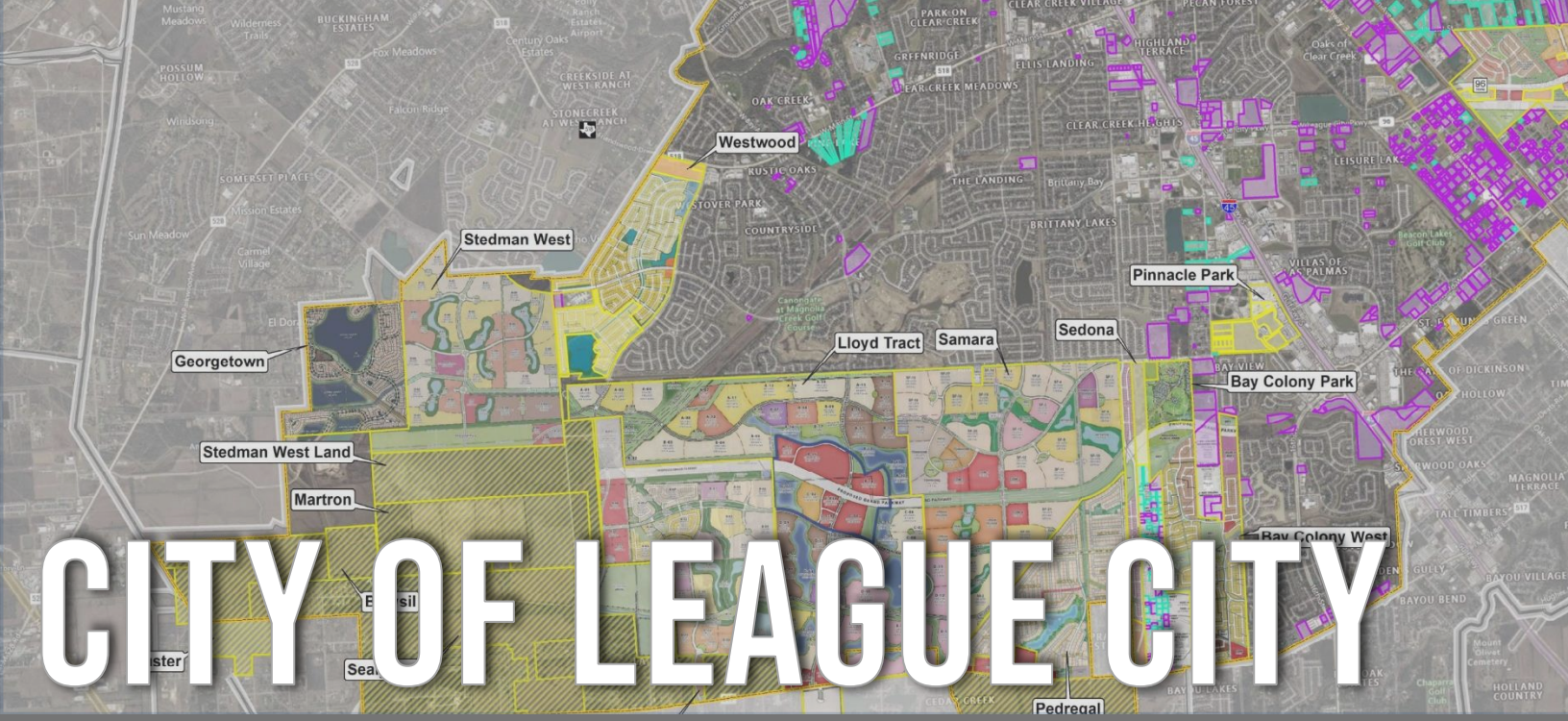

CITY OF LEAGUE CITY

DRAFT 2023 WATER AND WASTEWATER CAPITAL RECOVERY FEE UPDATE

PREPARED FOR:

City of League City

PREPARED BY:

Freese and Nichols, Inc.
11200 Broadway St., Suite 2320
Pearland, Texas 77584
832-456-4700

League City TEXAS

FREESE AND NICHOLS

Innovative approaches
Practical results
Outstanding service

DRAFT WATER AND WASTEWATER CAPITAL RECOVERY FEE UPDATE

Prepared for:

City of League City

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11200 Broadway Street, Suite 2320
Pearland, Texas 77584
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FNI Project Number: LEA22638

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1.0 BACKGROUND AND SCOPE

The City of League City (City) currently assesses water and wastewater capital recovery fees (CRFs) for eligible capital improvement projects and facility expansions. These capital recovery fees are implemented under the procedure outlined in Chapter 395 of the Texas Local Government Code (TLGC). Impact fees are synonymous with capital recovery fees as defined in Chapter 395 of the TLGC 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 methodology used herein satisfies the requirements of the TLGC Chapter 395 for capital recovery fees. A copy of the TLGC Chapter 395 is included in **Appendix A**.

1.1 TEXAS LOCAL GOVERNMENT CODE

In September 2001, Texas Senate Bill 243 amended Chapter 395 establishing the current procedure for implementing capital recovery fees. Chapter 395 requires a capital recovery fee analysis before capital recovery fees can be created, updated, and assessed. TLGC Chapter 395 identifies the following items as impact fee (capital recovery fee) eligible costs:

- Construction contract price
- Surveying and engineering fees
- Land acquisition costs
- Fees paid to the consultant preparing or updating the capital improvements plan (CIP)
- Projected interest charges and other finance costs for projects identified in the CIP

TLGC Chapter 395 also identifies items that capital recovery fees cannot be used to pay for, such as:

- Construction, acquisition, or expansion of public facilities or assets other than those identified on the capital improvements plan
- Repair, operation, or maintenance of existing or new capital improvements
- Upgrading, updating, expanding, or replacing existing capital improvements to serve existing development in order to meet stricter safety, efficiency, environmental, or regulatory standards
- Upgrading, updating, expanding, or replacing existing capital improvements to provide better service to existing development
- Administrative and operating costs of the political subdivision

- Principal payments and interest or other finance charges on bonds or other indebtedness, except as allowed above

As a funding mechanism for capital improvements, capital recovery fees allow cities to recover the costs associated with new or facility expansions in order to serve future development. Statutory requirements mandate that capital recovery fees be based on a specific list of improvements identified in a capital improvements program and only the cost attributed (and necessitated) by new growth over a ten-year period may be considered.

1.2 CAPITAL RECOVERY FEE UPDATE

According to TLGC §395.052(a) a political subdivision imposing a capital recovery fee (impact fee) shall update the land use assumptions and capital improvements plan at a minimum of every five years. With the current project, League City is updating the land use assumptions and capital improvements plans for capital recovery fee analysis for the City's water and wastewater systems previously updated in 2019. The City retained Freese and Nichols, Inc. (FNI) to conduct this *2023 Water and Wastewater Capital Recovery Fee Update* (study). The FNI project team included Ardurra Group, LLC and NewGen Strategies and Solutions, LLC.

The capital recovery fee update process includes preparation of land use assumptions and development of capital recovery fee eligible CIPs and associated costs. The capital recovery fee calculation is limited to project recommendations within the next 10 years that will serve projected growth. The CRF eligible water and wastewater capital improvements projects were identified by FNI during this study in collaboration with the City staff. This report documents the calculation of the maximum allowable capital recovery fees per equivalent dwelling unit (EDU) based on the updated land use assumptions and water and wastewater CRF CIPs. The TLGC §395.014 allows for "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." This method was utilized for the CRF calculation.

The capital recovery fee update process includes workshops with the City's appointed Capital Improvements Advisory Committee (CIAC) and City Council. The CIAC's role is to provide written comments on the proposed amendments to the land use assumptions, capital improvement plans, and capital recovery fee to the City Council. The City Council sets the capital recovery fees to be collected.

1.3 LIST OF ABBREVIATIONS

The list of abbreviations used in this report are presented in **Table 1-1**.

Table 1-1: List of Abbreviations

Abbreviation	Full Nomenclature
BPS	Booster Pump Station
CIAC	Capital Improvements Advisory Committee
CIP	Capital Improvement Plan
CRF	Capital Recovery Fee
EDU	Equivalent Dwelling Unit
FM	Farm to Market
FLUP	Future Land Use Plan
FNI	Freese and Nichols, Inc.
gpcd	Gallons per capita per day
gpad	Gallons per acre per day
GST	Ground Storage Tank
LS	Lift Station
LUA	Land Use Assumptions
MGD	Million Gallons per Day
OPCC	Opinions of Probable Construction Cost
SEWPP	Southeast Water Purification Plant
SH	State Highway
SWWRF	Southwest Water Reclamation Facility
TLGC	Texas Local Government Code
TMWTP	Thomas Mackey Water Treatment Plant
WCID	Galveston County Water Control and Improvement District
WL	Water Line
WRF	Water Reclamation Facility
WTP	Water Treatment Plant

2.0 LAND USE ASSUMPTIONS

Population and land use are important elements in the analysis of water distribution and wastewater collection systems. In order to identify CRF eligible water and wastewater capital projects, a reasonable estimation of 10-year growth is required. FNI worked with the City's Planning Department to develop the 10-year growth projections and land use assumptions during this study. Following this effort, FNI utilized the development projections to identify ongoing/recently completed CRF eligible capital improvement projects as well as develop future CIP recommendations that were CRF eligible.

These land use assumptions were utilized to develop the 10-year equivalent dwelling unit (EDU) projections. An equivalent dwelling unit (also known as a service unit) is defined as the equivalent to a water or wastewater connection for a single-family residence.

2.1 CAPITAL RECOVERY FEE SERVICE AREAS

Figure 2-1 and **Figure 2-2** present the water and wastewater capital recovery fee service areas, respectively. The service areas are largely defined by the City limits and with exception of some select areas as described below:

Water CRF Service Area

The water CRF service area includes the existing City limits with the exception of areas that are not currently served or planned to be served water, including the area north of Highway 96 near Lawrence Road and select parcels along FM 646. The water CRF service area is shown on **Figure 2-1.**

Wastewater CRF Service Area

The wastewater CRF service area includes the existing City limits with the exception of areas that are not currently served or planned to be served wastewater, including the Whispering Lakes Neighborhood and select parcels along FM 646. In addition, the CRF service area includes the residences along Mary Lane and Tallow Forest Street that are not currently served wastewater by the City but are anticipated to connect to the City's system in the future. The wastewater CRF service area is shown on **Figure 2-2**.

2.2 LAND USE ASSUMPTIONS UPDATE

FNI worked with the City's Planning Department to evaluate the historical population and develop population and commercial acreage projections within the water and wastewater CRF service areas. A brief description of the methodology utilized is included in the following sections.

Historical Population

Historical city-wide population provided by the City is presented in **Table 2-1**. The City's population data shows that since 2011, League City has experienced an approximately 2.9% annual average growth in population.

Table 2-1: Historical Population

Year	City Limits Population[(1)]	Annual Growth Rate
2011	85,026	-
2012	87,260	2.6%
2013	89,257	2.3%
2014	92,714	3.9%
2015	96,209	3.8%
2016	100,053	4.0%
2017	102,634	2.6%
2018	104,857	2.2%
2019	106,803	1.9%
2020	114,392	7.1%
2021	115,747	1.2%
2022	116,834	0.9%
Average Annual Growth Rate		**2.9%**

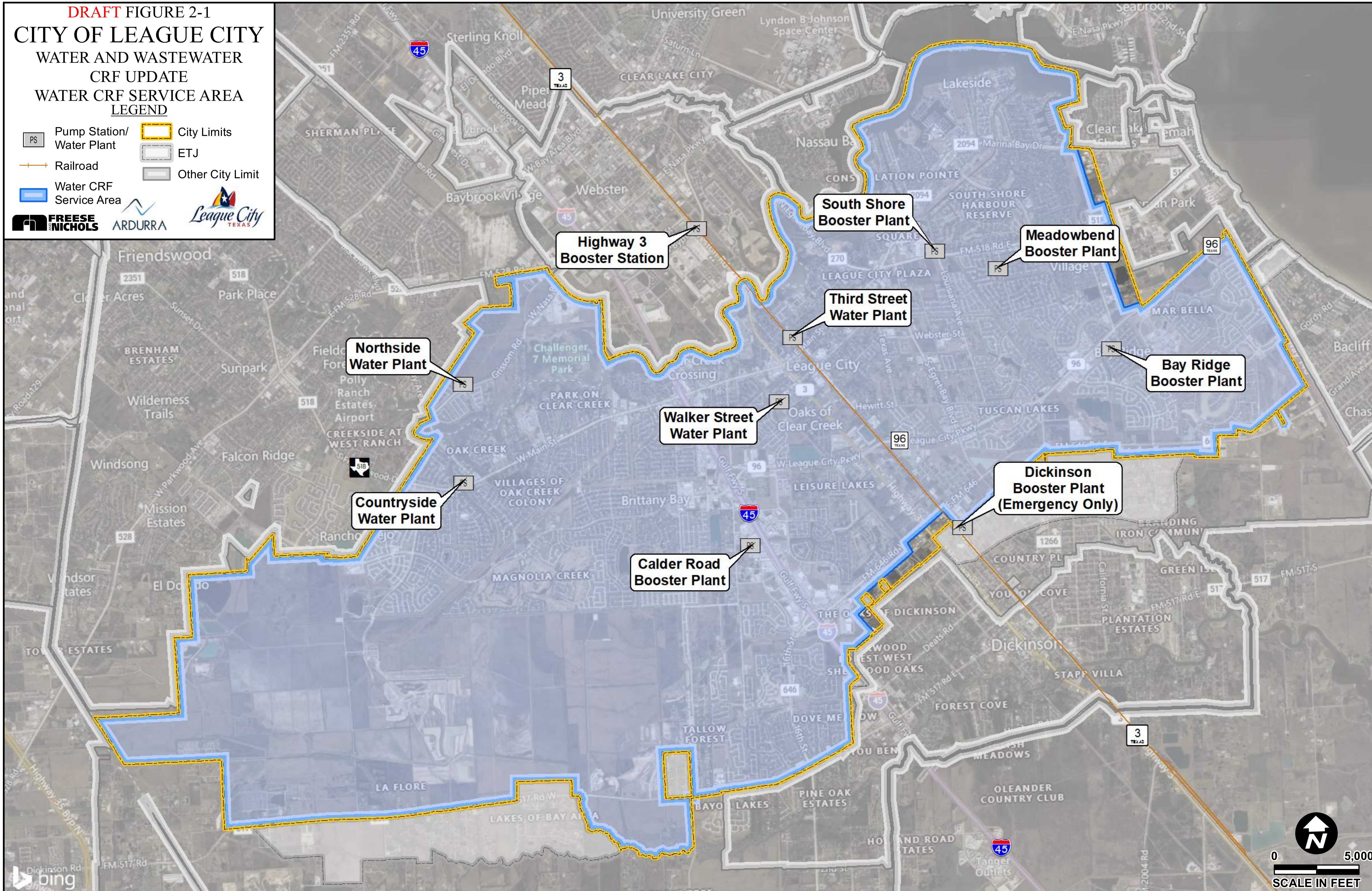
(1) Historical population from City staff.

DRAFT FIGURE 2-1

CITY OF LEAGUE CITY

WATER AND WASTEWATER CRF UPDATE

WATER CRF SERVICE AREA



LEGEND
Pump Station/ Water Plant
Railroad
Water CRF Service Area
City Limits
ETJ
Other City Limit
FREESE NICHOLS
ARDURRA
League City TEXAS
South Shore Booster Plant
Meadowbend Booster Plant
Highway 3 Booster Station
Third Street Water Plant
Northside Water Plant
Bay Ridge Booster Plant
Walker Street Water Plant
Dickinson Booster Plant (Emergency Only)
Countryside Water Plant
Calder Road Booster Plant
League City
Friendswood
Webster
Dickinson
Bacliff
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DRAFT FIGURE 2-2

CITY OF LEAGUE CITY

WATER AND WASTEWATER CRF UPDATE

WASTEWATER CRF SERVICE AREA

LEGEND

- WRF — Water Reclamation Facility
- Railroad
- Wastewater CRF Service Area
- City Limits
- ETJ
- Other City Limit

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Dallas Salmon WRF
Permitted Capacity
Average Daily Flow: 12.0 MGD
2-Hour Peak Flow: 36.0 MGD

Southwest WRF
Permitted Capacity
Average Daily Flow: 4.0 MGD
2-Hour Peak Flow: 12.0 MGD

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2.3 PROJECTED FUTURE DEVELOPMENT

The main data sources utilized to develop population and commercial acreage projections included:

- League City's latest Future Land Use Plan (FLUP), received in September 2022
- Information on known developments (including Westside Developments)
- Latest parcel shapefile
- Active water meter billing data (December 2018 to July 2022)
- Existing septic connections within the City limits
- Density and growth projection assumptions from the City's Planning Department

Utilizing the data sources listed above, FNI developed projections for the following three categories of future growth:

Known Developments

City staff identified areas where future residential and non-residential developments are anticipated to occur as well as an expected timeline of each development. These anticipated known developments are shown on **Figure 2-3.** Where available, the City supplied development-specific information such as number of single-family lots, number of multi-family units, and commercial acreage. This includes the developments in the southwestern part of the City (Westside Area), where the growth projections were provided within polygons (**black** boundaries shown on **Figure 2-5**) developed by the City. For ease of documentation for this study, FNI utilized letters A through M to identify these polygons, as shown on **Figure 2-5**. The growth projections by polygon are included in **Table 2-2.**

Infill Growth

Where development information was unknown, FNI utilized active water meter locations and future land use information from the City's latest FLUP as shown on **Figure 2-4** to identify developable areas. These areas included currently vacant parcels outside of known developments that are not within the *Park, Open Space, Natural* land use type per the FLUP. The identified parcels are shown as **purple** colored infill parcels on **Figure 2-3.** Density and growth assumptions for infill parcels were developed in coordination with the City's Planning Department to calculate projected population and commercial acreage.

Septic Conversions

This category includes the City's water customers who are currently within the City limits but are not served wastewater by the City. The City provided the location of existing septic customers within the League City limits. For the purposes of this study, it is anticipated that a portion of these connections will be served by the City's wastewater system within the next 10-years and therefore have been included in the wastewater CRF service area. These locations are shown in **teal** polygons on **Figure 2-3.**

Town Harbour Estates
Veranda Townhomes
Beacon Island
Davis Harbor
River Bend at Clear Creek Point
Clearfield
Marbella
Coastal Point
Tuscan Lakes
Elva Lobit Park
Westwood
Stedman West
Georgetown
Lloyd Tract
Samara
Sedona
Pinnacle Park
Bay Colony Park
Bay Colony West
Stedman West Land
Martron
Bofysil
Custer
Sealy Land
Westland Ranch
Pedregal

0 2,500 5,000
SCALE IN FEET

DRAFT FIGURE 2-3

CITY OF LEAGUE CITY

WATER AND WASTEWATER CRF UPDATE

ANTICIPATED DEVELOPMENTS

LEGEND

- Railroad
- Known Development
- Infill
- Septic
- Proposed Development
- City Limit
- ETJ
- Other City Limit

FREESE NICHOLS

League City TEXAS

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DRAFT FIGURE 2-4

CITY OF LEAGUE CITY

WATER AND WASTEWATER CRF UPDATE FUTURE LAND USE

LAND USE

- Enhanced Auto Dominant Commercial
- Enhanced Auto Dominant Residential
- Park, Open Space, Natural
- Public, Institutional
- Rural, Estate Residential
- Suburban Commercial
- Suburban Residential
- Suburban Village
- Urban High
- Urban Low

LEGEND

- Railroad
- Stream
- Lake/Pond
- City Limit
- ETJ
- Other City Limit

FREESE AND NICHOLS

League City TEXAS

0 2,500 5,000

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DRAFT FIGURE 2-5

CITY OF LEAGUE CITY

WATER AND WASTEWATER CRF UPDATE

WESTSIDE DEVELOPMENTS

LEGEND

- Road
- Westside Developments
- City Limits
- ETJ
- Other City Limit

League City TEXAS

FREESE NICHOLS

FUTURE LAND USE

- Enhanced Auto Dominant Commercial
- Enhanced Auto Dominant Residential
- Park, Open Space, Natural
- Public, Institutional
- Rural, Estate Residential
- Suburban Commercial
- Suburban Residential
- Suburban Village
- Urban High
- Urban Low

0 2,500

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Table 2-2: City-Wide Population and Commercial Acreage Projections

Category	Westside Polygon ID	Development[1]	Population[2]			Total Commercial Acreage		
			Existing	5-Year	10-Year	Existing	5-Year	10-Year
Known Developments	A	Georgetown	0	296	809	0	0	0
	B	Stedman West	0	1,840	2,845	0	2	12
	C	Stedman West Land, Martron	0	0	2,384	0	43	213
	D	Custer, Bofysil, Sealy Land, Martron	0	0	872	0	0	0
	E	Stedman West, Martron	0	0	0	0	0	0
	F	Sealy Land, Martron, Lloyd Tract (West)	0	0	2,042	0	0	0
	G	Westland Ranch	0	1,563	2,416	0	7	34
	H	Lloyd Tract	0	104	2,431	0	0	12
	I	Lloyd Tract	0	438	2,462	0	5	113
	J	Lloyd Tract	0	182	2,119	0	0	7
	K	Samara, Pedregal	780	3,723	5,908	0	5	25
	L	Samara	0	0	791	0	14	71
	M	Stedman West	0	255	1,184	0	0	0
	-	Westwood	0	780	780	0	14	21
		Town Harbour Estates	0	131	152	0	0	0
		Bay Colony West	-	-	-	0	11	17
		Coastal Point	969	1,563	1,563	0	0	0
		Marbella	-	-	-	0	37	54
		Pinnacle Park	0	298	345	28	39	78
		River Bend at Clear Creek Point	406	535	675	0	8	16
		Tuscan Lakes	-	-	-	35	58	81
		Davis Harbor	0	114	133	0	0	0
		Clearfield	0	0	1,925	0	0	81
		Veranda Townhomes	0	187	217	0	0	0
		Beacon Island	0	136	158	0	0	0
		Sedona Section 7	0	252	252	0	0	0
		Marina Townhomes	0	51	59	0	0	0
Infill Growth			0	1,091	1,107	0	402	402
Septic Conversions[3]			0	0	874	0	0	58

(1) Elva Lobit Park and Bay Colony Park shown on Figure 2-3 are not included in this table. Water demand and wastewater flow projections from these areas are calculated based on similar development types in League City and included in Tables 3-1 and 3-2.
(2) Population from City and/or based on density of approximately 2.83 people/unit for single family residential developments and 1.9 people/unit for multi-family residential developments.
(3) These customers are currently served water and are included in the existing City limits population.

The 10-year City-wide population projections are graphed along with historical population data on **Figure 2-6**. City-wide 10-year growth in commercial acreage is shown on **Figure 2-7.**

Figure 2-6: Historical and Projected 10-year City-Wide Population

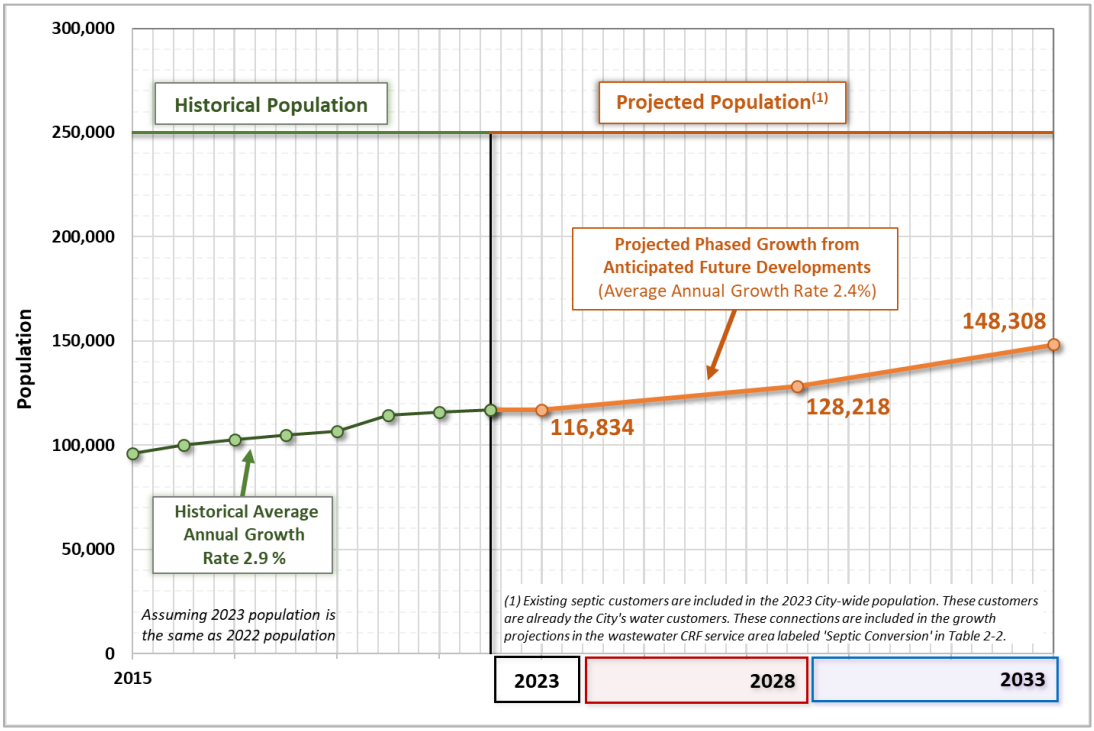
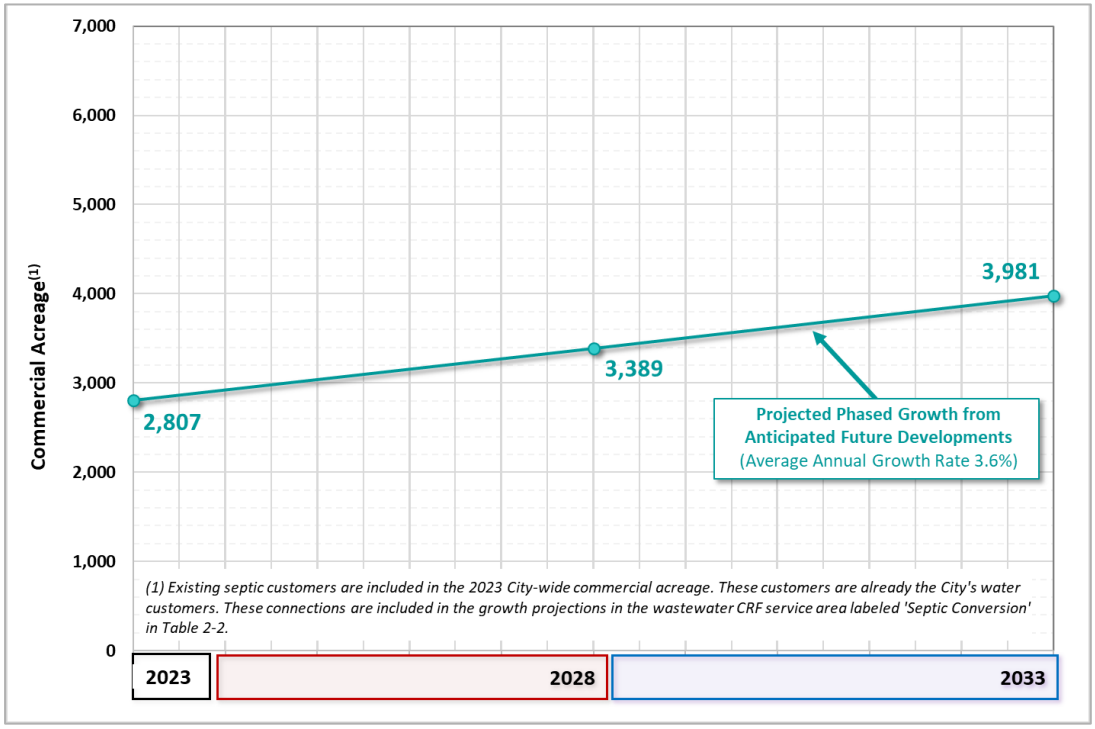


Figure 2-7: Projected 10-year City-Wide Commercial Acreage



The water and wastewater service areas are different than the city limits boundary as described in **Section 2-1**. **Table 2-3** summarizes the 10-year growth in population and commercial acreage within the water CRF service area and in the wastewater CRF service area.

