

A G E N D A

A regular meeting of the Impact Fee Capital Improvements Advisory Committee (IFCIAC) to be held at the Waxahachie Civic Center, 2000 Civic Center Lane, Meeting Rooms A and B, Waxahachie, Texas, on ***Tuesday, May 14, 2024 at 6:15 p.m.***

Committee Members:

Rick Keeler, Chairman
Erik Test, Vice Chairman
Bonney Ramsey
David Hudgins
Ron Ansell
Adrian Cooper
Marlene Norcross
Brett Hess
Jimmy Poarch
Dalton Bradbury
Travis Smith

1. Call to Order
2. Invocation
3. ***Public Comments:*** Persons may address the Impact Fee Capital Improvements Advisory Committee on any issues. This is the appropriate time for citizens to address the Committee on any concern whether on this agenda or not. In accordance with the State of Texas Open Meetings Act, the Committee may not comment or deliberate such statements during this period, except as authorized by Section 551.042, Texas Government Code.
4. ***Approval*** of minutes of the regular Impact Fee Capital Improvements Advisory Committee meeting of November 14, 2023
5. ***Hear*** the 2024 Impact Fee Revenue and Expenditure Activity Mid-Year Report
6. ***Consider*** recommendation of the 2024 Impact Fee Revenue and Expenditure Activity Mid-Year Report
7. Adjourn

The IFCIAC reserves the right to go into Executive Session as authorized by Section 551.071(2) of the Texas Government Code, for the purpose of seeking confidential legal advice from legal counsel on any agenda item listed herein. This meeting location is wheelchair-accessible. Parking for mobility-impaired persons is available. Any request for sign interpretive services must be made forty-eight hours ahead of the meeting. To make arrangements, call the City Secretary at 469-309-4006 or (TDD) 1-800-RELAY TX

Notice of Potential Quorum
One or more members of the Waxahachie City Council and/or
Planning & Zoning Commission may be present at this meeting.

The Impact Fee Capital Improvements Advisory Committee (IFCIAC) held a regular meeting on Tuesday, November 14, 2023 at 6:00 p.m. at the Waxahachie Civic Center, 2000 Civic Center Lane, Meeting Rooms A and B, Waxahachie, Texas.

Members Present: Rick Keeler, Chairman
Ron Ansell
Adrian Cooper
David Hudgins
Marlene Norcross
Bonney Ramsey
Travis Smith, Council Member Representative

Members Absent: Erik Test, Vice Chairman
Jimmy Poarch, Ad-Hoc Member
Dalton Bradbury, Ad-Hoc Member
Brett Hess, Ad-Hoc Member

Others Present: Amber Villarreal, City Secretary
Jennifer Pruitt, Senior Director of Planning
Zack King, Senior Planner
Amil Spencer-Berry, Utilities Business Operations Manager
Eneida Ojeda, Public Works & Engineering Business
Operations Manager

1. **Call to Order**
2. **Invocation**

Chairman Rick Keeler called the meeting to order and Ron Ansell gave the invocation.

3. **Public Comments**

None.

4. **Reorganize the Committee**

Action:

Bonney Ramsey moved to nominate Rick Keeler as Chairman. Motion was seconded by Travis Smith and carried unanimously (7-0).

David Hudgins moved to nominate Erik Test as Vice Chairman. Motion was seconded by Bonney Ramsey and carried unanimously (7-0).

5. **Approval of minutes of the regular Impact Fee Capital Improvements Advisory Committee meeting of May 10, 2023**

Action:

Bonney Ramsey moved to approve minutes of the regular Impact Fee Capital Improvements Advisory Committee meeting of May 10, 2023. Motion was seconded by Ron Ansell and carried unanimously (7-0).

6. Presentation to accept Impact Fee revenue and expenditure activity from April 1, 2023 - September 30, 2023

Zack King, Senior Planner, explained the end-of-year report identifies fees collected and expended, current and future projects, entitlements, and proposed increases to impact fees. He acknowledged the compilation of the report is a multi-departmental task and thanked those who contributed.

Amil Spencer-Berry, Utilities Business Operations Manager, reviewed the revenues and expenditures for Water Impact Fees for October 1, 2022-September 30, 2023.

