



**October 4, 2022**

**5:00 P.M.**

**SPECIAL CITY COUNCIL**

**MEETING AGENDA**





**NOTICE OF SPECIAL MEETING OF THE CITY COUNCIL OF THE  
CITY OF HARKER HEIGHTS, TEXAS**

Notice is hereby given that, beginning at 5:00 p.m. on Tuesday, October 4, 2022, and continuing from day to day thereafter if necessary, the City Council of the City of Harker Heights, Texas, will hold a special meeting in the Kitty Young Council Chamber at 305 Miller's Crossing, Harker Heights, Texas 76548. The subjects to be discussed are listed in the following agenda:

**MEETING AGENDA**

**I. ROLL CALL:**

**II. PRESENTATIONS BY CITIZENS:**

Citizens who desire to address the Council on any matter may do so during this item. Please understand that while the Council appreciates hearing your comments, State law (Texas Gov't Code §551.042) prohibits them from: (1) engaging in discussion other than providing a statement of specific factual information or reciting existing City policy, and (2) taking action other than directing Staff to place the matter on a future agenda. Please state your name and address for the record and limit your comments to three minutes.

**III. PUBLIC HEARINGS:**

1. Conduct a public hearing to discuss and consider establishing a public hearing date to discuss and consider approving the adoption of an ordinance amending Title V of the City's code of ordinances; establishing Chapter 55 "Impact Fees"; adopting, imposing, and establishing wastewater impact fees up to the maximum assessable impact fee of up to \$6,133 per service unit on new developments in the impact fee service area; adopting wastewater impact fee calculations for wastewater facilities for the 2022 wastewater impact fee area; adopting assessment and collection rates for wastewater impact fees; providing a cumulative clause, providing a severability clause; establishing a penalty and specifically negating a requirement of a culpable mental state; establishing a penalty for violations; and providing and establishing an effective date; and take the appropriate action. (Planning and Development Director)

[Staff Report - Pdf](#)

**IV. ADJOURNMENT:**

I hereby certify that the above notice of meeting was posted on the bulletin board of City Hall, City of Harker Heights, Texas, a place readily accessible to the general public at all times, on the 30th of September 2022, by 4:00 p.m., and remained posted for at least 72 continuous hours preceding the scheduled time of said meeting.

Ursula Paddie  
Assistant City Secretary

*This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's office at 254-953-5600, or FAX 254-953-5614, or email [jhelsham@harkerheights.gov](mailto:jhelsham@harkerheights.gov) for further information.*

*Pursuant to Chapter 551 of the Government Code the City Council reserves the right to go into Closed Meeting on any item listed above if deemed necessary.*

*Note: On occasion the City Council may consider agenda items out of order.*



## City Council Memorandum

**FROM:** The Office of the City Manager

**DATE:** October 04, 2022

**CONDUCT A PUBLIC HEARING TO DISCUSS AND CONSIDER ESTABLISHING A PUBLIC HEARING DATE TO DISCUSS AND CONSIDER APPROVING THE ADOPTION OF AN ORDINANCE AMENDING TITLE V OF THE CITY'S CODE OF ORDINANCES; ESTABLISHING CHAPTER 55 "IMPACT FEES"; ADOPTING, IMPOSING, AND ESTABLISHING WASTEWATER IMPACT FEES UP TO THE MAXIMUM ASSESSABLE IMPACT FEE OF UP TO \$6,133 PER SERVICE UNIT ON NEW DEVELOPMENTS IN THE IMPACT FEE SERVICE AREA; ADOPTING WASTEWATER IMPACT FEE CALCULATIONS FOR WASTEWATER FACILITIES FOR THE 2022 WASTEWATER IMPACT FEE AREA; ADOPTING ASSESSMENT AND COLLECTION RATES FOR WASTEWATER IMPACT FEES; PROVIDING A CUMULATIVE CLAUSE, PROVIDING A SEVERABILITY CLAUSE; ESTABLISHING A PENALTY AND SPECIFICALLY NEGATING A REQUIREMENT OF A CULPABLE MENTAL STATE; ESTABLISHING A PENALTY FOR VIOLATIONS; AND PROVIDING AND ESTABLISHING AN EFFECTIVE DATE; AND TAKE THE APPROPRIATE ACTION. (PLANNING AND DEVELOPMENT DIRECTOR)**

### **EXPLANATION:**

The City Council adopted the 2021 Land Use Plan on October 26, 2021, with only a few modifications since that time. On September 14, 2021, the City Council set October 26, 2021, and November 9, 2021, as public hearing dates for the adoption of the land use assumptions and the capital improvements plan for the proposed impact fee area. Public notice for these public hearings were posted in the newspaper on September 26, 2021, and October 3, 2021, respectively. The City Council then adopted the land use assumptions and the capital improvements plan for the proposed impact fee area on November 9, 2021. Both of these documents have been available for public viewing on the City's website and at City Hall since August 8, 2021.

The City's consultant, Ms. Jessica Vassar with Freese and Nichols, has evaluated the 2021 Land Use Plan, current development activity, and existing land uses, the adopted land use assumptions, and the adopted capital improvements plan for the proposed impact fee area all with respect to their contribution to developing a wastewater impact fee.

