



# City of League City, TX

300 West Walker  
League City TX 77573

## Meeting Minutes City Council

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Tuesday, April 9, 2019

5:00 PM

Council Chambers  
200 West Walker Street

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### Council Work Session

The City Council of the City of League City, Texas, met in a work session in Council Chambers at 200 West Walker Street on the above date at 5:00 p.m.

**Mayor:**

**Pat Hallisey**

**City Council Members:**

**Andy Mann  
Hank Dugie  
Larry Millican  
Todd Kinsey  
Greg Gripon  
Chad Tressler  
Nick Long**

**City Manager:**

**John Baumgartner**

**Assistant City Manager**

**Bo Bass**

**Assistant City Manager**

**Michael Kramm**

**City Attorney:**

**Nghiem Doan**

**City Secretary:**

**Diana M. Stapp**

**Chief of Police:**

**Gary Ratliff**

**Director of Budget/Project Management**

**Angie Steelman**

**Director of Engineering:**

**Christopher Sims**

**Interim Director of Finance:**

**Angie Steelman**

**Director of Human Resources/Civil Service:**

**Janet Shirley**

**Director of Parks & Cultural Services:**

**Chien Wei**

**Director of Planning/Development:**

**David Hoover**

**Director of Public Works:**

**Jody Hooks**

#### 1. CALL TO ORDER AND ROLL CALL OF MEMBERS

Mayor Hallisey called the meeting to order at 5:00 p.m. and called the roll. All members of Council were present except Andy Mann and Nick Long.

Absent 2- Mr. Andy Mann and Mr. Nick Long

Present 6 - Mayor Pat Hallisey, Mr. Hank Dugie, Mr. Larry Millican, Mr. Todd Kinsey, Mr. Greg Gripon and Mr. Chad Tressler

2. **PRESENTATION REGARDING SUMMARY OF REVISED WATER AND WASTEWATER CAPITAL IMPROVEMENT FEE REPORT**

A presentation was given by Richard Weatherly and Freese & Nichols.

**OVERVIEW AND CAPITAL RECOVERY FEE BASICS**

**What are Capital Recovery Fees (CRF)?**

**One-time charge assessed to new development for a portion of costs related to specific capital improvements (Systematic, structured approach to assessment of fees)**

**Basis of Capital Recovery Fees?**

**New development should pay for the cost of public infrastructure required to serve it (“Growth paying for growth”)**

- **Authorized by State Law (Local Government Code Chapter 395)**
- **Specific requirements for program administration and fee calculation**
- **Update required every five years**
- **Tool for assisting in determination of proportionality**

**Who Pays for Growth?**

**Capital Recovery Fees – New development shares in part of this responsibility**

**No Capital Recovery Fees – Existing and future tax payers build all capital facilities**

**Types of Capital Recovery Fees**

**Roadway (City recently adopted)**

- **Based on size and type of development, specific location (service area)**
- **Collected at time of building permit**

**Water & Wastewater**

- **Based on meter size**
- **Collected at time of connection to system**
- **Collected and applied citywide**

**Both types of fees are calculated based on Service Units – unites of development brought online**

**What Can CRFs Pay for?**

**Construction – Surveying – Engineering - Land Acquisition - Debt Service**

**Water supply, treatment, and distribution facilities/Wastewater collection and treatment facilities included in the Capital Recovery Fee Capital Improvement Plan**

**CRFs can also pay for required updates to the**

- **Fee schedule**
- **CRF CIP**  
(Not Staff time, but contracted study updates)

**What do CRFs NOT Pay for?**

- o **Upgrading, updating, expanding, or replacing existing capital improvements that serve existing development (where there is no new development)**
- o **Repair, operation, or maintenance of existing or new facilities**
- o **Cost of projects that are not included in the Capital Recovery Fee Capital Improvement Plan**
- o **Debt service for projects that are not included in the Capital Recovery Fee Capital Improvement Plan**
- o **Administrative and operating costs of the capital recovery fee program by City Staff**

**Water/Wastewater CRF Update Process**

**Develop Water/Wastewater Master Plan Capital Improvements Plans (CIPs)**

**Council Workshop: Master Plans and CRF 101**

**Develop Capital Recovery Fee CIP**

**Conduct Capital Recovery Fee Calculations**

**(Utilizing 2017 Land Use Assumptions Report)**

**Capital Improvements Advisory Committee (CIAC) Presentation & Discussion**

**Public Hearing and Council Approval**

**Update Capital Recovery Fee Ordinance**

**LAND USE ASSUMPTIONS**

- **10-year growth projections for CFRs**
- **Based on trend/forecasted community growth**
- **Population/commercial acreage used to derive demands and flows from future development**
- **Basis for CIP development**
- **LUA adopted by Council in November 2017**

**Used for both Water/Wastewater and Roadway CRF update**

<b>Existing Population (2018)</b>	<b>102,635</b>
<b>Projected 10-year Population (2028)</b>	<b>142,091</b>
<b>Projected 20-year Population (2038)</b>	<b>206,827</b>

**WATER AND WASTEWATER CIP**

**Water CRF Eligible Cost: \$106 M**  
**Wastewater CRF Eligible Cost: \$ 68M**

**Note: Costs are in 2018 dollars; CIP Cost Estimates include 25% Contingency and 15% Engineering Services**

## **WATER AND WASTEWATER CRF ANALYSIS**

### **Capital Recovery Fee Calculations**

**The MAXIMUM ALLOWABLE CAPITAL RECOVERY FEE Per EDU equals the Pre-Credit Recoverable Cost (minus Credit) divided by Growth in Service Units**

**EDU – Equivalent Dwelling Unit (connection for a single family home)**

**Pre-Credit Recoverable Cost – 10-year capital costs with financing (2018-2028)**

**Credit – Chapter 395 requirements: reduce the recoverable cost by conducting a credit analysis to determine the portion of ad valorem tax and utility service revenue generated that is used for growth CIP**

**Growth in Service Units – Derived from land use assumptions for 10-year growth in EDUs**

**2019 Maximum Allowable Capital Recovery Fee**

**Water CRF Per EDU = \$5,101**

**Wastewater CRF Per EDU = \$2,567**

**Total Maximum Impact Fee = \$7,668**

### **NEXT STEPS**

**Public Hearing and Council Approval: April 9, 2019**

3. **PUBLIC COMMENTS**

4. **ADJOURNMENT**

**At 5:26 p.m. Mayor Hallisey said, there being no further business this meeting is adjourned.**

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**PAT HALLISEY  
MAYOR**

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**JEANNE HAMMACK**  
**DEPUTY CITY SECRETARY**

**(SEAL)**

**MINUTES APPROVED: May 14, 2019**