Table 2-3: Projected 10-year Growth

Category	Population Growth	Commercial Acreage Growth
Water CRF Service Area[1]	31,427	1,171
Wastewater CRF Service Area[2]	32,312	1,230

(1) Septic customers are already served water by the City and are excluded from the water CRF service area projected growth.
(2) The existing 874 septic customers and 58 commercial acres from **Table 2-2** are included in the wastewater CRF service area projected growth.

2.4 EQUIVALENT DWELLING UNITS

According to TLGC Chapter 395, the maximum allowable capital recovery fee may not exceed the amount determined by dividing the cost of required capital improvements by the total number of service units attributed to new development during the CRF eligibility period. For League City, a water and wastewater service unit is an equivalent dwelling unit (EDU).

Definition of Equivalent Dwelling Units

A water EDU is defined as the equivalent to a water connection for a single-family residence. This is also known as a single family equivalent. The City of League City utilizes 3/4-inch meters for single-family connections, as per City Ordinance No. 2019-13 (**Appendix E**). The City bills wastewater services based on the customer's water consumption, as wastewater flows are not directly metered. Therefore, a single wastewater EDU is defined as the water service provided to a single-family residence.

Calculation of EDUs

For water meters larger than 3/4-inch, the impact on the water system is assessed based on the capacity of the meter used to provide service. **Table 2-4** presents the EDUs for residential and commercial connections in League City per City Ordinance No. 2019-13.

Table 2-4: Equivalent Dwelling Units (EDUs)

Residential	
Type of Structure	**Single-Family Equivalent**
Single Family Residential	1.0
Townhouse/Condominium/Apartment	0.8
Mobile homes	1.0
Commercial/Industrial	
Meter Size/Type	**Single-Family Equivalent**
3/4"	1.0
1"	1.667
1-1/2"	3.333
2"	5.333
3"	10.667
4"	16.667
6"	33.333
8"	53.333
10"	76.667

Projected 10-Year EDUs

The City provided data that included the quantity and size of the existing water meters in League City. The 10-year land use assumptions discussed in **Section 2.3** were utilized to estimate the number of water meters in League City in 2033. The service units for 2023 and 2033 were calculated by multiplying the number of meters of each meter size by the corresponding service unit equivalent based on the FLUP (as shown in **Table 2-4**). The projected 10-year growth in EDUs is the difference between the EDUs in 2033 and 2023. A summary of the existing and projected EDUs is included in **Table 2-5.**

Table 2-5: Water and Wastewater Capital Recovery Fee Service Area EDUs

Year	Water EDUs[(1)]	Wastewater EDUs[(1)(2)]
2023	55,868	53,429
2033	70,489	68,131
10-Year Growth in EDUs	**14,621**	**14,702**

(1) Water and wastewater EDUs are based on the CRF service areas.
(2) Wastewater EDUs include projected future septic conversions as shown in **Table 2-2**.

3.0 CAPITAL IMPROVEMENT PLANS

Utilizing the updated land use assumptions, water and wastewater CRF eligible CIPs were developed for the City of League City as part of this study. This included identified existing or ongoing projects that would serve the growth occurring in the next 10 years as well as developing improvements recommendations that will provide the required capacity and reliability to meet projected future water demands and wastewater flows within the CRF planning period.

3.1 WATER DEMAND AND WASTEWATER FLOW PROJECTIONS

FNI reviewed the City's historical water demand and wastewater flows to evaluate the water demand and wastewater flow planning criteria including average day per capita and per acre usage. Based on this evaluation, the planning criteria documented in the City's 2018 Water and Wastewater Master Plans were found appropriate to utilize for water demand and wastewater flow projections for the future developments during this update. **Table 3-1** presents the projected water demands, and **Table 3-2** presents the projected wastewater flows in the 10-year planning period within the City's water and wastewater CRF service areas, respectively. The planning criteria utilized are documented in the table footnotes.

Table 3-1: Projected Water Demands

Year	Average Daily Demand[(1)] (MGD)	Maximum Daily Demand[(2)] (MGD)
2023	12.5	21.5
2033	18.3	31.4

(1) 2023 average day demand based on historical water production data. 2033 average day demand calculated utilizing 112 gallons per capita per day (gpcd) for residential developments and 2,000 gallons per acre per day (gpad) for commercial developments.
(2) Maximum day demand calculated utilizing 1.72 average to max day peaking factor.

Table 3-2: Projected Wastewater Flows

Year	Average Daily Flow (MGD)
2023[(1)]	9.0
2033[(2)]	12.7

(1) 2023 average daily flow based on available historical wastewater effluent data from 2017 to 2021 and field collected flow monitoring data in 2022.
(2) Projected 10-year flow calculated utilizing 70 gpcd for residential developments and 1,200 gpad for commercial developments.

3.2 WATER AND WASTEWATER SYSTEM IMPROVEMENTS

The capital recovery fee eligible CIP projects were divided into two categories: **1)** Existing/Under Design Projects and **2)** Proposed Future Projects. All CRF eligible water CIP projects are shown on **Figure 3-1** and in **Table 3-3** and all CRF eligible wastewater CIP projects are shown on **Figure 3-2** and in **Table 3-4**.

Existing/Under Design Projects

Existing and under design capital improvements that are projected to serve growth within the next 10 years are considered CRF eligible. These projects are shown in **orange**. As capital improvement projects in the plan are completed, planned costs are updated with actual costs to reflect the capital expenditure of the program more accurately. FNI worked with City staff to document the costs of the existing/under design projects based on the City's latest information.

Proposed Future Projects

Proposed future water projects are shown in **blue**, and proposed future wastewater projects are shown in **green**. Opinions of probable construction cost (OPCCs) for the future water and wastewater projects were developed and are included in **Appendix B** and **Appendix C**, respectively. The planning level capital costs do not include individual service connections or subdivision lines. The costs are provided as estimates based on previous similar engineering experience in 2023 dollars and include an allowance for engineering, surveying, and contingencies.

Table 3-3: Water System Capital Recovery Fee Eligible Capital Projects

Project ID		Description of Project	Total Capital Cost[(1)] (2023 Dollars)
Existing/Under Design Projects	A	Additional 3.0 MGD from GCWA Thomas Mackey WTP	$8,400,000
	B	State HWY 3 Booster Pump Station (BPS) Reconstruction	$19,583,940
	C	South Shore Harbour Booster Pump Station Reconstruction	$12,235,131
	D	Calder Road Booster Pump Station Expansion	$14,224,266
	E	Northside Booster Pump Station	$8,385,304
	F	FM 518 Waterline Replacement Project (Palomino to I-45)	$3,133,083
	G	16-Inch Trunk Waterline from South Shore Booster Pump Station to FM 2094	$1,005,514
	H	36-Inch Waterline from State Highway 3 to South Shore Booster Station	$23,520,132
	I	New Waterlines to West Side - Segments 0 & 1	$3,794,501
	J	Southeast Service Area Waterlines	$5,867,387
	K	North Service Area 12-Inch Grissom Waterline	$742,732
	L	Replacement of State Highway 3 Waterline	$85,515,428
	M	24-Inch Waterline along Ervin and Future Grand Parkway to Maple Leaf Drive	$4,100,000
	N	Water Master Plan & CRF Update	$251,520
		Existing/Under Design Projects Subtotal	**$190,758,938**
Proposed Future Projects	1	State Highway 3 Booster Pump Station Chemical Feed Building & Storage	$5,230,000
	2	New Calder South Water Plant (Well, GST, Generator, and BPS)	$12,850,000
	3	New Waterlines to West Side	$4,540,000
	4	8-Inch Waterline from Cross Colony to Mary Lane	$212,450
	5	Muldoon Parkway Waterline Extension Phase 1	$6,010,000
	6	24-Inch Waterline on Bay Area Boulevard (Segment 2)	$2,580,000
	7	Maple Leaf Waterline Extension Phase 1	$1,680,000
	8	Calder Road Booster Pump Station Expansion Phase 1	$5,270,000
	9	New West Side Water Plant (Well, GST, Generator, and BPS)	$12,360,000
	10	State Highway 3 Booster Pump Station Expansion	$6,080,000
	11	20 MGD Southeast Water Purification Plant (SEWPP) Expansion	$156,000,000
	12	FM 517 Waterline Extension from Landing Blvd to Maple Leaf Drive	$9,270,000
	13	24-Inch Bay Area Boulevard Waterline Extension	$4,430,000
	14	Muldoon Parkway Waterline Extension Phase 2 (to West Blvd)	$2,880,000
	15	Maple Leaf Waterline Extension to FM 517	$2,330,000
		Proposed Future Projects Subtotal	**$231,722,450**
		Total Cost for Water CRF Eligible Projects	**$422,481,388**

(1) Existing/under design project costs based on portion of capital cost paid by the City. Planning level costs were developed for proposed future projects and include material costs and contingency. Additional expenses related to engineering, environmental, geotechnical, change order contingency, soft costs, and legal fees are not included.

Note: The FNI Team has no control over the cost of labor, materials, equipment, or over the Contractor's methods of determining prices or over competitive bidding or market conditions. Opinions of probable construction costs provided are based on the information available at the time of preparation and represent only the FNI Team's judgment based on industry experience. The FNI Team cannot and does not guarantee the proposals, bids, or actual construction costs will not vary from the opinion of probable construction costs.

Table 3-4: Wastewater System Capital Recovery Fee Eligible Capital Projects

Project ID		Description of Project	Total Capital Cost[1] (2023 Dollars)
Existing/Under Design Projects	A	Expansion of Bay Colony 1 14-15 Lift Station to 5.7 MGD Firm Capacity and Force Main Upgrade from Bay Colony Lift Station to Ervin Street	$3,628,659
	B	Westover Park Lift Station and Force Main Improvements	$1,701,524
	C	New 24/30-Inch Gravity Line along Calder	$4,031,443
	D	North Service Area Lift Station, Force Main, and Gravity	$109,629
	E	Southwest Water Reclamation Facility 4.0 MGD Expansion	$31,731,239
	F	Butler Road Lift Station and Force Main Improvements	$2,032,695
	G	West Main Lift Station and Force Main Improvements	$1,705,719
	H	Dallas Salmon WRF Lift Station Expansion to 12.0 MGD	$5,412,700
	I	Dallas Salmon WRF 4.5 MGD Expansion to 12.0 MGD	$25,620,464
	J	New 48/54/60-inch Southwest Area Trunk Line to Southwest WRF	$7,900,000
	K	15-Inch Willow Branch and 18-Inch FM 518 Gravity Line Replacement	$1,359,086
	L	Expansion of Southwest WRF by 4.0 MGD to Permitted ADF of 8.0 MGD	$100,751,700
	M	Wastewater Master Plan & CRF Update	$399,730
		Existing/Under Design Projects Subtotal	**$186,384,588**
Proposed Future Projects	1	Re-Route 18-inch Bay Colony 1 Force Main to Southwest Service Area	$2,894,000
	2	New 42-inch Southwest Area Trunk Line to Southwest WRF	$7,427,700
	3	Expansion of Pedregal Lift Station to 1.5 MGD Firm Capacity	$1,606,800
	4	New Southwest 48-inch Gravity Line Extension and Force Main Re-Route	$2,794,400
	5	Expansion of Butler Road Lift Station to 15.6 MGD Firm Capacity	$9,207,200
	6	Expansion of Countryside No. 2 Lift Station to 2.7 MGD Firm Capacity and Replacement 14-inch Force Main	$3,177,800
	7	New 1.1 MGD Firm Capacity FM 646 Lift Station, New 12-inch Gravity Lines, and New 8-inch Force Main	$6,851,200
	8	New 18-inch Gravity Line along West Boulevard to serve Georgetown and Stedman West developments (Westside)	$2,908,600
	9	New 18-Inch Southwest Area Trunk Line	$1,702,900
	10	New 21/30-inch Gravity Lines along Bay Area Boulevard (Westside)	$3,280,400
	11	1.7 MGD Lift Station and 10-inch Force Main south of Dickinson Bayou (Westside)	$3,070,100
	12	Expansion of North Service Area Lift Station to 3.0 MGD Firm Capacity and 30-Inch Replacement Gravity Main	$5,095,400
	13	Expansion of Smith Lane Lift Station to 7.6 MGD Firm Capacity	$7,539,500
	14	Upgrade Pumping HP at Victory Lakes Lift Station and Re-Route/Extend 12-inch Force Main	$6,046,800
	15	New 15-inch Gravity Line along Maple Leaf Drive (Westside)	$2,081,500
	16	27-inch Gravity Line to serve Stedman West, Martron, Sealy Land, Bofysil, and Custer Developments (Westside)	$2,645,200
	17	15/18-Inch Gravity Lines, 3.5 MGD Lift Station and 12-Inch Force Main to Serve Custer, Bofysil, Sealy Land and Martron Developments (Westside)	$15,814,600
		Proposed Future Projects Subtotal	**$84,144,100**
		Total Cost for Wastewater CRF Eligible Projects	**$270,528,688**

(2) Existing/under design project costs based on portion of capital cost paid by the City. Planning level costs were developed for proposed future projects and include material costs and contingency. Additional expenses related to engineering, environmental, geotechnical, change order contingency, soft costs, and legal fees are not included.

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B 1 10

Highway 3 Water Plant
City of Houston Surface Water Interconnect
(4) - 5,535 gpm Pumps
(2) - 3.0 MG GSTs
(1) - 1.0 MG GST
Pump Station Reconstruction
SH 3 BPS Chemical Feed Building and Storage
New (2) - 5,535 gpm Pumps

From City of Houston's Southeast Water Purification Plant (SEWPP)

Beamer Road Interconnect
City of Houston Surface Water Interconnect

From City of Houston's Southeast Water Purification Plant (SEWPP)

L

G

South Shore Water Plant
Well #1 = 1,255 gpm
(4) - 2,100 gpm Pumps
(2) - 1.0 MG GSTs
(1) - 3.0 MG GST
Booster Pump Station Reconstruction

C

H

0.4 MG Alabama EST
(1) - 250 gpm Pump (Inactive)

Meadowbend Pump Station
(3) - 600 gpm Pumps
(1) - 0.5 MG GST

Third Street Water Plant
Well #1 = 550 gpm
(2) - 500 gpm Pumps
(1) - 0.5 MG GST

2.0 MG South Shore EST

Walker Street Water Plant
Well #1 = 700 gpm
(2) - 500 gpm Pumps
(1) - 0.5 MG GST

Bayridge Pump Station
(2) - 350 gpm Pumps
(1) - 0.42 MG GST

K

Northside Water Plant
Well #1 = 1,500 gpm
(2) - 750 gpm Pumps
(2) - 1,700 gpm Pump
(2) - 3.0 MG GSTs
Construction of Northside Booster Pump Station

E

F

2.0 MG East Side EST
Well #1 = 807 gpm

J

Countryside Water Plant
Well #1 = 1,150 gpm
(2) - 250 gpm Pumps
(2) - 500 gpm Pumps
(1) - 0.35 MG GST

2.0 MG Brittany Bay EST

Dickinson Water Plant
Well #1 = 407 gpm
(2) - 350 gpm Pumps
(1) - 850 gpm Pump
(1) - 0.21 MG GST

Galveston County Water Control and Improvement District No. 1 Emergency Interconnect

Calder Road Water Plant
GCWA Surface Water Interconnect
Well #1 = 2,000 gpm
(1) - 1.0 MG GST
(1) - 0.5 MG GST
(4) - 2,900 gpm Pumps
(2) - 3.25 MG GSTs
(2) - 5,000 gpm Pump Replacement

D

8

9

New West Side Water Plant
Well #1 = 1,500 gpm
(2) - 800 gpm Pumps
(2) - 1,550 gpm Pumps
2.0 MG GST

I

6

M

4

New Calder South Water Plant
GCWA Surface Water Interconnect
Well #1 = 1,500 gpm
(4) - 1,500 gpm Pumps
(1) - 0.75 MG GST

14

5

7

13

2

15

12

3

From GCWA's Thomas Mackey Water Treatment Plant

SEWPP
20 MGD Expansion

11

A New Water GCWA 3.0 MGD from Thomas Mackey Water Treatment Plant

N Water Master Plan & CRF Update

The timing of projects shown is subject to change based on development patterns. The utility alignments shown in this figure are for illustration purposes only and do not set the alignments. The alignment of each utility will be determined at the time of the engineering design.

0 2,500 5,000
SCALE IN FEET

DRAFT FIGURE 3-1

CITY OF LEAGUE CITY

WATER AND WASTEWATER CRF UPDATE

WATER CRF ELIGIBLE CIP

LEGEND

Existing/Under Design Improvements
- Pump Station
- Water Line

Proposed CRF Eligible Improvements
- Well
- Ground StorageTank
- Pump Station
- Water Treatment Plant
- Water Line

Existing System
- Emergency Interconnect
- Well
- Elevated Storage Tank
- Ground Storage Tank
- Pump Station
- Water Treatment Plant
- Transmission Line

- 8" and Smaller Water Line
- 10" and Larger Water Line
- Railroad
- CRF Service Area
- City Limits
- ETJ
- Other City Limit

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ARDURRA

League City TEXAS

Created By Freese and Nichols, Inc.
Job No. : LEA22038
Location: H:\W_WW_PLANNING\01_DELIVERABLES\00_DRAFT_REPORT\CRF_REPORT\Figure_3-1-Water_CIP_CRF_Eligible.mxd
Updated: Tuesday, April 4, 2023 4:20:38 PM

Dallas Salmon WRF
Permitted Capacity
Average Daily Flow: 12.0 MGD
2-Hour Peak Flow: 36.0 MGD
Southwest WRF
Permitted Capacity
Average Daily Flow: 4.0 MGD
2-Hour Peak Flow: 12.0 MGD
Proposed ADF Capacity = 8.0 MGD
North Service Area LS
Firm Capacity = 1.7 MGD
Proposed Capacity = 3.1 MGD
West Main LS
Firm Capacity = 5.2 MGD
Butler Road LS
Expansion to 14.7 MGD and 30" Force Main
Firm Capacity = 16.0MGD
Countryside 2 LS
Firm Capacity = 1.2 MGD
Proposed Capacity = 2.7 MGD
Westover Park LS
Permitted Capacity = 4.6 MGD
Smith Lane LS
Firm Capacity = 5.7 MGD
Proposed Capacity = 7.6 MGD
FM 646 LS
Proposed Capacity = 1.1 MGD
Victory Lakes LS
Firm Capacity = 3.2 MGD
Pump HP Upgrade and Force Main Extention
Bay Colony 1 14-15 LS
Firm Capacity = 5.7 MGD
Pedregal LS
Firm Capacity = 0.56 MGD
Proposed Capacity = 1.5 MGD
Lloyd Tract LS
Firm Capacity = 1.7MGD
Westside LS
Firm Capacity = 3.5 MGD
Re-route Force Mains to Gravity Line
Proposed Transfer Valves
Existing Transfer Valve
South Shore Harbour 4 LS
Veranda LS
Waterford 2 LS
Glen Cove LS
Waterford 1 LS
Beacon Island LS
Marina Palms LS
Constellation LS
Harbour Park 2 LS
Davis Road 1 (North) LS
Fairway APT LS
Harbour Park 1 LS
East Main LS
South Shore Harbour 2 LS
Davis Road 2 (South) LS
Harbour Park 3 LS
South Shore Lakes LS
South Shore Harbour 3 LS
Bayou Brae LS
Davis Rd LS
South Shore Harbour 1 LS
Access Storage LS
Meadow Bend STP
Coronado LS
Meadow Bend Parkway LS
Old EMS LS
Woodcock LS
Webster LS
Mar Bella LS
Bayridge Apartments LS
Costal Pointe LS
Tuscan Lakes 1 LS
South Shore MUD 7 LS
Bay Ridge LS
Clear Creek Crossing LS
Clear Creek Village LS
Amber Lane LS
Lift Station 21
Old EMS LS
Autumn Lakes LS
Hewitt Street LS
Corum LS
Space RV LS
Line Repair Building LS
Tuscan Lakes 2 LS
Countryside Park LS
Landing LS
Hobbs LS
Dickenson LS
Center Pointe 1 LS
Countryside STP LS
South Hwy 3 LS
Knights of Columbus LS
Countryside 1 LS
MUD 6 LS
Sportsplex 2 LS
Business Park LS
Center Pointe 2 LS
Sportsplex 1 LS
Shellside LS
Brookside LS
Brittany Lakes 1 LS
Baby Oil and Gas LS
Magnolia Creek North LS
Brittany Lakes 2 LS
Kid City LS
Space Storage 646 LS
Magnolia Creek South LS
Target LS
Bay Colony 2 Parkside LS
Sedona LS
Bay Colony 3 Meadows LS
Bay Colony 5 Lakes LS
Bay Colony 7 West 2 LS
Dove Meadows 2 LS
Dove Meadows 1 LS
Bay Colony 6 West 1 LS
Bay Colony 4 Retreat LS
Mary Lane LS
SCALE IN FEET

DRAFT FIGURE 3-2

CITY OF LEAGUE CITY

WATER AND WASTEWATER CRF UPDATE

WASTEWATER CRF ELIGBLE CIP

LEGEND

Existing/Under Design Improvements
- Lift Station
- Water Reclamation Faciliity
- Gravity Main
- Force Main

Proposed CRF Eligible Improvements
- Valve
- Lift Station
- Gravity Main
- Force Main

Existing System
- Valve
- Lift Station
- 8" and Smaller Wastewater Line
- 10" and Larger Wastewater Line
- 8" and Smaller Force Main
- 10" and Larger Force Main

- Railroad
- CRF Service Area
- City Limits
- ETJ
- Other City Limit

M Wastewater Master Plan & CRF Update

The timing of projects shown is subject to change based on development patterns. The utility alignments shown in this figure are for illustration purposes only and do not set the alignments. The alignment of each utility will be determined at the time of the engineering design.

FREESE AND NICHOLS

League City TEXAS

4.0 WATER AND WASTEWATER CAPITAL RECOVERY FEE ANALYSIS

The water and wastewater capital recovery fee analyses involve assessing the utilization of existing and proposed projects within the CRF eligible capital improvement plans (**Section 3.0**) required to serve new development over the next 10-year time period. For these projects, the capital recovery fee is calculated as a percentage of the project cost, based upon the percentage of the project's capacity to serve development projected to occur between 2023 and 2033. The capacity serving existing development and development projected to occur beyond the 10-year period is not capital recovery fee eligible.

4.1 WATER AND WASTEWATER CAPACITY ANALYSES

FNI assessed the capital recovery fee eligible water and wastewater projects to quantify the portion of the projects that are projected to be utilized within the next 10 years. The 10-year utilization is the percentage of the project cost that is capital recovery fee eligible.

Summaries of the water and wastewater costs for infrastructure to serve the projected 10-year growth are shown in **Table 4-1** and **Table 4-2**, respectively. The percent utilization columns in the tables are defined as follows:

- The **2023 Percent Utilization** is the portion of the project's capacity that serves existing development and is therefore not included in the capital recovery fee eligible cost.
- The **2033 Percent Utilization** is the portion of the project's capacity that is projected to be utilized by 2033.
- The **2023 to 2033 Percent Utilization** is the portion of the project's capacity that is projected to serve the 10-year growth. This percentage is multiplied by the total project cost to calculate the capital recovery fee eligible portion of the project.

The **10-year CRF Eligible Cost** column is the portion of the capital project cost that is utilized in the calculation of the maximum allowable capital recovery fee.

