



Legislation Text

File #: 23-0223, Version: 1

Consider and take action on an ordinance amending Ordinance No. 2019-13 approving updated Land Use Assumptions and Capital Improvements Plan for Water and Wastewater Facilities; and amending capital recovery fee pursuant to Texas Local Government Code Chapter 395 (Executive Director of Development Services)

In accordance with Chapter 395 of the Texas Local Government Code, upon the adoption of updated land use assumptions and capital improvements plan, the City must adopt an ordinance setting a public hearing to discuss the revision of a Water and Wastewater Capital Recovery Fee (Council set May 23rd as date at the April 11th Council Meeting). State law allows and regulates cities to collect water and sewer capital recovery fees in accordance with Chapter 395 of the Texas Local Government Code. As part of this Chapter, the City is allowed to set Capital Recovery Fees (CRFs) at any level up to the maximum as determined in the "2023 Water and Wastewater Capital Recovery Fee Update" Study as prepared by the City's consultant team of Freese and Nichols, Ardurra Group, and NewGen Strategies & Solutions.

Chapter 395 requires that the land use assumptions and capital improvements plan for which CRFs are imposed shall be reviewed, evaluated, and updated every five years. The last study was conducted in 2018/2019 and approved by City Council under Ordinance 2019-13 in April 2019. The work noted below and presented in the proposed ordinance brings the City into compliance with this State law:

- Land Use Assumptions: The City's current land use assumptions were adopted under Ordinance 2019-13 in April 2019.
- Master Water and Master Wastewater Capital Improvements Plan Update were adopted under Ordinance 2018-44 in November 2018.
- The Water and Wastewater Capital Recovery Fee Capital Improvements Advisory Committee (CIAC), working with City Staff and the City's consultants has received a study report documenting methodological approach, development of land use assumptions and Water and Wastewater capital improvements plan, associated cost per service unit calculations based on needs necessitated by future 10-year growth, and a land use equivalency table for the derivation of Water and Wastewater Capital Recovery Fees for specific land uses in League City. Based on the study, the CIAC has approved a motion for the consideration of Water and Wastewater Capital Recovery Fee Update by the League City City Council. The CIAC has recommended a fee per service unit as outlined in the attached update.

Attached is a table illustrating the difference between the City's current rates and the rates now being proposed through the CIAC. Figure 4-1 from the attached study has been pulled out as a separate attachment to this agenda item. This attachment shows how League City compares on single family homes (1 EDU) with rates charged by other cities.

Staff recommends approval of the proposed Water and Wastewater Capital Recovery Fees as presented and would further recommend the following for implementation of said fees:

- Developments that have public infrastructure accepted by Staff and the final plat recorded on or before August 31, 2023, shall be required to pay the Water and Wastewater Capital Recovery Fees as currently imposed.
- Developments that have public infrastructure accepted by Staff and the final plat recorded on or after September 1, 2023, shall be assessed Water and Wastewater Capital Recovery Fees based on the updated study.
- Similar to existing Capital Recovery Fee processes, the updated fees would continue be assessed at the time of platting.

Attachments:

1. Data Sheet

2. Proposed Ordinance
3. Exhibit A - Water and Wastewater CRF Update Study
4. Exhibit B - Current vs. Proposed Comparison Table
5. Figure 4-1: Comparison of Water and Wastewater CRF per Service Unit (EDU)

FUNDING

{X} NOT APPLICABLE

STRATEGIC PLANNING

{X} NOT APPLICABLE