodplain maps when projects are completed. FEMA has a defined process and as an applicant the Town will submit required documentation in a timely manner. The Town is reasonably assured that FEMA will review and approve applications for floodplain map changes. The Town is also considering internal resources and training for employees to help expedite this effort.

21. Could a less ambitious or alternative plan provide equal or better emergency safety and security during a flood? Estes Park already built the new Moraine Bridge to a lesser standard.

The standard in the stormwater industry is to protect against the 1% annual chance of flooding. Yes, the Town could explore a less ambitious or alternative plan, and would likely do so in the context of performing the detailed designs for the specific projects where costs and benefits can be more thoroughly evaluated. This could occur if a stormwater utility is approved and funded. There are no funds available currently to redo the master planning analysis which was paid for by a $300,000 resiliency grant following the 2013 flood event. It is important to understand that a lesser level of infrastructure improvement is not likely to provide an equal or better level of safety and security during a flood. The community could let the Town know they prefer this, understanding the compromise in protection.

The Moraine Avenue Bridge project was designed so the buildings and businesses in the immediate area would remain in place. Similar considerations will be made when finalizing the scope of future stormwater infrastructure projects.

22. Will the 30 years of construction be similar to last spring during building of Moraine Bridge?

Most of the work done each year will be shorter duration neighborhood projects. Most of the large projects are in the river channels or minor side-streets and will not require extended closures of the main roads in downtown Estes Park. Bridge projects (Riverside and Elkhorn) will require extended road closures mostly during the off-season.

23. How does the USACE Silver Jackets Program fit with the Stormwater Management Program?

The Silver Jackets report is another tool in the stormwater management toolbox. The work is primarily on privately-owned buildings. The Town can assist in bringing the mitigation opportunities to the property owners in the form of funneling grant funds. The Silver Jackets program offers spot mitigation. Contrast this to the stormwater master plan projects that we staff up for, and systematically manage on public property in accordance with a planned schedule to protect both private property and public infrastructure. The two programs work together, and don't compete with each other.

24. Has there been any conversation with the National Park regarding their responsibility in helping with flood water storage areas/ponds within the NP as proposed in the report?

No. The consultant evaluated and rejected this concept. Details on pages 5.1 thru 5.3 in the plan. We do not believe the National Park has any responsibility to create new, unnatural storage facilities for stormwater. Construction of the impoundment facilities evaluated in the Stormwater Master Plan would be highly damaging to the park land and inconsistent with their mission: The National Park Service's mission is to conserve the scenery, natural and historic objects and wild life and to provide for the enjoyment of the same in such manner and by such means as will leave them unimpaired for future generations.

In spite of this, the Federal government can play a role in helping the Town deal with the water runoff from Federal land by providing grant funding for some of the master planned projects. These grants typically require partnering from the recipient agency in the form of local match dollars that vary from 20% to 50% of the project cost. However, federal grants cannot be matched with federal funds. Without a new source of local match funding, the Town is not in a position to even apply for such grants. The provision of local matching funds is one of the reasons a stormwater management fee is proposed for property owners in the Estes Valley. We cannot realistically expect others to pay 100% of the expenses to protect property and infrastructure built in the floodplain over past decades.

C. Utility / Fee

25. Why create a new utility through the Town? Why not use a separate entity such as a taxing district or authority?

Several funding alternatives were considered to make the necessary improvements and maintain the stormwater system in the Estes Valley. The five (5) basins the run through the valley cross jurisdictions so a separate stormwater fee is considered the fairest method to fund the construction and maintenance of the shared improvements.

The current stormwater management plan includes properties within the Estes Valley Development Code (EVDC) Boundary which includes both the Town limits and a portion of unincorporated Larimer County. Currently there is no champion party willing to create the administrative structure and manage a new taxing district. Additionally, Larimer County staff and Commissioners have made it clear they do not support establishing or participating in a district or authority. The proposed Stormwater Utility would be similar to the Town's Water, and Light & Power Divisions (enterprise services).

26. How much would I have to pay? How are fees calculated?

There are an infinite number of ways to estimate paying for the proposed $79M in stormwater infrastructure project. The property owner fee can be larger or smaller depending on other revenue sources. The consultant, Town PW staff, and County PW staff modeling a dozen different strategies for sharing costs between property owners, visitors, and grant providers. Fee estimates have been distributed to all 8583 property owners based on one cost model. Of these parcels, fees are only proposed on the 7677 properties with man-made impervious improvements. The proposed fees assume about 30% of program costs come

from user fees, 50% comes from a future sales tax, and 20% comes from future grants. This number will change, and will be impacted and adjusted annually for inflation, grants, and sales tax collected.

