

WATER AND WASTEWATER IMPACT FEE UPDATE:

**Land Use Assumptions, CIP &
Maximum Impact Fee Calculation**

Infrastructure Transportation Committee

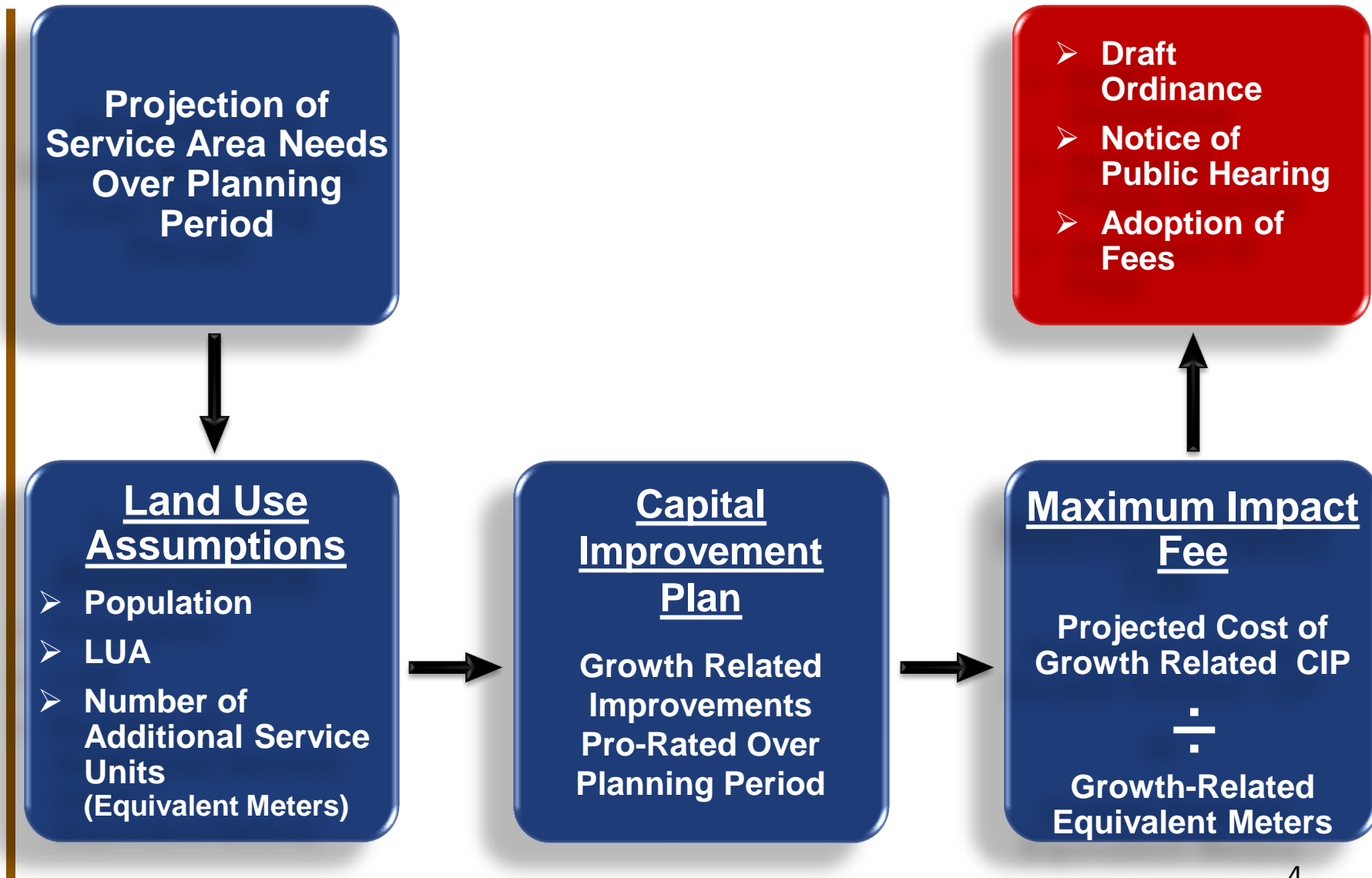
October 11, 2016

- **Stakeholders**
- **Chapter 395 Impact Fee Amendment Process**
- **Current Timeline/Critical Next Steps**
- **Differences from Previous Impact Fee Amendment**
- **Max Allowable Impact Fee Comparison to Other Utilities**
- **Recap**

Stakeholders Groups

- **Capital Advisory Committee (per Chapter 395)**
- **Water/Wastewater Wholesale Customer Sub-Committee (per wholesale contract)**
- **Development Advisory Committee Reps**
- **Water/Wastewater Retail Rates Sub-Committee**

Impact Fee Amendment Process



What Determines the Procedure & Next Steps?

