Bastrop, TX Impact Fee Advisory Committee Meeting Agenda

City Council Chambers
1311 Chestnut Street
Bastrop, TX 78602

This meeting will be live streamed on the City of Bastrop Facebook Page (www.facebook.com/bastroptx) and broadcast on Spectrum channel 10 and AT&T U-verse channel 99. A recording of the meeting will also be available within 72 hours after the meeting on the City's YouTube channel (Bastrop TX Network) and in the Agendas & Minutes section of the City website (www.cityofbastrop.org).

May 26, 2022 at 6:00P.M.

City of Bastrop Impact Fee Advisory Committee meetings are available to all persons regardless of disability. If you require special assistance, please contact the Commission Secretary at (512) 332-8840 or write 1311 Chestnut Street, 78602, or by calling through a T.D.D. (Telecommunication Device for the Deaf) to Relay Texas at 1-800-735-2989 at least 48 hours in advance of the meeting.

As authorized by Section 551.071 of the Texas Government Code, this meeting may be convened into closed Executive Session for the purposes of seeking confidential legal advice from the City Attorney on any item on the agenda at any time during the meeting.

The City of Bastrop reserves the right to reconvene, recess, or realign the Regular Session or called Executive Session or order of business at any time prior to adjournment.

1. **CALL TO ORDER**

2. **CITIZEN COMMENTS**

At this time, three (3) minute comments will be taken from the audience on any topic. In accordance with the Texas Open Meetings Act, if a citizen discusses any item not on the agenda, city Commission cannot discuss issues raised or make any decision at this time. Instead, city Commission are limited to making a statement of specific information or a recitation of existing policy in response to the inquiry. Issues may be referred to city staff for research and possible future action.

It is not the intention of the City of Bastrop to provide a public forum for the embarrassment or demeaning of any individual or group. Neither is it the intention of the Commission to allow a member of the public to slur the performance, honesty, and/or integrity of the Commission, as a body or any member or members of the Commission, individually or collectively, nor any members of the city's staff. Accordingly, profane, insulting, or threatening language directed toward the Commission and/or any person in the Commission's presence will not be tolerated.

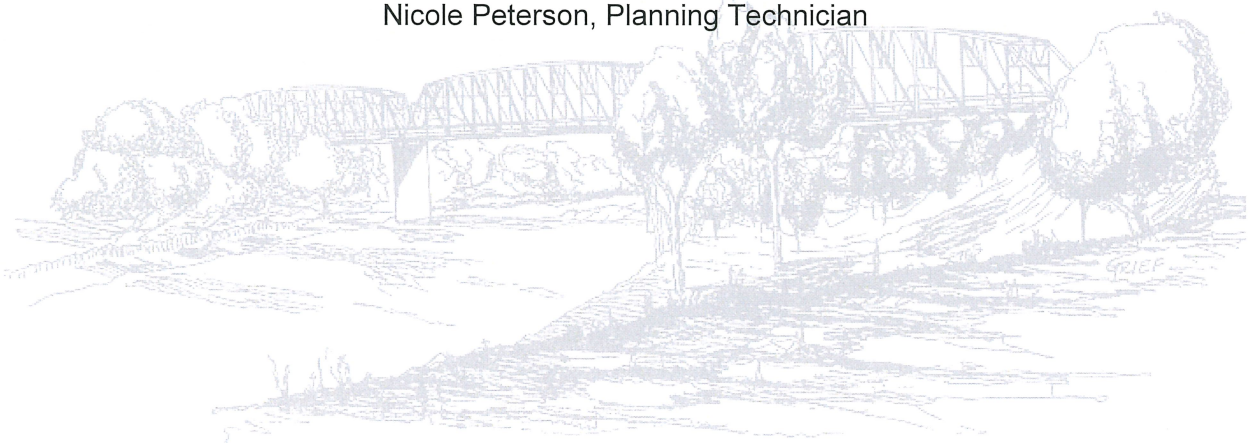
3. ITEMS FOR INDIVIDUAL CONSIDERATION

3A. Discussion and consider action to submit comments to City Council on the update and amendment to the Bastrop Code of Ordinances, Chapter 13, Article 13.12, entitled "Impact Fees", updating the land use assumptions, capital improvement plan and amending impact fees for water and wastewater utilities, and move to include on the June 14, 2022 City Council Agenda.

4. ADJOURNMENT

I, the undersigned authority, do hereby certify that this Notice of Meeting as posted in accordance with the regulations of the Texas Open Meetings Act on the bulletin board located at the entrance to the City of Bastrop City Hall, a place of convenient and readily accessible to the general public, as well as to the City's website, www.cityofbastrop.org and said Notice was posted on the following date and time: May 20, 2022 at 4:00 p.m. and remained posted for at least two hours after said meeting was convened.

Nicole Peterson, Planning Technician



STAFF REPORT

MEETING DATE: May 26, 2022 **AGENDA ITEM**: 3A

TITLE:
Discussion and consider action to submit comments to City Council on the update and amendment to the Bastrop Code of Ordinances, Chapter 13, Article 13.12, entitled “Impact Fees”, updating the land use assumptions, capital improvement plan and amending impact fees for water and wastewater utilities, and move to include on the June 14, 2022 City Council Agenda.

STAFF REPRESENTATIVE:
Tracy Waldron, Chief Financial Officer

BACKGROUND/HISTORY:
The last Impact Fee study was adopted on August 11, 2020. Due to the nature of the capital projections in the Water and Wastewater utility, an annual update of the impact fees are necessary to make sure that we are passing on to the developers their share of the capacity in these new facilities. The major changes from the 2020 report to this updated report is the estimate of probably cost for the water treatment plant that will be built at the XS Ranch location. The cost for this project continue to climb with inflation and supply chain issues. We also recently completed a Water Master Plan which added a few projects to this report.

City staff will continue to update the impact fees annually until the cost of these large projects are solidified and under contract.

POLICY EXPLANATION:
Texas Local Government Code chapter 395.052 requires a political subdivision imposing an impact fee to update the land use assumptions and capital improvements plan at least every five years. The initial five-year period begins on the day the capital improvements plan is adopted.

FUNDING SOURCE:
N/A

RECOMMENDATION:
Discussion and consider action to submit comments to City Council on the update and amendment to the Bastrop Code of Ordinances, Chapter 13, Article 13.12, entitled “Impact Fees”, updating the land use assumptions, capital improvement plan and amending impact fees for water and wastewater utilities, and move to include on the June 14, 2022 City Council Agenda.

ATTACHMENTS:
- 2022 Impact Fee Draft Report
- Presentation

NewGen Strategies & Solutions

275 W Campbell Road
Suite 440
Richardson, TX 75080
Phone: (972) 680-2000

May 19, 2022

Mr. Paul A. Hofmann
City Manager
City of Bastrop
P.O. Box 427
Bastrop, Texas 78602

Subject: Water and Wastewater Impact Fee Update – DRAFT

Dear Mr. Hofmann:

In October 2021, NewGen Strategies and Solutions, LLC (NewGen) was retained by the City of Bastrop, Texas (City) to conduct a Water and Wastewater Impact Fee Update. The goal of this engagement was to update the calculations of water and wastewater impact fees for the City of Bastrop based on a methodology that satisfies the requirements of the Texas Local Government Code (Code) Chapter 395.

The Code specifically defines Impact Fees (Fees) as "a charge or assessment imposed by a political subdivision against new development in order to generate revenue for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to the new development. The term includes amortized charges, lump-sum charges, capital recovery fees, contributions in aid of construction, and any other fee that functions as described by this definition."[1] More generally, the Fees are a mechanism that enable municipalities to recover infrastructure costs associated with future growth from developers. The anticipated costs of capital improvements and facility expansion are projected over a period not to exceed ten (10) years.[2] The costs represent the amount of new investment required for the utility to meet new demand in the area it serves.[3]

The types of costs that are recoverable and nonrecoverable through the fees and their calculation are described in more detail in the discussion below. The general discussion is followed by the results of NewGen's study, assumptions, and key considerations.