Residents of most other Larimer County and Front Range communities already pay monthly stormwater fees, ranging from about $5 per month to about $15 per month. The basis for stormwater fees and charges is the amount of developed impervious area within a parcel of land. The estimated fees shared with property owner represent one snapshot in time under one assumed cost-sharing scenario. They will change.

In application, total annual stormwater costs are divided over the region's total square footage of impervious area to calculate a cost per square foot of impervious area per year. The property owner, whether residential or commercial, pays a stormwater fee based on their impervious square footage. The monthly user fee proposed for Estes Park consists of three parts: an administrative service fee, operation and maintenance fee, and the facility expansion fee.

27. What is an "IGA"?

Intergovernmental Agreement (IGA) is a contract between government organizations. In this case it would be between the Town of Estes Park and Larimer County.

28. What does impervious mean?

Impervious surface refers to the area covered by man-made hard surfaces in which rain, for instance, does not soak into the ground. This is represented by the roof-tops of buildings, paved driveways, patios, and parking lots on parcels.

29. Why are you using impervious area to determine the charges?

Developed property generates more stormwater runoff with a greater peak flow than land in its natural, undeveloped state. The amount of stormwater fee charged to a property generally correlates to the impervious surface area on a property, thereby ensuring that the fees are charged equitably.

30. Why not pay for all the needed stormwater improvements with new sales tax revenue?

This option is on the table for consideration and can be evaluated if this is the majority desire. A sales tax is one of several possible stormwater revenue-generating options. The Town is seeking input from property owners and residents on how to fund the identified conceptual stormwater projects.

31. Most of the flood water comes from Federal land. Why can't federal and state grants pay for this program?

The cost modeling assumes the award of future grants. It is important to understand that nearly all grant programs for stormwater projects require the local agency recipient to pay a percentage of the project costs. This "local match" typically ranges from 20% to 50%. The Town is proposing new property owner user fees and sales taxes to cover the local match, pay the administrative expenses for forming, operating, and maintaining a new stormwater utility, and contribute to the project construction cost.

32. Is the Town considering revenue bonds?
The Town is seeking input from property owners and residents on how to support the identified and conceptual stormwater projects. This option is open for consideration and will be evaluated. Please share your opinion on this subject in your questionnaire response.

33. What does the proposed maintenance component of the fee pay for?
All infrastructure in the Estes Valley's storm drainage portfolio will require regular maintenance to ensure optimal performance of the facilities over time. Maintenance is being planned for completed projects. Operation and Maintenance (O&M) costs for existing and new future infrastructure were estimated by the consultant team as part of the stormwater master planning process.

In general, O&M requirements should, at a minimum, consist of:

- Inspecting and cleaning storm drains, inlets, outlets, and driveway culverts.
- Inspecting, cleaning, and mowing regional public detention and water quality facilities and their associated appurtenant structures.
- Enforcing the inspecting, cleaning, and mowing of local/neighborhood detention/water quality facilities and stormwater channels/structures.
- Inspecting, cleaning, and generally maintaining master planned regional stormwater channels and associated appurtenant structures including culverts and bridges.

Operation and maintenance requirements will be refined and customized to site specific issues if funding for a new Stormwater Utility is approved.

34. Seems that the Town should have the budget for this, so why another "tax" (fee)?
In 2018 the Town budgeted $11,000 for stormwater maintenance work. Based on the Stormwater Master Plan, which is a concept plan, the estimated costs for needed improvements is $79 million in 2017 dollars. The plan calls for funding this project over 30 years. Currently the Town does not have this in the budget.

The Town would have to significantly cut existing services to fund the Stormwater Management Project with existing budgeted revenues.

35. This is a tax. Why are we calling it a fee?
This is a fee. It is common practice for public agencies to impose a charge for providing stormwater management services. The key distinction between a fee and a tax is the nexus (i.e. proportional connection) between the fee charged and the service provided by the agency. Generally, when people alter the condition of the ground surface by adding impervious area (roofs, patios, pavement, etc.), they increase the amount and/or rate of stormwater leaving their property and flowing into a stormwater system. This increases the effort required to manage the water (i.e. more design, construction, cleaning repairing and expansion of ditches, pipes, inlets etc.). Parcels with large impervious areas contribute more stormwater into the drainage system and should pay a greater share of the program cost.

