



Stormwater Program Expenditures — 2004 through 2014

The stormwater program of the City of Colorado Springs is an important component of the City's comprehensive strategy to build and maintain public infrastructure. The stormwater program protects the lives and property of the citizens of Colorado Springs and the City's neighbors, satisfies federal and state water quality laws and regulations, and preserves and enhances the great natural beauty of Colorado Springs. As this report demonstrates, over many years the citizens of Colorado Springs have invested substantial resources in their stormwater program in order to attain these important goals.

For more than fifteen years, the stormwater program of the City of Colorado Springs has included substantial spending on new flood control and conveyance infrastructure, maintenance and repair of existing infrastructure, and water quality protection and compliance. Over these years, expenditures for the City's stormwater program have come from the City's General Fund, bonds (Springs Community Improvement Program [SCIP]), grants (FEMA and others), and, for a period of time in the mid-2000s, stormwater program fees collected by the City's Stormwater Enterprise, also called the "SWENT." Substantial portions of the City's stormwater infrastructure have also been constructed by the development community and as part of large transportation projects that have stormwater components.

The City has tracked the entirety of its stormwater program spending through its normal budget and financial reporting processes. Nevertheless, in the past this information has been difficult to isolate within traditional City financial reports. For example, past stormwater program spending was sometimes embedded, but not reported separately, in financial reports concerning capital and maintenance expenditures for streets, bridges, and the other components of public works infrastructure. As another example, within the Colorado Springs Department of Public Works, stormwater program spending has been shared between City Engineering and the Streets Division, and, more recently, the Engineering Development Review and Stormwater Department, without being reported separately as specific stormwater program spending amounts.

Moreover, stormwater program expenditures have always taken place in several separate parts of the City, and historically do not appear in a single comprehensive financial report. These expenditures are considerable, and include in particular the substantial stormwater program spending by Colorado Springs Utilities (CSU). Also, over time other stormwater program expenditures have been tracked separately, such as funding from special appropriations and grants. These disparate approaches to stormwater program expenditures have made it difficult to report upon the cumulative funds spent by Colorado Springs in its complete stormwater program.

To make stormwater program spending more clear for the citizens of Colorado Springs, the City began in 2013 to track stormwater program expenditures separately and explicitly in its financial records and

reports. This approach makes it considerably easier today to identify recent expenditures for the City's entire stormwater program.

This report on total stormwater program expenditures from 2004 through 2014 follows upon the City's cumulative tracking of stormwater program expenditures beginning in 2013. This report is built upon a concentrated effort by City financial and operating staff to sift through historical spending records. Staff's goal has been to compile reliable, straight-forward estimates of total stormwater program spending dating back to 2004.

Looking back to 2004 to explain stormwater program spending by Colorado Springs provides citizens with a much clearer picture of the City's comprehensive efforts in this important program. This look back also clarifies the City's changing approaches to stormwater program funding. In this report one can now see a snapshot of stormwater program expenditures as the City geared up for the establishment of the SWENT, as the SWENT collected and put to use stormwater program fees, and as the City funded its stormwater program after the demise of the SWENT. The latter has taken place using funding from the General Fund and from several other sources.

Staff acknowledges that some historic City reports about stormwater program spending were incomplete in significant ways. This typically happened when staff focused solely upon a narrow portion of overall stormwater program spending. One example of this type of error is in a stormwater program presentation given to City Council in July 2012, in which salaries and operating expenses alone were described and many other stormwater program expenditures by the City were omitted.

The City's stormwater program is comprehensive. Expenditures in the stormwater program include creating projects like the City's new flood control ponds, open channels, storm sewer systems, catch basins and inlets, and many water quality protection components and practices. These diverse expenditures are captured in this report. Stormwater program components reflected here include stormwater related transportation, bridge, and roadway projects, stormwater spending by CSU and the Pikes Peak Regional Transportation Authority (PPRTA), and stormwater program infrastructure constructed by the private development community and the Colorado Springs Airport.

Salaries for City staff (Engineering, Streets, and Stormwater Divisions) to implement and manage the stormwater program are also included in this report, as are operating costs to support staff and to cover the costs of capital, maintenance, and water quality programs. In the numbers reported below, actual expenditures for capital projects are included from the City's General Fund, CSU, grant funds, and SWENT accounts. Estimates for developer and PPRTA stormwater expenditures are included, too, and are based on annual inspections and inventories conducted by City staff to satisfy General Accounting Standards Board (GASB) 34 asset management criteria.