NewGen Assumptions, Considerations, and Limiting Conditions

NewGen utilized the following assumptions to calculate the impact fees:

- Planning period defined as 2022 to 2032.
- Assumed a four percent (4%) growth factor for both water and wastewater connections. This resulted in 4,687 new water connections and 3,753 new wastewater connections over the 10-year study period. For water production costs, it was assumed that 1,600 new water connections would be served by Aqua, so only 3,087 new water connections were used for these costs. This is discussed in greater detail in the Land Use Assumptions section below.
- Included a total of 83 water Capital Improvement Plan (CIP) Projects and 32 wastewater CIP Projects. The projects are discussed in greater detail in the Capital Improvement Plan section below.

[1] *Texas Local Government Code § 395.001(4).*
[2] *Texas Local Government Code § 395.001(5), 395.014(6).*
[3] *Texas Local Government Code § 395.001(7, 9).*

- The maximum impact fee per service unit is based on a ¾-inch connection for both the Water and Wastewater systems
- Assumed an interest rate on deposits of 1.06%.[4]
- Assumed interest rates on new debt equal to the Table 1 below.[5]

Table 1. Interest Rates

Year	Interest Rate
1	3.75%
2	4.25%
3	4.75%
4	4.75%
5	5.00%
6	5.00%
7	5.50%
8	5.50%
9	6.00%
10	6.00%

- Assumed existing transmission lines are currently 100% utilized and all future transmission lines will be 100% utilized during the planning period.
- Project funding based on discussions with Staff.
- Current and projected service area population, service unit equivalents (SUE), and capacity demands per SUE were utilized from the previous impact fee study prepared by NH Consulting in March 2017 ("2017 Study").

Impact Fee Calculation

The Code outlines a specific process for determining the appropriate level of costs to be recovered by the impact fee. The City must first adopt assumptions for changes in the land use either by each service area or systemwide. Changes in land use help inform projections on the changes in population served, population density, and the level of consumption. The CIP, or Master Plan, is developed from the land use assumptions to quantify projected future development costs, and must include the following items:

- Description of existing facilities and the costs to meet existing needs and deficiencies.
- Analysis of existing capacity and commitments.
- Description of capital improvements and associated costs attributable to new development based on the approved Land Use Assumptions.
- Table establishing the specific level or quantity of use, consumption, or discharge of a service unit for each category of capital improvements or facility expansions and an equivalency or conversion table

[4] Texpool Investment Portfolio 5-Year Average as of 3-9-2022.
[5] Project Team Estimates.

establishing the ratio of a service unit to various types of land uses, including residential, commercial, and industrial.

- Projected new service units based on approved land use assumptions.
- Projected demand for capital improvements or facility expansion required by new service units, not to exceed ten (10) years.
- Development of revenue credit based on revenues or 50% of the cost to implement the CIP.

After developing the land use assumptions and CIP, maximum assessable impact fees are calculated, which recognize financing costs, existing impact fee balances, and the aforementioned credits to prevent double-recovery of costs. With guidance from the City, NewGen projected the financing costs associated with funding the approved CIP. This schedule was based on the projected funding sources for each project in the CIP provided by City staff. All financing costs and interest associated with issuing debt instruments is included in the costs that should be recovered by the impact fee.[6] Next, NewGen developed a credit equal to 50 percent of the total projected cost to implement the CIP based on discussions with the City.[7] In determining the Maximum Assessable Impact Fee, the following equation is utilized:

$$Maximum\ Assessable\ Impact\ Fee\ = \frac{Cost\ of\ Impact\ Fee\ CIP - 50\%\ of\ Projected\ CIP\ Cost}{New\ Service\ Units}$$

The analysis for each of these steps is discussed in further detail in the following sections.

Step 1: Land Use Assumptions

The Code stipulates that land use assumptions must include a description of the service area served by the Facility and the projected changes in land uses, population densities, and the intensity of demand over a minimum 10-year period.[8] The Code further describes the requirements that systemwide land use assumptions, which were used in the preparation of this study, must address in order to justify imposing Fees[9]:

> (a) In lieu of adopting land use assumptions for each service area, a political subdivision may, except for storm water, drainage, flood control, and roadway facilities, adopt systemwide land use assumptions, which cover all of the area subject to the jurisdiction of the political subdivision for the purpose of imposing impact fees under this chapter.
>
> (b) Prior to adopting systemwide land use assumptions, a political subdivision shall follow the public notice, hearing, and other requirements for adopting land use assumptions.
>
> (c) After adoption of systemwide land use assumptions, a political subdivision is not required to adopt additional land use assumptions for a service area for water supply, treatment, and distribution facilities or wastewater collection and treatment facilities as a prerequisite to the adoption of a capital improvements plan or impact fee, provided the capital improvements plan and impact fee are consistent with the systemwide land use assumptions.

[6] *Texas Local Government Code §395.012.*
[7] *Texas Local Government Code §395.014(7B).*
[8] *Texas Local Government Code §395.001(5).*
[9] *Texas Local Government Code §395.0455.*

The City provides water and wastewater service to the areas within their respective CCNs, as most recently defined on August 9, 2017, and shown in Exhibits A and B.[10] The land use assumptions utilized in this study are systemwide within the service areas defined by the water and wastewater systems' CCNs.

The Code requires that the CIP be supported and developed by a definitive table establishing specific levels and quantities of use attributable to projected new service units attributable to new development within the service area. More specifically, the Code requires the development of a Service Unit Equivalent (SUE) ratio for the different types of land uses covered in the land use assumptions.

NewGen relied on a prior study performed for the City by NH Consulting for the development of both SUE by meter size equivalency and the population served by each water and wastewater system SUE.[11] The SUE ratios were developed according to the American Waterworks Association's standard meter size equivalency factors and the meter size generally required to meet the needs of residential, commercial, and industrial customers. The population served per water and wastewater SUE are 1.31 and 1.40, respectively.

NewGen relied on existing land use and estimated land use through 2026 based on discussions with the City and data from the 2017 Study. The indicated average annual growth rate for land development from 2022 to 2032, excluding parks and other development not subject to impact fees, is approximately 1.90%, as shown in Table 2 below:

Table 2. Future Land Use Assumptions, Acres Developed

Land Use (Acres)	2022	2032	Build Out
Single Family Residential	2,129	2,678	3,616
Retail/Office	120	152	211
Commercial	1,481	1,825	2,274
Industrial	218	287	459
Parks and Open Space and Agriculture	748	748	748
Total Developed Acreage	4,697	5,690	7,308

NewGen analyzed the total City population, population within the water and wastewater system service areas, and the indicated SUEs within the system service areas. The indicated SUEs were determined by dividing the population within the service areas by the people per SUE as discussed in prior sections. NewGen's discussions with City staff indicate that population growth within the water and wastewater service areas is expected to be 4% annually through 2032. 1,600 connections are in the Aqua service area and will not benefit from the production projects. Those connections have been excluded from the "Production Only" numbers. The projected annual SUEs for each system were determined by dividing the service population each year by the people per SUE. The projected populations and SUEs for 2022 and 2032 are shown in Table 3 below.