- Texas Local Government Code Chapter 395
 - Updated information (Land Use, CIP and Impact Fee) (Min. every 5 years – Last update in 2012)
 - Publication of Public Hearing (30 days prior to public hearing – October 12)
 - Capital Advisory Committee Recommendation (5 business days prior to public hearing)
 - Public Hearing
 - Consider for Adoption Timeline (within 30 days of Public Hearing)
 - Adopted Impact Fees Effective Date (within 5 years of last impact fee amendment; at least by January 1, 2018)
- Fort Worth Water Department's Wholesale Contract Terms
 - Adopted Impact Fees Effective Date (90 days after adoption)

Current Timeline

- April 14, 2016
 - Present the Land Use Assumptions to Citizens Advisory Committee (CAC), Wholesale Customer Impact Fee Committee (WCIFC), and Development Advisory Committee (DAC).
- June 8, 2016
 - Meet with CAC, WCIFC, and DAC to present preliminary CIP, credit calculation methodology and revised timeline.
- July 7, 2016 and August 15, 2016
 - Meet with CAC to present Final CIP, Credit Analysis, and Maximum Allowable Impact Fee calculation.
- September 14, 2016
 - Meet with CAC to present draft Assessed Impact Fee Schedule.
- October 5, 2016
 - Meet with CAC to finalize recommendation on Assessed Impact Fee Schedule
- **October 11, 2016**
 - Present LUA, CIP, and Impact Fee Schedule to the Infrastructure Transportation Committee (ITC).

Critical Next Steps

- October 11, 2016
 - Council considers a resolution for a public hearing date.
- October 12, 2016
 - Publish Notice of Public Hearing (Min. 30-day advertisement).
- October 25, 2016
 - Council work session Presentation
- November 7, 2016
 - Deadline for written comments from CAC to City Council on LUA, CIP and Impact Fees. (Within 5 business days prior to Public Hearing)
- November 15, 2016
 - Public Hearing at City Council meeting for LUA, CIP, and Impact Fee Ordinance.
- December 6, 2016
 - M&C to consider the adoption of the amended LUA/CIP/Impact Fee. (Vote on Impact Fee Amendment within 30 days of Public Hearing)
- April 1, 2017
 - Impact Fee Ordinance effective. (Min. 90 days after adoption per Wholesale contract)

Biggest Differences in 2017 vs. Previous Years

- Financing costs are included.
- TRA and TRWD regional provider capital improvement and financing costs are included.
- Detailed credit calculation performed to determine true impact of growth.

Impact Fee Eligible Capital Improvements Plan (CIP)

- Financing Costs
- Facilities owned and operated by or on behalf of City of Fort Worth
- Water supply, treatment, pump station, storage facilities, and regional transmission main
- Wastewater pumping, regional interceptor, and treatment facilities
- Wholesale supplier/provider's capital improvement costs (TRA/TRWD)
- Facility expansion does not include repair, maintenance, modernization, or improved service