Table 4-1: Cost Allocation for Water Projects Capital Recovery Fee Calculation

Water Project ID		Description of Project	Percent Utilization			10-Year CRF Eligible Cost [1] *(2023-2033)*
			2023[1]	2033	2023-2033	
Existing/Under Design Water Projects	A	Additional 3.0 MGD from GCWA Thomas Mackey WTP	0%	100%	100%	$8,400,000
	B	State HWY 3 Booster Pump Station (BPS) Reconstruction	45%	100%	55%	$10,771,167
	C	South Shore Harbour Booster Pump Station Reconstruction	45%	100%	55%	$6,729,322
	D	Calder Road Booster Pump Station Expansion	45%	100%	55%	$7,823,346
	E	Northside Booster Pump Station	45%	100%	55%	$4,611,917
	F	FM 518 Waterline Replacement Project (Palomino to I-45)	70%	78%	8%	$250,647
	G	16-Inch Trunk Waterline from South Shore Booster Pump Station to FM 2094	72%	89%	17%	$170,937
	H	36-Inch Waterline from State Highway 3 to South Shore Booster Station	73%	90%	17%	$3,998,422
	I	New Waterlines to West Side - Segments 0 & 1	8%	43%	35%	$1,328,075
	J	Southeast Service Area Waterlines	62%	93%	31%	$1,818,889
	K	North Service Area 12-Inch Grissom Waterline	0%	84%	84%	$623,895
	L	Replacement of State Highway 3 Waterline	61%	95%	34%	$29,075,246
	M	24-Inch Waterline along Ervin and Future Grand Parkway to Maple Leaf Drive	42%	60%	18%	$738,000
	N	Water Master Plan & CRF Update	0%	100%	100%	$251,520
		Existing/Under Design Water Projects Subtotal				**$76,591,383**

(1) Costs for proposed future projects include 3.5% inflation based on the projected start year. Detailed calculation shown in **Appendix D** page 5.

Table 4-1: Cost Allocation for Water Projects Capital Recovery Fee Calculation (cont.)

Water Project ID		Description of Project	Percent Utilization			10-Year CRF Eligible Cost [1] *(2023-2033)*
			2023[1]	2033	2023-2033	
Proposed Future Water Projects	1	State Highway 3 Booster Pump Station Chemical Feed Building & Storage	73%	90%	17%	$889,100
	2	New Calder South Water Plant (Well, GST, Generator, and BPS)	0%	48%	48%	$6,168,000
	3	New Waterlines to West Side	15%	46%	31%	$1,407,400
	4	8-Inch Waterline from Cross Colony to Mary Lane	0%	14%	14%	$30,784
	5	Muldoon Parkway Waterline Extension Phase 1	7%	46%	39%	$2,343,900
	6	24-Inch Waterline on Bay Area Boulevard (Segment 2)	0%	52%	52%	$1,388,543
	7	Maple Leaf Waterline Extension Phase 1	0%	43%	43%	$722,400
	8	Calder Road Booster Pump Station Expansion Phase 1	0%	74%	74%	$4,036,256
	9	New West Side Water Plant (Well, GST, Generator, and BPS)	0%	16%	16%	$2,118,416
	10	State Highway 3 Booster Pump Station Expansion	0%	10%	10%	$747,346
	11	20 MGD Southeast Water Purification Plant (SEWPP) Expansion	0%	7%	7.0%	$11,697,562
	12	FM 517 Waterline Extension from Landing Blvd to Maple Leaf Drive	0%	32%	32%	$3,403,887
	13	24-Inch Bay Area Boulevard Waterline Extension	0%	47%	47%	$2,472,768
	14	Muldoon Parkway Waterline Extension Phase 2 (to West Blvd)	0%	16%	16%	$547,261
	15	Maple Leaf Waterline Extension to FM 517	0%	37%	37%	$989,243
		Proposed Future Water Projects Subtotal				**$38,962,866**
Total 10-Year Capital Recovery Fee Eligible Water Capital Improvement Project Costs						**$115,554,249**

(1) Costs for proposed future projects include 3.5% inflation based on the projected start year. Detailed calculation shown in **Appendix D** page 5.

Table 4-2: Cost Allocation for Wastewater Projects Capital Recovery Fee Calculation

Wastewater Project ID		Description of Project	Percent Utilization			10-Year CRF Eligible Cost [1] *(2023-2033)*
			2023[1]	2033	2023-2033	
Existing/Under Design Wastewater Projects	A	Expansion of Bay Colony 1 14-15 LS to 5.7 MGD Firm Capacity and Force Main Upgrade from Bay Colony Lift Station to Ervin Street	86%	97%	11%	$399,152
	B	Westover Park Lift Station and Force Main Improvements	89%	99%	10%	$170,152
	C	New 24/30-Inch Gravity Line along Calder	86%	92%	6%	$241,886
	D	North Service Area Lift Station, Force Main, and Gravity	62%	100%	38%	$41,659
	E	Southwest Water Reclamation Facility 4.0 MGD Expansion	80%	100%	20%	$6,346,248
	F	Butler Rd Lift Station and Force Main Improvements	95%	100%	5%	$101,635
	G	West Main Lift Station and Force Main Improvements	30%	69%	39%	$665,230
	H	Dallas Salmon WRF Lift Station Expansion to 12.0 MGD	16%	47%	31%	$1,677,937
	I	Dallas Salmon WRF 4.5 MGD Expansion to 12.0 MGD	16%	47%	31%	$7,942,343
	J	New 48/54/60-inch Southwest Area Trunk Line to Southwest WRF	25%	48%	23%	$1,817,000
	K	15-Inch Willow Branch and 18-Inch FM 518 Gravity Line Replacement	75%	80%	5%	$67,954
	L	Expansion of Southwest WRF by 4.0 MGD to Permitted ADF of 8.0 MGD	0%	52%	52%	$52,390,884
	M	Wastewater Master Plan & CRF Update	0%	100%	100%	$399,730
		Existing/Under Design Wastewater Projects Subtotal				**$72,261,810**

(1) Costs for proposed future projects include 3.5% inflation based on the projected start year. Detailed calculation shown in **Appendix D** page 5.

Table 4-2: Cost Allocation for Wastewater Capital Recovery Fee Calculation (cont.)

Wastewater Project ID		Description of Project	Percent Utilization			10-Year CRF Eligible Cost [1] *(2023-2033)*
			2023[1]	2033	2023-2033	
Proposed Future Wastewater Projects	1	Re-Route 18-inch Bay Colony 1 Force Main to Southwest Service Area	86%	97%	11%	$318,340
	2	New 42-inch Southwest Area Trunk Line to Southwest WRF	0%	26%	26%	$1,998,776
	3	Expansion of Pedregal Lift Station to 1.5 MGD Firm Capacity	16%	38%	22%	$365,865
	4	New Southwest 48-inch Gravity Line Extension and Force Main Re-Route	43%	45%	2%	$57,844
	5	Expansion of Butler Road Lift Station to 15.6 MGD Firm Capacity	83%	95%	12%	$1,143,524
	6	Expansion of Countryside No. 2 Lift Station to 2.7 MGD Firm Capacity and Replacement 14-inch Force Main	97%	99%	2%	$65,780
	7	New 1.1 MGD Firm Capacity FM 646 Lift Station, New 12-inch Gravity Lines, and New 8-inch Force Main	0%	18%	18%	$1,415,092
	8	New 18-inch Gravity Line along West Boulevard to serve Georgetown and Stedman West developments (Westside)	0%	57%	57%	$1,715,913
	9	New 18-Inch Southwest Area Trunk Line	0%	48%	48%	$845,993
	10	New 21/30-inch Gravity Lines along Bay Area Boulevard (Westside)	0%	58%	58%	$1,969,206
	11	1.7 MGD Lift Station and 10-inch Force Main south of Dickinson Bayou (Westside)	0%	37%	37%	$1,175,684
	12	Expansion of North Service Area Lift Station to 3.0 MGD Firm Capacity and 30-Inch Replacement Gravity Main	30%	56%	26%	$1,628,432
	13	Expansion of Smith Lane Lift Station to 7.6 MGD Firm Capacity	84%	90%	6%	$556,048
	14	Upgrade Pumping HP at Victory Lakes Lift Station and Re-Route/Extend 12-inch Force Main	64%	80%	16%	$1,230,836
	15	New 15-Inch Gravity Line along Maple Leaf Drive (Westside)	0%	27%	27%	$690,809
	16	27-Inch Gravity Line to serve Stedman West, Martron, Sealy Land, Bofysil, and Custer Developments (Westside)	0%	5%	5%	$162,572
	17	15/18-Inch Gravity Lines, 3.5 MGD Lift Station and 12-Inch Force Main to Serve Custer, Bofysil, Sealy Land and Martron Developments (Westside)	0%	8%	8%	$1,555,129
		Proposed Future Wastewater Projects Subtotal				**$16,895,843**
Total 10-Year Capital Recovery Fee Eligible Wastewater Capital Improvement Project Costs						**$89,157,653**

(1) Costs for proposed future projects include 3.5% inflation based on the projected start year. Detailed calculation shown in **Appendix D** page 5.

4.2 MAXIMUM CAPITAL RECOVERY FEE CALCULATION

Chapter 395 of the TLGC states that the maximum allowable water and wastewater capital recovery fees may not exceed the amount determined by dividing the cost of capital improvements required by the total number of service units (EDUs) attributed to new development during the 10-year capital recovery fee eligibility period.

The maximum allowable capital recovery fee calculation for League City was developed through a 30-year financial cash-flow model which fully recognizes the requirements of TLGC Chapter 395 including the recognition of cash and/or debt financing, interest earnings, fund balances, and applicable credits associated with the use of utility revenues.

In performing the cash-flow analysis in accordance with the requirements of Chapter 395, the Project Team analyzes the inflow and outflow of monies specific to each water and wastewater capital recovery fee fund. Relative to cash in-flow, this includes an examination of the beginning balance available in the fund (e.g., the unencumbered fund balance) as well as cash flow into the fund from the imposition of capital recovery fees over the study's 10-year timeframe. The calculated fee is matched with anticipated growth in service units over the study period to determine revenues into the fund. Additionally, the timing and amount of bond proceeds from debt issuance are also examined and analyzed as monetary in-flow into the fund.

Relative to cash out-flow, the Project Team then examines both cash capital expenditures from the fund as well as the payment of debt principal and interest related to the bonds issued. Finally, the cash in-flow and out-flow are compared to determine the annual change in fund balance. As required by Chapter 395, to the extent a fund balance exists within the capital recovery fee fund, anticipated interest earnings in the fund must be analyzed and remain within and as a benefit to the fund. In calculating the projected accumulated interest, the prior year's fund balance and change in fund balance in each specific year of the forecast is considered as the interest-bearing fund balance, to which an assumed interest rate is applied and accumulated interest calculated.

In examining the in-flow and out-flow of funds, there will be periods, particularly in early years, when cash in-flow into the fund is greater than cash out-flow. This occurs due to the receipt of capital recovery fee revenue as well as bond proceeds flowing into the fund. When compared with the actual cash out-flow in that year for cash capital expenditures and bond payments, this results in negative annual expenditures

from the fund (e.g., an increase in fund balance). These additions to fund balance also result in higher accumulated interest earnings on available balances in earlier years, with those amounts diminishing overtime as fund balance decreases through the expenditure of funds on projects and for the payment of debt service. The goal of this cash-flow exercise is to ensure that the capital recovery fee fund balance is fully extinguished by the end of the forecast, indicating that the appropriate fee has been set to fully balance all cash in-flow and cash out-flow. If funds are remaining at the end of the forecast period, then the fee has been set too high and must be reduced. Conversely, if negative funds exist within the balance of the capital recovery fee amount during any period within the forecast, the fee must be increased to ensure sufficient funds are available to pay for growth related projects.

In developing the components of the financial model several assumptions must be made, including the following:

- Financing
    - Method of financing (i.e. cash or debt financing)
    - The level of financing (e.g. 50% debt funding)
    - Cost of financing
    - Debt repayment structure
- Timing and Level of Expenditures and Revenues
- Interest Earnings
- Annual Service Unit (EDU) Growth
- Portion of Utility Revenue Used to Fund Capital Recovery Fee Improvements

The assumptions employed in the maximum allowable capital recovery fee determination provide a reasonable basis for forecasting; however, it must be emphasized that these assumptions may not necessarily reflect actual future conditions. To address this, Chapter 395 requires the monitoring of capital recovery fees through the Capital Improvements Advisory Committee (CIAC) and allows for the option to update or revise capital recovery fees to reflect the actual implementation of the capital recovery fee program.

Once the cost of capacity added that is attributable to growth is determined, it must then be decided how the cost will be financed: cash and/or debt. For any previously funded projects, whether partially funded or in full, actual costs of capital have been included. Based on discussions with City staff, unless specific funding has already been determined, it is assumed that the City will debt finance 50% of the future

project costs and cash fund the other 50%. For debt financing, the cost of financing is based on estimates of future debt costs for bonds issued with 20-year terms, as shown in **Appendix D**. Debt service payments for each future debt issue are assumed to remain constant over the issue's term.

During this study, proposed timing and annual level of cash capital expenditures over the forecast period has been projected for the new projects based on the updated land use assumptions. For projects anticipated to occur after 2023, an escalation factor of 3.50% was applied. This factor is based on the 20-year average of Engineering News Report's Construction Cost Index.

It was also assumed that for debt-financed capital projects, the City will expend debt proceeds over a 3-year timeframe. For the calculation of the maximum allowable capital recovery fee, debt is assumed to be issued in amounts based on the project timing described above. In order to recognize the full amount of debt to be issued for the cost of capacity added that is attributable to growth during the 10-year period, a portion of years 8, 9, and 10 are assumed to be spent in the final 3 years (11, 12, and 13).

Because debt is issued over 20-year terms and capital recovery fees developed herein are to be charged over a 10-year period, sufficient fund balance must be generated to meet the future debt service obligations. The existing fund balance of $138,513 for water and $12,432,219 for wastewater was assigned as a potential source for the current Capital Recovery Fee CIP. Because of the generation of the fund balance, excess monies will be available for interest earnings.

Chapter 395 states that interest earnings are funds of the capital recovery fee account and are to be held to the same restrictions as capital recovery fee revenues. Therefore, in order to recognize that interest earnings are used to fund water and wastewater improvements, interest earnings are credited against the costs recoverable through capital recovery fees. It should be noted that Chapter 395 does not require the upfront recognition of interest earnings in the capital recovery fee determination; however, in an effort to acknowledge the time value of the capital recovery fee payers' monies, interest earnings have been credited. Interest is assumed to be earned at an annual rate of 2.00% based on the City's average of forecasted earnings rate on investments as of March 2023.

As with the timing and level of the capital expenditures over the 10-year forecast, the timing and annual level of service unit growth over the 10-year program period is indeterminate at the present time. As such, the growth was divided into two 5-year periods, and it was assumed that growth will occur in equal amounts over each 5-year period.

4.2.1 Utility Revenue Credit Analysis

Chapter 395 requires a plan for awarding a credit for the portion of ad valorem tax and/or utility service revenues generated by new service units during the program period that are used for payment of improvements that are included in the Water and Wastewater Capital Recovery Fee CIP. As an alternative, a credit equal to 50% of the total cost of implementing the Water and Wastewater Capital Recovery Fee CIP may be used. The City has elected to pursue the determination of a credit for the portion of utility revenues generated by new service units during the program period that are used for payment of improvements that are included in the Water and Wastewater Capital Recovery Fee CIPs. It should be noted that the credit is not a determination to recognize the total utility revenue generated by new service units but is only a credit for the portion of utility revenue that is used for payment of improvements that are included in the Water and Wastewater Capital Recovery Fee CIPs. Theoretically, the credit determination could be zero ($0) if the City does not utilize any of the new service unit utility revenue to fund improvements that are included in the Water and Wastewater Capital Recovery Fee CIPs. However, to be conservative and recognize potential cash flow issues that can occur with the funding of major capital improvement projects, it is assumed that the debt-funded projects (50% of the improvement costs included in the Water and Wastewater Capital Recovery Fee CIPs but not otherwise funded) could potentially be funded by utility revenue.

Since payments made through utility revenue will consist of not only the revenue generated by new service units in the defined service area, but also existing property owners throughout the City, the portion attributable to the new service units in the defined service area must be isolated, as illustrated in the credit calculation in **Appendix D**.

4.2.2 Maximum Allowable Water and Wastewater Capital Recovery Fees

Table 4-3 summarizes the calculation of the maximum allowable water and wastewater capital recovery fees for League City. These calculations include the eligible costs of the water and wastewater capital projects serving growth in the next 10 years, as well as financing costs, the existing CRF fund balance, and interest earnings. **Table 4-4** shows the schedule of maximum allowable water and wastewater capital recovery fees by water meter size, based on the EDUs in City Ordinance 2019-13.

Table 4-3: Water and Wastewater Capital Recovery Fee Calculation

	Calculation Component	2018 CRF[1]	2023 CRF Update
Water Capital Recovery Fee	Total Eligible Capital Improvement Costs[2]	$ 105,999,983	$ 115,554,249
	Financing Cost	29,984,719	47,304,056
	Existing Fund Balance	(4,078,917)	(138,513)
	Interest Earnings	(6,959,400)	(13,226,809)
	Pre-Credit Recoverable Cost for CRF	$ 124,946,385	$ 149,492,982
	Credit for Utility Revenues	(21,498,510)	(16,811,351)
	Post Credit Recoverable Cost for CRF	$ 103,447,875	$ 132,681,631
	Growth in Service Units (EDUs)	20,278	14,621
	Maximum Allowable Water Capital Recovery Fee[3]	**$ 5,101**	**$ 9,074**

	Calculation Component	2018 CRF[1]	2023 CRF Update
Wastewater Capital Recovery Fee	Total Eligible Capital Improvement Costs[2]	$ 68,477,201	$ 89,157,653
	Financing Cost	6,241,263	37,662,629
	Existing Fund Balance	(9,727,798)	(12,432,219)
	Interest Earnings	(2,925,311)	(14,037,903)
	Pre-Credit Recoverable Cost for CRF	$ 62,065,355	$ 100,350,160
	Credit for Utility Revenues	(10,005,321)	(15,785,535)
	Post Credit Recoverable Cost for CRF	$ 52,060,034	$ 84,564,625
	Growth in Service Units (EDUs)	20,278	14,702
	Maximum Allowable Wastewater Capital Recovery Fee[3]	**$ 2,567**	**$ 5,751**

(1) Information from 2018 Water and Wastewater CRF Update Report.
(2) Cost includes 3.5% inflation for proposed future projects.
(3) Maximum Allowable Water and Wastewater Capital Recovery Fee is Post Credit Recoverable Cost for CRF divided by the growth in service units (EDUs).

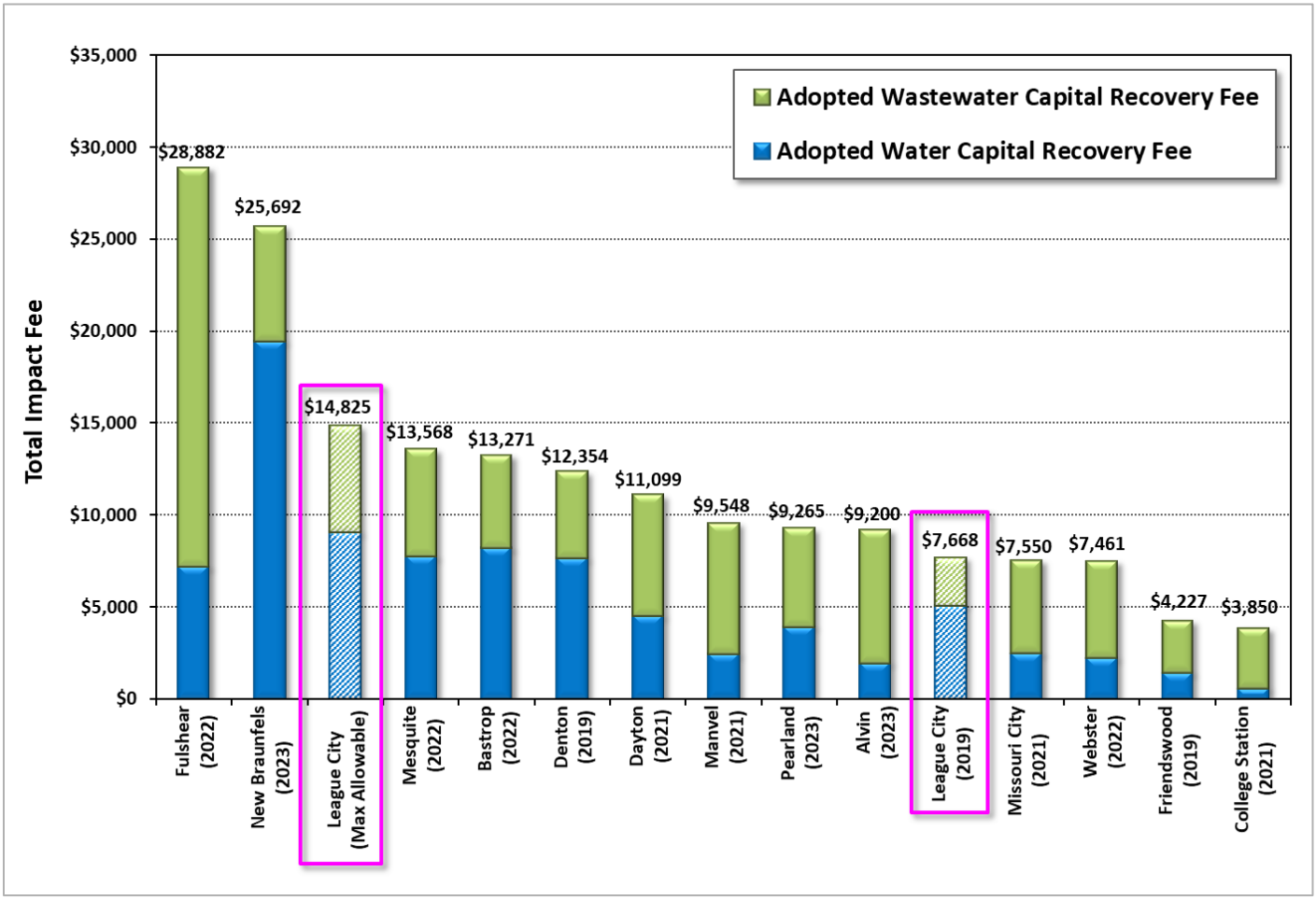
Table 4-4: Schedule of Maximum Allowable Water and Wastewater CRF

Meter Size	Single Family Equivalent Dwelling Units	Maximum Allowable Capital Recovery Fees		
		Water	Wastewater	Total
3/4"	1.0	$9,074	$5,751	**$14,825**
1"	1.667	$15,126	$9,586	**$24,712**
1-1/2"	3.333	$30,243	$19,168	**$49,411**
2"	5.333	$48,391	$30,670	**$79,061**
3"	10.667	$96,792	$61,345	**$158,137**
4"	16.667	$151,236	$95,851	**$247,087**
6"	33.333	$302,463	$191,698	**$494,161**
8"	53.333	$483,943	$306,718	**$790,661**
10”	76.667	$695,676	$440,911	**$1,136,587**

4.3 BENCHMARK WATER AND WASTEWATER CAPITAL RECOVERY FEES

A comparison graph showing adopted water and wastewater capital recovery fees in benchmark cities is presented on **Figure 4-1.** The graph also shows the existing League City water and wastewater CRFs, as well as the maximum allowable water and wastewater CRFs calculated as part of this study.

Figure 4-1: Comparison of Water and Wastewater Capital Recovery Fee per Service Unit (EDU)



*Year of CRF adoption in parenthesis

5.0 CAPITAL RECOVERY FEE ADOPTION

5.1 PUBLIC HEARING

The amended Chapter 395 of the TLGC requires one public hearing to be held to update an existing capital recovery fee. The presentation shall include a discussion of the proposed amended land use assumptions, capital improvement plans, and capital recovery fees. The required public hearing is tentatively scheduled to be held on May 23, 2023 at the City of League City City Hall. The public hearing date is set by Council and advertised more than 30 days prior to the public hearing.

5.2 ORDINANCE

Once the public hearing is held, the political subdivision shall approve or disapprove the updated land use assumptions, capital improvements plan, and water and wastewater capital recovery fees within 30 days of the public hearing.

APPENDIX A
Chapter 395, Texas Local Government Code

CHAPTER 395. FINANCING CAPITAL IMPROVEMENTS REQUIRED BY NEW DEVELOPMENT IN MUNICIPALITIES, COUNTIES, AND CERTAIN OTHER LOCAL GOVERNMENTS

SUBCHAPTER A. GENERAL PROVISIONS

§ 395.001. Definitions

In this chapter:

(1) "Capital improvement" means any of the following facilities that have a life expectancy of three or more years and are owned and operated by or on behalf of a political subdivision:

(A) water supply, treatment, and distribution facilities; wastewater collection and treatment facilities; and storm water, drainage, and flood control facilities; whether or not they are located within the service area; and

(B) roadway facilities.

(2) "Capital improvements plan" means a plan required by this chapter that identifies capital improvements or facility expansions for which impact fees may be assessed.

(3) "Facility expansion" means the expansion of the capacity of an existing facility that serves the same function as an otherwise necessary new capital improvement, in order that the existing facility may serve new development. The term does not include the repair, maintenance, modernization, or expansion of an existing facility to better serve existing development.

(4) "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. 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. The term does not include:

(A) dedication of land for public parks or payment in lieu of the dedication to serve park needs;

(B) dedication of rights-of-way or easements or construction or dedication of on-site or off-site water distribution, wastewater collection or drainage facilities, or streets, sidewalks, or curbs if the dedication or construction is required by a valid ordinance and is necessitated by and attributable to the new development;

(C) lot or acreage fees to be placed in trust funds for the purpose of reimbursing developers for oversizing or constructing water or sewer mains or lines; or

(D) other pro rata fees for reimbursement of water or sewer mains or lines extended by the political subdivision.

However, an item included in the capital improvements plan may not be required to be constructed except in accordance with Section 395.019(2), and an owner may not be required to construct or dedicate facilities and to pay impact fees for those facilities.

(5) "Land use assumptions" includes a description of the service area and projections of changes in land uses, densities, intensities, and population in the service area over at least a 10-year period.

(6) "New development" means the subdivision of land; the construction, reconstruction, redevelopment, conversion, structural alteration, relocation, or enlargement of any structure; or any use or extension of the use of land; any of which increases the number of service units.

(7) "Political subdivision" means a municipality, a district or authority created under Article III, Section 52, or Article XVI, Section 59, of the Texas Constitution, or, for the purposes set forth by Section 395.079, certain counties described by that section.

(8) "Roadway facilities" means arterial or collector streets or roads that have been designated on an officially adopted roadway plan of the political subdivision, together with all necessary appurtenances. The term includes the political subdivision's share of costs for roadways and associated improvements designated on the federal or Texas highway system, including local matching funds and costs related to utility line relocation and the establishment of curbs, gutters, sidewalks, drainage appurtenances, and rights-of-way.