Fiscal Year	October 1, 2022 to September 30, 2023
Beginning Balance	\$4,178,990.41
Revenues	\$1,878,495.11
Expenses	\$1,717,146.56
Ending Balance	\$4,340,338.96

He presented a brief summary of the projects which have been funded, or partially funded through the use of Water Impact Fees during FY 22-23:

- JP Tyler-Sunbelt Oversize Participation
- Fire Station No. 4 Water Line
- Cardinal Road Oversize Participation
- Distribution Line: Lofland Road/Ovilla Road Phase 1
- Distribution Line: Marshall Road/Ovilla Road Phase 2
- Howard Road Water Treatment Plant High Service Pump No. 5
- Water Distribution System Master Plan Update
- Debt Service

Anticipated FY 24 Water Impact Fee expenditures:

- IH-35 Water Main Lofland to Butcher Road
- FM 878 at 287 Bypass Oversize Water Line Participation
- Saddlebrook Estates Phase III Oversize Water Line Participation

Mr. Spencer-Berry reviewed the revenues and expenditures for Wastewater Impact Fees for October 1, 2022-September 30, 2023.

Fiscal Year	October 1, 2022 to September 30, 2023
Beginning Balance	\$3,968,360.70
Revenues	\$1,763,119.16
Expenses	\$2,676,539.60
Ending Balance	\$3,054,940.26

He reviewed the summary of projects which have been funded, or partially funded through the use of Wastewater Impact Fees during FY 22-23:

- Wastewater Treatment Plant Improvements
- Jefferson Lift Station Capacity Expansion
- Wastewater Collection Master Plan Update
- Wastewater Treatment Plant Master Plan Update
- Debt Service

Anticipated FY 24 Wastewater Impact Fee expenditures

- Lower Mustang Creek Trunk Sewer Phase 3
- Grove Creek Parallel Gravity Trunk Sewer Phase 4
- Pine Meadows Oversize Wastewater Line Participation

Eneida Ojeda, Public Works Business Operations Manager, reviewed the revenues and expenditures for Roadway Impact Fees for October 1, 2022-September 30, 2023 within the seven (7) Service Areas.

Service Area	FY 2023 Start	Revenues	Expense	End of Year Totals
Service Area 1	\$507,955.89	----	----	\$531,421.67
Service Area 2	\$3,656,707.70	\$843,624.69	----	\$4,708,231.93
Service Area 3	\$759,810.47	\$154,957.20	----	\$957,026.72
Service Area 4	\$2,158,049.30	----	\$287,493.75	\$1,958,210.46
Service Area 5	\$2,597,991.27	\$164,460.36	----	\$2,890,067.18
Service Area 6	\$1,979,648.59	\$419,348.61	----	\$2,509,822.44
Service Area 7	\$1,613,465.59	\$16,149.02	----	\$1,704,897.08
Interest	----	\$675,002.53	----	----
Total	\$13,273,628.81	\$2,273,542.41	\$287,493.75	\$15,259,677.48

She reviewed a summary of FY 22-23 Roadway Impact Fee expenditures:

- Farley Street (Service Area 4)
- Northgate (Service Area 4)

Ms. Ojeda also reviewed the anticipated FY 24 Roadway Impact Fee expenditures:

- Farley Street (Service Area 4)
- Broadhead Road (Service Area 5)

She noted staff is scheduled to meet in December 2023 to discuss potential future projects for Service Areas 1, 2, 3, 6, and 7.

Action:

David Hudgins moved to accept and recommend approval of the Impact Fee Revenue and Expenditure Activity End-of-Year Report 2022-2023 as presented by staff. Motion was seconded by Bonney Ramsey and carried unanimously (7-0).

7. Adjourn

There being no further business, the meeting adjourned at 6:39 p.m.

Respectfully submitted,

Amber Villarreal
City Secretary



Memorandum

To: Impact Fee Advisory Committee
From: Jennifer Pruitt, Senior Director of Planning
Thru: Michael Scott, City Manager
Date: May 14, 2024
Re: FY 2024 Impact Fee Revenue and Expenditure Activity Mid-Year Report

RECOMMENDED MOTION

"I move to accept and recommend approval of the Impact Fee Revenue and Expenditure Activity Mid-Year Report 2023-2024 as presented by staff."

In November of 2023, city staff presented the End-of-Year FY 2023 Impact Fee Revenue and Expenditure Activity Report to the Impact Fee Capital Improvement Advisory Committee (IFCIAC) and City Council. The activity summary detailed impact fee revenue and expenditures from October 1, 2022 to September 30, 2023. The following report entails the Impact Fee revenue and expenditure activity summary for the 2024 fiscal year, which includes data from October 1, 2023 to March 31, 2024.

Impact fees are authorized under Chapter 395 of the Texas Local Government Code and empower municipalities to levy a charge or assessment against new development to generate revenue for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to new development.

Impact Fee Revenues and Expenditures

Below illustrates the revenues and expenditures for water, sewer, and roadway impact fees from October 1, 2023, to March 31, 2024, with a brief explanation of the associated spending from each project.