[10] https://www.cityofbastrop.org/page/plan.maps
[11] Land Use Assumption & Impact Fee Report, March, 2017, Pages 3 - 4

Table 3. Future Land Use Assumptions, Service Unit Equivalents, and Population

Description	2022	2032
Population	12,299	14,359
Water Service Population	9,860	14,596
Water (Production Only) Population	9,860	12,500
Sewer Service Population	9,671	14,315
Water SUEs	6,455	11,142
Water (Production Only) Population	6,455	9,542
Sewer SUEs	6,455	10,208

Step 2: Capital Improvement Plan

The Code defines the Capital Improvement Plan as a plan that identifies capital improvements or facility expansions for which impact fees may be assessed.[12] The CIP is required to specifically address each of the following items:[13]

> (1) a description of the existing capital improvements within the service area and the costs to upgrade, update, improve, expand, or replace the improvements to meet existing needs and usage and stricter safety, efficiency, environmental, or regulatory standards, which shall be prepared by a qualified professional engineer licensed to perform the professional engineering services in this state;
>
> (2) an analysis of the total capacity, the level of current usage, and commitments for usage of capacity of the existing capital improvements, which shall be prepared by a qualified professional engineer licensed to perform the professional engineering services in this state;
>
> (3) a description of all or the parts of the capital improvements or facility expansions and their costs necessitated by and attributable to new development in the service area based on the approved land use assumptions, which shall be prepared by a qualified professional engineer licensed to perform the professional engineering services in this state;
>
> (4) a definitive table establishing the specific level or quantity of use, consumption, generation, or discharge of a service unit for each category of capital improvements or facility expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial, and industrial;
>
> (5) the total number of projected service units necessitated by and attributable to new development within the service area based on the approved land use assumptions and calculated in accordance with generally accepted engineering or planning criteria;
>
> (6) the projected demand for capital improvements or facility expansions required by new service units projected over a reasonable period of time, not to exceed 10 years; and
>
> (7) a plan for awarding:

[12] *Texas Local Government Code §395.001(2).*
[13] *Texas Local Government Code §395.014.*

> (A) a credit for the portion of ad valorem tax and utility service revenues generated by new service units during the program period that is used for the payment of improvements, including the payment of debt, that are included in the capital improvements plan; or
>
> (B) in the alternative, a credit equal to 50 percent of the total projected cost of implementing the capital improvements plan.

The cost of some, but not all, capital improvements may be recovered through impact fees. Types of project costs that fall within the guidelines of both recoverable and non-recoverable costs are defined below.

Recoverable Costs

The Code states that a cost is recoverable through an impact fee if it is both incurred by a proper impact fee facility, and is a permissive cost for the facility.[14] The Capital Improvement Plan (CIP) and facility expansion for new development in the City's water and wastewater utilities generally satisfy the criteria for proper impact fee facilities.[15] It should be noted that these costs do not include maintenance, repairs, or expansion of existing facilities to improve service to an existing development. Permissive, or recoverable, costs for the impact fee include:[16]

- Construction
- Surveying and Engineering
- Land Acquisition and Associated Costs
- Projected Interest Charges and Other Finance Costs
- Engineering Costs Associated with Land Use/Capital Improvements Planning and/or Financial Consulting Associated with Developing Impact Fees (Not Employed by the City)

Nonrecoverable Costs

The Code identifies the following costs as nonrecoverable by an impact fee:

- Capital Improvement Projects NOT Identified in the Impact Fee CIP
- Operations and Maintenance Costs
- Improvements Associated with Existing Deficiencies
- Administrative and Operational Costs of the City
- Non-Impact Fee CIP Debt Service

The City provided NewGen a CIP project listing associated with both existing and planned infrastructure improvements. NewGen then calculated the future needs of the system and allocated the costs and capacity based on growth utilizing the previously discussed land use assumptions and population figures.

[14] *Texas Local Government Code §395.001(4).*
[15] *Texas Local Government Code § 395.001(1A).*
[16] *Texas Local Government Code § 395.012.*

In order to first determine the capacity needs of the system, NewGen utilized the Facility Capacity Assumptions identified in the 2017 Study, as show in Tables 4 and 5 for water and wastewater, respectively.

Table 4. Water Facility Capacity Assumptions

Water Facilities	Basis	Capacity per SUE
Supply	Peak Day (gpd)	864
Booster Pumps	Peak Day (gpd)	864
Total Storage	TCEQ Requirement (gallons)	200
Elevated Storage	TCEQ Requirement (gallons)	100
Supply	Peak Day (gpd)	864

Table 5. Wastewater Facility Capacity Assumptions

Water Facilities	Basis	Capacity per SUE
Treatment	Average Day (gallons per day) – current flows	145
Treatment	Average Day (gallons per day) – growth	250
Pumping	Engineering Analysis (gallons per day)	875

NewGen developed future capacity projections for the water and wastewater systems by multiplying the capacity per SUE as defined in Tables 4 and 5 times the number of SUEs in the current year (2022) and the last year of the planned period (2032) as defined in Table 6. For transmission, distribution, and collection, it was assumed that all incremental capacity of future projects was used in the next ten (10) years. The results of projected future capacity needs for the water and wastewater systems are shown in the tables below:

Table 6. Water Facility Capacity Requirement Projections

Projected Required Capacity	Basis	2022	2032
Supply	Peak Day (gallons per day)	5,576,688	9,626,558
Pumping	Peak Day (gallons per day)	5,576,688	9,626,558
Ground Storage	TCEQ Requirement (gallons)	645,450	1,114,185
Elevated Storage	TCEQ Requirement (gallons)	645,450	1,114,185

Table 7. Wastewater Facility Capacity Requirement Projections

Projected Required Capacity	Basis	2022	2032
Treatment	Peak Day (gallons per day)	906,270	906,270
Treatment	Peak Day (gallons per day) - growth	51,090	989,408
Total Treatment		957,360	1,895,678
Pumping	Engineering Analysis (gallons per day)	5,647,688	8,931,801

NewGen utilized the provided CIP for a listing of existing and future facilities. The CIP plan lists each project and the timeframe in which the project is expected to be placed in service as well as the capacity per project. NewGen then compared the planned future system capacities to the projected facility capacity requirements shown in the Tables 6 and 7. The recoverable costs for each project were then calculated based on the needs of the utilities' system within the ten-year growth horizon. A summary of the results of the cost allocation process for both the water and wastewater systems are included in Tables 8 and 9. Detail of the cost allocations is provided in Exhibits C and D.

Table 8. Water Impact Fee CIP

Description	Total Project Amount	% for 2022–2032 Growth	Impact Fee Eligible
Water Supply	$ 44,518,888	14%	$ 6,319,526
Water Pumping	18,189,154	25%	4,633,147
Ground Storage	12,433,942	13%	1,616,705
Elevated Storage	12,205,800	17%	2,099,554
Transmission Lines	23,456,855	66%	15,409,000
Distribution Lines	19,150,000	78%	14,975,909
Impact Fee Study	9,250	100%	9,250
	$ 129,963,889		$ 45,063,092

Table 9. Wastewater Impact Fee CIP

Description	Total Project Amount	% for 2022–2032 Growth	Impact Fee Eligible
Wastewater Treatment	$ 70,157,174	17%	$ 12,190,696
Wastewater Pumping	6,703,660	25%	1,656,972
Major Collection Lines	17,583,235	92%	16,225,822
Impact Fee Study	9,250	100%	9,250
Total	$ 94,453,319		$ 30,082,740

Step 3: Determination of the Maximum Assessable Fee

The final step in the process is to calculate the maximum allowable impact fee which generates revenues that are then used to pay for allowable projects during the study period. The calculation is detailed in Tables 10 and 11 for both water and wastewater, respectively.

Table 10. Water Impact Fee Calculations

Description	Production	Distribution
Recoverable Cost for Impact Fee Planning Period	$ 6,320,824	$ 38,742,269
Add: Financing Costs	2,549,603	34,348,778
Less: Interest Earnings	(553,235)	(8,524,739)
Less: Existing Fund Balance	(0)	(486,004)
Recoverable Cost of Water Impact Fee and Financing Costs Less Balance	$ 8,317,193	$ 64,080,304
Divide: Additional Service Units Added During Planning Period	3,087	4,687
Maximum Assessable Fee	$ 2,694	$ 13,671
Fee with 50% Credit (Max Assessable Fee)	$ 1,347	$ 6,835
Current Water Impact Fee	$ 0	$ 4,109
Variance	*$ 1,347*	*$ 2,726*

Table 11. Wastewater Impact Fee Calculations

Description	Calculation
Recoverable Cost for Impact Fee Planning Period	$ 30,082,740
Add: Financing Costs	11,986,689
Less: Interest Earnings	(2,619,981)
Less: Existing Fund Balance	(1,245,624)
Recoverable Cost of Water Impact Fee and Financing Costs Less Balance	$ 38,203,823
Divide: Additional Service Units Added During Planning Period	3,753
Maximum Assessable Fee	$ 10,179
Fee with 50% Credit (Max Assessable Fee)	$ 5,089
Current Water Impact Fee	$ 6,173
Variance	*($ 1,084)*

There are two alternatives to award the impact fee credit required within the Code: 1) credit a portion of the ad valorem tax and utility service revenues generated by new service units during the program period that is used for the payment of improvements, including the payment of debt, that are included in the capital improvements plan; or 2) a credit equal to 50 percent of the total projected cost of implementing the capital improvements plan. After discussions with City staff, it was decided to

implement option 2, a fee equivalent to 50% of the total cost to implement each system's CIP plan. The results of the study indicate that the maximum assessable fees per connection are $8,182 for the Water system and $5,089 for the Wastewater system.