(9) "Service area" means the area within the corporate boundaries or extraterritorial jurisdiction, as determined under Chapter 42, of the political subdivision to be served by the capital improvements or facilities expansions specified in the capital improvements plan, except roadway facilities and storm water, drainage, and flood control facilities. The service area, for the purposes of this chapter, may include all or part of the land within the political subdivision or its extraterritorial jurisdiction, except for roadway facilities and storm water, drainage, and flood control facilities. For roadway facilities, the service area is limited to an area within the corporate boundaries of the political subdivision and shall not exceed six miles. For storm water, drainage, and flood control facilities, the service area may include all or part of the land within the political subdivision or its extraterritorial jurisdiction, but shall not exceed the area actually served by the storm water, drainage, and flood control facilities designated in the capital improvements plan and shall not extend across watershed boundaries.

(10) "Service unit" means a standardized measure of consumption, use, generation, or discharge attributable to an individual unit of development calculated in accordance with generally accepted engineering or planning standards and based on historical data and trends applicable to the political subdivision in which the individual unit of development is located during the previous 10 years.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989. Amended by Acts 1989, 71st Leg., ch. 566, § 1(e), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 345, § 1, eff. Sept. 1, 2001.

SUBCHAPTER B. AUTHORIZATION OF IMPACT FEE

§ 395.011. Authorization of Fee

(a) Unless otherwise specifically authorized by state law or this chapter, a governmental entity or political subdivision may not enact or impose an impact fee.

(b) Political subdivisions may enact or impose impact fees on land within their corporate boundaries or extraterritorial jurisdictions only by complying with this chapter, except that impact fees may not be enacted or imposed in the extraterritorial jurisdiction for roadway facilities.

(c) A municipality may contract to provide capital improvements, except roadway facilities, to an area outside its corporate boundaries and extraterritorial jurisdiction and may charge an impact fee under the contract, but if an impact fee is charged in that area, the municipality must comply with this chapter.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.012. Items Payable by Fee

(a) An impact fee may be imposed only to pay the costs of constructing capital improvements or facility expansions, including and limited to the:

(1) construction contract price;

(2) surveying and engineering fees;

(3) land acquisition costs, including land purchases, court awards and costs, attorney's fees, and expert witness fees; and

(4) fees actually paid or contracted to be paid to an independent qualified engineer or financial consultant preparing or updating the capital improvements plan who is not an employee of the political subdivision.

(b) Projected interest charges and other finance costs may be included in determining the amount of impact fees only if the impact fees are used for the payment of principal and interest on bonds, notes, or other obligations issued by or on behalf of the political subdivision to finance the capital improvements or facility expansions identified in the capital improvements plan and are not used to reimburse bond funds expended for facilities that are not identified in the capital improvements plan.

(c) Notwithstanding any other provision of this chapter, the Edwards Underground Water District or a river authority that is authorized elsewhere by state law to charge fees that function as impact fees may use impact fees to pay a staff engineer who prepares or updates a capital improvements plan under this chapter.

(d) A municipality may pledge an impact fee as security for the payment of debt service on a bond, note, or other obligation issued to finance a capital improvement or public facility expansion if:

(1) the improvement or expansion is identified in a capital improvements plan; and

(2) at the time of the pledge, the governing body of the municipality certifies in a written order, ordinance, or resolution that none of the impact fee will be used or expended for an improvement or expansion not identified in the plan.

(e) A certification under Subsection (d)(2) is sufficient evidence that an impact fee pledged will not be used or expended for an improvement or expansion that is not identified in the capital improvements plan.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989. Amended by Acts 1995, 74th Leg., ch. 90, § 1, eff. May 16, 1995.

§ 395.013. Items Not Payable by Fee

Impact fees may not be adopted or used to pay for:

(1) construction, acquisition, or expansion of public facilities or assets other than capital improvements or facility expansions identified in the capital improvements plan;

(2) repair, operation, or maintenance of existing or new capital improvements or facility expansions;

(3) upgrading, updating, expanding, or replacing existing capital improvements to serve existing development in order to meet stricter safety, efficiency, environmental, or regulatory standards;

(4) upgrading, updating, expanding, or replacing existing capital improvements to provide better service to existing development;

(5) administrative and operating costs of the political subdivision, except the Edwards Underground Water District or a river authority that is authorized elsewhere by state law to charge fees that function as impact fees may use impact fees to pay its administrative and operating costs;

(6) principal payments and interest or other finance charges on bonds or other indebtedness, except as allowed by Section 395.012.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.014. Capital Improvements Plan

(a) The political subdivision shall use qualified professionals to prepare the capital improvements plan and to calculate the impact fee. The capital improvements plan must contain specific enumeration of the following items:

(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:

(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.

(b) The analysis required by Subsection (a)(3) may be prepared on a systemwide basis within the service area for each major category of capital improvement or facility expansion for the designated service area.

(c) The governing body of the political subdivision is responsible for supervising the implementation of the capital improvements plan in a timely manner.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 345, § 2, eff. Sept. 1, 2001.

§ 395.015. Maximum Fee Per Service Unit

(a) The impact fee per service unit may not exceed the amount determined by subtracting the amount in Section 395.014(a)(7) from the costs of the capital improvements described by Section 395.014(a)(3) and dividing that amount by the total number of projected service units described by Section 395.014(a)(5).

(b) If the number of new service units projected over a reasonable period of time is less than the total number of new service units shown by the approved land use assumptions at full development of the service area, the maximum impact fee per service unit shall be calculated by dividing the costs of the part of the capital improvements necessitated by and attributable to projected new service units described by Section 395.014(a)(6) by the projected new service units described in that section.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 345, § 3, eff. Sept. 1, 2001.

§ 395.016. Time for Assessment and Collection of Fee

(a) This subsection applies only to impact fees adopted and land platted before June 20, 1987. For land that has been platted in accordance with Subchapter A, Chapter 212, or the subdivision or platting procedures of a political subdivision before June 20, 1987, or land on which new development occurs or is proposed without platting, the political subdivision may assess the impact fees at any time during the development approval and building process. Except as provided by Section 395.019, the political subdivision may collect the fees at either the time of recordation of the subdivision plat or connection to the political subdivision's water or sewer system or at the time the political subdivision issues either the building permit or the certificate of occupancy.

(b) This subsection applies only to impact fees adopted before June 20, 1987, and land platted after that date. For new development which is platted in accordance with Subchapter A, Chapter 212, or the subdivision or platting procedures of a political subdivision after June 20, 1987, the political subdivision may assess the impact fees before or at the time of recordation. Except as provided by Section 395.019, the political subdivision may collect the fees at either the time of recordation of the subdivision plat or connection to the political subdivision's water or sewer system or at the time the political subdivision issues either the building permit or the certificate of occupancy.

(c) This subsection applies only to impact fees adopted after June 20, 1987. For new development which is platted in accordance with Subchapter A, Chapter 212, or the subdivision or platting procedures of a political subdivision before the adoption of an impact fee, an impact fee may not be collected on any service unit for which a valid building permit is issued within one year after the date of adoption of the impact fee.

(d) This subsection applies only to land platted in accordance with Subchapter A, Chapter 212, or the subdivision or platting procedures of a political subdivision after adoption of an impact fee adopted after June 20, 1987. The political subdivision shall assess the impact fees before or at the time of recordation of a subdivision plat or other plat under Subchapter A, Chapter 212, or the subdivision or platting ordinance or procedures of any political subdivision in the official records of the county clerk of the county in which the tract is located. Except as provided by Section 395.019, if the political subdivision has water and wastewater capacity available:

(1) the political subdivision shall collect the fees at the time the political subdivision issues a building permit;

(2) for land platted outside the corporate boundaries of a municipality, the municipality shall collect the fees at the time an application for an individual meter connection to the municipality's water or wastewater system is filed; or

(3) a political subdivision that lacks authority to issue building permits in the area where the impact fee applies shall collect the fees at the time an application is filed for an individual meter connection to the political subdivision's water or wastewater system.

(e) For land on which new development occurs or is proposed to occur without platting, the political subdivision may assess the impact fees at any time during the development and building process and may collect the fees at either the time of recordation of the subdivision plat or connection to the political subdivision's water or sewer system or at the time the political subdivision issues either the building permit or the certificate of occupancy.

(f) An "assessment" means a determination of the amount of the impact fee in effect on the date or occurrence provided in this section and is the maximum amount that can be charged per service unit of such development. No specific act by the political subdivision is required.

(g) Notwithstanding Subsections (a)-(e) and Section 395.017, the political subdivision may reduce or waive an impact fee for any service unit that would qualify as affordable housing under 42 U.S.C. Section 12745, as amended, once the service unit is constructed. If affordable housing as defined by 42 U.S.C. Section 12745, as amended, is not constructed, the political subdivision may reverse its decision to waive or reduce the impact fee, and the political subdivision may assess an impact fee at any time during the development approval or building process or after the building process if an impact fee was not already assessed.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989. Amended by Acts 1997, 75th Leg., ch. 980, § 52, eff. Sept. 1, 1997.

Amended by Acts 2001, 77th Leg., ch. 345, § 4, eff. Sept. 1, 2001.

§ 395.017. Additional Fee Prohibited; Exception

After assessment of the impact fees attributable to the new development or execution of an agreement for payment of impact fees, additional impact fees or increases in fees may not be assessed against the tract for any reason unless the number of service units to be developed on the tract increases. In the event of the increase in the number of service units, the impact fees to be imposed are limited to the amount attributable to the additional service units.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.018. Agreement With Owner Regarding Payment

A political subdivision is authorized to enter into an agreement with the owner of a tract of land for which the plat has been recorded providing for the time and method of payment of the impact fees.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.019. Collection of Fees if Services Not Available

Except for roadway facilities, impact fees may be assessed but may not be collected in areas where services are not currently available unless:

(1) the collection is made to pay for a capital improvement or facility expansion that has been identified in the capital improvements plan and the political subdivision commits to commence construction within two years, under duly awarded and executed contracts or commitments of staff time covering substantially all of the work required to provide service, and to have the service available within a reasonable period of time considering the type of capital improvement or facility expansion to be constructed, but in no event longer than five years;

(2) the political subdivision agrees that the owner of a new development may construct or finance the capital improvements or facility expansions and agrees that the costs incurred or funds advanced will be credited against the impact fees otherwise due from the new development or agrees to reimburse the owner for such costs from impact fees paid from other new developments that will use such capital improvements or facility expansions, which fees shall be collected and reimbursed to the owner at the time the other new development records its plat; or

(3) an owner voluntarily requests the political subdivision to reserve capacity to serve future development, and the political subdivision and owner enter into a valid written agreement.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.020. Entitlement to Services

Any new development for which an impact fee has been paid is entitled to the permanent use and benefit of the services for which the fee was exacted and is entitled to receive immediate service from any existing facilities with actual capacity to serve the new service units, subject to compliance with other valid regulations.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.021. Authority of Political Subdivisions to Spend Funds to Reduce Fees

Political subdivisions may spend funds from any lawful source to pay for all or a part of the capital improvements or facility expansions to reduce the amount of impact fees.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.022. Authority of Political Subdivision to Pay Fees

Political subdivisions and other governmental entities may pay impact fees imposed under this chapter.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.023. Credits Against Roadway Facilities Fees

Any construction of, contributions to, or dedications of off-site roadway facilities agreed to or required by a political subdivision as a condition of development approval shall be credited against roadway facilities impact fees otherwise due from the development.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.024. Accounting For Fees and Interest

(a) The order, ordinance, or resolution levying an impact fee must provide that all funds collected through the adoption of an impact fee shall be deposited in interest-bearing accounts clearly identifying the category of capital improvements or facility expansions within the service area for which the fee was adopted.

(b) Interest earned on impact fees is considered funds of the account on which it is earned and is subject to all restrictions placed on use of impact fees under this chapter.

(c) Impact fee funds may be spent only for the purposes for which the impact fee was imposed as shown by the capital improvements plan and as authorized by this chapter.

(d) The records of the accounts into which impact fees are deposited shall be open for public inspection and copying during ordinary business hours.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.025. Refunds

(a) On the request of an owner of the property on which an impact fee has been paid, the political subdivision shall refund the impact fee if existing facilities are available and service is denied or the political subdivision has, after collecting the fee when service was not available, failed to commence construction within two years or service is not available within a reasonable period considering the type of capital improvement or facility expansion to be constructed, but in no event later than five years from the date of payment under Section 395.019(1).

(b) Repealed by Acts 2001, 77th Leg., ch. 345, § 9, eff. Sept. 1, 2001.

(c) The political subdivision shall refund any impact fee or part of it that is not spent as authorized by this chapter within 10 years after the date of payment.

(d) Any refund shall bear interest calculated from the date of collection to the date of refund at the statutory rate as set forth in Section 302.002, Finance Code, or its successor statute.

(e) All refunds shall be made to the record owner of the property at the time the refund is paid. However, if the impact fees were paid by another political subdivision or governmental entity, payment shall be made to the political subdivision or governmental entity.

(f) The owner of the property on which an impact fee has been paid or another political subdivision or governmental entity that paid the impact fee has standing to sue for a refund under this section.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989. Amended by Acts 1997, 75th Leg., ch. 1396, § 37, eff. Sept. 1, 1997.

Amended by Acts 1999, 76th Leg., ch. 62, § 7.82, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 345, § 9, eff. Sept. 1, 2001.

SUBCHAPTER C. PROCEDURES FOR ADOPTION OF IMPACT FEE

§ 395.041. Compliance With Procedures Required

Except as otherwise provided by this chapter, a political subdivision must comply with this subchapter to levy an impact fee.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.0411. Capital Improvements Plan

The political subdivision shall provide for a capital improvements plan to be developed by qualified professionals using generally accepted engineering and planning practices in accordance with Section 395.014.

Added by Acts 2001, 77th Leg., ch. 345, § 5, eff. Sept. 1, 2001.

§ 395.042. Hearing on Land Use Assumptions and Capital Improvements Plan

To impose an impact fee, a political subdivision must adopt an order, ordinance, or resolution establishing a public hearing date to consider the land use assumptions and capital improvements plan for the designated service area.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 345, § 5, eff. Sept. 1, 2001.

§ 395.043. Information About Land Use Assumptions and Capital Improvements Plan Available to Public

On or before the date of the first publication of the notice of the hearing on the land use assumptions and capital improvements plan, the political subdivision shall make available to the public its land use assumptions, the time period of the projections, and a description of the capital improvement facilities that may be proposed.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 345, § 5, eff. Sept. 1, 2001.

§ 395.044. Notice of Hearing on Land Use Assumptions and Capital Improvements Plan

(a) Before the 30th day before the date of the hearing on the land use assumptions and capital improvements plan, the political subdivision shall send a notice of the hearing by certified mail to any person who has given written notice by certified or registered mail to the municipal secretary or other designated official of the political subdivision requesting notice of the hearing within two years preceding the date of adoption of the order, ordinance, or resolution setting the public hearing.

(b) The political subdivision shall publish notice of the hearing before the 30th day before the date set for the hearing, in one or more newspapers of general circulation in each county in which the political subdivision lies. However, a river authority that is authorized elsewhere by state law to charge fees that function as impact fees may publish the required newspaper notice only in each county in which the service area lies.

(c) The notice must contain:

(1) a headline to read as follows:

"NOTICE OF PUBLIC HEARING ON LAND USE ASSUMPTIONS AND CAPITAL IMPROVEMENTS PLAN RELATING TO POSSIBLE ADOPTION OF IMPACT FEES"

(2) the time, date, and location of the hearing;

(3) a statement that the purpose of the hearing is to consider the land use assumptions and capital improvements plan under which an impact fee may be imposed; and

(4) a statement that any member of the public has the right to appear at the hearing and present evidence for or against the land use assumptions and capital improvements plan.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 345, § 5, eff. Sept. 1, 2001.

§ 395.045. Approval of Land Use Assumptions and Capital Improvements Plan Required

(a) After the public hearing on the land use assumptions and capital improvements plan, the political subdivision shall determine whether to adopt or reject an ordinance, order, or resolution approving the land use assumptions and capital improvements plan.

(b) The political subdivision, within 30 days after the date of the public hearing, shall approve or disapprove the land use assumptions and capital improvements plan.

(c) An ordinance, order, or resolution approving the land use assumptions and capital improvements plan may not be adopted as an emergency measure.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 345, § 5, eff. Sept. 1, 2001.

§ 395.0455. Systemwide Land Use Assumptions

(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.

Added by Acts 1989, 71st Leg., ch. 566, § 1(b), eff. Aug. 28, 1989.

§ 395.047. Hearing on Impact Fee

On adoption of the land use assumptions and capital improvements plan, the governing body shall adopt an order or resolution setting a public hearing to discuss the imposition of the impact fee. The public hearing must be held by the governing body of the political subdivision to discuss the proposed ordinance, order, or resolution imposing an impact fee.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 345, § 5, eff. Sept. 1, 2001.

§ 395.049. Notice of Hearing on Impact Fee

(a) Before the 30th day before the date of the hearing on the imposition of an impact fee, the political subdivision shall send a notice of the hearing by certified mail to any person who has given written notice by certified or registered mail to the municipal secretary or other designated official of the political subdivision requesting notice of the hearing within two years preceding the date of adoption of the order or resolution setting the public hearing.

(b) The political subdivision shall publish notice of the hearing before the 30th day before the date set for the hearing, in one or more newspapers of general circulation in each county in which the political subdivision lies. However, a river authority that is authorized elsewhere by state law to charge fees that function as impact fees may publish the required newspaper notice only in each county in which the service area lies.

(c) The notice must contain the following:

(1) a headline to read as follows:

"NOTICE OF PUBLIC HEARING ON ADOPTION OF IMPACT FEES"

(2) the time, date, and location of the hearing;

(3) a statement that the purpose of the hearing is to consider the adoption of an impact fee;

(4) the amount of the proposed impact fee per service unit; and

(5) a statement that any member of the public has the right to appear at the hearing and present evidence for or against the plan and proposed fee.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 345, § 5, eff. Sept. 1, 2001.

§ 395.050. Advisory Committee Comments on Impact Fees

The advisory committee created under Section 395.058 shall file its written comments on the proposed impact fees before the fifth business day before the date of the public hearing on the imposition of the fees.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 345, § 5, eff. Sept. 1, 2001.

§ 395.051. Approval of Impact Fee Required

(a) The political subdivision, within 30 days after the date of the public hearing on the imposition of an impact fee, shall approve or disapprove the imposition of an impact fee.

(b) An ordinance, order, or resolution approving the imposition of an impact fee may not be adopted as an emergency measure.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 345, § 5, eff. Sept. 1, 2001.

§ 395.052. Periodic Update of Land Use Assumptions and Capital Improvements Plan Required

(a) A political subdivision imposing an impact fee shall 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.

(b) The political subdivision shall review and evaluate its current land use assumptions and shall cause an update of the capital improvements plan to be prepared in accordance with Subchapter B.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 345, § 6, eff. Sept. 1, 2001.

§ 395.053. Hearing on Updated Land Use Assumptions and Capital Improvements Plan

The governing body of the political subdivision shall, within 60 days after the date it receives the update of the land use assumptions and the capital improvements plan, adopt an order setting a public hearing to discuss and review the update and shall determine whether to amend the plan.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.054. Hearing on Amendments to Land Use Assumptions, Capital Improvements Plan, or Impact Fee

A public hearing must be held by the governing body of the political subdivision to discuss the proposed ordinance, order, or resolution amending land use assumptions, the capital improvements plan, or the impact fee. On or before the date of the first publication of the notice of the hearing on the amendments, the land use assumptions and the capital improvements plan, including the amount of any proposed amended impact fee per service unit, shall be made available to the public.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.055. Notice of Hearing on Amendments to Land Use Assumptions, Capital Improvements Plan, or Impact Fee

(a) The notice and hearing procedures prescribed by Sections 395.044(a) and (b) apply to a hearing on the amendment of land use assumptions, a capital improvements plan, or an impact fee.

(b) The notice of a hearing under this section must contain the following:

(1) a headline to read as follows:

"NOTICE OF PUBLIC HEARING ON AMENDMENT OF IMPACT FEES"

(2) the time, date, and location of the hearing;

(3) a statement that the purpose of the hearing is to consider the amendment of land use assumptions and a capital improvements plan and the imposition of an impact fee; and

(4) a statement that any member of the public has the right to appear at the hearing and present evidence for or against the update.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 345, § 7, eff. Sept. 1, 2001.

§ 395.056. Advisory Committee Comments on Amendments

The advisory committee created under Section 395.058 shall file its written comments on the proposed amendments to the land use assumptions, capital improvements plan, and impact fee before the fifth business day before the date of the public hearing on the amendments.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.057. Approval of Amendments Required

(a) The political subdivision, within 30 days after the date of the public hearing on the amendments, shall approve or disapprove the amendments of the land use assumptions and the capital improvements plan and modification of an impact fee.

(b) An ordinance, order, or resolution approving the amendments to the land use assumptions, the capital improvements plan, and imposition of an impact fee may not be adopted as an emergency measure.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.0575. Determination That No Update of Land Use Assumptions, Capital Improvements Plan or Impact Fees is Needed

(a) If, at the time an update under Section 395.052 is required, the governing body determines that no change to the land use assumptions, capital improvements plan, or impact fee is needed, it may, as an alternative to the updating requirements of Sections 395.052-395.057, do the following:

(1) The governing body of the political subdivision shall, upon determining that an update is unnecessary and 60 days before publishing the final notice under this section, send notice of its determination not to update the land use assumptions, capital improvements plan, and impact fee by certified mail to any person who has, within two years preceding the date that the final notice of this matter is to be published, give written notice by certified or registered mail to the municipal secretary or other designated official of the political subdivision requesting notice of hearings related to impact fees. The notice must contain the information in Subsections (b)(2)-(5).

(2) The political subdivision shall publish notice of its determination once a week for three consecutive weeks in one or more newspapers with general circulation in each county in which the political subdivision lies. However, a river authority that is authorized elsewhere by state law to charge fees that function as impact fees may publish the required newspaper notice only in each county in which the service area lies. The notice of public hearing may not be in the part of the paper in which legal notices and classified ads appear and may not be smaller than one-quarter page of a standard-size or tabloid-size newspaper, and the headline on the notice must be in 18-point or larger type.

(b) The notice must contain the following:

(1) a headline to read as follows:

"NOTICE OF DETERMINATION NOT TO UPDATE

LAND USE ASSUMPTIONS, CAPITAL IMPROVEMENTS

PLAN, OR IMPACT FEES";

(2) a statement that the governing body of the political subdivision has determined that no change to the land use assumptions, capital improvements plan, or impact fee is necessary;

(3) an easily understandable description and a map of the service area in which the updating has been determined to be unnecessary;

(4) a statement that if, within a specified date, which date shall be at least 60 days after publication of the first notice, a person makes a written request to the designated official of the political subdivision requesting that the land use assumptions, capital improvements plan, or impact fee be updated, the governing body must comply with the request by following the requirements of Sections 395.052-395.057; and

(5) a statement identifying the name and mailing address of the official of the political subdivision to whom a request for an update should be sent.

(c) The advisory committee shall file its written comments on the need for updating the land use assumptions, capital improvements plans, and impact fee before the fifth business day before the earliest notice of the government's decision that no update is necessary is mailed or published.

(d) If, by the date specified in Subsection (b)(4), a person requests in writing that the land use assumptions, capital improvements plan, or impact fee be updated, the governing body shall cause an update of the land use assumptions and capital improvements plan to be prepared in accordance with Sections 395.052-395.057.

(e) An ordinance, order, or resolution determining the need for updating land use assumptions, a capital improvements plan, or an impact fee may not be adopted as an emergency measure.

Added by Acts 1989, 71st Leg., ch. 566, § 1(d), eff. Aug. 28, 1989.

§ 395.058. Advisory Committee

(a) On or before the date on which the order, ordinance, or resolution is adopted under Section 395.042, the political subdivision shall appoint a capital improvements advisory committee.

(b) The advisory committee is composed of not less than five members who shall be appointed by a majority vote of the governing body of the political subdivision. Not less than 40 percent of the membership of the advisory committee must be representatives of the real estate, development, or building industries who are not employees or officials of a political subdivision or governmental entity.

If the political subdivision has a planning and zoning commission, the commission may act as the advisory committee if the commission includes at least one representative of the real estate, development, or building industry who is not an employee or official of a political subdivision or governmental entity. If no such representative is a member of the planning and zoning commission, the commission may still act as the advisory committee if at least one such representative is appointed by the political subdivision as an ad hoc voting member of the planning and zoning commission when it acts as the advisory committee. If the impact fee is to be applied in the extraterritorial jurisdiction of the political subdivision, the membership must include a representative from that area.

(c) The advisory committee serves in an advisory capacity and is established to:

(1) advise and assist the political subdivision in adopting land use assumptions;

(2) review the capital improvements plan and file written comments;

(3) monitor and evaluate implementation of the capital improvements plan;

(4) file semiannual reports with respect to the progress of the capital improvements plan and report to the political subdivision any perceived inequities in implementing the plan or imposing the impact fee; and

(5) advise the political subdivision of the need to update or revise the land use assumptions, capital improvements plan, and impact fee.

(d) The political subdivision shall make available to the advisory committee any professional reports with respect to developing and implementing the capital improvements plan.