Water Impact Fees

Current Fiscal Year	(Through 03/31/2024)
Beginning Balance	\$4,149,343.54
Revenues	\$1,423,985.80
Expenses	\$128,251.75
Ending Balance	\$5,445,077.59

Water Impact Fee Expenditure Summary FY 2024

Below is a summary of the active or completed projects which have been funded, or partially funded through the use of water impact fees. The figures below are a total water impact fee allocated for each project and the status of the project, not the FY24 impact fee expenses.

Distribution Line: Lofland Road/Ovilla Road Phase 1(Construction Phase)

This project is now complete. The project scope included the installation of approximately 8,900 linear feet of 24" diameter water transmission line. The project extends from Cardinal Road east of the BNSF Railroad to Ovilla Rd at the Marshall Rd intersection. In FY 2022, \$2,942,332 was transferred from Water Impact Fees into this project fund.

Distribution Line: Lofland/Ovilla Road Phase 2 (Engineering Design Phase)

This project is currently in the design phase. The project scope includes the installation of a water transmission line along Ovilla Road between Marshall Road and US 287 Bypass. The project includes the installation of approximately 5,800 linear feet of 20-inch and 24-inch diameter pipes. In FY 2023, \$672,575.00 was transferred from Water Impact Fees into this project. The Consultant Engineer is working on 100% construction plans, working on obtaining a few more easement, and getting the plans ready for construction bid.

Howard Road WTP High Service Pump No.5 (Construction Phase)

This project is currently under construction. The project scope includes, but is not limited to, the addition of Pump No. 5 at the High Service Pump Station. Work also includes the necessary electrical, instrumentation, and programming for a complete installation to enhance the treated water pumping capacity for the Howard Road Water Treatment Plant's distribution system. In FY 2022, \$718,263 was transferred from Water Impact Fees into this project fund. The project construction is approximately 60% complete.

Water Distribution System Master Plan Update 2024 - (Professional Services)

This project is currently in the phase of finalizing the capital improvement projects. The project scope includes a revision to the Water Distribution System Master Plan. The revision encompasses updating land use assumptions, water demand projections, hydraulic water models, and recommending Capital Improvements Plan adjustments. In FY 2022, \$305,500.00 was transferred from Water Impact Fees into this project. The Consultant Engineer is working towards submitting a draft master plan.

Water Main Extension US77 to Old Italy RD (Engineering Design Phase)

This project is currently in the design phase. The project will extend approximately 2,100 linear feet of 24-inch water line and 3,000 linear feet of 12-inch water line from US 77 to Old Italy Road. This water line extension will serve the Waxahachie ISD's new high school and account for development near the construction of TxDOT's Spur 394. This year, \$225,300 was transferred from Water Impact Fees into this project. A Consultant Engineer was selected and awarded a contract to start design. The Engineer is currently working on data gathering.

Debt Service

The City issues debt for financing long-term infrastructure capital improvements. Infrastructure includes those basic physical structures the government provides to support basic services, including improvements and new components to the City's utility system. Utility-related bond projects are largely financed by a portion of monthly water fees paid by the City's utility customers. Additionally, water impact fees may be used to support and partially offset the required annual debt service for these bond funds. In FY 2024, water impact fees contributed \$99,000.00 toward the City's water debt service.

Anticipated FY 2024 Water Impact Fee Expenditures

I-35 Water Main Lofland to Butcher (Engineering Design Phase)

This project is currently in the design phase. The project scope includes the installation of a water transmission along the east right of way of I-35. The project includes the installation of approximately 4,230 linear feet of 18-inch water line connecting the existing 18-inch water lines at Butcher Road and Lofland Road's south side near the Owens Corning facility. In FY 2022, \$132,250.00 was transferred from Water Impact Fees into this project. The Consultant Engineer is working on 100% construction plans, finalizing the easement acquisition, and getting the plans ready for construction bid.

FM 878 at 287 Bypass 12" and 16" Oversize Waterline Participation (Construction Phase)

This project is an anticipated construction project. The project scope includes the installation of a water transmission to extend water service from Cleaver Street to the eastern portion of the service area, encompassing FM 878 and FM 879 areas in the 715 Pressure Plane. The project includes the installation of approximately 13,500 linear feet of 16" and 12" water lines in addition to a bored waterline crossing beneath US-287 Bypass at Cleaver Street, connecting to the existing water line on Parks School House Road to establish a looped system. In FY 2023, \$416,000.00 was transferred from Water

Impact Fees into this project. This project is currently on hold due to the timeline of future development needs.