Others have made the claim that this is a tax, and the courts have ruled otherwise. The leading Colorado case is Zelinger v. City and County of Denver. In this 1986 case, the Supreme Court held that the district court was correct in ruling that Denver's storm drainage service charge was not a tax. The charge was based on impervious coverage and used for the operation, maintenance, improvement and replacement of Denver's storm water drainage

facilities. A similar service charge is proposed to help fund a fraction of the cost for a new stormwater utility for the Estes Valley.

36. What about lodging tax? Can any of this be used for stormwater? How much is lodging tax?

The lodging tax, through a vote by residents, supports only the Local Marketing District.

37. How will home owners benefit from this project because it seems that downtown businesses will benefit the most? Is it fair that the downtown businesses pay the least amount (Table 4 Utilities Feasibility Study)?

In the 2013 Flood we observed how all members of our community are impacted directly or indirectly by a flood. When the community spends money to improve the roads, bridges, channels, and drainage infrastructure to remain functional during and after the predicted future flood flows, all members of the community benefit by being able to access essential medical, emergency, utility, food and transportation services. The recovery period is shorter, and the economic loss reduced. If the cost of the new infrastructure and annual maintenance are assigned to a smaller subset of our community, the individual property owner contributions must increase, potentially jeopardizing the economic viability of the entire program. The proposed Stormwater Utility offers an opportunity for all residents and all visitors to contribute, thus keeping the individual fee as low as possible while still funding the needed improvements.

Downtown Estes Park has a high density of buildings mostly on smaller property lots, each with a high impervious area. Based on parcel impervious area, the proposed user fees formulas allocate about 42% of user fees to non-residential properties and about 58% to residential properties.

The downtown area is considered a destination for many of the guests who visit this area and as such is an important part of the economy and of course generates sales tax which in turn would help to support this project.

A related questions is about “risk proximity”. It has been suggested that those who own property closer to drainages should pay more. We have not found this modeled in other Stormwater Management Programs in other communities so uncertain at this time how to do this; however, if the program is approved, this could be further studied.

38. How will you charge a fee for multiple condos located on one parcel within an HOA or condo association?

It is expected that each condo owner would receive a Stormwater Utility invoice for their property and the Home Owners Association would also receive an invoice for the common impervious areas which typically including parking, private roads and sidewalks.

39. What is the relationship between the properties near a river and fees?

None at this time. The calculation for the fees is simply based on impervious area. We are not excluding properties that are away from the rivers because we believe this is a community problem with community benefits. However, the Town is open to suggestions to other ideas for user fee allocation.

40. What will happen to the utility fee when projects are completed?
The expanded stormwater infrastructure will require maintenance funding in perpetuity to perform its intended function. The Trustees and Commissioners will solicit public input, discuss the community stormwater needs, and adjust the fees as deemed appropriate.

41. How would a home roof top be viewed if the water coming off the roof flows into gutters that then drains the water onto the soil on the homeowners' lot? This water would soak into the ground and therefore not impact the "stormwater runoff". Will this be part of the consideration when calculating the monthly stormwater fee for homeowners? If not, can you please explain why?
The impervious areas are human-made elements (typically rooftop and paving) that stop the water from falling directly on, and soaking into, an earthen "sponge" that would otherwise be available to accept the water. Impervious surfaces reduce the amount of water the parcel can soak up, resulting in a proportionate increase in the amount of water that theoretically would leave the parcel when the soil sponge is full. Admittedly, it is a simplified model and does not consider other real runoff influences such as the slope of the ground, soil type, vegetative cover, etc. However, it is considered a fair, consistent and standard practice for prorating the program costs among the 8583 parcels within the Estes Valley Development Code boundary. This is industry standard. It is not intended to quantify the amount of runoff from each parcel, rather to provide an equitable basis for calculating cost-sharing.