Regional Fee Comparison

As part of NewGen's analysis, a comparison was done with surrounding municipalities which service similar areas. The results of the comparison are provided in Figure 1 below. As shown, the City's fees currently are on the lower end of the analysis. The proposed increase in impact fees will bring the City more in line with others in the comparable cities.

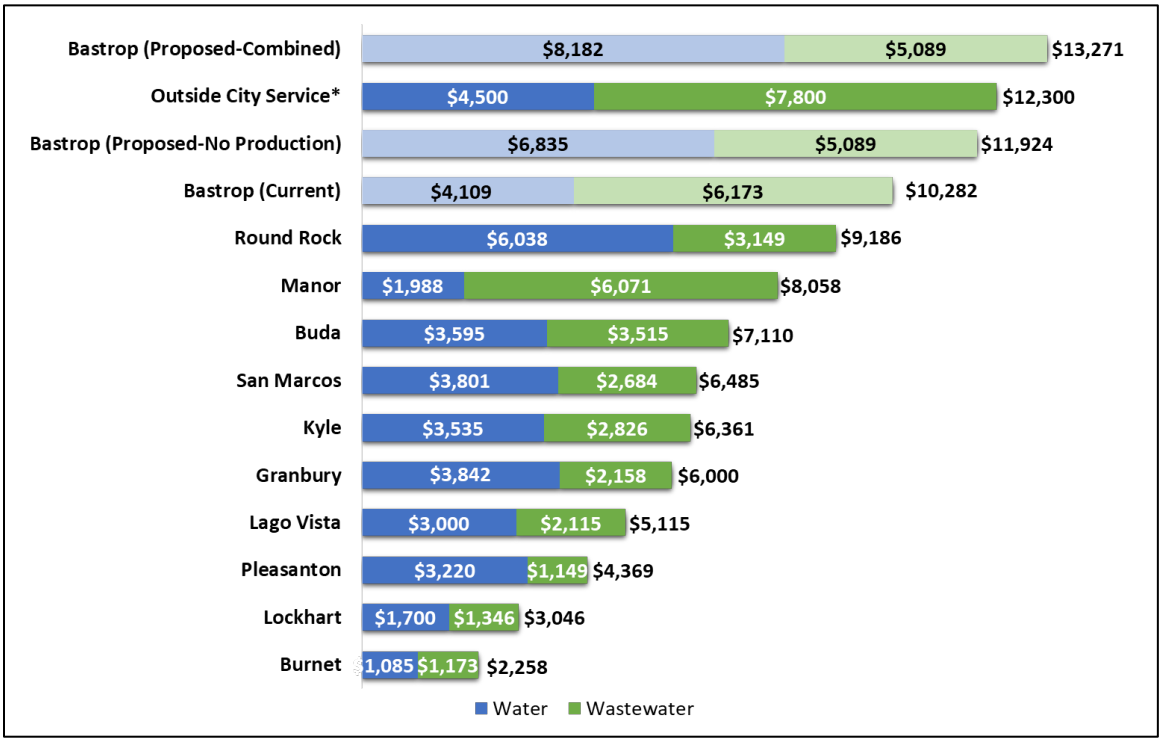


Figure 1. Regional Comparison – Impact Fees (3/4" meter)

We appreciate the opportunity to work with the City on this study. Should you have any questions regarding the information detailed here-in, please feel free to contact me at (972) 232-2234 or cekrut@newgenstrategies.net.

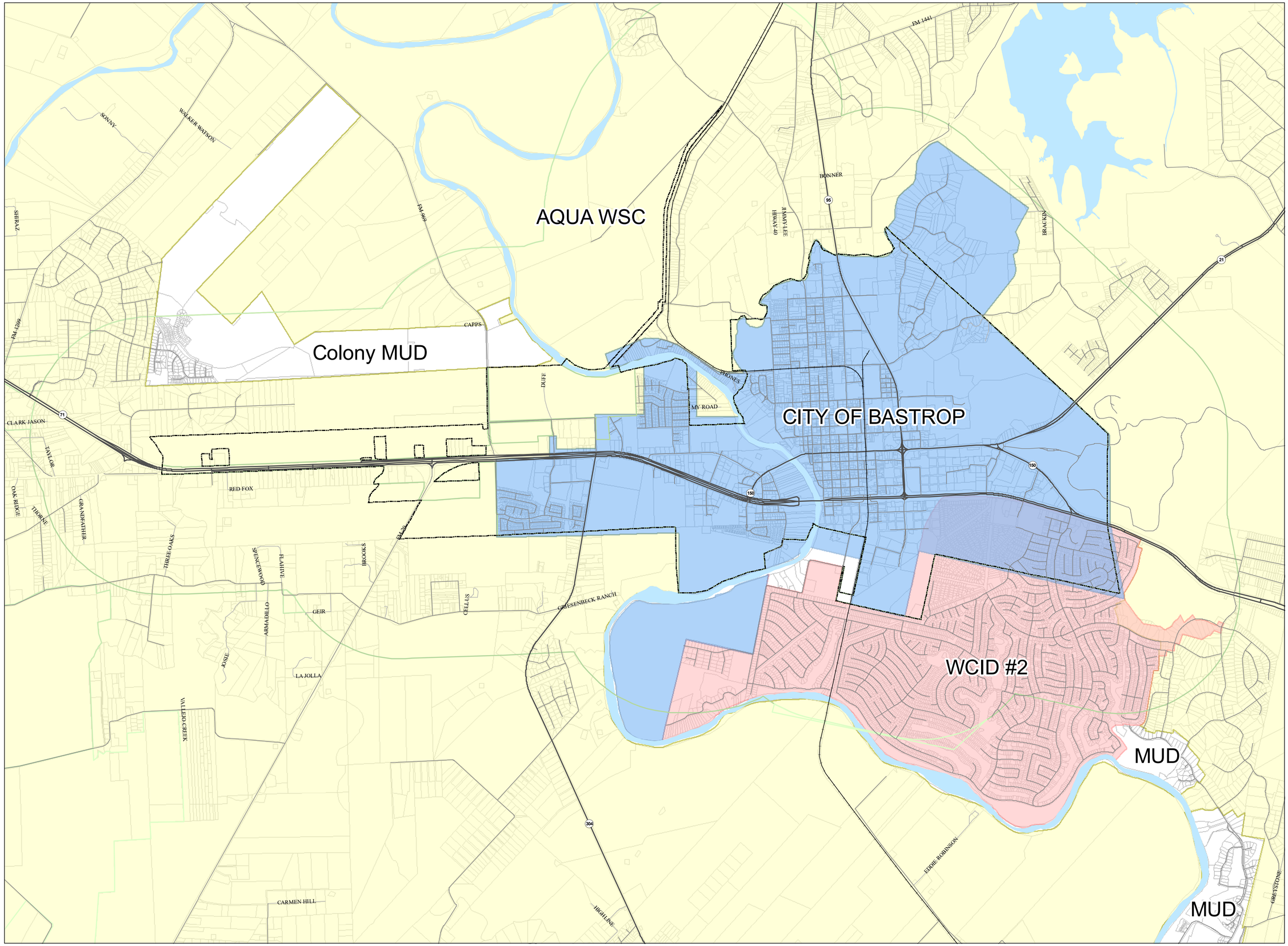
Sincerely,
NewGen Strategies and Solutions, LLC

DocuSigned by:
Chris D. Ekrut
FB62F346CFA8440...