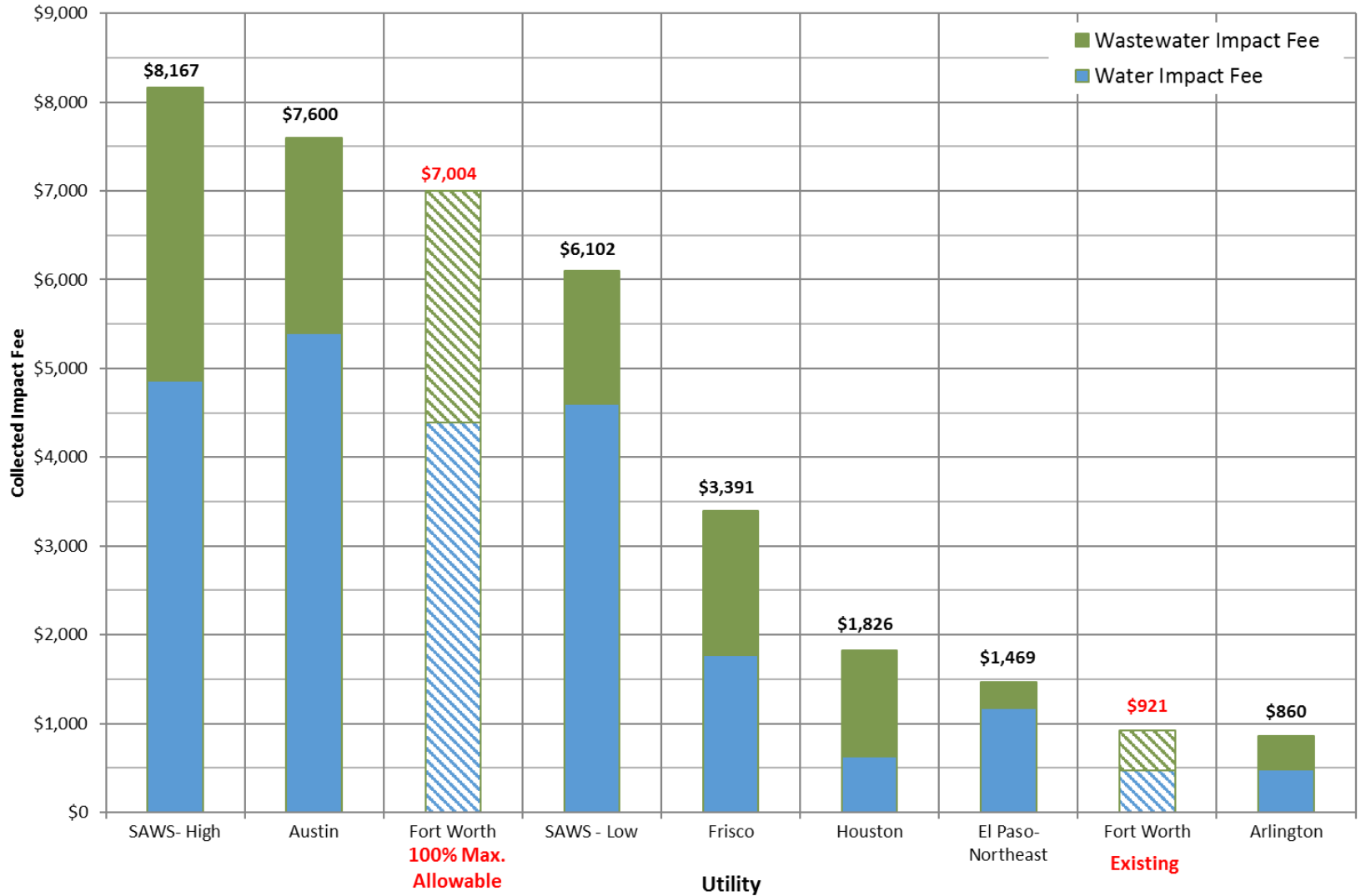
2017 Eligible Cost Comparison to 2013 Eligible Cost

Water Facility	2013 Impact Fee Eligible Cost	2017 Impact Fee Eligible Cost
TRWD Projects	--	\$318,776,489
Raw Water Supply & Treatment Plants	\$114,080,968	\$41,225,877
Regional Transmission Lines & Pump Stations	\$12,277,121	\$18,028,053
Storage Tanks	\$25,622,279	\$12,533,795
Engineering Studies	\$1,888,537	\$1,046,225
Cumulative Interest	--	\$233,431,318
Total Impact Fee Eligible Cost	\$153,868,905	\$625,041,757
Growth in Equivalent Meters	163,954	142,209