This report is presented in three sections: Pre-SWENT (2004-2006), SWENT (2007-2009), and post-SWENT (2010-2014). Tables 1, 2, and 3 illustrate spending in several important categories in a given year. The last paragraph summarizes expenditure totals for the entire 11-year period. Each section explains the reasons for large single project expenditures, while also offering commentary to provide context for the stormwater program expenditures.

Pre-SWENT (2004-2006)

Between 2004 and 2006, stormwater program staff was a part of the City Engineering section of Public Works. The Streets Division provided maintenance and minor repairs for existing infrastructure, and stormwater capital projects were designed and constructed out of the City's General Fund. During this period the City had recently completed and put into use its Drainage Criteria Manual Volume 2 in accordance with its State-issued stormwater quality permit, known as a Municipal Separate Storm Sewer System (MS4) permit.

The City spent nearly \$2.8M on capital projects in 2004, while also providing a match for a Fountain Creek Watershed Study grant. Highlights for stormwater program expenditures in 2005 and 2006 include spending for implementation of SWENT, nearly \$6M spent by CSU on stormwater projects, and completion of the Fountain Creek Watershed Study. The PPRTA began spending money on transportation projects in 2005, and the stormwater program components of PPRTA projects are included in the amounts in Table 1.

Table 1 – 2004 through 2006 Stormwater Expenditures

Expenditure/Year	2004	2005	2006	2004-2006
City Salaries/Operating	\$1,609,974	\$1,791,908	\$1,918,231	\$5,320,113
City CIP	\$2,895,820	\$1,355,898	\$1,907,058	\$6,158,776
CSU Projects*		\$850,000	\$3,600,000	\$4,450,000
SWENT			\$1,004,490****	\$1,004,490
Stormwater Grants	\$624,853	\$788,570	\$0	\$1,413,423
Development and PPRTA	\$8,962,043**	\$7,607,561***	\$6,306,958	\$22,876,562
COS Airport	\$639,545	\$522,524	\$8,082,593	\$9,244,662
TOTALS:	\$14,732,234	\$12,916,460	\$22,819,331	\$50,468,025

*CSU began tracking stormwater spending separately in 2005

**Stormwater component of development projects only; PPRTA expenditures began in 2005

***Stormwater component of development and PPRTA projects (based on lane-miles added)

****SWENT Implementation Funds

Stormwater Enterprise (2007-2009)

On November 22, 2005, City Council approved the creation of the Stormwater Enterprise, or SWENT. Nearly one year later, City Council adopted a fee rate structure for the SWENT. The SWENT began collecting fees in the first quarter of 2007. The SWENT collected fees from 2007 to 2009, and about half were spent on stormwater program capital projects.

During this time, the City's General Fund continued to cover the costs for the stormwater program's MS4 permit-related activities, as well as updating Drainage Basin Planning Studies. In 2009, SWENT fees

covered the cost of City Engineering staff associated with stormwater program management, as reflected in a significant decrease in the City Salaries/Operating budget. Substantial spending increases in 2008 and 2009 show the time spent in 2006 and 2007 “gearing up” to get programs and projects “shovel ready”, including planning, design, engineering, and land acquisition. Capital project spending highlights include a joint \$2.34M project between CSU and SWENT to address erosion and bank stabilization needs and to protect sanitary sewer crossings near Sierra High School.

Table 2 – 2007 through 2009 Stormwater Expenditures

Expenditure/Year	2007	2008	2009	2007-2009
City Salaries/Operating	\$760,278	\$1,494,484	\$0	\$2,254,762
City CIP	\$792,446	\$1,111,320	\$1,562,635	\$3,466,402
CSU Projects	\$2,970,000	\$7,210,000	\$2,280,000	\$12,460,000
SWENT*	\$6,551,032	\$12,494,947	\$20,521,379	\$39,567,358
Stormwater Grants	\$0	\$85,800	\$0	\$85,800
Development/PPRTA Projects	\$22,086,278	\$3,517,855	\$4,006,219	\$29,610,352
COS Airport	\$2,404,842	\$117,246	\$108,295	\$2,630,383
TOTALS:	\$35,564,876	\$26,031,653	\$28,478,528	\$90,075,057

*Includes operating and CIP Expenditures

Post SWENT (2010-2014)

In late 2009, City Council ended SWENT and stopped the collection of SWENT fees. These actions decommissioned the SWENT and a much greater responsibility for funding the City’s stormwater program transferred back to the General Fund.

