

# Water and Wastewater Impact Fee Update

Presented by Chris Harder P.E., Water Director  
City Council Work Session

**August 3, 2021**

# Agenda

1 Water and Wastewater Impact Fee Background

2 Stakeholder Engagement

3 Fee Calculation and Benchmarking

4 Advisory Committee Recommendation and Adoption Timeline



# Purpose of Impact Fees

Water and Wastewater Impact Fees established June 1990

1

**Recoup costs associated with growth-related infrastructure**

2

**Alleviate burden of new facilities on existing customers**

3

**Growth pays eligible percentage of total cost of new facilities**

# Capital Improvement Advisory Committee (CAC)

Established by Texas Local Government Code Chapter 395

## Real Estate, Developer, Builder Representatives

Bob Madeja, Chair

Don Allen

Don Little

## Community Representatives

Daniel Haase

George Felan

David Mendes

Rick Trice  
Extra Territorial Jurisdiction

## Composition:

- Minimum of 5 members
- 40% must represent real estate, development or builders
- Must include a representative from ETJ

## Responsibilities:

- Advise City on land use assumptions
- Review and monitor CIP
- File semi-annual reports with City
- Advise of the need to update land use assumptions, CIP or impact fees



# Stakeholder Engagement

Process included active engagement of the development community, wholesale and retail customers

## CAC with Subcommittees\*

**October 2, 2020**  
**February 11, 2021**  
**March 25, 2021**  
**April 22, 2021**

\*DAC, Retail Rates, Wholesale

## Subcommittee Participants

Ben Clark	Michelle McCullough
Travis Clegg	Mike McMahon
Kim Cole	Gordon Smith
Rusty Fuller	Greg VanNieuwenhuize
Krystal Crump	Dylan Whitehead

## Development Advisory Committee

**October 15, 2020**  
**March 18, 2021**  
**April 15, 2021**  
**May 20, 2021**

## Wholesale Customer Advisory Committees

**December 10, 2020**  
**June 10, 2021**

## City Council Infrastructure Committee

**December 15, 2020**  
**June 8, 2021**

# Impact Fee Calculation

1

Project service area needs over planning period

2

Establish **Land Use Assumptions** (LUA) using population and number of additional service units

3

Develop **Capital Improvement Plan** with growth-related projects prorated over planning period

4

**Maximum Impact Fee** =  
cost of growth CIP  
÷  
growth equivalent meters

5

Establish **collection rate** recommended by CAC and adopted by City Council following public hearing



# Impact Fee Eligible CIP

- Facilities owned and operated by or on behalf of Fort Worth
- Water supply, treatment, pumping, storage and regional transmission
- Wastewater treatment, pumping, and regional interceptors
- Wholesale supplier capital improvements (TRA/TRWD)
- Financing costs

Note: Facility expansion does NOT include repair, maintenance, modernization, or improved service