Chris D. Ekrut
Partner, Chief Financial Officer

Mr. Paul A. Hofmann
City Manager
May 19, 2022

Exhibit A



Bastrop Area Water CCNs

Legend

- City of Bastrop
- WCID #2
- Aqua WSC

Bastrop ETJ

- Statutory
- Area A
- Area B

Date: 8/9/2017

1 inch = 1,800 feet

N

Mr. Paul A. Hofmann
City Manager
May 19, 2022

Exhibit B

Bastrop Area Waste Water CCNs

LRCA

CITY OF BASTROP

WCID #2

AQUA WSC

CHASCO

Legend

- City of Bastrop
- Aqua WSC
- WCID #2
- Chasco
- LCRA

Bastrop ETJ

- Statutory
- Area A
- Area B

Date: 8/9/2017

1 inch = 2,100 feet

N

The accuracy and precision of this cartographic data is limited and should be used for information /planning purposes only. This data does not replace surveys conducted by registered Texas land surveyors nor does it constitute an "official" verification of zoning, land use classification, or other classification set forth in local, state, or federal regulatory processes. The City of Bastrop, nor any of its employees, do not make any warranty of merchantability and fitness for particular purpose, or assumes any legal liability or responsibility for the accuracy, completeness or usefullness of any such information, nor does it represent that its use would not infringe upon privately owned rights.

Mr. Paul A. Hofmann
City Manager
May 19, 2022

Exhibit C

Exhibit C
Water Capital Improvement Plan Inventory

WATER SUPPLY

Existing Facilities	Year Planned	Total Construction Cost	Total Facility Capacity	Units	Current Capacity Used	Capacity Used 2032	Capacity Beyond 2032	% Allocation Current	% Allocation 2022-2032	% Allocation Beyond 2032	Cost Allocation to 2022-2032
Willow Street Plant (Wells C-G)		781,865	3,319,200	Avg. Gals per Day	3,319,200	3,319,200	3,319,200	30%	14%	56%	110,987
Bob Bryan Park Site Phase I (Wells H and I)		424,853	1,224,000	Avg. Gals per Day	1,224,000	1,224,000	1,224,000	30%	14%	56%	60,309
Bob Bryan Park Side Phase 2		1,462,720	1,152,000	Avg. Gals per Day	1,033,488	1,152,000	1,152,000	30%	14%	56%	207,635
Initial Water Supply XS Ranch		2,000,000	2,677,808	Avg. Gals per Day	-	2,548,958	2,677,808	30%	14%	56%	283,903
Well J & Monitoring Well		1,449,450	2,160,000	Avg. Gals per Day	-	-	2,160,000	30%	14%	56%	205,752
Addt'l Wtr Supply (16" River Crossing Wtr Line)		1,000,000	1,058,400	Avg. Gals per Day	-	-	1,058,400	30%	14%	56%	141,952
Future Facilities											
Water Plant (XS Ranch)		$ 31,000,000	3,600,000	Avg. Gals per Day	-	-	3,600,000	30%	14%	56%	4,400,499
XS Ranch groundwater well construction (3 add'l wells)		6,400,000	3,600,000	Avg. Gals per Day	-	-	3,600,000	30%	14%	56%	908,490
							-				-
TOTAL WATER SUPPLY		$ 44,518,888	18,791,408		5,576,688	8,244,158	18,791,408	30%	14%	56%	$ 6,319,526
Capacity Required					5,576,688	8,244,158	8,244,158				
Over/(Short) Requirement					0%	0%	128%				

WATER PUMPING

Existing Facilities	Year Planned	Total Construction Cost	Total Facility Capacity	Units	Current Capacity Used	Capacity Used 2032	Capacity Beyond 2032	% Allocation Current	% Allocation 2022-2032	% Allocation Beyond 2032	Cost Allocation to 2022-2032
Willow High Service 1		$ 9,962	720,000	Peak Hour Gals	720,000	720,000	720,000				2,538
Willow High Service 2		9,962	720,000	Peak Hour Gals	720,000	720,000	720,000				2,538
Willow High Service 3		9,962	720,000	Peak Hour Gals	720,000	720,000	720,000				2,538
Willow High Service 4		19,638	768,000	Peak Hour Gals	768,000	768,000	768,000				5,002
Willow High Service 5		19,638	768,000	Peak Hour Gals	768,000	768,000	768,000				5,002
Willow High Service 6		19,638	768,000	Peak Hour Gals	768,000	768,000	768,000				5,002
Bob Bryant High Service 1		74,815	1,344,000	Peak Hour Gals	1,112,688	1,344,000	1,344,000				19,057
Bob Bryant High Service 2		74,815	1,344,000	Peak Hour Gals	-	1,344,000	1,344,000				19,057
Bob Bryant Transfer Pump 1		20,000	384,000	Peak Hour Gals	-	384,000	384,000				5,094
Bob Bryant Transfer Pump 2		20,000	384,000	Peak Hour Gals	-	384,000	384,000				5,094
Loop 150 Tank Yard Pump 1		4,862	384,000	Peak Hour Gals	-	384,000	384,000				1,238
Loop 150 Tank Yard Pump 2		4,862	384,000	Peak Hour Gals	-	384,000	384,000				1,238
Future Facilities											
XS Ranch Groundwater Well Construction (4 pumps)		$ 6,400,000	6,480,000	Peak Hour Gals	-	938,558	6,480,000				1,630,210
XS Ranch Transmission Pump Station		6,601,000	11,282	Peak Hour Gals	-	-	11,282				1,681,409
Willow WTP Zone 1 Pump Station		4,900,000	720,000	Peak Hour Gals	-	-	720,000				1,248,130
TOTAL WATER PUMPING		$ 18,189,154	15,899,282		5,576,688	9,626,558	15,899,282	35%	25%	39%	$ 4,633,147
Capacity Required					5,576,688	9,626,558	9,626,558				
Over/(Short) Requirement					0%	0%	65%				

Exhibit C
Water Capital Improvement Plan Inventory

GROUND STORAGE

Existing Facilities	Year Planned	Total Construction Cost	Total Facility Capacity	Units	Current Capacity Used	Capacity Used 2032	Capacity Beyond 2032	% Allocation Current	% Allocation 2022-2032	% Allocation Beyond 2032	Cost Allocation to 2022-2032
Bob Bryant (Tank 4)		$ 263,080	285,000	Gallons	285,000	285,000	285,000				34,207
GST Re-Use at WWTP		128,762	40,000	Gallons	40,000	40,000	40,000				16,742
Tank 1 at Willow Street		350,000	500,000	Gallons	320,450.00	500,000	500,000				45,508
Tank 2 at Willow Street		350,000	500,000	Gallons	-	289,185	500,000				45,508
Hwy 20 (along with Elev Tank)		1,142,100	280,000	Gallons	-	-	280,000				148,500
Future Facilities											
Tank 1 at Willow Street (replace concrete tank)		4,000,000	750,000		-	-	750,000				520,094
Tank 2 at Willow Street (replace steel tank)		4,000,000	750,000		-	-	750,000				520,094
XS Ranch GST part of the WTP		2,200,000	500,000		-	-	500,000				286,052
TOTAL GROUND STORAGE		$ 12,433,942	3,605,000		645,450	1,114,185	3,605,000	18%	13%	69%	$ 1,616,705
Capacity Required					645,450	1,114,185	1,114,185				
Over/(Short) Requirement					0%	0%	224%				