42. I thought this fee was based on impervious area. Why are there four tiers for residential parcels?
In January 2018 Town and County Public Works (PW) staff jointly worked through the parcel data and presented summaries of potential monthly user fees options separately to both the Board of Trustees and Board of County Commissioners. Concerns were expressed regarding potential modeled fees in excess of $35/month for a fraction of the larger residential parcels. Other concerns were expressed about asking only the owners of 7676 improved lots to bear the burden of sharing the local cost contribution to the program instead of all owners of the 8583 parcels within the Estes Valley Development Code boundary. It was pointed out that the flood runoff watershed contains 210 sq miles, the proposed stormwater program area (EVDC boundary) encompasses 36.8 sq miles which consists of 35.3 sq miles of vacant land and 1.5 sq miles of impervious area.

Following the January meetings Town and County PW staff created several new cost models to temper the high outlier residential fees and more closely examine the annual cash flow needs to construct the $79M master planned projects. Fee charges on vacant land are omitted due to concern about elevated exposure to legal challenge of administrative imposition of a tax rather than a fee.

Two cost models were discussed with the Commissioners and Trustees. Each included the following assumptions.

- All fees are based on impervious area within 7676 improved parcels. No fees are proposed for the vacant 907 parcels (or the vacant fraction of improved parcels) within the Development Code boundary.
- Non-residential property fees are individually calculated. This includes parcels with multi-family development.

- Residential fees are based on the average impervious areas within four lot size tiers of 1656 parcels each. These quartile sizes are: under 0.04 ac, 0.05 to 0.44 ac, 0.45 to 1.01 ac, and over 1.02 ac.
- Fees are proposed to be adjusted annually based on the rise or fall of the Construction Cost Index provided by CDOT for their transportation projects. Our inflation assumptions project a potential 238% increase in the fees over the program duration.
- The program duration is assumed to be 30 years, and can be shortened depending on revenue (user fees, grants, and sales tax).
- A sales tax of 0.4% is dedicated to this program from 2024 thru 2047 (27 years) to generate $70M. An election is necessary to approve this.
- This is a no-debt, pay-as-you-go cost model. Low user fees and zero sales tax in the early years delay the start and increase the cost of construction projects.

43. How were the four residential fee tiers established?

There are an infinite number of strategies to funding a stormwater management program. The proposed residential fee component was estimated/modeled following this thought process:

1. The target total user fee for all parcels was established in the context of assumed revenue from other sources.
2. The impervious area for all lots was totaled.
3. The corresponding fee suballocations to program administration, operations and maintenance, and facilities expansion are determined. The corresponding target user fee per square foot of impervious area was calculated.
4. The total measured impervious area (and associated fees) were categorized into two groups (residential and non-residential) based on County assessor records.
5. Undeveloped/vacant lots are not included.
6. The 6622 improved residential parcels were divided into quarters (1655 parcels per quartile/tier) based on parcel size. The four tiers or fee groups are under 0.04 acres, 0.05 to 0.44 acres, 0.45 to 1.01 acres, 1.02 to 204 acres. The proposed fee for each tier increases for the increased parcel size tiers.
7. The measured impervious area of all the lots in each quartile/tier is added up and averaged for each tier. The proposed fee for each quartile/tier is based on the average impervious area in each quartile/tier multiplied by the per square foot of impervious area cost determined in step 3. The total residential parcel fee contribution is checked to match the split in step 4.
8. Non-residential parcel fees are individually calculated and no tiering is proposed. This group includes multi-family, income-producing properties.

D. Other

44. Is this part of the Loop Project?

No. This is a separate project that the Town Board of Trustees asked Town staff to consider following the 2013 Flood. The Downtown Estes Loop project will deliver stormwater infrastructure projects valued at about $5 million that would otherwise have to be added to the costs of the proposed Stormwater Utility.

45. Why not take this to the public for a vote?
The Stormwater Master Plan proposes to include parcels located within the Estes Valley Development Code (EVDC) Boundary which includes Town limits and unincorporated Larimer County. A public vote would include residents within the Town limits only or all Larimer County registered voters. It would not be considered fair or representative if these groups of voters made the funding decision for the Estes Valley property owners.

It would also not be representative for only Town residents to vote on something that would also impact some residents in unincorporated Larimer County.

46. Given that Estes Valley residents can vote in elections for the Recreation, School and Hospital Districts, why is it not possible for citizens to vote for this stormwater project, especially given the magnitude of this project?
We agree that Estes Valley residents who reside within the boundaries of an established District such as Recreation, Fire, Hospital, and sewer, etc. can vote on matters pertaining to those specific Districts. None of the existing Districts or other governmental agencies have expressed an interest to assume management of stormwater matters which could create an opportunity to vote. Without a specific district for stormwater it is not possible to have a vote for the Estes Valley Development Code boundary. A stormwater management district would need to be established for voting privileges. Also, the County is not supporting the formation of new stormwater district. Thus we are proposing a Town-managed stormwater utility.