Since the demise of the SWENT, the source and nature of stormwater program funding has changed from time to time, a condition exacerbated by the Waldo Canyon fire in 2012 and by subsequent recovery efforts. Funding in 2010 and 2011 in part reflects SWENT funds, however. Although collection of SWENT fees ended in 2009, SWENT funds that were already accumulated were rolled over and spent in the stormwater program in subsequent years, as consideration for the City taking on the SWENT obligations. Stormwater expenditures dropped substantially in 2012 as the City shifted responsibility for stormwater from the SWENT to the City’s general fund, recovered from the recession, and grappled with the Waldo Canyon fire. The sharp increase in 2011 PPRTA and development project stormwater expenditures is a result of a large number of arterial widening, residential street, pond, and stream projects reaching completion.

Fire, recovery, and FEMA flood disaster grants were applied for and received by the City in 2012, 2013, and 2014, but most grant expenditures were realized in 2013 and 2014. This is because of the need to plan, design, and construct solutions to drainage and erosion problems caused by the 2012 fire and flooding in September 2013.

Table 3 – 2010 through 2014 Stormwater Expenditures

Expenditure/Year	2010	2011	2012	2013	2014	2010-2014
City Salaries/Operating	\$0*	\$2,429,004	\$2,578,180	\$2,693,830	\$2,523,788	\$10,224,802
City CIP	\$144,372	\$179,228	\$288,711	\$2,759,112	\$8,769,739	\$12,141,161
CSU Projects	\$4,930,000	\$4,860,000	\$2,950,000	\$2,830,000	\$3,910,000	\$19,480,000
SWENT	\$9,485,961	\$2,849,579	\$58,613	\$0	\$0	\$12,394,154
Stormwater Grants	\$0	\$0	\$355,974	\$6,628,110	\$4,635,429	\$11,619,513
Development/PPRTA Projects	\$3,832,426	\$22,678,393	\$968,740	\$3,945,372	\$4,296,154	\$35,721,083
COS Airport	\$0	\$0	\$99,103	\$937,842	\$23,792	\$1,060,737
TOTALS:	\$18,392,759	\$32,996,203	\$7,299,321	\$19,794,266	\$24,158,901	\$102,641,450

*City salaries and operating were covered by the SWENT

Cumulative Summary

During the 11 year period spanning 2004 through 2014, more than **\$240,000,000** has been spent upon stormwater program management and stormwater projects by the citizens of Colorado Springs. Of that total, the City’s General Fund contributed approximately \$40,000,000, the SWENT expended about \$53,000,000, and grants provided approximately \$13,000,000. CSU has protected the City’s infrastructure under CSU’s management, and provided channel stabilization, with approximately \$36,000,000 of stormwater program improvements. Substantial remaining portions of the City’s stormwater program infrastructure were constructed by the private development community and as part of PPRTA projects, and those expenditures amount to about \$88,000,000. Finally, the Colorado Springs Airport spent nearly \$13,000,000 on infrastructure to improve drainage and flood control during the 11-year period.

Stormwater Program Outlook – 2015 and Beyond

Although stormwater program expenditures over the last 11 years within the City have been significant, the outlook for the City’s stormwater program planning is influenced by two primary factors. First, the 2013 City of Colorado Springs Stormwater Needs Assessment by CH2M HILL identifies a capital improvement needs backlog of approximately \$535,000,000. The assessment prioritized the capital improvement needs within high, medium, and low priorities based on the condition of the stormwater infrastructure in 2013, but is frequently being updated based on recent storm events and new information. Second, the Colorado Springs City Council approved a resolution in January, 2015 that resolves to spend approximately \$19,000,000 per year on the City’s stormwater program, about \$3,000,000 of which will be spent by Colorado Springs Utilities.