ELEVATED STORAGE

Existing Facilities	Year Planned	Total Construction Cost	Total Facility Capacity	Units	Current Capacity Used	Capacity Used 2032	Capacity Beyond 2032	% Allocation Current	% Allocation 2022-2032	% Allocation Beyond 2032	Cost Allocation to 2022-2032
Est at Loop 150		$ 375,000	250,000	Gallons	250,000	250,000	250,000				64,505
Standpipe at Loop 150		700,000	1,000,000	Gallons	395,450	864,185	1,000,000				120,409
GST at Loop 150		140,000	225,000	Gallons	-	-	225,000				24,082
Elevated tower west at Hwy 20 (supply)		1,490,800	250,000	Gallons	-	-	250,000				256,437
Future Facilities											
1 MG Elevated Storage Tank (east of FM969)		$ 9,500,000	1,000,000		-	-	1,000,000				1,634,122
											-
TOTAL ELEVATED STORAGE		$ 12,205,800	2,725,000		645,450	1,114,185	2,725,000	24%	17%	59%	$ 2,099,554
Capacity Required					645,450	1,114,185	1,114,185				
Over/(Short) Requirement					0%	0%	145%				

Exhibit C
Water Capital Improvement Plan Inventory

TRANSMISSION LINES

Existing Facilities	Year Planned	Total Construction Cost	Total Facility Capacity	Units	Current Capacity Used	Capacity Used 2032	Capacity Beyond 2032	% Allocation Current	% Allocation 2022-2032	% Allocation Beyond 2032	Cost Allocation to 2022-2032
8-inch line on Old Austin Hwy		$ 146,590	1,000	Gallons	1,000	1,000	1,000	100%	0%	0%	$ -
12-inch line on Perkins/Higgins		96,491	1,000	Gallons	1,000	1,000	1,000	100%	0%	0%	-
12-inch line on Eskew/Loop 150		48,904	1,000	SUEs	1,000	1,000	1,000	100%	0%	0%	-
Hunters Crossing Blvd (16-inch)		100,160	1,200	SUEs	1,200	1,200	1,200	100%	0%	0%	-
Downtown Feeder (8-inch)		148,500	450	SUEs	450	450	450	100%	0%	0%	-
Willow/Wilson Connection (6-inch)		-	250	SUEs	250	250	250	100%	0%	0%	-
Loop 150 Standpipe Feeder (10, 12 inch)		1,058,750	1,000	SUEs	1,000	1,000	1,000	100%	0%	0%	-
SH 95 North (12-inch)		437,600	1,000	SUEs	1,000	1,000	1,000	100%	0%	0%	-
Hoffman Road (8-inch)		77,000	450	SUEs	450	450	450	100%	0%	0%	-
Loop 150 West Feeder (12-inch)		438,510	1,000	SUEs	1,000	1,000	1,000	100%	0%	0%	-
Eskew St. (12-inch)		102,900	2,600	SUEs	2,600	2,600	2,600	100%	0%	0%	-
Higgins St. (12-inch)		73,500	2,600	SUEs	2,600	2,600	2,600	100%	0%	0%	-
SH 71 (North Line) (12-inch)		280,000	1,000	SUEs	1,000	1,000	1,000	100%	0%	0%	-
SH 71 (South Line) (12-inch)		444,500	1,000	SUEs	1,000	1,000	1,000	100%	0%	0%	-
Hasler Blvd (12-inch)		119,000	1,000	SUEs	1,000	1,000	1,000	100%	0%	0%	-
Agnes Street (12-inch)		41,300	1,000	SUEs	1,000	1,000	1,000	100%	0%	0%	-
Old Austin Hwy (8,12 inch)		647,700	1,000	SUEs	1,000	1,000	1,000	100%	0%	0%	-
SH 71 (West Line) (12-inch)		13,050	1,000	SUEs	1,000	1,000	1,000	100%	0%	0%	-
Hunters Point Drive (12, 16-inch)		57,750	1,200	SUEs	1,200	1,200	1,200	100%	0%	0%	-
Elevated Tank Feeder (12, 16-inch)		852,500	1,200	SUEs	1,200	1,200	1,200	100%	0%	0%	-
Hasler Shores Feeder (8 inch)		166,000	450	SUEs	450	450	450	100%	0%	0%	-
SH 71 East / Buc-ee's (12-inch)		-	1,000	SUEs	1,000	1,000	1,000	100%	0%	0%	-
Ground Storage Tank Feeder (12-inch)		375,900	1,000	SUEs	1,000	1,000	1,000	100%	0%	0%	-
Bob Bryant Feeder (12-inch)		66,750	1,000	SUEs	1,000	1,000	1,000	100%	0%	0%	-
Blair Avenue (12-inch)		19,500	1,000	SUEs	1,000	1,000	1,000	100%	0%	0%	-
16" watermain crossing under river		2,235,000	1,500	SUEs	1,500	1,500	1,500	100%	0%	0%	-
Future Facilities											
Riverwood Waterline Improvements (Size Ir…)		1,000,000	250	SUEs	-	250	250	0%	100%	0%	1,000,000
Water Main Ext. SH304 to WWTP 3		800,000	250	SUEs	-	250	250	0%	100%	0%	800,000
Watermain Replacement Pine Street Size In…	2023	250,000	100	SUEs	-	100	100	0%	100%	0%	250,000
Water Main ext. Arena Dr. to Pitt	2024	350,000	250	SUEs	-	250	250	0%	100%	0%	350,000
24" line from XS Ranch Water Plant to Willow Plant		10,609,000	9,333	SUEs	-	9,333	9,333	0%	100%	0%	10,609,000
20/16-inch Bob Bryant Transmission Lines (20/16-inch) (2500 LF of 20" W		2,400,000	4,873	SUEs	-	4,873	4,873	0%	100%	0%	2,400,000
TOTAL TRANSMISSION LINES		$ 23,456,855	42,956		27,900	42,956	42,956	34%	66%	0%	$ 15,409,000.00

Capacity Required (Original Report)

Exhibit C
Water Capital Improvement Plan Inventory

DISTRIBUTION LINES

Future Facilities	Year Planned	Total Construction Cost	Total Facility Capacity	Units	Current Capacity Used	Capacity Used 2032	Capacity Beyond 2032	% Allocation Current	% Allocation 2022-2032	% Allocation Beyond 2032	Cost Allocation to 2022-2032
12-inch line (1800LF) Agnes St Extension		$ 800,000	1,060	SUEs	-	1,060	1,060	0%	100%	0%	$ 800,000
20/16/12-inch Downtown WL (14,400LF). This WL replaces smaller lines.		6,300,000	5,150	SUEs	1,468	5,150	5,150	29%	71%	0%	4,503,748
12/8-in WL on Chestnut (4100FL). This WL replaces existing 10/8-in (410		2,450,000	560	SUEs	357	560	560	64%	36%	0%	886,878
12-in WL on Chambers (4000 LF). This WL replaces existing 10-in		1,700,000	552	SUEs	265	552	552	48%	52%	0%	885,283
12-in WL on Driftwood Ln (5300 LF)		2,500,000	1,060	SUEs	-	1,060	1,060	0%	100%	0%	2,500,000
12/8-in Lost Pines Ave (3100 LF of 12-in, and 900LF of 8-in)		1,300,000	1,547	SUEs	-	1,547	1,547	0%	100%	0%	1,300,000
16-in Valverde WL (9700LF)- comes off 16" WL on SH 71 at FM20 EST a		-	1,907	SUEs	-	1,907	1,907	0%	100%	0%	-
16-in Valverde WL (6800LF) - comes off FM20 EST and goes south, then		-	1,907	SUEs	-	1,907	1,907	0%	100%	0%	-
16-in Valverde WL (8700LF) - connects to the line proposed to go through		-	1,907	SUEs	-	1,907	1,907	0%	100%	0%	-
12-in Lovers Lane (14800LF) - to serve Colorado River Bend movie studi		-	1,907	SUEs	-	1,907	1,907	0%	100%	0%	-
16/12-in SH 304 (8900LF) - to serve Colorado River Bend movie studio a		-	2,967	SUEs	-	2,967	2,967	0%	100%	0%	-
16/12-inch line and appurtenances (associated with the EST planned east		-	2,960	SUEs	-	2,960	2,960	0%	100%	0%	-
12-in Movie Studio (7600LF) - to serve Colorado River Bend movie studio		-	1,060	SUEs	-	1,060	1,060	0%	100%	0%	-
12-in Mauna Loa Ln (10600FL)		4,100,000	1,060	SUEs	-	1,060	1,060	0%	100%	0%	4,100,000
TOTAL DISTRIBUTION LINES		$ 19,150,000	25,604		2,090	25,604	25,604	0%	0%	0%	$ 14,975,908.76
Capacity Required (Original Report)											
Water Impact Fee Update		9,250	0								$ 9,250
Total Allocable Costs		$ 129,963,889	41,089,250								**$ 45,063,092**