The Town and County staff and policy-makers will consider this project when we are confident that we possess a reasonable understanding from our constituents' views of this project. We feel one of the best tools to obtain this information is the current questionnaire (closing date March 29, 2019). We want to have a substantial number of responses before we consider the results sufficient to meaningfully guide the policy decision-making.

47. How would a Stormwater Utility impact the floodplain areas shown on the new draft floodplain maps?
The Town, Larimer County, and the Colorado Water Conservation Board (CWCB) introduced the draft floodplain maps created by the Colorado Hazard Mapping Program (CHAMP) for the Big Thompson River, Fall River, Fish Creek, Black Canyon Creek and Dry Gulch at a public meeting on May 30, 2018. The proposed stormwater infrastructure projects, particularly on Fall River and Big Thompson River, could significantly reduce the size of the future flood risk areas.

48. What zoning area is my property?
A zoning map can be found on the Town's website, www.estes.org/maps

49. Is my property in the proposed area for the Stormwater Management Project?
The Estes Valley Development Code (EVDC) Boundary map can be found at www.estes.org/maps and scroll to, and subsequently click, "Estes Valley Development Code Boundary". Another map located on the same webpage is the Zoning Map that might provide more details.

50. Will the proposed stormwater projects (channel work and bridges) destroy the stream ecosystems? How will the Town protect the fish habitat?

When observing the destruction from the 2013 flood in Fish Creek and the Big Thompson River, one can see the ecosystem devastation that these major flood events can cause. The completed repairs provide an instructive case study on how the involved public agencies can restore the waterways and bridge infrastructure to improve ecosystem resilience and vitality. At this time, there are no detailed plans for the specific projects proposed in this program. However, the Town is committed to protecting and restoring the river habitats, and will include this in the project design and construction efforts.

51. Who do I contact regarding floodplain maps?

Colorado Water Conservation Board (CWCB) contracted with AECOM to draft the floodplain map. Here are contacts regarding this project.

Thuy Patton, CFM
Floodplain Mapping Coordinator
1313 Sherman St., Rm. 718 Denver, CO 80203
P: (303) 866-3441 x3230
thuy.patton@state.co.us

Remmet deGroot, CFM, GISP
AECOM Project Manager
6200 S Quebec Street Greenwood Village, CO 80111
P: (303) 796-4633
remmet.degroot@aecom.com

Stephanie DiBetitto, CFM
CWCB Community Assistance Program Coordinator
1313 Sherman Street, Suite 721 Denver, CO 80203
P: (303) 866-3441 x3221
stephanie.dibetitto@state.co.us

Town contact

Christy Crosser, Grant Specialist, 577-3574 (ccrosser@estes.org)
David Hook, Engineering Manager, 577-3586 (dhook@estes.org)
Greg Muhonen, Public Works Director 577-3581 (gmuhonen@estes.org)
Town of Estes Park
170 MacGregor Avenue
PO Box 1200
Estes Park CO 80517

TOWN BOARD & LARIMER COUNTY COMMISSIONERS
JOINT STUDY SESSION
March 22, 2023

Link to the Joint Study Session held on August 19, 2022 Packet.

PUBLIC COMMENT RECEIVED ON 3/15/2023

Board of Trustees Public Comment

Name: Joe Holtzman

Stance on Item: Against

Agenda Item Title: Stormwater Authority Discussion - Joint Study Session.

Public Comment:

I have talked to the Mayor about this issue on numerous occasions. We have made a disaster with the two bridges that we are. What are you working or have you worked in the disaster came from not properly designing the environment for the fish to survive. I refer you to the classic study Cadillac desert – – which depicts the failure of the water projects around the state of Colorado, and in the adjacent states– – western states. Period. I hope you'll consider the fact that these projects have been abject failures and plus this project should be placed on the ballot for the people to vote on – – fees are just as excuse for avoiding taxes. In addition, the silver jacket report from 2 1/2 years ago, defined how you could properly take care of the flooding problem – – and not placed the burden on the taxpayer. Joe Holtzman 949-859-1223 – Estes Park, CO 80517.

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25 MB limit. Video files cannot be saved to the final packet and must be transcribed before submitting.

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