



## Board Summary Memo

**To:** Board of Directors  
**From:** Ashley Byerley, WQ and Special Projects Coordinator  
**Through:** Lanae Raymond, WQ and Special Projects Program Manager  
**Date:** November 6, 2012  
**Re:** Highfield Business Park SDF Credit and Pond Transfer Resolution  
**Board Date:** November 28, 2012

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### Purpose

This Summary Memo will provide the Board with a general understanding of the following with respect to the Highfield Business Park Resolution: 1) A onetime System Development Fee (SDF) credit requested by the Highfield Business Park (HBP) under SEMSWA's SDF Credit Policy, and 2) The proposed transfer of the Regional HBP Pond (Dove Creek basin) to SEMSWA for ownership and maintenance.

### Background

HBP and the Arapahoe County Water and Wastewater Authority (ACWWA) drafted an Agreement prior to SEMSWA's formation concerning a reduction in basin fees as a result of HBP's proposal to design and construct a regional detention and water quality facility in the Douglas County portion of ACWWA's service area. Upon SEMSWA's formation, transfer of the ACWWA MS4 Permit, and adoption of a SEMSWA SDF Policy, SEMSWA started the process of evaluating the financial benefit to including the HBP Pond parcel in the Dove Creek regional system.

In conjunction with the *Lone Tree, Windmill, and Dove Creek Master Plan* (Master Plan), ICON Engineering evaluated the cost benefit for SEMSWA to own and maintain the facility, allowing the HBP pond to be recognized in the Master Plan as a publicly owned detention and water quality facility. As a result of that analysis, it was determined that without the HBP Pond, the regional system would have an overall water quality capture volume deficit and overtopping would occur at East Otero Avenue. SEMSWA's acceptance of the HBP Pond eliminates the water quality volume deficit and the overtopping at East Otero Avenue, valued at \$147,735.00.

### Discussion

The SEMSWA Board of Directors adopted Resolution No. 22, Series of 2009, *Credit Policy* and Resolution No. 13, Series of 2011, *Amendment to the Credit Policy* (Credit Policy), in regard to SEMSWA credits for SDFs, Annual Fees, and the Grant Program to allow for a mechanism by which Developers could reduce their onetime SDF as an incentive to design and construct improvements which would otherwise be constructed by SEMSWA. The Credit Policy outlines 10 criteria necessary for a development to qualify for a SDF

Credit, including cost savings, regional improvement, and that the facility meets SEMSWA's construction and maintenance standards. The HBP Pond meets each of the 10 criteria; the HBP District also complied with the implementation criteria outlined in the Credit Policy.

It's also important to note the nexus between the cost savings realized by the completed HBP Pond and SEMSWA's assumption of the long term ownership and maintenance of the facility. In order for the HBP Pond to be recognized as part of the Master Plan, resulting in fewer regional improvements required as part of the Master Plan, the HBP Pond must be publically owned and maintained. The transfer of the HBP Pond to SEMSWA allows for the HBP Pond to be formally recognized, and the cost savings to the regional system realized.

## **Alternative**

The Board could propose an alternate amount or an adjustment to the proposed SDF fee reduction or could recommend that no SDF Fee Credit be granted. If the Board recommends that no SDF Credit be granted, they could also recommend that SEMSWA not assume ownership and long term maintenance of the HBP Pond. This recommendation would result in SEMSWA spending the calculated \$147,735 in the Dove Creek Basin at some point to address the water quality volume deficiency and overtopping identified previously in this memo.

## **Fiscal Impacts**

This credit and transfer would result in a net-zero impact to SEMSWA. The SDF credit will result in SEMSWA's offset of future SDF's for parcels developing in HBP up to \$147,735.00, and will also result in a saving of an equivalent amount for regional improvements that would have otherwise been necessary to manage stormwater in the Dove Creek basin.

Assuming the ownership of the HBP Pond will result in ongoing in-house maintenance costs similar in scope to other regional pond improvements. SEMSWA collects annual fees for routine maintenance of regional stormwater improvements, and this facility would compare to other regional ponds in our service area. With the addition of the HBP Pond, SEMSWA will own and maintain each of the regional, master planned ponds in the Dove Creek basin.

## **Concurrence**

Discussions with the SEMSWA Attorney and Executive Director indicate concurrence with adopting this Resolution.