Mr. Paul A. Hofmann
City Manager
May 19, 2022

Exhibit D

Exhibit D
Wastewater Capital Improvement Plan Inventory

WASTEWATER TREATMENT

Existing Facilities	Year Planr	Total Construction Cost	Total Facility Capacity	Units	Current Capacity Used	Capacity Used 2029	Capacity Beyond 2029	% Allocation Current	% Allocation 2019-2029	% Allocation Beyond 2029	Cost Allocation to 2019-2029
WWTP No. 1 & 2 Replaced headworks		$ 451,274	1,400,000	Avg. Gals per Day	957,360	1,400,000	1,400,000				
2 MGD WWTP #3 Construction / Design		29,005,900	2,000,000	Avg. Gals per Day	-	495,678	2,000,000				
Future Facilities											
2 MGD WWTP #3 Phase II Construction / Design		40,700,000	2,000,000	Avg. Gals per Day		-	2,000,000				
TOTAL WASTEWATER TREATMENT		$ 70,157,174	5,400,000		957,360	1,895,678	5,400,000	18%	17%	64.9%	$ 12,190,696
Capacity Required					957,360	1,895,678	1,895,678				
Over/(Short) Requirement					0%	0%	185%				

WASTEWATER PUMPING

Existing Facilities	Year Planr	Total Construction Cost	Total Facility Capacity	Units	Current Capacity Used	Capacity Used 2029	Capacity Beyond 2029	% Allocation Current	% Allocation 2019-2029	% Allocation Beyond 2029	Cost Allocation to 2019-2029
Home Depot LS		$ 70,000	115,200	Gallons per Day	115,200	115,200	115,200				
Riverside Grove LS		69,500	662,400	Gallons per Day	662,400	662,400	662,400				
Old Austin LS		52,000	180,000	Gallons per Day	180,000	180,000	180,000				
Central LS		255,730	1,339,200	Gallons per Day	1,339,200	1,339,200	1,339,200				
Hunters Crossing LS		100,000	751,680	Gallons per Day	751,680	751,680	751,680				
River LS		100,000	648,000	Gallons per Day	648,000	648,000	648,000				
North Pecan LS		66,500	475,200	Gallons per Day	475,200	475,200	475,200				
Lincoln LS		50,000	48,960	Gallons per Day	48,960	48,960	48,960				
Wilson LS 1		15,000	72,000	Gallons per Day	72,000	72,000	72,000				
Wilson LS 2		15,000	72,000	Gallons per Day	72,000	72,000	72,000				
Fisherman Park LS		225,930	329,000	Gallons per Day	329,000	329,000	329,000				
Main Street LS		100,000	648,000	Gallons per Day	648,000	648,000	648,000				
Mauna LOA SL		284,000	432,000	Gallons per Day	306,048	432,000	432,000				
WWTP		50,000	1,080,000	Gallons per Day	-	1,080,000	1,080,000				
Gills Branch LS		250,000	648,000	Gallons per Day	-	648,000	648,000				
Future Facilities											
XS Ranch LS		5,000,000	345	Gallons	-	345	345				
TOTAL WASTEWATER PUMPING		$ 6,703,660	7,501,985		5,647,688	7,501,985	7,501,985	75%	25%	0%	$ 1,656,972
Capacity Required					5,468,874	8,931,801	8,931,801				
Over/(Short) Requirement					3%	-16%	-16%				

Exhibit D
Wastewater Capital Improvement Plan Inventory

MAJOR COLLECTION LINES

Existing Facilities	Year Plan	Total Construction Cost	Total Facility Capacity	Units	Current Capacity Used	Capacity Used 2029	Capacity Beyond 2029	% Allocation Current	% Allocation 2019-2029	% Allocation Beyond 2029	Cost Allocation to 2019-2029
MLK Street Gravity Main		$ 146,590	3,192,000	Gallons	3,192,000	3,192,000	3,192,000	100%	0%	0%	$ -
Pecan Street Gravity Main		171,255	3,192,000	Gallons	3,192,000	3,192,000	3,192,000	100%	0%	0%	-
Central LS Force Main		143,956	1,762,000	Gallons	1,762,000	1,762,000	1,762,000	100%	0%	0%	-
North Pecan LS Force Main		5,775	282,000	Gallons	282,000	282,000	282,000	100%	0%	0%	-
Highway 71 Pipe Bursting Project (Expansion from 10" to 15")		659,000	1,117	SUEs	1,117	1,117	1,117	100%	0%	0%	-
Fayettte St. Improvement (Expansion from 12" to 18")		230,837	1,502	SUEs	1,502	1,502	1,502	100%	0%	0%	-
					0	0	0	0%	0%	0%	-
Future Facilities											
Westside Collection System Gravity Sewer Improvements		8,150,866	23,564	SUEs	-	23,564	23,564	0%	100%	0%	8,150,866
Transfer Lift Station and Force Main		4,440,387	5,600	SUEs	-	5,600	5,600	0%	100%	0%	4,440,387
Sewer Line replacement		395,000	1,200	SUEs	-	1,200	1,200	0%	100%	0%	395,000
Sewer Line replacement		500,000	860	SUEs	-	860	860	0%	100%	0%	500,000
Sewer Line replacement		539,569	4,940	SUEs	-	4,940	4,940	0%	100%	0%	539,569
Sewer Line replacement		2,200,000	600	SUEs	-	600	600	0%	100%	0%	2,200,000
					0	0	0	0%	0%	0%	0
TOTAL MAJOR COLLECTION LINES		$ 17,583,235	8,467,383		8,430,619	8,467,383	8,467,383	8%	92%	0%	$ 16,225,822
Consultant Fees		$ 9,250									$ 9,250
Total Allocable Costs		$ 94,453,319	21,369,368								**$ 30,082,740**

May 26, 2022

CITY OF BASTROP, TEXAS
WATER AND WASTEWATER IMPACT FEE UPDATE

NewGen Strategies & Solutions

IMPACT FEES

What are they?

- Mechanism that allows municipalities the ability to recover infrastructure costs associated with future development
  - New construction or facility expansion to serve future development during the next ten (10) years
- Governed by Chapter 395 of the Texas Local Government Code
  - *"Impact Fee means a charge or assessment imposed by a political subdivision against new development in order to generate revenue for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to the new development"*

Texas Local Government Code §395.001

IMPACT FEES

What costs are recoverable?

- Construction
- Surveying and Engineering
- Land Acquisition and Associated Costs
- Financing Costs
- Engineering Costs Associated with Land Use/Capital Improvements Planning and/or Financial Consulting Associated with Developing Impact Fees (Not Employed by the City)

IMPACT FEES

What costs are not recoverable?

- Capital Improvement Projects NOT Identified in the Impact Fee CIP
- Operations and Maintenance Costs
- Improvements Associated with Existing Deficiencies
- Administrative and Operational Costs of the City
- Non-Impact Fee CIP Debt Service
- SB 883 – exempts school districts from impact fees unless board consents by entering into contractual agreement (effective May 25, 2007)

IMPACT FEES

How are they calculated?