(e) The governing body of the political subdivision shall adopt procedural rules for the advisory committee to follow in carrying out its duties.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

SUBCHAPTER D. OTHER PROVISIONS

§ 395.071. Duties to be Performed Within Time Limits

If the governing body of the political subdivision does not perform a duty imposed under this chapter within the prescribed period, a person who has paid an impact fee or an owner of land on which an impact fee has been paid has the right to present a written request to the governing body of the political subdivision stating the nature of the unperformed duty and requesting that it be performed within 60 days after the date of the request. If the governing body of the political subdivision finds that the duty is required under this chapter and is late in being performed, it shall cause the duty to commence within 60 days after the date of the request and continue until completion.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.072. Records of Hearings

A record must be made of any public hearing provided for by this chapter. The record shall be maintained and be made available for public inspection by the political subdivision for at least 10 years after the date of the hearing.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.073. Cumulative Effect of State and Local Restrictions

Any state or local restrictions that apply to the imposition of an impact fee in a political subdivision where an impact fee is proposed are cumulative with the restrictions in this chapter.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.074. Prior Impact Fees Replaced by Fees Under This Chapter

An impact fee that is in place on June 20, 1987, must be replaced by an impact fee made under this chapter on or before June 20, 1990. However, any political subdivision having an impact fee that has not been replaced under this chapter on or before June 20, 1988, is liable to any party who, after June 20, 1988, pays an impact fee that exceeds the maximum permitted under Subchapter B by more than 10 percent for an amount equal to two times the difference between the maximum impact fee allowed and the actual impact fee imposed, plus reasonable attorney's fees and court costs.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.075. No Effect on Taxes or Other Charges

This chapter does not prohibit, affect, or regulate any tax, fee, charge, or assessment specifically authorized by state law.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.076. Moratorium on Development Prohibited

A moratorium may not be placed on new development for the purpose of awaiting the completion of all or any part of the process necessary to develop, adopt, or update land use assumptions, a capital improvements plan, or an impact fee.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 441, § 2, eff. Sept. 1, 2001.

§ 395.077. Appeals

(a) A person who has exhausted all administrative remedies within the political subdivision and who is aggrieved by a final decision is entitled to trial de novo under this chapter.

(b) A suit to contest an impact fee must be filed within 90 days after the date of adoption of the ordinance, order, or resolution establishing the impact fee.

(c) Except for roadway facilities, a person who has paid an impact fee or an owner of property on which an impact fee has been paid is entitled to specific performance of the services by the political subdivision for which the fee was paid.

(d) This section does not require construction of a specific facility to provide the services.

(e) Any suit must be filed in the county in which the major part of the land area of the political subdivision is located. A successful litigant shall be entitled to recover reasonable attorney's fees and court costs.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.078. Substantial Compliance With Notice Requirements

An impact fee may not be held invalid because the public notice requirements were not complied with if compliance was substantial and in good faith.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

§ 395.079. Impact Fee for Storm Water, Drainage, and Flood Control in Populous County

(a) Any county that has a population of 3.3 million or more or that borders a county with a population of 3.3 million or more, and any district or authority created under Article XVI, Section 59, of the Texas Constitution within any such county that is authorized to provide storm water, drainage, and flood control facilities, is authorized to impose impact fees to provide storm water, drainage, and flood control improvements necessary to accommodate new development.

(b) The imposition of impact fees authorized by Subsection (a) is exempt from the requirements of Sections 395.025, 395.052-395.057, and 395.074 unless the political subdivision proposes to increase the impact fee.

(c) Any political subdivision described by Subsection (a) is authorized to pledge or otherwise contractually obligate all or part of the impact fees to the payment of principal and interest on bonds, notes, or other obligations issued or incurred by or on behalf of the political subdivision and to the payment of any other contractual obligations.

(d) An impact fee adopted by a political subdivision under Subsection (a) may not be reduced if:

(1) the political subdivision has pledged or otherwise contractually obligated all or part of the impact fees to the payment of principal and interest on bonds, notes, or other obligations issued by or on behalf of the political subdivision; and

(2) the political subdivision agrees in the pledge or contract not to reduce the impact fees during the term of the bonds, notes, or other contractual obligations.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989.

Amended by Acts 2001, 77th Leg., ch. 669, § 107, eff. Sept. 1, 2001.

§ 395.080. Chapter Not Applicable to Certain Water-Related Special Districts

(a) This chapter does not apply to impact fees, charges, fees, assessments, or contributions:

(1) paid by or charged to a district created under Article XVI, Section 59, of the Texas Constitution to another district created under that constitutional provision if both districts are required by law to obtain approval of their bonds by the Texas Natural Resource Conservation Commission; or

(2) charged by an entity if the impact fees, charges, fees, assessments, or contributions are approved by the Texas Natural Resource Conservation Commission.

(b) Any district created under Article XVI, Section 59, or Article III, Section 52, of the Texas Constitution may petition the Texas Natural Resource Conservation Commission for approval of any proposed impact fees, charges, fees, assessments, or contributions. The commission shall adopt rules for reviewing the petition and may charge the petitioner fees adequate to cover the cost of processing and considering the petition. The rules shall require notice substantially the same as that required by this chapter for the adoption of impact fees and shall afford opportunity for all affected parties to participate.

Added by Acts 1989, 71st Leg., ch. 1, § 82(a), eff. Aug. 28, 1989. Amended by Acts 1995, 74th Leg., ch. 76, § 11.257, eff. Sept. 1, 1995.

§ 395.081. Fees for Adjoining Landowners in Certain Municipalities

(a) This section applies only to a municipality with a population of 105,000 or less that constitutes more than three-fourths of the population of the county in which the majority of the area of the municipality is located.

(b) A municipality that has not adopted an impact fee under this chapter that is constructing a capital improvement, including sewer or waterline or drainage or roadway facilities, from the municipality to a development located within or outside the municipality's boundaries, in its discretion, may allow a landowner whose land adjoins the capital improvement or is within a specified distance from the capital improvement, as determined by the governing body of the municipality, to connect to the capital improvement if:

(1) the governing body of the municipality has adopted a finding under Subsection (c); and

(2) the landowner agrees to pay a proportional share of the cost of the capital improvement as determined by the governing body of the municipality and agreed to by the landowner.

(c) Before a municipality may allow a landowner to connect to a capital improvement under Subsection (b), the municipality shall adopt a finding that the municipality will benefit from allowing the landowner to connect to the capital improvement. The finding shall describe the benefit to be received by the municipality.

(d) A determination of the governing body of a municipality, or its officers or employees, under this section is a discretionary function of the municipality and the municipality and its officers or employees are not liable for a determination made under this section.

Added by Acts 1997, 75th Leg., ch. 1150, § 1, eff. June 19, 1997.

§ 395.082. Certification of Compliance Required

(a) A political subdivision that imposes an impact fee shall submit a written certification verifying compliance with this chapter to the attorney general each year not later than the last day of the political subdivision's fiscal year.

(b) The certification must be signed by the presiding officer of the governing body of a political subdivision and include a statement that reads substantially similar to the following: "This statement certifies compliance with Chapter 395, Local Government Code."

(c) A political subdivision that fails to submit a certification as required by this section is liable to the state for a civil penalty in an amount equal to 10 percent of the amount of the impact fees erroneously charged. The attorney general shall collect the civil penalty and deposit the amount collected to the credit of the housing trust fund.

Added by Acts 2001, 77th Leg., ch. 345, § 8, eff. Sept. 1, 2001.

APPENDIX B
Water Capital Recovery Fee Eligible CIP
Planning Level Opinions of Probable Construction Costs (OPCCs) for Proposed Projects

City of League City

Draft Water CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 1 **Phase:** 10-Year

Project Name:	**State Highway 3 Booster Pump Station Chemical Feed Building & Storage**

Project Description:

Construction of a permanent CMU chemical building and storage area with associated mechanical and electrical appurtenances. Project includes all required chemical feed equipment, analyzers, and bulk storage for dosing chlorine gas and liquid ammonium sulphate (LAS).

Project Drivers:

Water Production Operations have experienced low chloramine residuals from incoming surface water at SH3 Booster Pump Station (BPS) during times of peak summer demands creating the need to boost disinfection residuals beyond the capabilities of the existing equipment. This project will provide SH3 BPS with additional capacity to boost disinfection residuals, maintaining the the desired level of residual to protect water quality and maintain compliance.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	CMU Chemical Storage and Feed Building	1	EA	$ 500,000	$ 500,000
2	Chlorine Gas Bulk Storage and Feed Equipment	1	EA	$ 750,000	$ 750,000
3	LAS Bulk Storage and Feed Equipment	1	EA	$ 350,000	$ 350,000
4	Process Mechanical Allowance	1	LS	$ 750,000	$ 750,000
5	Electrical/ Miscellaneous Allowance	1	LS	$ 1,000,000	$ 1,000,000
				SUBTOTAL:	**$ 3,350,000**
			CONTINGENCY	30%	$ 1,010,000
				SUBTOTAL:	**$ 4,360,000**
			ENG/SURVEY	20%	$ 870,000
				SUBTOTAL:	**$ 5,230,000**
				Estimated Project Total:	**$ 5,230,000**

City of League City

Draft Water CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 2 **Phase:** 10-Year

Project Name:	**New Calder South Water Plant (Well, Generator & BPS)**

Project Description:

Project consists of a new groundwater well and 6,000 gpm booster pump station located on Calder Road. This facility also includes a connection to the water transmission line from the Thomas Mackey Water Treatment Plant (TMWTP), providing an additional source of surface water to serve the City's west side. The scope includes construction of a new pump building with miscellaneous piping, pumps, electrical equipment, and controls as well a new chemical feed system, a 0.75 MG ground storage tank, SCADA system, generator and a Water Meter Base Station for GCWA.

Project Drivers:

This facility will provide capacity to meet the projected west side demands and maintain adequate system pressures. It will also provide an additional connection to surface water supply from TMWTP, improving reliability.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	1500 GPM Booster Pumps	4	EA	$ 300,000	$ 1,200,000
2	0.75 MG Ground Storage Tank	1	EA	$ 1,400,000	$ 1,400,000
3	1500 GPM Well Pump	1	EA	$ 2,000,000	$ 2,000,000
4	Process Mechanical Allowance	1	LS	$ 840,000	$ 840,000
5	Electrical/ Miscellaneous Allowance	1	LS	$ 1,500,000	$ 1,500,000
6	Meter Base Station	1	EA	$ 300,000	$ 300,000
7	Generator	1	EA	$ 1,000,000	$ 1,000,000
				SUBTOTAL:	**$ 8,240,000**
		CONTINGENCY		30%	$ 2,470,000
				SUBTOTAL:	**$ 10,710,000**
		ENG/SURVEY		20%	$ 2,140,000
				SUBTOTAL:	**$ 12,850,000**
				Estimated Project Total:	**$ 12,850,000**

City of League City

Draft Water CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 3 **Phase:** 10-Year

Project Name:	**New 24-Inch Waterline to West Side**

Project Description:

This project will consist of obtaining waterline easements, design, and construction of approximately 7,600 linear feet of 24-inch water transmission line running along FM 517 from Calder Rd to Landing Blvd.

Project Drivers:

This line is necessary in order for the City to be able to provide water supply for projected future demands and to provide a looped system with the City's existing west side infrastructure to maintain adequate system capacity, pressure, and fire protection to the existing west side development.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	24" Waterline	7,600	LF	$ 400	$ 3,040,000
				SUBTOTAL:	**$ 3,040,000**
				CONTINGENCY 30%	$ 910,000
				SUBTOTAL:	**$ 3,950,000**
				ENG/SURVEY 15%	$ 590,000
				SUBTOTAL:	**$ 4,540,000**
				Estimated Project Total:	**$ 4,540,000**

City of League City

Draft Water CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 4 **Phase:** 10-Year

Project Name:	**8-Inch Waterline from Cross Colony to Mary Lane**

Project Description:

Project includes the design, construction and land acquisition of 1,600 linear feet of 8-inch waterline from Cross Colony Dr to the north reaches of Tallow Forest and Mary Lane. Project requires agreement with WCID #1.

Project Drivers:

This project addresses projected pressure issues in the 2028 modeling scenario. The line will create a looped sytem, ultimately improving pressure and fire protection for the developing areas.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	8" Waterline	700	LF	$ 140	$ 100,000
				SUBTOTAL:	**$ 100,000**
				CONTINGENCY 30%	$ 30,000
				SUBTOTAL:	**$ 130,000**
				ENG/SURVEY Cost Estimate	$ 82,450
				SUBTOTAL:	**$ 212,450**
				Estimated Project Total:	**$ 212,450**

City of League City

Draft Water CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 5 **Phase:** 10-Year

Project Name:	**Muldoon Parkway Waterline Extension Phase 1**

Project Description:

This project will consist of obtaining waterline easements, design, and construction of approximately 13,400 linear feet of waterline along future Muldoon Parkway to provide service to future developments on the west side.

Project Drivers:

This line is necessary in order to meet future development needs on the west side of the City and to provide a looped system to the City's existing west side infrastructure, thereby providing back-up capacity, pressure and fire protection to the west side of the City.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	16" Waterline	13,400	LF	$ 300	$ 4,020,000
				SUBTOTAL:	**$ 4,020,000**
		CONTINGENCY		30%	$ 1,210,000
				SUBTOTAL:	**$ 5,230,000**
		ENG/SURVEY		15%	$ 780,000
				SUBTOTAL:	**$ 6,010,000**
				Estimated Project Total:	**$ 6,010,000**

City of League City

Draft Water CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 6 **Phase:** 10-Year

Project Name:	**24-Inch Waterline on Bay Area Boulevard (Segment 2)**

Project Description:

This project will consist of obtaining water line easements, design, and construction of approximately 4,300 linear feet of 24-inch water transmission line that will run along the future Bay Area Blvd extension to the future Grand Parkway.

Project Drivers:

This line is necessary in order for the City to be able to provide water supply for future capacity demands and to provide a looped system with the City's existing west side infrastructure to maintain adequate system capacity, pressure, and fire protection to the existing west side development.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	24" Waterline	4,300	LF	$ 400	$ 1,720,000
				SUBTOTAL:	**$ 1,720,000**
				CONTINGENCY 30%	$ 520,000
				SUBTOTAL:	**$ 2,240,000**
				ENG/SURVEY 15%	$ 340,000
				SUBTOTAL:	**$ 2,580,000**
				Estimated Project Total:	**$ 2,580,000**

City of League City

Draft Water CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 7 **Phase:** 10-Year

Project Name:	**Maple Leaf Waterline Extension Phase 1**

Project Description:

This project will consist of obtaining waterline easements, design, and construction of approximately 2,800 linear feet of 24-inch water transmission line on future Maple Leaf Drive south to Unnamed Major Arterial Road.

Project Drivers:

This line is necessary in order to meet future development needs on the west side of the City and to provide a looped system to the City's existing west side infrastructure, thereby providing back-up capacity, pressure and fire protection to the west side of the City.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	24" Waterline	2,800	LF	$ 400	$ 1,120,000
				SUBTOTAL:	**$ 1,120,000**
		CONTINGENCY		30%	$ 340,000
				SUBTOTAL:	**$ 1,460,000**
		ENG/SURVEY		15%	$ 220,000
				SUBTOTAL:	**$ 1,680,000**
				Estimated Project Total:	**$ 1,680,000**

City of League City

Draft Water CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 8 **Phase:** 10-Year

Project Name:	**Calder Road Booster Pump Station Expansion Phase 1**

Project Description:

This project will consist of upgrading the booster pumps to higher design pressure and higher flow to serve new west side developments and the replacement of the standby generator. The two pumps will be upgraded to 5,000 gpm, increasing the facility firm capacity to 10,800 gpm

Project Drivers:

The pump and generator replacements is sized to meet demand requirements and provide a reliable source of emergency power.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	5000 GPM Booster Pump	2	EA	$ 350,000	$ 700,000
2	Process Mechanical Allowance	1	LS	$ 840,000	$ 840,000
3	Electrical/ Miscellaneous Allowance	1	LS	$ 840,000	$ 840,000
4	Generator	1	LS	$ 1,000,000	$ 1,000,000
				SUBTOTAL:	**$ 3,380,000**
		CONTINGENCY		30%	$ 1,010,000
				SUBTOTAL:	**$ 4,390,000**
		ENG/SURVEY		20%	$ 880,000
				SUBTOTAL:	**$ 5,270,000**
				Estimated Project Total:	**$ 5,270,000**

City of League City

Draft Water CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 9 **Phase:** 10-Year

Project Name:	**New West Side Water Plant (Well, GST, and BPS)**

Project Description:

This project constructs a new water facility located on the west side of the City, west of the future Maple Leaf Drive, near the proposed Stedman West and Georgetown Developments. The facility consists of a groundwater well, booster pump station, and 2 MG of storage. Proposed pump station to connect to a 12" line, at a minimum.

Project Drivers:

This facility is sized to meet the projected west side demands and maintain adequate system pressures.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	2 MG Ground Storage Tank	1	EA	$ 1,680,000	$ 1,680,000
2	1500 GPM Well Pump	1	EA	$ 2,000,000	$ 2,000,000
3	800 GPM Booster Pump	2	EA	$ 150,000	$ 300,000
4	1550 GPM Booster Pump	2	EA	$ 300,000	$ 600,000
5	Process Mechanical Allowance	1	LS	$ 840,000	$ 840,000
6	Electrical Allowance	1	LS	$ 1,500,000	$ 1,500,000
7	Generator	1	EA	$ 1,000,000	$ 1,000,000
				SUBTOTAL:	**$ 7,920,000**
		CONTINGENCY		30%	$ 2,380,000
				SUBTOTAL:	**$ 10,300,000**
		ENG/SURVEY		20%	$ 2,060,000
				SUBTOTAL:	**$ 12,360,000**
				Estimated Project Total:	**$ 12,360,000**

City of League City

Draft Water CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 10 **Phase:** 10-Year

Project Name:	**State Highway 3 Booster Pump Station Expansion**

Project Description:

This project includes the addition of 2 booster pumps of 5,535 gpm each at the SH3 Booster Pump Station.

Project Drivers:

The expansion at the SH3 Booster Pump Station is sized to serve projected demands from future development.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	5,535 GPM Booster Pump Station	2	EA	$ 350,000	$ 700,000
2	Process Mechanical Allowance	1	LS	$ 700,000	$ 700,000
3	Electrical/ Miscellaneous Allowance	1	LS	$ 1,000,000	$ 1,000,000
4	Generator	1	EA	$ 1,500,000	$ 1,500,000
				SUBTOTAL:	**$ 3,900,000**
			CONTINGENCY	30%	$ 1,170,000
				SUBTOTAL:	**$ 5,070,000**
			ENG/SURVEY	20%	$ 1,010,000
				SUBTOTAL:	**$ 6,080,000**
				Estimated Project Total:	**$ 6,080,000**

City of League City

Draft Water CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 11 **Phase:** 10-Year

Project Name:	**20 MGD Southeast Water Purification Plant Expansion**

Project Description:

This project consists of a 20 MGD expansion to SEWPP that will provide the water required to meet the future demands.

Project Drivers:

This project will provide treated water capacity required to meet future water demands.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	20 MGD SEWPP Expansion	20	MGD	$ 5,000,000	$ 100,000,000
				SUBTOTAL:	**$ 100,000,000**
		CONTINGENCY		30%	$ 30,000,000
				SUBTOTAL:	**$ 130,000,000**
		ENG/SURVEY		20%	$ 26,000,000
				SUBTOTAL:	**$ 156,000,000**
				Estimated Project Total:	**$ 156,000,000**

City of League City

Draft Water CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 12 **Phase:** 10-Year

Project Name:	**FM 517 Waterline Extension from Landing Boulevard to Maple Leaf Drive**

Project Description:

This project will consist of obtaining waterline easements, design, and construction of approximately 15,500 linear feet of 24-inch water transmission line along FM 517 from Landing Boulevard to Unnamed Road.

Project Drivers:

This line is necessary in order to meet future development needs on the west side of the City and to provide a looped system to the City's existing west side infrastructure, thereby providing back-up capacity, pressure and fire protection to the west side of the City.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	24" Waterline	15,500	LF	$ 400	$ 6,200,000
				SUBTOTAL:	**$ 6,200,000**
				CONTINGENCY 30%	$ 1,860,000
				SUBTOTAL:	**$ 8,060,000**
				ENG/SURVEY 15%	$ 1,210,000
				SUBTOTAL:	**$ 9,270,000**
				Estimated Project Total:	**$ 9,270,000**

City of League City

Draft Water CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 13 **Phase:** 10-Year

Project Name:	**24-Inch Bay Area Boulevard Waterline Extension**

Project Description:

This project will consist of obtaining waterline easements, design, and construction of approximately 7,400 linear feet of 24-inch water transmission line along Bay Area Blvd from the future Grand Parkway to FM 517.

Project Drivers:

This line is necessary in order to meet future development needs on the west side of the City and to provide a looped system to the City's existing west side infrastructure, thereby providing back-up capacity, pressure and fire protection to the west side of the City.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	24" Waterline	7,400	LF	$ 400	$ 2,960,000
				SUBTOTAL:	**$ 2,960,000**
		CONTINGENCY		30%	$ 890,000
				SUBTOTAL:	**$ 3,850,000**
		ENG/SURVEY		15%	$ 580,000
				SUBTOTAL:	**$ 4,430,000**
				Estimated Project Total:	**$ 4,430,000**

City of League City

Draft Water CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 14 **Phase:** 10-Year

Project Name:	**Muldoon Parkway Waterline Extension Phase 2 (to West Blvd)**

Project Description:

This project will consist of obtaining waterline easements, design, and construction of approximately 4,800 linear feet of 24-inch water transmission line along Muldoon Parkway from Maple Leaf Blvd to future West Blvd.

Project Drivers:

This line is necessary in order to meet future development needs on the west side of the City and to provide a looped system to the City's existing west side infrastructure, thereby providing back-up capacity, pressure, and fire protection to the west side of the City.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	24" Waterline	4,800	LF	$ 400	$ 1,920,000
				SUBTOTAL:	**$ 1,920,000**
				CONTINGENCY 30%	$ 580,000
				SUBTOTAL:	**$ 2,500,000**
				ENG/SURVEY 15%	$ 380,000
				SUBTOTAL:	**$ 2,880,000**
				Estimated Project Total:	**$ 2,880,000**

City of League City

Draft Water CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 15 **Phase:** 10-Year

Project Name:	**Maple Leaf Waterline Extension to FM 517**

Project Description:

This project will consist of obtaining waterline easements, design, and construction of approximately 3,900 linear feet of 24" waterline along Maple Leaf Drive to FM 517.

Project Drivers:

This line is necessary in order to meet future development needs on the west side of the City and to provide a looped system to the City's existing west side infrastructure, thereby providing back-up capacity, pressure and fire protection to the west side of the City.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	24" Waterline	3,900	LF	$ 400	$ 1,560,000
				SUBTOTAL:	**$ 1,560,000**
				CONTINGENCY 30%	$ 470,000
				SUBTOTAL:	**$ 2,030,000**
				ENG/SURVEY 15%	$ 300,000
				SUBTOTAL:	**$ 2,330,000**
				Estimated Project Total:	**$ 2,330,000**

APPENDIX C
Wastewater Capital Recovery Fee Eligible CIP
Planning Level Opinions of Probable Construction Costs (OPCCs)
for Proposed Projects

City of League City

Draft Wastewater CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 1 **Phase:** 10-Year

Project Name: Re-Route 18-inch Bay Colony 1 Force Main to Southwest Service Area

Project Description:

This project includes the construction of a segment of 18-inch force main to allow for pumped flow from the Bay Colony 1 18-inch Force Main to be conveyed to the Southwest WRF through the 48-inch Southwest Area Trunk Line (Project 1).

Project Drivers:

This project allows for wastewater flows to be maintained in the recently constructed trunk line in the near-term while development occurs in the Southwest WRF Service Area. This project is also part of the WRF service area planning to maximize treatment capacities at both treatment facilities.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	18" Force Main < 8 feet deep	5,300	LF	$ 324	$ 1,717,200
2	Transfer Valve	2	EA	$ 50,000	$ 100,000
3	Pavement Repair	350	LF	$ 150	$ 52,500
4	30" Boring and Casing	100	LF	$ 660	$ 66,000
				SUBTOTAL:	**$ 1,935,700**
		CONTINGENCY		30%	$ 580,800
				SUBTOTAL:	**$ 2,516,500**
		ENG/SURVEY		15.0%	$ 377,500
				SUBTOTAL:	**$ 2,894,000**
				Estimated Project Total:	**$ 2,894,000**

City of League City

Draft Wastewater CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 2 **Phase:** 10-Year

Project Name: New 42-inch Southwest Area Trunk Line to Southwest WRF

Project Description:

This project includes the construction of a 42-inch gravity trunk line in the Southwest WRF service area, west of the Southwest WRF. This project is anticipated to approximately follow the future Grand Parkway alignment.

Project Drivers:

This project is sized to convey the projected buildout peak wastewater flows from approximately west of McFarland Road. This project is planned to tie into the recently constructed Grand Parkway trunk sewer.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	42" Pipe > 16 feet deep	5,500	LF	$ 840	$ 4,620,000
2	72 Diameter Manhole (16 - 24 feet deep)	7	EA	$ 28,500	$ 199,500
3	Pavement Repair	200	LF	$ 150	$ 30,000
4	54" Boring and Casing	100	LF	$ 1,188	$ 118,800
				SUBTOTAL:	**$ 4,968,300**
		CONTINGENCY		30%	$ 1,490,500
				SUBTOTAL:	**$ 6,458,800**
		ENG/SURVEY		15%	$ 968,900
				SUBTOTAL:	**$ 7,427,700**
				Estimated Project Total:	**$ 7,427,700**

City of League City

Draft Wastewater CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 3 **Phase:** 10-Year

Project Name: **Expansion of Pedregal Lift Station to 1.5 MGD Firm Capacity**

Project Description:

This project includes the expansion of the firm pumping capacity to 1.5 MGD. The expansion is planned to utilize the existing wet well and force main.

Project Drivers:

The projected peak buildout wastewater flows indicate the need for additional pumping capacity and force main capacity due to anticipated future development to the south.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	Pedregal LS Replacement Pumps	1	LS	$ 250,000	$ 250,000
2	Pedregal LS Replacement Electrical	1	LS	$ 345,000	$ 345,000
3	Pedregal LS Replacement Generator	1	LS	$ 165,000	$ 165,000
4	Pedregal LS Replacement Piping and Valves	1	LS	$ 220,000	$ 220,000
5	Pedregal Surge Analysis	1	LS	$ 50,000	$ 50,000
				SUBTOTAL:	**$ 1,030,000**
		CONTINGENCY		30%	$ 309,000
				SUBTOTAL:	**$ 1,339,000**
		ENG/SURVEY		20%	$ 267,800
				SUBTOTAL:	**$ 1,606,800**
				Estimated Project Total:	**$ 1,606,800**

City of League City

Draft Wastewater CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 4 **Phase:** 10-Year

Project Name: New Southwest 48-inch Gravity Line Extension and Force Main Re-Route

Project Description:

This project includes the construction of approximately 1,800 feet of 48-inch gravity line within the Southwest WRF facility, and the re-routing of two 14-inch force mains.