Saddle Brook Estates Phase III 16" Oversize Water Line Participation (Construction Phase)

This project is an anticipated construction project. The project is to install approximately 1,160 linear feet of 16-inch diameter water line in the Saddlebrook Estates development, in line with the City's Water Distribution System Master Plan. This project will be funded with \$130,000.00 from the Water Impact Fee fund.

Sewer Impact Fees

Current Fiscal Year	(Through 03/31/2024)
Beginning Balance	\$3,859,941.86
Revenues	\$1,336,832.07
Expenses	\$135,439.05
Ending Balance	\$5,061,334.88

Sewer Impact Fee Expenditure Summary FY 2024

Below is a summary of the projects which have been funded, or partially funded through the use of sewer impact fees during the FY 2024 budget year. The figures below are a total sewer impact fee allocated for each project and the status of the project, not the FY24 impact fee expenses.

Jefferson Lift Station Capacity Expansion (Construction Phase)

This project is substantially complete. The project scope included, but was not limited to, upgrading the Jefferson Lift Station to enhance pumping capacity from 28 MGD to 32 MGD, with future expansion potential to 48 MGD. In FY 2022, the project was partially funded with \$984,931.00 of Wastewater Impact Fees that were transferred to this project fund. The Contractor is working on final cleanup of the project.

Wastewater Collection System Master Plan Update – FY23(Professional Services)

This project is currently in the phase of finalizing the capital improvement projects. The project scope includes a revision to land use assumptions, wastewater demand, flow projections, hydraulic models, and the Capital Improvements Plan. In FY 2022, \$344,500.00 was transferred from Wastewater Impact Fees into this project. The Consultant Engineer is working towards submitting a draft master plan.

Wastewater Treatment Plant Master Plan Update (Professional Services)

This project is currently in the condition assessment analysis phase for the master plan update. The project scope is to update the Wastewater Treatment Facilities Master Plan due to growth within the City planning area. The project consists of a Phase 1 to evaluate the existing plant site and two (2) additional sites to determine maximum amount of treatment capacity. Phase 2 of the project will provide planning level details of the treatment facilities needed to treat the flow identified in the Wastewater Treatment Master Plan and the location of the facilities. In FY 2022, \$276,000.00 was transferred from Wastewater Impact Fees into this project. The Consultant Engineer is working towards submitting a draft master plan in Summer of 2024.

Grove Creek Parallel Gravity Trunk Sewer Phase IV (Construction Phase)

This project is currently under construction. The project scope includes the installation of approximately 18,675 linear feet of 27-inch diameter sanitary sewer main and 645 new five-foot diameter sanitary sewer manholes. This project is parallel to the existing Grove Creek Trunk Sewer, which runs from a point south of Butcher Road at Highland Village to the Grove Creek Lift Station. In FY 2022, this project was partially funded with \$3,052,565.00 of Wastewater Impact Fees that were transferred to this project fund. The project construction is approximately 20% complete.

Debt Service

The City issues debt for financing long-term infrastructure capital improvements. Infrastructure includes those basic physical structures provided by the government to support basic services, including improvements and new components to the City's utility system. Utility-related bond projects are largely financed by a portion of monthly sewer fees paid by the City's utility customers. Additionally, wastewater impact fees may be used to support and partially offset the required annual debt service for these bond funds. In FY 2024, wastewater impact fees contributed \$1,227,640.00 toward the City's wastewater debt service.

Anticipated FY 2024 Sewer Impact Fee Expenditures

Lower Mustang Creek Trunk Sewer Phase 3 (Engineering Design Phase)

This project is an anticipated engineering design project. The project scope includes the installation of a sanitary sewer main from the existing 27" gravity sewer near the Lower Mustang Creek Lift Station, extending northwest upstream along Mustang Creek approximately and terminating near FM 878 and US Hwy 287 Bypass intersection. This project includes the installation of approximately 15,000 linear feet of 12-inch and 21-inch diameter sewer line that will provide service to an undeveloped area east of US Hwy 287 Bypass and FM 878/879 corridor. In FY 2023, this project was funded with \$367,000.00 of Wastewater Impact Fees that were transferred to this project fund. Staff will advertise a Request for Qualifications (RFQ) to engage a Consultant Engineer to prepare 100% construction plans and to prepare the plans for construction bid.

Pine Meadows Oversized Wastewater Line Participation Project (Construction Phase)

This project is an anticipated construction project. The project is to install a 15-inch sanitary sewer line along Cantrell Street. This project will be funded with \$75,000.00 from the Wastewater Impact Fee fund.