- Land Use and Population Projections
- Capital Improvements Plan (Master Plan)
  - Description of existing facilities and the costs to meet existing needs and deficiencies
  - Analysis of existing capacity and commitments
  - Description of capital improvements and associated costs attributable to new development based on the approved Land Use Assumptions
  - Projected new service units based on approved Land Use Assumptions
  - Develop 10-year Impact Fee CIP and costs

IMPACT FEES

How are they calculated? (continued)

- Financing Costs
- Revenue Credit Calculation or 50% Credit
  - Revenue Credit Calculation – a credit for the portion of ad valorem tax and/or utility service revenues generated by new service units during the program period (10-years) that is used for payment of projects included in the Impact Fee CIP
- Maximum Assessable Impact Fee

$$\text{Impact Fee} = \frac{\text{Cost of Impact Fee CIP} - \text{Credit}}{\text{New Service Units}}$$

IMPACT FEES

Key Assumptions

- Utilized a 4% Growth Factor
- Within next ten years:
  - 4,687 New Water Connections
    - 1,600 Aqua Customers
  - 3,753 New Wastewater Connections
- 76 Water CIP Projects were included
- 32 Wastewater CIP Projects were included

WATER IMPACT FEE CIP

Description	Total Project Amount	% for 2022-2032 Growth	Impact Fee Eligible
Water Supply	$ 44,518,888	14.20%	$ 6,319,526
Water Pumping	18,189,154	25.47%	4,633,147
Ground Storage	12,433,942	13.00%	1,616,705
Elevated Storage	12,205,800	17.20%	2,099,554
Transmission Lines	23,456,855	65.69%	15,409,000
Distribution Lines	19,150,000	78.20%	14,975,909
Impact Fee Study	9,250	100.00%	9,250
	$ 129,963,889		**$45,063,092**

WATER IMPACT FEE CALCULATIONS

Line	Description	Production	Distribution
1	Recoverable Cost for Impact Fee Planning Period	$ 6,320,253	$ 38,742,269
2	Add: Financing Costs	2,549,603	34,348,778
3	Less: Interest Earnings	(553,235)	(8,524,739)
4	Less: Existing Fund Balance	0	(486,004)
5	Recoverable Cost of Water Impact Fee and Financing Costs Less Balance	**$ 8,317,193**	**$ 64,080,304**
6	Divide: Additional Service Units Added During Planning Period	3,087	4,687
7	Maximum Assessable Fee	$ 2,694	$ 13,671
8	Fee with 50% Credit (Max Assessable Fee)	**$ 1,347**	**$ 6,835**
9	Current Water Impact Fee	$ 0	$ 4,109
10	*Variance*	*$ 1,347*	*$ 2,726*

Note: Production includes Water Supply projects and portion of Impact Fee Study cost.

WASTEWATER IMPACT FEE CIP

Description	Total Project Amount	% for 2022-2032 Growth	Impact Fee Eligible
Wastewater Treatment	$ 70,157,174	17.38%	$12,190,696
Wastewater Pumping	6,703,660	24.72%	1,656,972
Major Collection Lines	17,583,235	92.28%	16,225,822
Impact Fee Study	9,250	100.00%	9,250
Total	**$ 94,453,319**		**$ 30,082,740**

WASTEWATER IMPACT FEE CALCULATIONS

Line	Description	2022
1	Recoverable Cost for Impact Fee Planning Period	$ 30,082,740
2	Add: Financing Costs	11,986,689
3	Less: Interest Earnings	(2,619,981)
4	Less: Existing Fund Balance	(1,245,624)
5	Recoverable Cost of Wastewater Impact Fee and Financing Costs Less Balance	**$ 38,203,823**
6	Divide: Additional Service Units Added During Planning Period	3,753
7	Maximum Assessable Fee	$ 10,179
8	Fee with 50% Credit (Max Assessable Fee)	**$ 5,089**
9	Current Wastewater Impact Fee	$ 6,173
10	*Variance*	*($ 1,084)*

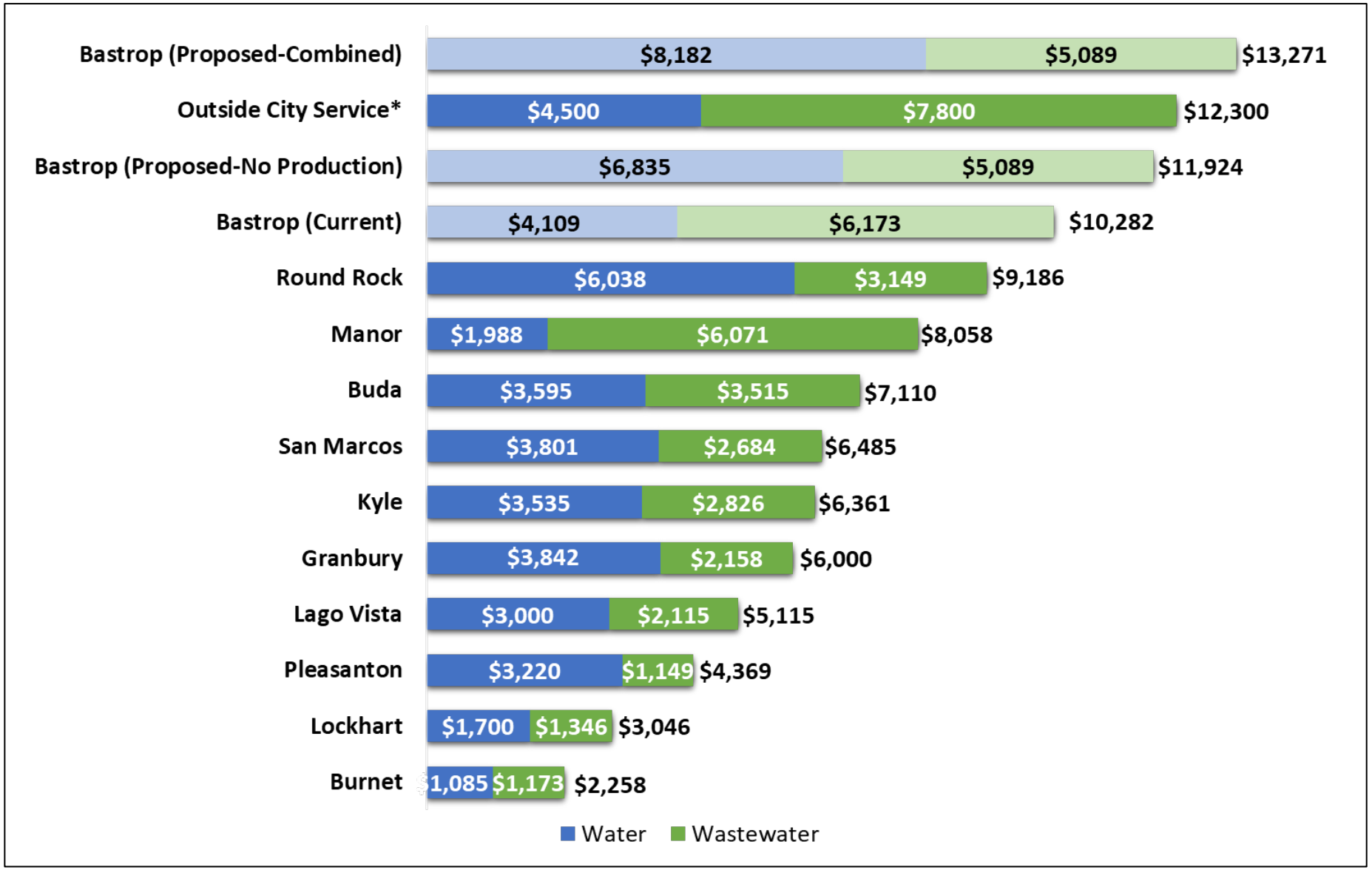
RATE RECOMMENDATIONS

- Set the maximum impact fee per service unit equal to a 3/4-inch connection using the 50% credit method for both water and wastewater impact fees
  - Water Impact Fee - $ 8,182 for a ¾” Meter
    - Production - $ 1,347 for a ¾” Meter
    - Distribution - $ 6,835 for a ¾” Meter
  - Wastewater Impact Fee - $ 5,089 for a ¾” Meter

- Assess escalating fees by meter size based on capacity values from the AWWA Manual M1, Principles of Water Rates, Fees and Charges, 6th edition, 2012

REGIONAL COMPARISON

Impact Fees (3/4-inch meter)



*Outside City Service represents water meter fee from Aqua WSC and cost of septic installation.

QUESTIONS AND DISCUSSION

NEWGEN STRATEGIES AND SOLUTIONS
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