Project Drivers:

The force mains from the Westover Park and Countryside 2 Lift Stations currently discharge into a manhole adjacent to the Southwest WRF Influent Lift Station near the facility headworks. This creates a turbulent environment where H2S gasses are corroding the manhole. This CIP project includes the re-routing of those force mains into a new manhole and 48-inch gravity line on the northern portion of the Southwest WRF, thereby moving the corrosive gasses away from sensitive equipment. The 48-inch gravity line is sized for the buildout projected peak flows from the Westover Park and Countryside 2 Lift Stations, including additional room for the West Main lift stations to continue to pump into the Southwest WRF if needed.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	48" Pipe 8- 16 feet deep	1,800	LF	$ 864	$ 1,555,200
2	72" Diameter Manhole (8 - 16 feet deep)	4	EA	$ 23,500	$ 94,000
3	14" Force Main < 8 feet deep	200	LF	$ 252	$ 50,400
4	Pavement Repair	250	LF	$ 150	$ 37,500
5	60" Boring and Casing	100	LF	$ 1,320	$ 132,000
				SUBTOTAL:	**$ 1,869,100**
		CONTINGENCY		30%	$ 560,800
				SUBTOTAL:	**$ 2,429,900**
		ENG/SURVEY		15%	$ 364,500
				SUBTOTAL:	**$ 2,794,400**
				Estimated Project Total:	**$ 2,794,400**

City of League City

Draft Wastewater CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 5 **Phase:** 10-Year

Project Name: **Expansion of Butler Road Lift Station to 15.6 MGD Firm Capacity**

Project Description:

This project includes expansion of the firm pumping capacity at the Butler Lift Station to 15.6 MGD. This project only includes replacement pumps, electrical and piping. It is expected that the wet well would not need to be upgraded for this expansion.

Project Drivers:

The Butler Road lift station repumps multiple lift stations, including Bay Colony 14-15. The West Main lift station can also convey flows to Butler LS. It is recommended that the future flows from Bay Colony 14-15 are directed to the recently constructed trunk sewer along Grand Pkwy and the West Main LS is pumped to the Dallas Salmon WRF via Butler. The expansion to the capacity will allow Butler LS to repump the ultimate flows directed to this lift station. It is recommended that the City conduct draw down tests at the lift station pumps to identify the actual pumping capacity during the PER phase.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	Butler Road LS Pumps	1	LS	$ 2,136,000	$ 2,136,000
2	Butler Road LS Electrical	1	LS	$ 3,230,000	$ 3,230,000
3	Butler Road LS Piping and Valves	1	LS	$ 536,000	$ 536,000
				SUBTOTAL:	**$ 5,902,000**
		CONTINGENCY		30%	$ 1,770,600
				SUBTOTAL:	**$ 7,672,600**
		ENG/SURVEY		20%	$ 1,534,600
				SUBTOTAL:	**$ 9,207,200**
				Estimated Project Total:	**$ 9,207,200**

City of League City

Draft Wastewater CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 6 **Phase:** 10-Year

Project Name:	**Expansion of Countryside No. 2 Lift Station to 2.7 MGD Firm Capacity and Replacement 14-inch Force Main**

Project Description:

This project includes the reconstruction of the Countryside 2 Lift Station at 2.7 MGD firm pumping capacity and a replacement 14-inch force main from the lift station to the existing 14-inch along the canal to the Southwest WRF.

Project Drivers:

The lift station expansion and replacement force mains and gravity lines are sized to convey the projected buildout peak wastewater flows and upstream pumping capacities.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	Countryside 2 Wet Well Replacement	1	LS	$ -	$ -
2	Countryside 2 Pumps	1	LS	$ 405,000	$ 405,000
3	Countryside 2 Electrical	1	LS	$ 561,000	$ 561,000
4	Countryside 2 Generator	1	LS	$ 297,000	$ 297,000
5	Countryside 2 Piping and Valves	1	LS	$ 225,000	$ 225,000
6	Countryside 2 Odor Control	1	LS	$ 78,000	$ 78,000
7	14" Force Main < 8 feet deep	1,600	LF	$ 252	$ 403,200
8	Pavement Repair	100	LF	$ 150	$ 15,000
9	24" Boring and Casing	100	LF	$ 528	$ 52,800
				SUBTOTAL:	**$ 2,037,000**
		CONTINGENCY		30%	$ 611,100
				SUBTOTAL:	**$ 2,648,100**
		ENG/SURVEY		20%	$ 529,700
				SUBTOTAL:	**$ 3,177,800**
				Estimated Project Total:	**$ 3,177,800**

City of League City

Draft Wastewater CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 7 **Phase:** 10-Year

Project Name:	**New 1.1 MGD Firm Capacity FM 646 Lift Station, New 12-inch Gravity Lines, and New 8-inch Force Main**

Project Description:

This project includes the construction of a new 1.1 MGD firm capacity lift station along FM 646, and the construction of 12-inch gravity lines and a 8-inch force main.

Project Drivers:

The proposed lift station and gravity mains would serve development along FM 646 east of FM 270 and west of FM 1266. This project is sized to convey the projected buildout peak wastewater flows in this area.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	FM 646 Wet Well	1	LS	$ 650,000	$ 650,000
2	FM 646 Pumps	1	LS	$ 220,000	$ 220,000
3	FM 646 Electrical	1	LS	$ 273,000	$ 273,000
4	FM 646 Generator	1	LS	$ 121,000	$ 121,000
5	FM 646 Piping and Valves	1	LS	$ 123,000	$ 123,000
6	FM 646 Odor Control	1	LS	$ 58,500	$ 58,500
7	8" Force Main < 8 feet deep	3,100	LF	$ 144	$ 446,400
8	12" Pipe 8- 16 feet deep	9,000	LF	$ 216	$ 1,944,000
9	48" Diameter Manhole (8 - 16 feet deep)	19	EA	$ 17,500	$ 332,500
10	20" Boring and Casing	200	LF	$ 440	$ 88,000
11	24" Boring and Casing	100	LF	$ 528	$ 52,800
12	Pavement Repair	550	LF	$ 150	$ 82,500
				SUBTOTAL:	**$ 4,391,700**
		CONTINGENCY		30%	$ 1,317,600
				SUBTOTAL:	**$ 5,709,300**
		ENG/SURVEY		20%	$ 1,141,900
				SUBTOTAL:	**$ 6,851,200**
				Estimated Project Total:	**$ 6,851,200**

City of League City

Draft Wastewater CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 8 **Phase:** 10-Year

Project Name: **New 18-inch Gravity Line along West Boulevard to serve Georgetown and Stedman West developments (Westside)**

Project Description:

This project includes the construction of a new 18-inch gravity main along West Boulevard which will carry flow from Georgetown and Hillwood developments to the Southwest Area Trunk Line.

Project Drivers:

The proposed gravity main would serve the incoming developments of Georgetown and Hillwood. This project is sized to convey the projected buildout peak wastewater flow from these developments.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	18" Pipe > 16 feet deep	4,500	LF	$ 360	$ 1,620,000
2	60" Diameter Manhole (16 - 24 feet deep)	7	EA	$ 25,500	$ 178,500
3	30" Boring and Casing	200	LF	$ 660	$ 132,000
4	Pavement Repair	100	LF	$ 150	$ 15,000
				SUBTOTAL:	**$ 1,945,500**
		CONTINGENCY		30%	$ 583,700
				SUBTOTAL:	**$ 2,529,200**
		ENG/SURVEY		15%	$ 379,400
				SUBTOTAL:	**$ 2,908,600**
				Estimated Project Total:	**$ 2,908,600**

City of League City

Draft Wastewater CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 9 **Phase:** 10-Year

Project Name: New 18-Inch Southwest Area Trunk Line

Project Description:

This project includes the construction of an 18-inch gravity trunk line in the Southwest WRF service area, west of the Southwest WRF. This project is anticipated to approximately follow the future Grand Parkway alignment.

Project Drivers:

This project is sized to convey the projected buildout peak wastewater flows from approximately west of McFarland Road. This project is planned to tie into the 48-inch gravity line (Project 2).

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	18" Pipe 8- 16 feet deep	3,000	LF	$ 324	$ 972,000
2	60" Diameter Manhole (8 - 16 feet deep)	4	EA	$ 21,500	$ 86,000
3	Pavement Repair	100	LF	$ 150	$ 15,000
4	30" Boring and Casing	100	LF	$ 660	$ 66,000
				SUBTOTAL:	**$ 1,139,000**
		CONTINGENCY		30%	$ 341,700
				SUBTOTAL:	**$ 1,480,700**
		ENG/SURVEY		15%	$ 222,200
				SUBTOTAL:	**$ 1,702,900**
				Estimated Project Total:	**$ 1,702,900**

City of League City

Draft Wastewater CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 10 **Phase:** 10-Year

Project Name: New 21/30-inch Gravity Lines along Bay Area Boulevard (Westside)

Project Description:

This project includes the construction of a 21-inch gravity main from Dickinson Bayou going up to a 30-inch gravity main and flowing to the existing Grand Bargain Trunk Line.

Project Drivers:

This proposed gravity main would serve the Lloyd Tract development south of the Grand Bargain Trunk Line. This project is sized to convey the projected buildout peak wastewater flow from these developments.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	21" Pipe 8- 16 feet deep	1,900	LF	$ 378	$ 718,200
2	30" Pipe 8- 16 feet deep	2,400	LF	$ 540	$ 1,296,000
3	60" Diameter Manhole (8 - 16 feet deep)	4	EA	$ 21,500	$ 86,000
4	72" Diameter Manhole (8 - 16 feet deep)	4	EA	$ 23,500	$ 94,000
				SUBTOTAL:	**$ 2,194,200**
		CONTINGENCY		30%	$ 658,300
				SUBTOTAL:	**$ 2,852,500**
		ENG/SURVEY		15%	$ 427,900
				SUBTOTAL:	**$ 3,280,400**
				Estimated Project Total:	**$ 3,280,400**

City of League City

Draft Wastewater CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 11 **Phase:** 10-Year

Project Name: **1.7 MGD Lift Station and 10-inch Force Main south of Dickinson Bayou (Westside)**

Project Description:

This project includes the construction of a new 2.8 MGD and 1,500 LF of 12-inch force main to carry flow for developments south of Dickinson Bayou.

Project Drivers:

This proposed gravity main would serve the Lloyd Tract, Westland Ranch, Sealy Land, Martron and Lloyd Tract west developments . This project is sized to convey the projected buildout peak wastewater flow from these developments across Dickinson Bayou.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	Lloyd Tract Lift Station	1	LS	$ 1,654,000	$ 1,654,000
2	10" Force Main < 8 feet deep	1,500	LF	$ 180	$ 270,000
3	20" Boring and Casing	100	LF	$ 440	$ 44,000
				SUBTOTAL:	**$ 1,968,000**
		CONTINGENCY		30%	$ 590,400
				SUBTOTAL:	**$ 2,558,400**
		ENG/SURVEY		20%	$ 511,700
				SUBTOTAL:	**$ 3,070,100**
				Estimated Project Total:	**$ 3,070,100**

City of League City

Draft Wastewater CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 12 **Phase:** 10-Year

Project Name:	**Expansion of North Service Area Lift Station to 3.0 MGD Firm Capacity and 30-Inch Replacement Gravity Main**

Project Description:

This project includes the installation of a third pump at the recently constructed North Service Area lift station to bring the firm pumping capacity to 3.0 MGD. There is currently a third slot for a future pump.
Wet well has adequate capacity. This project also includes approximately 1,900 feet of 30-inch gravity line along West Main Street from Palomino Ln to the West Main Lift Station.

Project Drivers:

The projected buildout wastewater flow indicate the need for additional pumping and gravity line conveyance in this area.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	North SA Pumps	1	LS	$ 465,000	$ 465,000
2	North SA Electrical	1	LS	$ 708,000	$ 708,000
3	North SA Generator	1	LS	$ 341,000	$ 341,000
4	North SA Piping and Valves	1	LS	$ 299,000	$ 299,000
5	North Service Area Odor Control	1	LS	$ 97,500	$ 97,500
6	30" Pipe > 16 feet deep	1,900	LF	$ 600	$ 1,140,000
7	72 Diameter Manhole (16 - 24 feet deep)	4	EA	$ 28,500	$ 114,000
8	Pavement Repair	150	LF	$ 150	$ 22,500
9	36" Boring and Casing	100	LF	$ 792	$ 79,200
				SUBTOTAL:	**$ 3,266,200**
		CONTINGENCY		30%	$ 979,900
				SUBTOTAL:	**$ 4,246,100**
		ENG/SURVEY		20%	$ 849,300
				SUBTOTAL:	**$ 5,095,400**
				Estimated Project Total:	**$ 5,095,400**

City of League City

Draft Wastewater CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 13 **Phase:** 10-Year

Project Name: Expansion of Smith Lane Lift Station to 7.6 MGD Firm Capacity

Project Description:

This project includes the expansion of the Smith Lane Lift Station from 5.7 MGD to a firm pumping capacity of 7.6 MGD. This project assumes the construction of a second wet well for the required additional volume.

Project Drivers:

This project is sized to convey the projected buildout peak wastewater flows from the Smith Lane service area

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	Smith Lane New Wet Well	1	LS	$ 638,000	$ 638,000
2	Smith Lane Pumps	1	LS	$ 1,140,000	$ 1,140,000
3	Smith Lane Electrical	1	LS	$ 1,718,000	$ 1,718,000
4	Smith Lane Generator	1	LS	$ 836,000	$ 836,000
5	Smith Lane Piping and Valves	1	LS	$ 345,000	$ 345,000
6	Smith Lane Odor Control	1	LS	$ 156,000	$ 156,000
				SUBTOTAL:	**$ 4,833,000**
		CONTINGENCY		30%	$ 1,449,900
				SUBTOTAL:	**$ 6,282,900**
		ENG/SURVEY		20%	$ 1,256,600
				SUBTOTAL:	**$ 7,539,500**
				Estimated Project Total:	**$ 7,539,500**

City of League City

Draft Wastewater CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 14 **Phase:** 10-Year

Project Name: Upgrade Pumping HP at Victory Lakes Lift Station and Re-Route/Extend 12-inch Force Main

Project Description:

This project includes electrical and pump upgrades at the Victory Lakes Lift Station and approximately 17,600 feet of 12-inch force main.

Project Drivers:

This project will re-direct wastewater flows from the Dallas Salmon WRF service area to the Southwest WRF service area to help avoid future expansion of treatment capacity at the Dallas Salmon WRF.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	12" Force Main < 8 feet deep	8,200	LF	$ 216	$ 1,771,200
2	Victory Lakes Pumps	1	LS	$ 486,000	$ 486,000
3	Victory Lakes Electrical	1	LS	$ 734,000	$ 734,000
4	Victory Lakes Generator	1	LS	$ 358,000	$ 358,000
5	Victory Lakes Piping and Valves	1	LS	$ 301,000	$ 301,000
6	Pavement Repair	450	LF	$ 150	$ 67,500
7	24" Boring and Casing	300	LF	$ 528	$ 158,400
				SUBTOTAL:	**$ 3,876,100**
		CONTINGENCY		30%	$ 1,162,900
				SUBTOTAL:	**$ 5,039,000**
		ENG/SURVEY		20%	$ 1,007,800
				SUBTOTAL:	**$ 6,046,800**
				Estimated Project Total:	**$ 6,046,800**

City of League City

Draft Wastewater CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 15 **Phase:** 10-Year

Project Name: New 15-inch Gravity Line along Maple Leaf Drive (Westside)

Project Description:

This project includes the construction of a new 15-inch gravity main along Maple Leaf Drive going to the proposed Southwest Area Trunk Line.

Project Drivers:

This proposed gravity main would serve the Martron, Lloyd Tract West developments. This project is sized to convey the projected buildout peak wastewater flow from these developments.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	15" Pipe > 16 feet deep	3,600	LF	$ 300	$ 1,080,000
2	60" Diameter Manhole (16 - 24 feet deep)	9	EA	$ 25,500	$ 229,500
3	Pavement Repair	200	LF	$ 150	$ 30,000
4	24" Boring and Casing	100	LF	$ 528	$ 52,800
				SUBTOTAL:	**$ 1,392,300**
		CONTINGENCY		30%	$ 417,700
				SUBTOTAL:	**$ 1,810,000**
		ENG/SURVEY		15%	$ 271,500
				SUBTOTAL:	**$ 2,081,500**
				Estimated Project Total:	**$ 2,081,500**

City of League City

Draft Wastewater CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 16 **Phase:** 10-Year

Project Name:	**27-inch Gravity Line to serve Stedman West, Martron, Sealy Land, Bofysil, and Custer developments (Westside)**

Project Description:

This project includes the construction of a new 27-inch gravity main conveying flow from the Stedman West, Martron, Sealy Land, Bofysil, and Custer developments to the proposed Southwest Area Trunk Line.

Project Drivers:

This project is sized to convey the projected buildout peak wastewater flow from the Stedman West, Martron, Sealy Land, Bofysil, and Custer developments.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	27" Pipe > 16 feet deep	2,800	LF	$ 540	$ 1,512,000
2	72" Diameter Manhole (24 - 30 feet deep)	5	EA	$ 33,500	$ 167,500
3	Pavement Repair	100	LF	$ 150	$ 15,000
4	34" Boring and Casing	100	LF	$ 748	$ 74,800
				SUBTOTAL:	**$ 1,769,300**
		CONTINGENCY		30%	$ 530,800
				SUBTOTAL:	**$ 2,300,100**
		ENG/SURVEY		15%	$ 345,100
				SUBTOTAL:	**$ 2,645,200**
				Estimated Project Total:	**$ 2,645,200**

City of League City

Draft Wastewater CIP - Opinion of Probable Construction Cost* **April 11, 2023**

Planning Level Cost in 2023 Dollars

CIP Project Number: 17 **Phase:** 10-Year

Project Name:	**15-inch and 18-inch gravity lines, 3.5 MGD lift station and 12-inch force main to serve Custer, Bofysil, Sealy Land and Martron developments (Westside)**

Project Description:

This project includes the gravity mains, lift station and force main needed to serve the Custer, Bofysil, Sealy Land and Martron developments and convey their flow to the 27-inch line in Project 18.

Project Drivers:

The gravity mains are sized to convey the buildout peak wet weather flows to the new lift station which is sized to handle the cumulative flows from the lines and convey them across Dickinson Bayou to the gravity line going to the Southwest Area Trunk Line.

Opinion of Probable Construction Cost

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	15" Pipe 8- 16 feet deep	15,000	LF	$ 270	$ 4,050,000
2	18" Pipe > 16 feet deep	3,000	LF	$ 360	$ 1,080,000
3	60" Diameter Manhole (16 - 24 feet deep)	20	EA	$ 25,500	$ 510,000
4	60" Diameter Manhole (>24 - 30 feet deep)	4	EA	$ 29,500	$ 118,000
5	12" Force Main < 8 feet deep	4,300	LF	$ 216	$ 928,800
6	Westside Development Lift Station	1	LS	$ 3,217,000	$ 3,217,000
7	Pavement Repair	150	LF	$ 150	$ 22,500
8	24" Boring and Casing	400	LF	$ 528	$ 211,200
				SUBTOTAL:	**$ 10,137,500**
		CONTINGENCY		30%	$ 3,041,300
				SUBTOTAL:	**$ 13,178,800**
		ENG/SURVEY		20%	$ 2,635,800
				SUBTOTAL:	**$ 15,814,600**
				Estimated Project Total:	**$ 15,814,600**

APPENDIX D
Capital Recovery Fee Calculations

City of League City - 2023 Water Capital Recovery Fee Study
Capital Improvement Plan for Capital Recovery Fees
Capital Recovery Fee Summary Table
Water Service Area

		Update
0	Existing Fund Balance	$ 138,513
1	Existing Number of Service Units	55,868
2	Total Number of Services Units for Planning Period	70,489
3	Additional Service Units Added During Planning Period (Line 2 - Line 1)	14,621
4	Total Cost of the Water Capital Recovery Fee CIP	$ 422,481,388
5	Recoverable Cost for Capital Recovery Fee Planning Period	$ 115,554,249
6	Percent Recoverable for Water Capital Recovery Fee Planning Period (Line 5 / Line 4)	27.35%
7	Financing Costs (From Financial Analysis)	$ 47,304,056
8	Interest Earnings (From Financial Analysis)	$ (13,226,809)
9	Recoverable Cost of Water Capital Recovery Fee and Financing Costs Less Balance	$ 149,492,982
10	Pre-Credit Maximum Fee (Line 9 / Line 3)	$ 10,225
11	Credit for Utility Revenues (From Financial Analysis)	$ (16,811,351)
12	Recoverable Cost of Water Capital Recovery Fee and Financing (Line 9 + Line 11)	$ 132,681,631
13	Maximum Assessable Fee[(1)] (Line 12 / Line 3)	$ 9,074

(1) Final result rounded down to nearest dollar.

SUMMARY OF WATER CAPITAL RECOVERY FEE DETERMINATION

Water Service Area

Recoverable Capital Recovery Fee CIP Costs	$	115,554,249	Per FNI Study
Financing Cost		47,304,056	See Detail Below
Existing Fund Balance		(138,513)	Water Appendices - page 1
Interest Earnings		(13,226,809)	Water Appendices - page 3
Pre Credit Recoverable Cost for Capital Recovery Fee	$	149,492,982	Sum of Above
Credit for Utility Revenues		(16,811,351)	Water Appendices - page 6
Maximum Recoverable Cost for Capital Recovery Fee	**$**	**132,681,631**	

Recoverable Capital Recovery Fee CIP Costs:

Represents the portion of capital improvement costs that are eligible for funding through capital recovery fees. Reference is Freese and Nichols, Inc. (FNI) Capital Recovery Fee Study.

Financing Costs:

Represents the interest costs associated with debt financing the new capital recovery fee project costs. Interest costs are derived from existing debt issues and forecasted debt issues.

New Annual Debt Service	$	84,726,997	Water Appendices - page 2
Existing Annual Debt Service		45,113,964	Water Appendices - page 2
Principal Component (New and Existing Debt)		(82,536,905)	Water Appendices - page 1
Financing Costs	$	47,304,056	

Existing Fund Balance:

Represents capital recovery fee revenue collected but not yet expended. Some projects that are included in the 2018 Capital Recovery Fee Update were also included in prior Capital Recovery Fee Updates. To avoid charging twice for the same project, the capital recovery fee revenues collected but yet to be expended (i.e. fund balance) are credited against the recoverable costs. Reference is page 1 of Water Appendices.

Interest Earnings

Represents the interest earned on cash flows and assumes a 1.69% annual interest rate. The Capital Recovery Fee Statute states that interest earnings are funds of the Capital Recovery Fee account and are held to the same restrictions as capital recovery fee revenues. Therefore in order to recognize that interest earnings are used to fund capital improvements, interest earnings are credited against the recoverable costs. Reference is the sum of Accumulated Interest on page 3 of Water Appendices.

Pre Credit Recoverable Cost for Capital Recovery Fee

Represents Recoverable Capital Recovery Fee CIP Costs plus Financing Costs less Existing Fund Balance and Interest Earnings

Credit for Utility Revenues

In 2001, the local governing Chapter 395 was amended to include a credit for ad valorem and utility revenues generated by new service units during the ten-year timeframe that are used to fund capital recovery fee eligible projects for which the new service units were charged an capital recovery fee. The intent of this amendment is to avoid double-charging the new service units for capital recovery fee capital improvements. The credit recognizes utility revenues used to fund the debt service of debt financed capital recovery fee eligible projects. Reference is page 6 of Water Appendices.

Maximum Recoverable Cost for Capital Recovery Fee:

Represents Pre Credit Recoverable Cost for Capital Recovery Fee less Credit for Utility Revenues. This is the maximum cost that can be recovered through capital recovery fees.