# Water Eligible Cost

Category

Cost

Tarrant Regional Water District Projects

\$433.3M

Raw Water Supply and Treatment Plants

\$ 50.8M

Regional Transmission and Pump Stations

\$ 25.5M

Storage Tanks

\$ 28.9M

Engineering Studies

\$ 0.74M

*Cumulative financing costs - Fort Worth*

\$ 34.8M

*Cumulative financing costs - TRWD*

\$103.2M

Total Impact Fee Eligible Cost

\$677.2M



# Wastewater Eligible Cost

Category

Cost

Trinity River Authority Projects

\$ 33.6M

Treatment Facilities

\$ 162.8M

Lift Stations and Interceptors

\$ 193.9M

Engineering Studies

\$ 3.2M

*Cumulative financing costs - Fort Worth*

\$ 159.7M

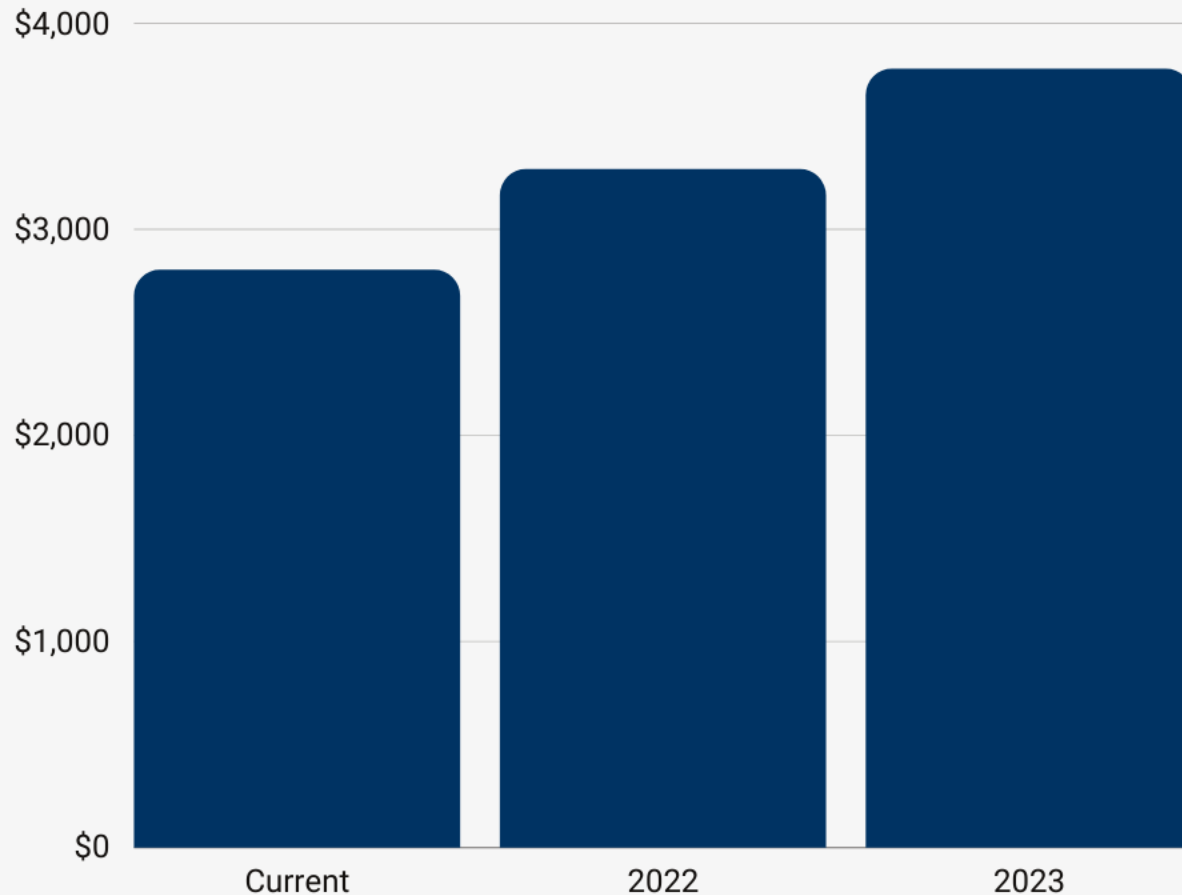
*Cumulative financing costs - TRA*

\$ 16.2M

Total Impact Fee Eligible Cost

\$ 569.4M

# Combined Impact Fee Schedule



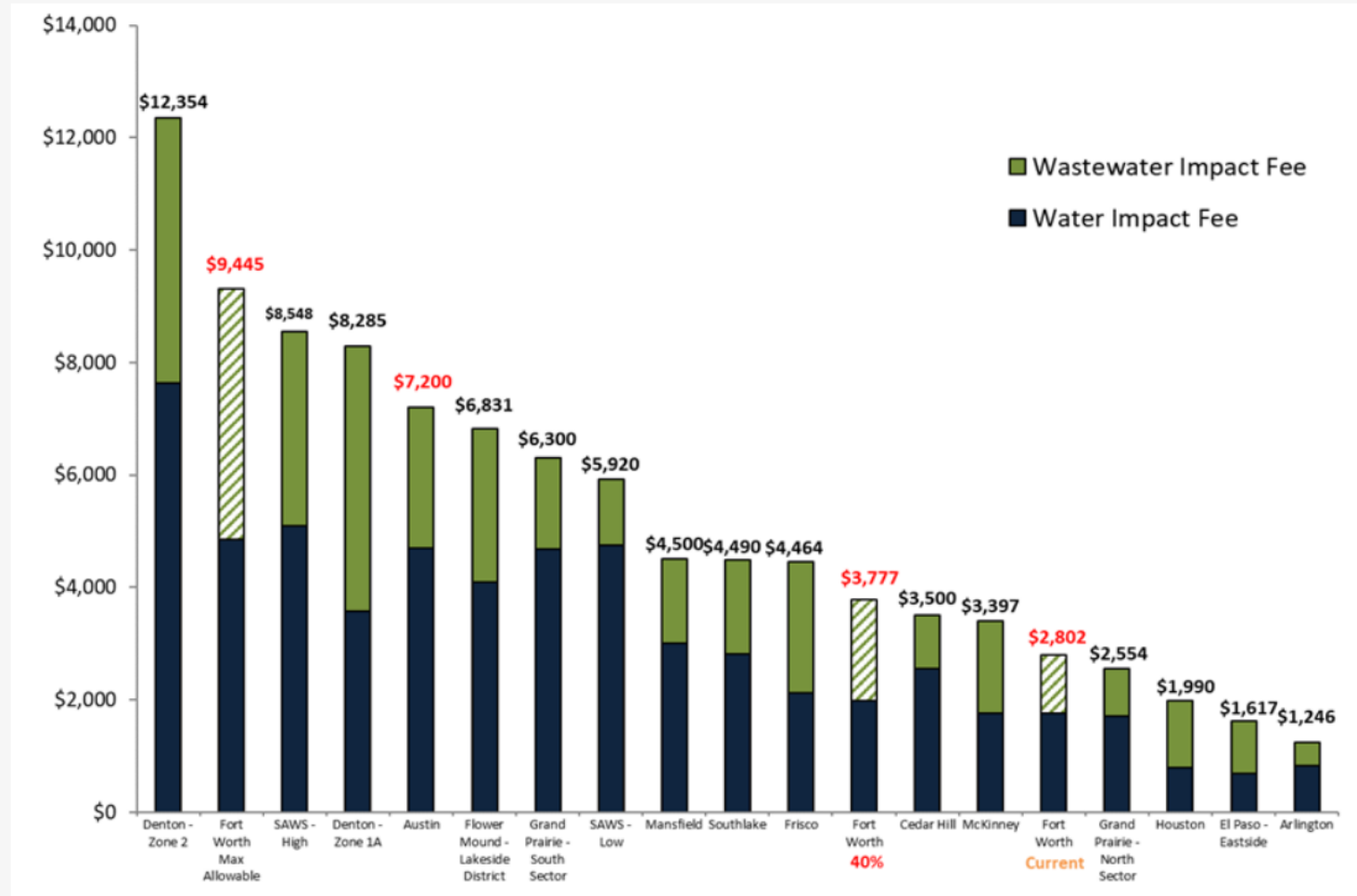
## CAC Recommendations:

1. Collect at rate of 40% of calculated fee consistent with current collection rate
2. Phase fee change over a 2-year period (+ \$488/year)

	Current	2022	2023
Developer	\$2,802	\$3,290	\$3,777
Max Impact Fee	\$7,004	\$9,445	\$9,445

*\*Based on 5/8"x3/4" equivalent meter size*

# Adopted Impact Fee Comparison



\*Fee comparison based on 5/8"x3/4" equivalent meter size

# Public Notice and Adoption

1

June 8, 2021  
Adoption of Council  
Resolution setting  
Public Hearing

2

July 21-24, 2021  
Advertise Public  
Hearing in  
accordance with  
Chapter 395

3

August 24, 2021  
Public Hearing on Land  
Use Assumptions, CIP  
and Impact fee  
ordinance

4

September 7, 2021  
M&C to consider  
adoption of Land Use  
Assumptions, CIP and  
Impact fee

5

January 1, 2022  
Effective date of  
Impact Fee Ordinance

**Questions?**