Roadway Impact Fees

Below is a table illustrating the revenues and expenditures for roadway impact fees from October 1, 2023, to March 31, 2024:

Service Area	FY 2024 Start (10/01/2023)	Revenues	Interest Allocation	Expense	March 2024 End (03/31/2024)
Service Area 1	\$531,150.83	----	\$14,531.95	----	\$545,682.78
Service Area 2	\$4,705,832.40	\$537,860.29	\$143,464.12	----	\$5,387,156.81
Service Area 3	\$956,538.98	\$18,131.16	\$26,666.36	----	\$1,001,336.50
Service Area 4	\$2,162,483.25	\$15,082.57	\$51,369.02	\$300,000.00	\$1,928,934.84
Service Area 5	\$2,888,594.27	\$88,253.88	\$70,158.95	\$412,500.00	\$2,634,507.10
Service Area 6	\$2,508,543.32	\$207,841.14	\$74,318.56	----	\$2,790,703.02
Service Area 7	\$1,704,028.18	----	\$46,621.13	----	\$1,750,649.31
Interest	----	\$427,130.09	----	----	----
Total	\$15,457,171.23	\$1,294,299.13	\$427,130.09	\$712,500.00	\$16,038,970.36

Roadway Impact Fee Expenditure Summary FY 2024

Below is a summary of the projects which have been funded, or partially funded through the use of Roadway impact fees during the FY 2024 budget year. The figures below are a total roadway impact fee allocated for each project and the status of the project, not the FY24 impact fee expenses.

Left turn lane of Northgate onto Highway 77 - Service Area 4

This project is in the construction phase. The project scope includes traffic signal improvements, pedestrian signal improvements, and approximately 276 SY of concrete paving improvements at the intersection to support a left turn lane from Northgate Drive onto US 77. The design is complete, and a construction contract has recently been awarded. In FY24, \$300,000 was transferred from Roadway Impact Fee Service Area 4 to supplement the construction of this project. The total construction contract amount is \$515,000. Construction will begin summer of 2024.

Broadhead Road Reconstruction - Service Area 5

This project is currently in design. The project includes a four-lane undivided concrete roadway from Equinox Parkway to April Lane. The design contract amount from Roadway Impact Fees Service Area 5 is \$412,500. The design is approximately 20% complete.

Anticipated FY 2024 Roadway Impact Fee Expenditures

Future projects for Roadways that may utilize impact fee money within FY 2024 include:

Ovilla Road Widening (FM 664) - Service Area 1

The Texas Department of Transportation (TxDOT) requires the City to reimburse the State for the ROW acquisition needed to widen FM 664. The city entered into an agreement with TxDOT to pay the initial cost of \$136,207 in 2022, and a yearly payment of \$156,776 from 2023 to 2026. Up to date, the city has paid \$288,253 out of General Fund and the City Council recently approved reimbursement to the General Fund, for the amount paid, out of the roadway impact fees Service Area 1. Future yearly payments will be performed from roadway impact fees. If impact fee funds are not available, it will temporarily be pay from General Fund until it can be reimbursed from the roadway impact fees.

Farley Street - Service Area 4

Engineering consultants have completed the 30% concept plan for Farley Street and the project is currently ready for the design phase. The project scope includes the reconstruction of Farley Street from E Ross Street to US 287 Southbound Frontage Road, a length of approximately 4,750 linear feet of four-lane divided concrete roadway. Staff could not negotiate the professional fee with the concept plan engineering firm and is evaluating design consultants for finished design.

Broadhead Road Reconstruction (Construction Phase) - Service Area 5

This project is currently in design. After design is completed and necessary right-of-way is acquired, the project will proceed into construction. The project includes a four-lane undivided concrete roadway from Equinox Parkway to April Lane. Anticipated budget for construction is \$2,750,000.

Engineering Design for Unnamed Road between Spur 394 and Howard Road - Service Area 6

This project will begin design as soon as a consultant is selected. The project includes a four-lane concrete roadway from the new Spur 394 to the northwest for approximately 3,000 feet and then turn toward the northeast and run an additional 2,200 feet to Howard Road. It includes left turn lanes near the future high school and new intersections at the connection with Old Italy Road and Howard Road. Anticipated budget for design is \$1,000,000.

Next Steps

Upon receiving acceptance of this report by the Impact Fee Advisory Committee, staff will provide it to City Council for consideration. Staff will continue to provide periodic updates to the Impact Fee Advisory Committee regarding the use of impact fees and the progress on the overall Capital Improvement Plan. Staff intends to provide its next Impact report to the Advisory Committee in the Fall of 2024, covering revenues and expenses for the entire FY 2024 budget year.