City of League City - 2023 Water Capital Recovery Fee Study

Capital Improvement Plan for Capital Recovery Fees
Capital Recovery Fee Calculation Assumptions
Water Service Area

I. General Assumptions

Annual Interest Rate on Deposits[1]	2.00%
Years 1-5 Annual Service Unit Growth[2]	1,263
Years 6-10 Annual Service Unit Growth[2]	1,661
Existing Fund Balance[3]	138,513

Portion of Projects Funded by Existing Debt[4]	$ 28,075,607
Non-debt Funded Project Cost[5]	33,017,344
New Project Cost Funded Through New Debt[6]	54,461,298
Total Recoverable Project Cost[7]	$ 115,554,249

II. New Debt Issues Assumptions

Year	Principal[8]	Interest[9]	Term
1	$ 40,745,266	4.32%	20
2	2,727,791	5.00%	20
3	6,907,989	5.50%	20
4	-	5.50%	20
5	2,196,565	6.00%	20
6	1,510,014	6.00%	20
7	373,673	6.00%	20
8	-	6.00%	20
9	-	6.00%	20
10	-	6.00%	20
Total	$ 54,461,298		

III. Capital Expenditure Assumptions

Year	Annual Capital Expenditures[10]
1	$ 19,301,312
2	16,309,547
3	21,399,008
4	16,793,682
5	5,408,492
6	4,544,865
7	1,609,199
8	1,360,084
9	627,896
10	124,558
11	-
12	-
13	-
Total	$ 87,478,642

(1) Weighted Average Interest Rate as of January 2023
(2) Per Freese and Nichols, Inc. (FNI) Capital Recovery Fee Study
(3) Balance from 09/30/2022 provided by City Staff
(4) Per discussions with City Staff and City files
(5) Per discussions with City Staff and City files
(6) Per discussions with City Staff and City files
(7) Per Freese and Nichols, Inc. (FNI) Capital Recovery Fee Study
(8) Per schedule from FNI
(9) Estimated interest on future debt for bonds issued with 20-year terms
(10) Assumes new debt proceeds expended over a 3-year timeframe.
Non-debt funded capital expenditures allocated per schedule from FNI

City of League City - 2023 Water Capital Recovery Fee Study

Capital Improvement Plan for Capital Recovery Fees
Debt Service and Expense Summary
Water Service Area

I. New Debt Service Detail

Year	Series 1	Series 2	Series 3	Series 4	Series 5	Series 6	Series 7	Series 8	Series 9	Series 10	Total Annual New Debt Service
1	$ 3,083,674	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,083,674
2	3,083,674	218,885	-	-	-	-	-	-	-	-	3,302,559
3	3,083,674	218,885	578,056	-	-	-	-	-	-	-	3,880,615
4	3,083,674	218,885	578,056	-	-	-	-	-	-	-	3,880,615
5	3,083,674	218,885	578,056	-	191,507	-	-	-	-	-	4,072,121
6	3,083,674	218,885	578,056	-	191,507	131,650	-	-	-	-	4,203,771
7	3,083,674	218,885	578,056	-	191,507	131,650	32,579	-	-	-	4,236,350
8	3,083,674	218,885	578,056	-	191,507	131,650	32,579	-	-	-	4,236,350
9	3,083,674	218,885	578,056	-	191,507	131,650	32,579	-	-	-	4,236,350
10	3,083,674	218,885	578,056	-	191,507	131,650	32,579	-	-	-	4,236,350
11	3,083,674	218,885	578,056	-	191,507	131,650	32,579	-	-	-	4,236,350
12	3,083,674	218,885	578,056	-	191,507	131,650	32,579	-	-	-	4,236,350
13	3,083,674	218,885	578,056	-	191,507	131,650	32,579	-	-	-	4,236,350
14	3,083,674	218,885	578,056	-	191,507	131,650	32,579	-	-	-	4,236,350
15	3,083,674	218,885	578,056	-	191,507	131,650	32,579	-	-	-	4,236,350
16	3,083,674	218,885	578,056	-	191,507	131,650	32,579	-	-	-	4,236,350
17	3,083,674	218,885	578,056	-	191,507	131,650	32,579	-	-	-	4,236,350
18	3,083,674	218,885	578,056	-	191,507	131,650	32,579	-	-	-	4,236,350
19	3,083,674	218,885	578,056	-	191,507	131,650	32,579	-	-	-	4,236,350
20	3,083,674	218,885	578,056	-	191,507	131,650	32,579	-	-	-	4,236,350
21	-	218,885	578,056	-	191,507	131,650	32,579	-	-	-	1,152,676
22	-	-	578,056	-	191,507	131,650	32,579	-	-	-	933,791
23	-	-	-	-	191,507	131,650	32,579	-	-	-	355,735
24	-	-	-	-	191,507	131,650	32,579	-	-	-	355,735
25	-	-	-	-	-	131,650	32,579	-	-	-	164,228
26	-	-	-	-	-	-	32,579	-	-	-	32,579
27	-	-	-	-	-	-	-	-	-	-	-
28	-	-	-	-	-	-	-	-	-	-	-
29	-	-	-	-	-	-	-	-	-	-	-
	$ 61,673,479	$ 4,377,701	$ 11,561,117	$ -	$ 3,830,131	$ 2,632,998	$ 651,570	$ -	$ -	$ -	$ 84,726,997

II. Summary of Annual Expenses

Year	New Annual Debt Service[1]	Annual Capital Expenditures[2]	Annual Bond Proceeds[2]	Existing Annual Debt Service[3]	Annual Credit[4]	Total Expense
1	$ 3,083,674	$ 19,301,312	$ (40,745,266)	$ 2,233,620	$ (117,550)	$ (16,244,210)
2	3,302,559	16,309,547	(2,727,791)	2,383,188	(245,953)	19,021,549
3	3,880,615	21,399,008	(6,907,989)	2,550,349	(408,450)	20,513,533
4	3,880,615	16,793,682	-	2,166,004	(501,437)	22,338,865
5	4,072,121	5,408,492	(2,196,565)	2,339,971	(651,181)	8,972,838
6	4,203,771	4,544,865	(1,510,014)	2,544,063	(843,022)	8,939,663
7	4,236,350	1,609,199	(373,673)	3,392,533	(1,122,390)	7,742,019
8	4,236,350	1,360,084	-	3,416,526	(1,287,348)	7,725,612
9	4,236,350	627,896	-	3,157,844	(1,392,276)	6,629,814
10	4,236,350	124,558	-	594,951	(1,002,120)	3,953,738
11	4,236,350	-	-	372,175	(948,002)	3,660,524
12	4,236,350	-	-	355,711	(936,798)	3,655,263
13	4,236,350	-	-	162,012	(889,858)	3,508,504
14	4,236,350	-	-	148,681	(879,820)	3,505,211
15	4,236,350	-	-	131,333	(869,088)	3,498,595
16	4,236,350	-	-	86,433	(853,036)	3,469,747
17	4,236,350	-	-	86,299	(845,951)	3,476,697
18	4,236,350	-	-	-	(822,202)	3,414,148
19	4,236,350	-	-	-	(817,001)	3,419,348
20	4,236,350	-	-	-	(811,834)	3,424,516
21	1,152,676	-	-	-	(219,496)	933,180
22	933,791	-	-	-	(176,691)	757,100
23	355,735	-	-	-	(66,886)	288,849
24	355,735	-	-	-	(66,463)	289,272
25	164,228	-	-	-	(30,489)	133,739
26	32,579	-	-	-	(6,010)	26,569
27	-	-	-	-	-	-
28	-	-	-	-	-	-
29	-	-	-	-	-	-
PTD	-	-	-	18,992,270	-	18,992,270
	$ 84,726,997	$ 87,478,642	$ (54,461,298)	$ 45,113,964	$ (16,811,351)	$146,046,953

(1) Water Appendices - page 2 Section I
(2) Water Appendices - page 1
(3) Eligible outstanding debt funded projects as a percent of outstanding principal times outstanding annual debt service
(4) Water Appendices - page 6

City of League City - 2023 Water Capital Recovery Fee Study

Capital Improvement Plan for Capital Recovery Fees

Revenue Test

Water Service Area

Year	Capital Recovery Fee	Service Units	Capital Recovery Fee Revenue	Annual Expenses	Sub-Total	Accumulated Interest	Estimated Fund Balance
Initial							$ 138,513
1	$ 9,075	1,263	$ 11,461,384	$ (16,244,210)	$ 27,705,594	$ 279,826	28,123,933
2	9,075	1,263	11,461,384	19,021,549	(7,560,165)	486,877	21,050,645
3	9,075	1,263	11,461,384	20,513,533	(9,052,149)	330,491	12,328,988
4	9,075	1,263	11,461,384	22,338,865	(10,877,480)	137,805	1,589,313
5	9,075	1,263	11,461,384	8,972,838	2,488,546	56,672	4,134,531
6	9,075	1,661	15,074,942	8,939,663	6,135,279	144,043	10,413,853
7	9,075	1,661	15,074,942	7,742,019	7,332,923	281,606	18,028,382
8	9,075	1,661	15,074,942	7,725,612	7,349,330	434,061	25,811,773
9	9,075	1,661	15,074,942	6,629,814	8,445,128	600,687	34,857,588
10	9,075	1,661	15,074,942	3,953,738	11,121,204	808,364	46,787,155
11	-	-	-	3,660,524	(3,660,524)	899,138	44,025,769
12	-	-	-	3,655,263	(3,655,263)	843,963	41,214,469
13	-	-	-	3,508,504	(3,508,504)	789,204	38,495,170
14	-	-	-	3,505,211	(3,505,211)	734,851	35,724,810
15	-	-	-	3,498,595	(3,498,595)	679,510	32,905,725
16	-	-	-	3,469,747	(3,469,747)	623,417	30,059,396
17	-	-	-	3,476,697	(3,476,697)	566,421	27,149,119
18	-	-	-	3,414,148	(3,414,148)	508,841	24,243,812
19	-	-	-	3,419,348	(3,419,348)	450,683	21,275,147
20	-	-	-	3,424,516	(3,424,516)	391,258	18,241,888
21	-	-	-	933,180	(933,180)	355,506	17,664,215
22	-	-	-	757,100	(757,100)	345,713	17,252,828
23	-	-	-	288,849	(288,849)	342,168	17,306,147
24	-	-	-	289,272	(289,272)	343,230	17,360,105
25	-	-	-	133,739	(133,739)	345,865	17,572,230
26	-	-	-	26,569	(26,569)	351,179	17,896,841
27	-	-	-	-	-	357,937	18,254,777
28	-	-	-	-	-	365,096	18,619,873
29	-	-	-	-	-	372,397	18,992,270
PTD	-	-	-	18,992,270	(18,992,270)	-	-
			$ 132,681,631	$ 146,046,953		$ 13,226,809	

City of League City - 2023 Water Capital Recovery Fee Study

Capital Improvement Plan for Capital Recovery Fees

Capital Recovery Fee Calculation

Water Service Area

Year	Number of Years to End of Period	Future Value Escalation: Interest Rate Factor	Future Value Escalation: Recovery Fee Factor	Annual Service Units: Actual	Annual Service Units: Escalated	Annual Expense: Actual	Annual Expense: Escalated
1	29	1.7584	1.0000	1,263	2,221	$ (16,244,210)	$ (28,564,378)
2	28	1.7240	1.0000	1,263	2,177	19,021,549	32,792,301
3	27	1.6902	1.0000	1,263	2,135	20,513,533	34,670,995
4	26	1.6570	1.0000	1,263	2,093	22,338,865	37,015,768
5	25	1.6245	1.0000	1,263	2,052	8,972,838	14,576,569
6	24	1.5927	1.0000	1,661	2,646	8,939,663	14,237,918
7	23	1.5614	1.0000	1,661	2,594	7,742,019	12,088,694
8	22	1.5308	1.0000	1,661	2,543	7,725,612	11,826,545
9	21	1.5008	1.0000	1,661	2,493	6,629,814	9,950,070
10	20	1.4714	1.0000	1,661	2,444	3,953,738	5,817,449
11	19	1.4425	1.0000	-	-	3,660,524	5,280,411
12	18	1.4142	1.0000	-	-	3,655,263	5,169,433
13	17	1.3865	1.0000	-	-	3,508,504	4,864,588
14	16	1.3593	1.0000	-	-	3,505,211	4,764,728
15	15	1.3327	1.0000	-	-	3,498,595	4,662,485
16	14	1.3065	1.0000	-	-	3,469,747	4,533,372
17	13	1.2809	1.0000	-	-	3,476,697	4,453,386
18	12	1.2558	1.0000	-	-	3,414,148	4,287,514
19	11	1.2312	1.0000	-	-	3,419,348	4,209,848
20	10	1.2070	1.0000	-	-	3,424,516	4,133,540
21	9	1.1834	1.0000	-	-	933,180	1,104,302
22	8	1.1602	1.0000	-	-	757,100	878,367
23	7	1.1374	1.0000	-	-	288,849	328,544
24	6	1.1151	1.0000	-	-	289,272	322,574
25	5	1.0933	1.0000	-	-	133,739	146,211
26	4	1.0718	1.0000	-	-	26,569	28,477
27	3	1.0508	1.0000	-	-	-	-
28	2	1.0302	1.0000	-	-	-	-
29	1	1.0100	1.0000	-	-	-	-
PTD		1.0000	1.0000	-	-	18,992,270	18,992,270
					23,398		$ 212,571,981

Annual Interest Rate:		2.00%
Present Value of Initial Capital Recovery Fee Fund Balance	$	138,513
Total Escalated Expense for Entire Period	$	212,571,981
Less Future Value of Initial Capital Recovery Fee Fund Balance		245,978
Sub-Total	$	212,326,003
Total Escalated Service Units		23,398
Capital Recovery Fee for Water Service Area	**$**	**9,075**

City of League City - 2023 Water Capital Recovery Fee Study

Capital Improvement Plan for Capital Recovery Fees

Capital Recovery Fee Project Funding

Water Service Area

Base Year	2023
Escalation Factor [5]	3.50%
Escalate Costs?	Yes

Capital Recovery Fee Project Name[1]	Project No.	City Project No.	Year	Cost In Service Area [1]	Escalated Cost In Service Area [2]	Capital Recovery Fee Recoverable Cost[3]	Debt Funded[4] Existing	Debt Funded[4] Proposed	Non-Debt Funded[4]
Additional 3.0 MGD from GCWA Thomas Mackey WTP	A	WT5		$ 8,400,000	$ 8,400,000	$ 8,400,000	$ -	$ 8,400,000	$ -
State HWY 3 Booster Pump Station (BPS) Reconstruction	B	WT1108		19,583,940	19,583,940	10,771,167	10,738,405	-	32,762
South Shore Harbour Booster Pump Station Reconstruction	C	WT1102		12,235,131	12,235,131	6,729,322	3,202,172	-	3,527,151
Calder Road Booster Pump Station Expansion	D	WT1205		14,224,266	14,224,266	7,823,346	6,314,328	-	1,509,019
Northside Booster Pump Station	E	WT1003		8,385,304	8,385,304	4,611,917	4,373,812	-	238,105
FM 518 Waterline Replacement Project (Palomino to I-45)	F	WT1904(C&E)		3,133,083	3,133,083	250,647	-	125,323	125,323
16-Inch Trunk Waterline from South Shore Booster Pump Station to FM 2094	G	WT1909		1,005,514	1,005,514	170,937	170,937	-	-
36-Inch Waterline from State Highway 3 to South Shore Booster Station	H	WT1109		23,520,132	23,520,132	3,998,422	2,557,812	-	1,440,611
New Waterlines to West Side - Segments 0 & 1	I	WT10		3,794,501	3,794,501	1,328,075	-	863,249	464,826
Southeast Service Area Waterlines	J	WT1105		5,867,387	5,867,387	1,818,890	718,141	-	1,100,749
North Service Area 12-Inch Grissom Waterline	K	WT1705		742,732	742,732	623,895	-	-	623,895
Replacement of State Highway 3 Waterline	L	WT1502		85,515,428	85,515,428	29,075,246	-	25,591,293	3,483,952
24-Inch Waterline along Ervin and Future Grand Parkway to Maple Leaf Drive	M	WT2002		4,100,000	4,100,000	738,000	-	-	738,000
Water Master Plan & CRF Update	N	WT1704		251,520	251,520	251,520	-	-	251,520
State Highway 3 Booster Pump Station Chemical Feed Building & Storage	1		2023	5,230,000	5,230,000	889,100	-	444,550	444,550
New Calder South Water Plant (Well, GST, Generator, and BPS)	2		2023	12,850,000	12,850,000	6,168,000	-	3,084,000	3,084,000
New Waterlines to West Side	3		2023	4,540,000	4,540,000	1,407,400	-	703,700	703,700
8-Inch Waterline from Cross Colony to Mary Lane	4		2024	212,450	219,884	30,784	-	15,392	15,392
Muldoon Parkway Waterline Extension Phase 1	5		2023	6,010,000	6,010,000	2,343,900	-	1,171,950	1,171,950
24-Inch Waterline on Bay Area Boulevard (Segment 2)	6		2024	2,580,000	2,670,275	1,388,543	-	694,272	694,272
Maple Leaf Waterline Extension Phase 1	7		2023	1,680,000	1,680,000	722,400	-	361,200	361,200
Calder Road Booster Pump Station Expansion Phase 1	8		2024	5,270,000	5,454,400	4,036,256	-	2,018,128	2,018,128
New West Side Water Plant (Well, GST, Generator, and BPS)	9		2025	12,360,000	13,240,097	2,118,416	-	1,059,208	1,059,208
State Highway 3 Booster Pump Station Expansion	10		2029	6,080,000	7,473,459	747,346	-	373,673	373,673
20 MGD Southeast Water Purification Plant (SEWPP) Expansion	11		2025	156,000,000	167,108,022	11,697,562	-	5,848,781	5,848,781
FM 517 Waterline Extension from Landing Blvd to Maple Leaf Drive	12		2027	9,270,000	10,637,146	3,403,887	-	1,701,943	1,701,943
24-Inch Bay Area Boulevard Waterline Extension	13		2028	4,430,000	5,261,208	2,472,768	-	1,236,384	1,236,384
Muldoon Pkwy Waterline Extension Phase 2 (to West Blvd)	14		2028	2,880,000	3,420,379	547,261	-	273,630	273,630
Maple Leaf Waterline Extension to FM 517	15		2027	2,330,000	2,673,630	989,243	-	494,622	494,622
Total				$ 422,481,388	$ 439,227,438	$ 115,554,249	$ 28,075,607	$ 54,461,298	$ 33,017,344

(1) Capital Recovery Fee eligible ongoing/recently completed and proposed projects identified during this 2023 update (cost in 2023 dollars)

(2) Calculated escalated cost for proposed projects based on projected start years

(3) Cost based on 10-year percent utilization presented in Table 4-1

(4) Per discussions with City staff and City files

(5) Engineering News Report Construction Cost Index, 2002-2022

City of League City - 2023 Water Capital Recovery Fee Study

Capital Improvement Plan for Capital Recovery Fees

Credit Determination

Water Service Area

Year	Eligible Debt Service[2]	Annual Service Units[3]	Eligible Debt Service per Service Unit	Annual Growth in Service Units (Cumulative)	Credit for Annual Water Rate Revenues
1	$ 5,317,294	57,131	$ 93.07	1,263	$ 117,550
2	5,685,747	58,394	97.37	2,526	245,953
3	6,430,964	59,657	107.80	3,789	408,450
4	6,046,619	60,920	99.26	5,052	501,437
5	6,412,092	62,183	103.12	6,315	651,181
6	6,747,834	63,844	105.69	7,976	843,022
7	7,628,883	65,505	116.46	9,637	1,122,390
8	7,652,876	67,167	113.94	11,299	1,287,348
9	7,394,194	68,828	107.43	12,960	1,392,276
10	4,831,301	70,489	68.54	14,621	1,002,120
11	4,608,525	71,077	64.84	14,621	948,002
12	4,592,061	71,670	64.07	14,621	936,798
13	4,398,362	72,268	60.86	14,621	889,858
14	4,385,031	72,871	60.18	14,621	879,820
15	4,367,683	73,479	59.44	14,621	869,088
16	4,322,783	74,092	58.34	14,621	853,036
17	4,322,648	74,711	57.86	14,621	845,951
18	4,236,350	75,334	56.23	14,621	822,202
19	4,236,350	75,813	55.88	14,621	817,001
20	4,236,350	76,296	55.53	14,621	811,834
21	1,152,676	76,782	15.01	14,621	219,496
22	933,791	77,270	12.08	14,621	176,691
23	355,735	77,762	4.57	14,621	66,886
24	355,735	78,257	4.55	14,621	66,463
25	164,228	78,755	2.09	14,621	30,489
26	32,579	79,257	0.41	14,621	6,010
27	-	79,761	-	14,621	-
28	-	80,269	-	14,621	-
29	-	80,548	-	14,621	-
Total	$ 110,848,690				$ 16,811,351

2023 Service Units[1]	55,868	
Ten Year Growth in Service Units[1]	14,621	
First 5 Year Growth Percentage	43%	years
Second 5 Year Growth Percentage	57%	
Credit Amount	**$ 16,811,351**	

(1) Per Freese and Nichols, Inc. (FNI) Capital Recovery Fee Study

(2) Water Appendices - page 2 Section II

(3) Per FNI and State Water Plan Projections

City of League City - 2023 Wastewater Capital Recovery Fee Study
Capital Improvement Plan for Capital Recovery Fees
Capital Recovery Fee Summary Table
Wastewater Service Area

		Update
0	Existing Fund Balance	$ 12,432,219
1	Existing Number of Service Units	53,429
2	Total Number of Services Units for Planning Period	68,131
3	Additional Service Units Added During Planning Period (Line 2 - Line 1)	14,702
4	Total Cost of the Wastewater Capital Recovery Fee CIP	$ 270,528,688
5	Recoverable Cost for Capital Recovery Fee Planning Period	$ 89,157,653
6	Percent Recoverable for Wastewater Capital Recovery Fee Planning Period (Line 5 / Line 4)	32.96%
7	Financing Costs (From Financial Analysis)	$ 37,662,629
8	Interest Earnings (From Financial Analysis)	$ (14,037,903)
9	Recoverable Cost of Wastewater Capital Recovery Fee and Financing Costs Less Balance	$ 100,350,160
10	Pre-Credit Maximum Fee (Line 9 / Line 3)	$ 6,826
11	Credit for Utility Revenues (From Financial Analysis)	$ (15,785,535)
12	Recoverable Cost of Wastewater Capital Recovery Fee and Financing (Line 9 + Line 11)	$ 84,564,625
13	Maximum Assessable Fee[(1)] (Line 12 / Line 3)	$ 5,751

(1) Final result rounded down to nearest dollar.

SUMMARY OF WASTEWATER CAPITAL RECOVERY FEE DETERMINATION

Wastewater Service Area

Recoverable Capital Recovery Fee CIP Costs	$	89,157,653	Per FNI Study
Financing Cost		37,662,629	See Detail Below
Existing Fund Balance		(12,432,219)	Wastewater Appendices - page 1
Interest Earnings		(14,037,903)	Wastewater Appendices - page 3
Pre Credit Recoverable Cost for Capital Recovery Fee	$	100,350,160	Sum of Above
Credit for Utility Revenues		(15,785,535)	Wastewater Appendices - page 6
Maximum Recoverable Cost for Capital Recovery Fee	**$**	**84,564,625**	

Recoverable Capital Recovery Fee CIP Costs:

Represents the portion of capital improvement costs that are eligible for funding through capital recovery fees. Reference is Freese and Nichols, Inc. (FNI) Capital Recovery Fee Study.

Financing Costs:

Represents the interest costs associated with debt financing the new capital recovery fee project costs. Interest costs are derived from existing debt issues and forecasted debt issues.

New Annual Debt Service	$	88,070,212	Wastewater Appendices - page 2
Existing Annual Debt Service		18,312,627	Wastewater Appendices - page 2
Principal Component (New and Existing Debt)		(68,720,210)	Wastewater Appendices - page 1
Financing Costs	$	37,662,629	

Existing Fund Balance:

Represents capital recovery fee revenue collected but not yet expended. Some projects that are included in the 2018 Capital Recovery Fee Update were also included in prior Capital Recovery Fee Updates. To avoid charging twice for the same project, the capital recovery fee revenues collected but yet to be expended (i.e. fund balance) are credited against the recoverable costs. Reference is page 1 of Wastewater Appendices.

Interest Earnings

Represents the interest earned on cash flows and assumes a 1.69% annual interest rate. The Capital Recovery Fee Statute states that interest earnings are funds of the Capital Recovery Fee account and are held to the same restrictions as capital recovery fee revenues. Therefore in order to recognize that interest earnings are used to fund capital improvements, interest earnings are credited against the recoverable costs. Reference is the sum of Accumulated Interest on page 3 of Wastewater Appendices.

Pre Credit Recoverable Cost for Capital Recovery Fee

Represents Recoverable Capital Recovery Fee CIP Costs plus Financing Costs less Existing Fund Balance and Interest Earning

Credit for Utility Revenues

In 2001, the local governing Chapter 395 was amended to include a credit for ad valorem and utility revenues generated by new service units during the ten-year timeframe that are used to fund capital recovery fee eligible projects for which the new service units were charged an capital recovery fee. The intent of this amendment is to avoid double-charging the new service units for capital recovery fee capital improvements. The credit recognizes utility revenues used to fund the debt service of debt financed capital recovery fee eligible projects. Reference is page 6 of Wastewater Appendices.

Maximum Recoverable Cost for Capital Recovery Fee:

Represents Pre Credit Recoverable Cost for Capital Recovery Fee less Credit for Utility Revenues. This is the maximum cost that can be recovered through capital recovery fees.