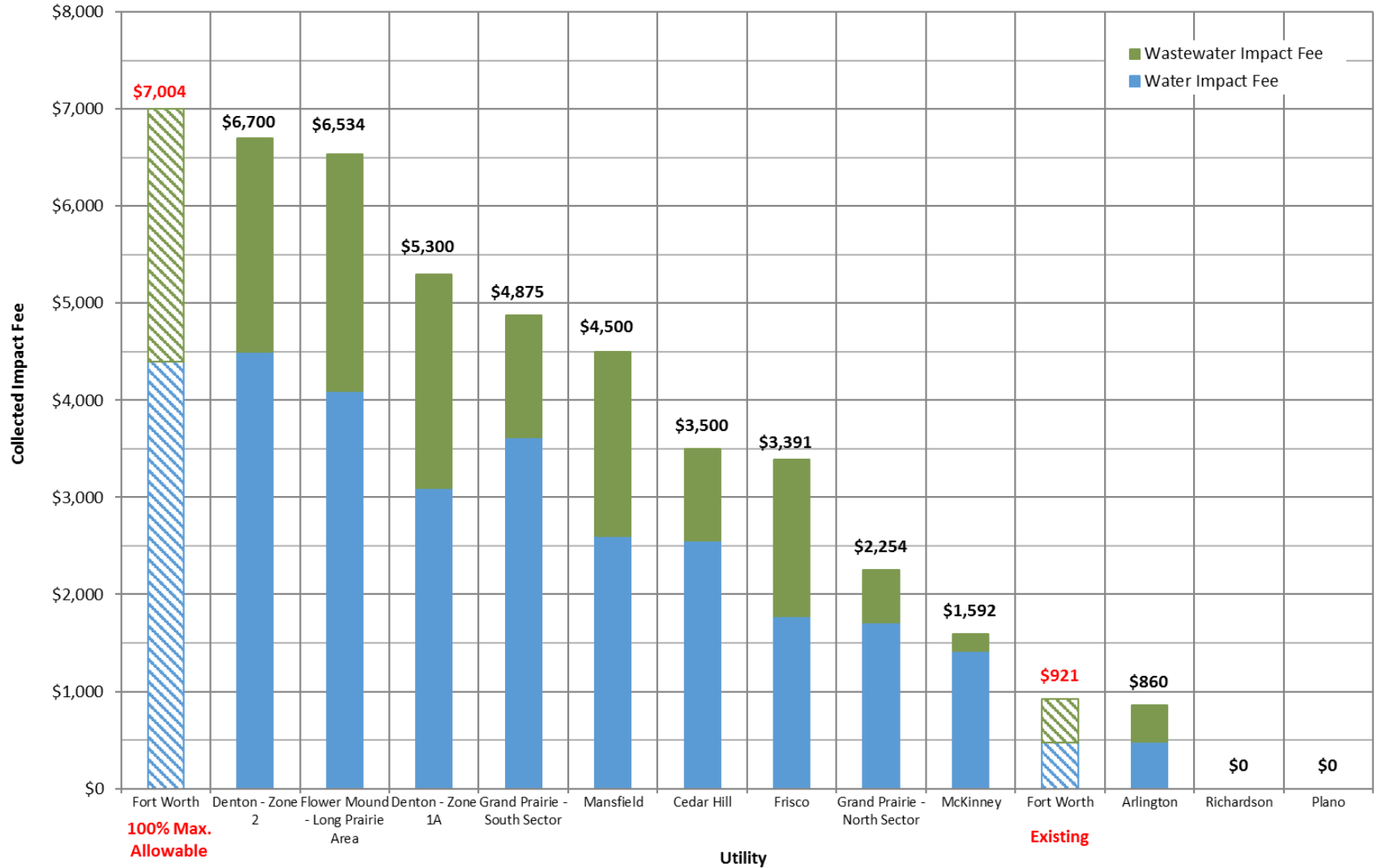
2017 Eligible Cost Comparison to 2013 Eligible Cost

Wastewater Facility	2013 Impact Fee Eligible Cost	2017 Impact Fee Eligible Cost
TRA Projects	--	\$39,478,688
Treatment Facilities	\$110,282,300	\$93,041,443
Regional Lift Stations & Interceptors	\$22,599,547	\$62,719,329
Engineering Studies	\$3,397,835	\$1,365,042
Cumulative Interest	--	\$135,735,323
Total Impact Fee Eligible Cost	\$136,279,681	\$332,339,827
Growth in Equivalent Meters	129,763	127,381

Comparison of Impact Fee with other Utilities



Comparison of Impact Fee with Local Utilities



- Chapter 395
 - Min. Everyone 5 Years update: Last update in 2012
 - Public Hearing: proposed to be Nov 15, 2016
 - Revised impact fee schedule: effective within 5 year
- Wholesale Customer Contract:
 - 90 days between adoption and effective date
- Next Step
 - Council Meeting today: Council considers a resolution for a public hearing date
 - October 12, 2016: Publish Notice of Public Hearing
- Big Differences from Previous Years:
 - Financing costs from Fort Worth growth-related facilities
 - TRA and TRWD regional provider's growth-related capital improvement and financing costs
 - Regional Transmission Main and Interceptor related to growth.

QUESTIONS?