City of League City - 2023 Wastewater Capital Recovery Fee Study

Capital Improvement Plan for Capital Recovery Fees
Capital Recovery Fee Calculation Assumptions
Wastewater Service Area

I. General Assumptions

Annual Interest Rate on Deposits[1]	2.00%
Years 1-5 Annual Service Unit Growth[2]	1,565
Years 6-10 Annual Service Unit Growth[2]	1,376
Existing Fund Balance[3]	12,432,219

Portion of Projects Funded by Existing Debt[4]	$ 11,367,154
Non-debt Funded New Project Cost[5]	20,437,444
New Project Cost Funded Through New Debt[6]	57,353,056
Total Recoverable Project Cost[7]	$ 89,157,653

II. New Debt Issues Assumptions

Year	Principal[8]	Interest[9]	Term
1	$ 49,064,305	4.32%	20
2	4,669,292	5.00%	20
3	-	5.50%	20
4	-	5.50%	20
5	707,546	6.00%	20
6	-	6.00%	20
7	2,296,495	6.00%	20
8	615,418	6.00%	20
9	-	6.00%	20
10	-	6.00%	20
Total	$ 57,353,056		

III. Capital Expenditure Assumptions

Year	Annual Capital Expenditures[10]
1	$ 12,148,693
2	21,024,060
3	17,911,199
4	17,911,199
5	2,263,976
6	235,849
7	2,532,344
8	1,616,765
9	970,638
10	970,638
11	205,139
12	-
13	-
Total	$ 77,790,499

(1) Weighted Average Interest Rate as of January 2023
(2) Per Freese and Nichols, Inc. (FNI) Capital Recovery Fee Study
(3) Balance from 09/30/2022 provided by City Staff
(4) Per discussions with City Staff and City files
(5) Per discussions with City Staff and City files
(6) Per discussions with City Staff and City files
(7) Per Freese and Nichols, Inc. (FNI) Capital Recovery Fee Study
(8) Per schedule from FNI
(9) Estimated interest on future debt for bonds issued with 20-year terms
(10) Assumes new debt proceeds expended over a 3-year timeframe.
Non-debt funded capital expenditures allocated per discussions with City Staff

City of League City - 2023 Wastewater Capital Recovery Fee Study

Capital Improvement Plan for Capital Recovery Fees
Debt Service and Expense Summary
Wastewater Service Area

I. New Debt Service Detail

Year	Series 1	Series 2	Series 3	Series 4	Series 5	Series 6	Series 7	Series 8	Series 9	Series 10	Total Annual New Debt Service
1	$ 3,713,274	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,713,274
2	3,713,274	374,676	-	-	-	-	-	-	-	-	4,087,950
3	3,713,274	374,676	-	-	-	-	-	-	-	-	4,087,950
4	3,713,274	374,676	-	-	-	-	-	-	-	-	4,087,950
5	3,713,274	374,676	-	-	61,687	-	-	-	-	-	4,149,637
6	3,713,274	374,676	-	-	61,687	-	-	-	-	-	4,149,637
7	3,713,274	374,676	-	-	61,687	-	200,219	-	-	-	4,349,856
8	3,713,274	374,676	-	-	61,687	-	200,219	53,655	-	-	4,403,511
9	3,713,274	374,676	-	-	61,687	-	200,219	53,655	-	-	4,403,511
10	3,713,274	374,676	-	-	61,687	-	200,219	53,655	-	-	4,403,511
11	3,713,274	374,676	-	-	61,687	-	200,219	53,655	-	-	4,403,511
12	3,713,274	374,676	-	-	61,687	-	200,219	53,655	-	-	4,403,511
13	3,713,274	374,676	-	-	61,687	-	200,219	53,655	-	-	4,403,511
14	3,713,274	374,676	-	-	61,687	-	200,219	53,655	-	-	4,403,511
15	3,713,274	374,676	-	-	61,687	-	200,219	53,655	-	-	4,403,511
16	3,713,274	374,676	-	-	61,687	-	200,219	53,655	-	-	4,403,511
17	3,713,274	374,676	-	-	61,687	-	200,219	53,655	-	-	4,403,511
18	3,713,274	374,676	-	-	61,687	-	200,219	53,655	-	-	4,403,511
19	3,713,274	374,676	-	-	61,687	-	200,219	53,655	-	-	4,403,511
20	3,713,274	374,676	-	-	61,687	-	200,219	53,655	-	-	4,403,511
21	-	374,676	-	-	61,687	-	200,219	53,655	-	-	690,237
22	-	-	-	-	61,687	-	200,219	53,655	-	-	315,561
23	-	-	-	-	61,687	-	200,219	53,655	-	-	315,561
24	-	-	-	-	61,687	-	200,219	53,655	-	-	315,561
25	-	-	-	-	-	-	200,219	53,655	-	-	253,874
26	-	-	-	-	-	-	200,219	53,655	-	-	253,874
27	-	-	-	-	-	-	-	53,655	-	-	53,655
28	-	-	-	-	-	-	-	-	-	-	-
29	-	-	-	-	-	-	-	-	-	-	-
	$ 74,265,473	$ 7,493,521	$ -	$ -	$ 1,233,741	$ -	$ 4,004,378	$ 1,073,099	$ -	$ -	$ 88,070,212

II. Summary of Annual Expenses

Year	New Annual Debt Service[1]	Annual Capital Expenditures[2]	Annual Bond Proceeds[2]	Existing Annual Debt Service[3]	Annual Credit[4]	Total Expense
1	$ 3,713,274	$ 12,148,693	$ (49,064,305)	$ 762,057	$ (127,326)	$ (32,567,608)
2	4,087,950	21,024,060	(4,669,292)	694,409	(264,594)	20,872,533
3	4,087,950	17,911,199	-	627,782	(380,826)	22,246,104
4	4,087,950	17,911,199	-	761,490	(508,478)	22,252,161
5	4,149,637	2,263,976	(707,546)	694,473	(618,681)	5,781,859
6	4,149,637	235,849	-	687,373	(710,462)	4,362,396
7	4,349,856	2,532,344	(2,296,495)	345,334	(775,734)	4,155,305
8	4,403,511	1,616,765	(615,418)	338,862	(866,836)	4,876,883
9	4,403,511	970,638	-	223,640	(923,708)	4,674,080
10	4,403,511	970,638	-	219,555	(997,612)	4,596,091
11	4,403,511	205,139	-	215,292	(988,445)	3,835,497
12	4,403,511	-	-	210,875	(979,328)	3,635,057
13	4,403,511	-	-	11,786	(929,321)	3,485,976
14	4,403,511	-	-	11,708	(921,614)	3,493,604
15	4,403,511	-	-	-	(911,565)	3,491,946
16	4,403,511	-	-	-	(904,022)	3,499,489
17	4,403,511	-	-	-	(896,541)	3,506,969
18	4,403,511	-	-	-	(889,123)	3,514,388
19	4,403,511	-	-	-	(883,499)	3,520,012
20	4,403,511	-	-	-	(877,911)	3,525,600
21	690,237	-	-	-	(136,739)	553,498
22	315,561	-	-	-	(62,119)	253,442
23	315,561	-	-	-	(61,726)	253,835
24	315,561	-	-	-	(61,335)	254,225
25	253,874	-	-	-	(49,033)	204,841
26	253,874	-	-	-	(48,723)	205,151
27	53,655	-	-	-	(10,232)	43,423
28	-	-	-	-	-	-
29	-	-	-	-	-	-
PTD	-	-	-	12,507,991	-	12,507,991
	$ 88,070,212	$ 77,790,499	$ (57,353,056)	$ 18,312,627	$ (15,785,535)	$ 111,034,747

(1) Wastewater Appendices - page 2 Section I
(2) Wastewater Appendices - page 1
(3) Eligible outstanding debt funded projects as a percent of outstanding principal times outstanding annual debt service
(4) Wastewater Appendices - page 6

City of League City - 2023 Wastewater Capital Recovery Fee Study

Capital Improvement Plan for Capital Recovery Fees

Revenue Test

Wastewater Service Area

Year	Capital Recovery Fee	Service Units	Capital Recovery Fee Revenue	Annual Expenses	Sub-Total	Accumulated Interest	Estimated Fund Balance
Initial							$ 12,432,219
1	$ 5,752	1,565	$ 8,999,443	$ (32,567,608)	$ 41,567,051	$ 664,315	54,663,585
2	5,752	1,565	8,999,443	20,872,533	(11,873,090)	974,541	43,765,035
3	5,752	1,565	8,999,443	22,246,104	(13,246,661)	742,834	31,261,208
4	5,752	1,565	8,999,443	22,252,161	(13,252,718)	492,697	18,501,187
5	5,752	1,565	8,999,443	5,781,859	3,217,584	402,200	22,120,971
6	5,752	1,376	7,913,482	4,362,396	3,551,086	477,930	26,149,988
7	5,752	1,376	7,913,482	4,155,305	3,758,177	560,582	30,468,747
8	5,752	1,376	7,913,482	4,876,883	3,036,599	639,741	34,145,087
9	5,752	1,376	7,913,482	4,674,080	3,239,402	715,296	38,099,784
10	5,752	1,376	7,913,482	4,596,091	3,317,390	795,170	42,212,344
11	-	-	-	3,835,497	(3,835,497)	805,892	39,182,739
12	-	-	-	3,635,057	(3,635,057)	747,304	36,294,986
13	-	-	-	3,485,976	(3,485,976)	691,040	33,500,050
14	-	-	-	3,493,604	(3,493,604)	635,065	30,641,511
15	-	-	-	3,491,946	(3,491,946)	577,911	27,727,476
16	-	-	-	3,499,489	(3,499,489)	519,555	24,747,542
17	-	-	-	3,506,969	(3,506,969)	459,881	21,700,454
18	-	-	-	3,514,388	(3,514,388)	398,865	18,584,931
19	-	-	-	3,520,012	(3,520,012)	336,499	15,401,418
20	-	-	-	3,525,600	(3,525,600)	272,772	12,148,590
21	-	-	-	553,498	(553,498)	237,437	11,832,529
22	-	-	-	253,442	(253,442)	234,116	11,813,203
23	-	-	-	253,835	(253,835)	233,726	11,793,094
24	-	-	-	254,225	(254,225)	233,320	11,772,188
25	-	-	-	204,841	(204,841)	233,395	11,800,743
26	-	-	-	205,151	(205,151)	233,963	11,829,556
27	-	-	-	43,423	(43,423)	236,157	12,022,290
28	-	-	-	-	-	240,446	12,262,736
29	-	-	-	-	-	245,255	12,507,991
PTD	-	-	-	12,507,991	(12,507,991)	-	-
			$ 84,564,625	$ 111,034,747		$ 14,037,903	

City of League City - 2023 Wastewater Capital Recovery Fee Study

Capital Improvement Plan for Capital Recovery Fees

Capital Recovery Fee Calculation

Wastewater Service Area

Year	Number of Years to End of Period	Future Value Escalation: Interest Rate Factor	Future Value Escalation: Recovery Fee Factor	Annual Service Units: Actual	Annual Service Units: Escalated	Annual Expense: Actual	Annual Expense: Escalated
1	29	1.7584	1.0000	1,565	2,751	$ (32,567,608)	$ (57,268,003)
2	28	1.7240	1.0000	1,565	2,697	20,872,533	35,983,315
3	27	1.6902	1.0000	1,565	2,644	22,246,104	37,599,304
4	26	1.6570	1.0000	1,565	2,593	22,252,161	36,872,099
5	25	1.6245	1.0000	1,565	2,542	5,781,859	9,392,754
6	24	1.5927	1.0000	1,376	2,191	4,362,396	6,947,849
7	23	1.5614	1.0000	1,376	2,148	4,155,305	6,488,257
8	22	1.5308	1.0000	1,376	2,106	4,876,883	7,465,644
9	21	1.5008	1.0000	1,376	2,065	4,674,080	7,014,892
10	20	1.4714	1.0000	1,376	2,024	4,596,091	6,762,594
11	19	1.4425	1.0000	-	-	3,835,497	5,532,815
12	18	1.4142	1.0000	-	-	3,635,057	5,140,857
13	17	1.3865	1.0000	-	-	3,485,976	4,833,353
14	16	1.3593	1.0000	-	-	3,493,604	4,748,950
15	15	1.3327	1.0000	-	-	3,491,946	4,653,624
16	14	1.3065	1.0000	-	-	3,499,489	4,572,232
17	13	1.2809	1.0000	-	-	3,506,969	4,492,162
18	12	1.2558	1.0000	-	-	3,514,388	4,413,397
19	11	1.2312	1.0000	-	-	3,520,012	4,333,783
20	10	1.2070	1.0000	-	-	3,525,600	4,255,553
21	9	1.1834	1.0000	-	-	553,498	654,996
22	8	1.1602	1.0000	-	-	253,442	294,037
23	7	1.1374	1.0000	-	-	253,835	288,718
24	6	1.1151	1.0000	-	-	254,225	283,492
25	5	1.0933	1.0000	-	-	204,841	223,943
26	4	1.0718	1.0000	-	-	205,151	219,885
27	3	1.0508	1.0000	-	-	43,423	45,629
28	2	1.0302	1.0000	-	-	-	-
29	1	1.0100	1.0000	-	-	-	-
PTD		1.0000	1.0000	-	-	12,507,991	12,507,991
					23,762		$ 158,754,120

Annual Interest Rate:		2.00%
Present Value of Initial Capital Recovery Fee Fund Balance	$	12,432,219
Total Escalated Expense for Entire Period	$	158,754,120
Less Future Value of Initial Capital Recovery Fee Fund Balance		22,077,690
Sub-Total	$	136,676,430
Total Escalated Service Units		23,762
Capital Recovery Fee for Wastewater Service Area	**$**	**5,752**

City of League City - 2023 Wastewater Capital Recovery Fee Study

Capital Improvement Plan for Capital Recovery Fees

Capital Recovery Fee Project Funding

Wastewater Service Area

Base Year	2023
Escalation Factor [5]	3.50%
Escalate Costs?	Yes

Capital Recovery Fee Project Name[1]	Project No.	City Project No.	Year	Cost In Service Area [1]	Escalated Cost In Service Area [2]	Capital Recovery Fee Recoverable Cost[3]	Debt Funded[4] Existing	Debt Funded[4] Proposed	Non-Debt Funded[4]
Expansion of Bay Colony 1 14-15 LS to 5.7 MGD Firm Capacity and Force Main	A	WW1206		$ 3,628,659	$ 3,628,659	$ 399,152	$ 49,305	$ -	$ 349,847
Westover Park Lift Station and Force Main Improvements	B	WW1801B		1,701,524	1,701,524	170,152	154,210	-	15,942
New 24" and 30" Gravity Line along Calder	C	WW1301		4,031,443	4,031,443	241,887	121,685	-	120,201
North Service Area Lift Station, Force Main and Gravity	D	WW1101		109,629	109,629	41,659	41,659	-	-
Southwest Water Reclamation Facility 4.0 MGD expansion	E	WW0103		31,731,239	31,731,239	6,346,248	3,027,023	-	3,319,224
Butler Rd Lift Station and Force Main Improvement	F	WW1004		2,032,695	2,032,695	101,635	96,885	-	4,750
West Main Lift Station and Force Main Improvement	G	WW1005		1,705,719	1,705,719	665,230	665,230	-	-
Dallas Salmon WWTP Lift Station Expansion to 12.0 MGD	H	WW0302		5,412,700	5,412,700	1,677,937	-	-	1,677,937
Dallas Salmon WWTP Expansion to 12.0 MGD	I	WW0405		25,620,464	25,620,464	7,942,344	7,211,156	-	731,188
New 48/54/60-inch Southwest Area Trunk Line to Southwest WRF	J	WW2002		7,900,000	7,900,000	1,817,000	-	4,879	1,812,121
15" Willow Branch and 18" FM 518 Gravity Line Replacement	K	WW2101		1,359,086	1,359,086	67,954	-	-	67,954
Wastewater Master Plan & CRF Update	M	WW1704		399,730	399,730	399,730	-	-	399,730
Expansion of Southwest WRF by 4.0 MGD to a Permitted ADF of 8.0 MGD	L	WW2201		100,751,700	100,751,700	52,390,884	-	48,914,424	3,476,460
Re-Route 18-inch Bay Colony 1 Force Main to Southwest Service Area	1	WW2301	2023	2,894,000	2,894,000	318,340	-	145,002	173,338
New 42-inch Southwest Area Trunk Line to Southwest WRF	2		2024	7,427,700	7,687,599	1,998,776	-	999,388	999,388
Expansion of Pedregal Lift Station to 1.5 MGD Firm Capacity	3		2024	1,606,800	1,663,023	365,865	-	182,932	182,932
New Southwest 48-inch Gravity Line Extension and Force Main Re-Route	4		2024	2,794,400	2,892,177	57,844	-	28,922	28,922
Expansion of Butler Road Lift Station to 15.6 MGD Firm Capacity	5		2024	9,207,200	9,529,364	1,143,524	-	571,762	571,762
Expansion of Countryside No. 2 Lift Station to 2.7 MGD Firm Capacity and Replacement 14-inch Force Main	6		2024	3,177,800	3,288,993	65,780	-	32,890	32,890
New 1.1 MGD Firm Capacity FM 646 Lift Station, New 12-inch Gravity Lines, and New 8-inch Force Main	7		2027	6,851,200	7,861,620	1,415,092	-	707,546	707,546
New 18-inch Gravity Line along West Boulevard to serve Georgetown and Stedman West developments (Westside)	8		2024	2,908,600	3,010,373	1,715,913	-	857,956	857,956
New 18-Inch Southwest Area Trunk Line	9		2024	1,702,900	1,762,485	845,993	-	422,996	422,996
New 21/30-inch Gravity Lines along Bay Area Boulevard (Westside)	10		2024	3,280,400	3,395,183	1,969,206	-	984,603	984,603
1.7 MGD Lift Station and 10-inch Force Main south of Dickinson Bayou (Westside)	11		2024	3,070,100	3,177,524	1,175,684	-	587,842	587,842
Expansion of North Service Area Lift Station to 3.0 MGD Firm Capacity and 30-Inch Replacement Gravity Main	12		2029	5,095,400	6,263,201	1,628,432	-	814,216	814,216
Expansion of Smith Lane Lift Station to 7.6 MGD Firm Capacity	13		2029	7,539,500	9,267,458	556,048	-	278,024	278,024
Upgrade Pumping HP at Victory Lakes Lift Station and Re-Route/Extend 12-inch Force Main	14		2030	6,046,800	7,692,722	1,230,836	-	615,418	615,418
New 15-inch Gravity Line along Maple Leaf Drive (Westside)	15		2029	2,081,500	2,558,554	690,809	-	345,405	345,405
27-inch Gravity Line to serve Stedman West, Martron, Sealy Land, Bofysil, and Custer developments (Westside)	16		2029	2,645,200	3,251,446	162,572	-	81,286	81,286
15-inch and 18-inch gravity lines, 3.5 MGD lift station and 12-inch force main to serve Custer, Bofysil, Sealy Land and Martron developments (Westside)	17		2029	15,814,600	19,439,107	1,555,129	-	777,564	777,564
Total				$ 270,528,688	$ 282,019,418	$ 89,157,653	$ 11,367,154	$ 57,353,056	$ 20,437,444

(1) Capital Recovery Fee eligible ongoing/recently completed and proposed projects identified during this 2023 update (cost in 2023 dollars)

(2) Calculated escalated cost for proposed projects based on projected start years

(3) Cost based on 10-year percent utilization presented in Table 4-2

(4) Per discussions with City staff and City files

(5) Engineering News Report Construction Cost Index, 2002-2022

City of League City - 2023 Wastewater Capital Recovery Fee Study

Capital Improvement Plan for Capital Recovery Fees

Credit Determination

Wastewater Service Area

Year	Eligible Debt Service[2]	Annual Service Units[3]	Eligible Debt Service per Service Unit	Annual Growth in Service Units (Cumulative)	Credit for Annual Water Rate Revenues
1	$ 4,475,330	54,994	$ 81.38	1,565	$ 127,326
2	4,782,359	56,558	84.56	3,129	264,594
3	4,715,732	58,123	81.13	4,694	380,826
4	4,849,440	59,687	81.25	6,258	508,478
5	4,844,109	61,252	79.08	7,823	618,681
6	4,837,009	62,628	77.23	9,199	710,462
7	4,695,190	64,004	73.36	10,575	775,734
8	4,742,372	65,379	72.54	11,950	866,836
9	4,627,151	66,755	69.32	13,326	923,708
10	4,623,066	68,131	67.86	14,702	997,612
11	4,618,803	68,699	67.23	14,702	988,445
12	4,614,385	69,273	66.61	14,702	979,328
13	4,415,297	69,851	63.21	14,702	929,321
14	4,415,218	70,434	62.69	14,702	921,614
15	4,403,511	71,021	62.00	14,702	911,565
16	4,403,511	71,614	61.49	14,702	904,022
17	4,403,511	72,211	60.98	14,702	896,541
18	4,403,511	72,814	60.48	14,702	889,123
19	4,403,511	73,277	60.09	14,702	883,499
20	4,403,511	73,744	59.71	14,702	877,911
21	690,237	74,213	9.30	14,702	136,739
22	315,561	74,686	4.23	14,702	62,119
23	315,561	75,161	4.20	14,702	61,726
24	315,561	75,639	4.17	14,702	61,335
25	253,874	76,121	3.34	14,702	49,033
26	253,874	76,605	3.31	14,702	48,723
27	53,655	77,093	0.70	14,702	10,232
28	-	77,584	-	14,702	-
29	-	77,854	-	14,702	-
Total	$ 93,874,848			362,559	$ 15,785,535

2022 Service Units[1]		53,429
Ten Year Growth in Service Units[1]		14,702
First 5 Year Growth Percentage		53%
Second 5 Year Growth Percentage		47%
Credit Amount	**$**	**15,785,535**

(1) Per Freese and Nichols, Inc. (FNI) Capital Recovery Fee Study

(2) Water Appendices - page 2 Section II

(3) Per FNI and State Water Plan Projections

APPENDIX E
City Ordinance No. 2019-13

ORDINANCE NO. 2019-13

AN ORDINANCE AMENDING ORDINANCE NO. 2013-20 APPROVING UPDATED LAND USE ASSUMPTIONS AND CAPITAL IMPROVEMENTS PLAN FOR WATER AND WASTEWATER FACILITIES, AND AMENDING IMPACT FEES PURSUANT TO THE TEXAS LOCAL GOVERNMENT CODE SECTION 395.052

WHEREAS, the City of League City, Texas ("City") first adopted Impact Fees for new development in 1983 pursuant to Ordinance No. 83-41 in accordance with applicable law; and

WHEREAS, by Ordinance No. 85-51, the City amended Ordinance No. 83-41 in order to modify the Capital Recovery Fee requirements applicable to persons and entities developing property in the City; and

WHEREAS, by Ordinance No. 89-33, the City amended Ordinances Nos. 83-41 and 85-51, however the capital improvements envisioned by Ordinance No. 89-33 addressed only water supply, treatment and distribution facilities, and wastewater collection and treatment facilities, and only authorized capital recovery fees as (a) water fee per unit of development, and (b) wastewater fee per unit of development; and

WHEREAS, Ordinance No. 94-41 adopted on April 19, 1994 did not amend the capital recovery fee adopted in Ordinance No. 89-33; and

WHEREAS, Ordinance No. 99-81 adopted on January 11, 2000 amended the capital recovery fees adopted in Ordinance No. 89-33; and

WHEREAS, Ordinance No. 2006-72 adopted on July 25, 2006 amended the capital recovery fees adopted in Ordinance No. 99-81; and

WHEREAS, on June 11, 2013, the City updated the land use assumptions and capital improvements plan and updated the recovery fees adopted in Ordinance 2013-20; and

WHEREAS, Section 395.052 of the Texas Local Government Code requires that the land use assumptions and capital improvement plan for which an impact fee is imposed shall be reviewed, evaluated, and updated at least every five years; and

WHEREAS, the City's land use assumptions were reviewed, evaluated, and updated through the adoption of the Land Use Assumption Report for Capital Recovery Fees adopted by Ordinance No. 2013-20; and

WHEREAS, the City hired the engineering firm of Ardurra Group to update the capital improvement plan and to determine whether the maximum impact fees which may be assessed for the water and wastewater components of the impact fee should be amended; and

WHEREAS, Ardurra Group filed a report with the City, entitled Water and Wastewater Capital Recovery Fee Update Study, a true and correct copy of which is attached as Exhibit "A" and make a part of this ordinance; and

WHEREAS, in accordance with the provisions of Chapter 395 of the Texas Local Government Code, Sections 395.052 and 395.058, the City designated the Planning and Zoning Commission to act as the Capital Improvements Advisory Committee, (Committee), for the purpose of updating the land use assumptions, capital improvements, and impact fees and determined that the appointment of such Committee complied in all respects to the provisions of law; and

WHEREAS, the Committee reviewed the Ardurra Group report and has filed its written comments on the proposed amendments to the land use assumptions, capital improvements plan, and impact fees as required by law, before the fifth business day before the date of the public hearing, for which notice was properly provided by the City within 60 days after the date it received the update of the land use assumptions and capital improvements plan, in accordance with sections 395.053 and no other written comments were received by the City; and

WHEREAS, in accordance with section395.0565 of the Texas Local Government Code, a true and correct copy of the Committee's comments are attached as Exhibit "B"; and

WHEREAS, on April 9, 2019, the City held a public hearing on the update of the land use assumptions, capital improvements plan, and amendment of impact fees and all required public hearings have been publicized and held in accordance with law; and

WHEREAS, the City has met all of the legal requirements and prerequisites for implementation of impact fees in accordance with Chapter 395 of the Texas Local Government Code; and

WHEREAS, the City finds and determines its legislative intent to enable the provisions of Chapter 395 of the Texas Local Government Code and has determined to approve the amendments to the Impact Fees within 30 days after the date of the public hearings on the subject amendments in compliance with section 395.057;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LEAGUE CITY, STATE OF TEXAS:

Section 1. The facts and opinions in the preamble of this Ordinance are true and correct.

Section 2. The Water and Wastewater Capital Recovery Fee Update Study is approved and adopted.

Section 3. The combined rate of $7,667.00 per single family equivalent connection shall be adopted with the rate for water being $5,101.00 and $2,567.00 for sewer. Distribution of demands based on water records yields the following:

a. Residential

Type of Structure	Single Family Equivalent Fee Units
Single Family Residential	1
Townhouse/Condominium/Apartment	0.8
Mobile Homes	1

b. Commercial/Industrial/Irrigation

Commercial/Industrial/Irrigation rates will be determined by the size and type of water meter purchased for the property as follows:

Meter Size	Single Family Equivalent Fee units
¾"	1
1"	1.667
1 ½"	3.333
2"	5.333
3"	10.667
4"	16.667
6"	33.333
8"	53.333
10"	76.667

Section 4. Section 114-164(a) and Section 114-164(b) of the Code of Ordinances of the City of League City, Texas are amended to provide as follows:

(a) *Fee Schedule.* Capital Recovery Fees shall be as follows:

(1) *Residential fees.* Residential Fees, rounded to the nearest whole dollar, are as set forth as follows:

For Single Family and Mobile Home Residential Structures:

Meter Size	Single Family Fee units	Water System CRF	Wastewater System CRF
3/4"	1	$5,101	$2,567
1"	1.667	$8,502	$4,279
1-1/2"	3.333	$17,004	$8,557
2"	5.333	$27,207	$13,692

For Townhouse and Condominium/Apartment Residential Structures:

Single Family Fee per unit	Water System CRF	Wastewater System CRF
0.8	$4,080.80	$2,053.60

(2) *Commercial/Industrial/Irrigation fees.* Commercial/Industrial/Irrigation fees shall be determined by the size and type of water meter purchased for the property, which is listed in the table below. Commingling of irrigation costs is prohibited. Separate meters must be purchased for irrigation uses.

Meter Size and Type	Single Family Fee units	Water System CRF	Wastewater System CRF
¾"	1	$5,101	$2,567
1"	1.667	$8,502	$4,279
1 ½"	3.333	$17,004	$8,557
2"	5.333	$27,207	$13,692
3"	10.667	$54,414	$27,384
4"	16.667	$85,023	$42,788
6"	33.333	$170,046	$85,575
8"	53.333	$272,073	$136,921
10"	76.667	$391,105	$196,823

(b) *Fee Unit Defined.* For the purpose of this division only, the term "fee unit" shall mean a single unit of service as defined by continuous duty maximum flow rate in gallons per minute for a three-fourths-inch (3/4- inch) meter using American Water Works Association C700-C703 standards.

Section 5. All ordinances and agreements and parts of ordinances and agreements in conflict herewith are hereby repealed to the extent of the conflict only.

APPROVED first reading the 9th day of April, 2019.

APPROVED second reading the_____day of _____, 2019.

PASSED AND ADOPTED the 9th day of April, 2019.

PAT HALLISEY,
Mayor

ATTEST:

DIANA STAPP,
City Secretary

APPROVED AS TO FORM:

NGHIEM V. DOAN
City Attorney

SUSPENDED THE RULE AND ADOPTED ON FIRST AND FINAL READING