On January 18, 2022, the City Council set February 22, 2022, and March 8, 2022, as public hearing dates consider Impact Fee Calculations and Impact Fees for the 2022 Wastewater Impact Fee area. Public notice for these public hearings were posted in the newspaper on January 23, 2022, and February 6, 2022, respectively. The City Council then approved the Impact Fee Calculations and Impact Fees for the 2022 Wastewater Impact Fee area at the maximum assessable impact fee of \$6,133 per service unit on March 8, 2022. The supporting Impact Fee report dated January 10, 2022, has been available for public viewing at City Hall and on the City's website in the Council's January 18, 2022, Agenda Packet since January 14, 2022.

**RECOMMENDATION:**

Staff recommended approval to the Capital Improvement Advisory Committee (CIAC) of the impact fee relating to possible adoption of impact fees for the 2022 Wastewater Impact Fee area, as presented by Ms. Vassar. Texas Local Government Code (LGC) Section 395.042, requires municipalities to hold a public hearing on impact fee calculations prior to adoption by the City Council. Staff recommends that the City Council establish a public hearing date for the November 15, 2022, City Council Meeting. This date will meet the LGC Sections 395.043 and 395.044 required timelines for public information availability and public notices.

**Action By Capital Improvement Advisory Committee:**

According to Chapter 395 of the Texas Local Government Code, Capital Improvement Advisory Committee (CIAC) serves as the advisory committee for the 2022 Wastewater Impact Fee study. On January 12, 2022, and August 31, 2022, the CIAC voted 8-0 to recommend the following based on staff's recommendation and findings:

- Approval of the Land Use Assumptions and growth forecasts over the ten-year planning period 2022-2032,
- Approval of the impact fee Wastewater Capital Improvements Plans as presented in the Land Use Assumptions and Capital Improvements Plan submitted September 2021, and approved in Public Hearings with the City Council on October 26 and November 9, 2021,
- Approval of the Calculated Cost per Service Unit for, and
- Approval of the collection rate per service unit between a minimum of \$0 and a maximum of \$6,133.

The written recommendations of the CIAC were provided to the City Secretary on January 13, 2022, and September 20, 2022, respectively.

**ACTION BY THE COUNCIL:**

1. Motion to establish the November 15, 2022, City Council meeting as the public hearing date to discuss and consider approving the adoption of an ordinance amending Title V of the City's Code of Ordinances; establishing Chapter 55 "Impact Fees"; adopting, imposing, and establishing wastewater impact fees up to the maximum assessable impact fee of up to \$6,133 per service unit on new developments in the impact fee service area; adopting wastewater impact fee calculations for wastewater facilities for the 2022 Wastewater Impact Fee area; adopting assessment and collection rates for wastewater impact fees; providing a cumulative clause, providing a severability clause; establishing a penalty and specifically negating a requirement of a culpable mental state; establishing a penalty for violations; and providing and establishing an effective date.
2. Any other action deemed necessary.

**ATTACHMENTS:**

[CIAC-22-01\\_ImpactFee-Ordinance-Proposed100422](#)

[CIAC-22-01\\_ExhibitA-LandUse](#)

[CIAC-22-01\\_ExhibitB-ServiceArea](#)

[CIAC-22-01\\_ExhibitC-Tables](#)

[CIAC-22-01\\_ExhibitD-ImpactFeeStudyReport](#)



[CIAC-22-01 01-Recommendation-083122](#)

[CIAC-22-01 01-Recommendation-011222](#)

**ORDINANCE NO. 2022-\_\_\_\_\_**

**AN ORDINANCE OF THE CITY OF HARKER HEIGHTS, TEXAS AMENDING TITLE V OF THE CITY’S CODE OF ORDINANCES; ESTABLISHING CHAPTER 55 “IMPACT FEES”; ADOPTING, IMPOSING, AND ESTABLISHING WASTEWATER IMPACT FEES UP TO THE MAXIMUM ASSESSABLE IMPACT FEE OF UP TO \$6,133 PER SERVICE UNIT ON NEW DEVELOPMENTS IN THE IMPACT FEE SERVICE AREA; ADOPTING WASTEWATER IMPACT FEE CALCULATIONS FOR WASTEWATER FACILITIES FOR THE 2022 WASTEWATER IMPACT FEE AREA; ADOPTING ASSESSMENT AND COLLECTION RATES FOR WASTEWATER IMPACT FEES; PROVIDING A CUMULATIVE CLAUSE, PROVIDING A SEVERABILITY CLAUSE; ESTABLISHING A PENALTY AND SPECIFICALLY NEGATING A REQUIREMENT OF A CULPABLE MENTAL STATE; ESTABLISHING A PENALTY FOR VIOLATIONS; AND PROVIDING AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, Chapter 395 of the Texas Local Government Code (LGC) authorizes municipalities to enact or impose impact fees on land within the city limits in accordance with Chapter 395; and

**WHEREAS**, the City of Harker Heights is responsible for and committed to the provision of public facilities to ensure the provision of adequate facilities in the future; and

**WHEREAS**, new development causes and imposes increased demands for City public wastewater facilities (“public infrastructure”); and

**WHEREAS**, Texas Local Government Code, Chapter 395, authorizes Cities to adopt and amend impacts for the purpose of financing capital improvements for public infrastructure required by new development; and

**WHEREAS**, to the extent new development places demands upon public infrastructure, those demands should be satisfied by sharing the responsibility for financing these facilities from the public at large to the developments creating the demands; and

**WHEREAS**, the City Council, after careful consideration of the matter, hereby finds and declares that wastewater impact fees imposed upon development to finance specific public infrastructure projects that are needed to meet the demands of the development are in the best interests of the general welfare of the City and its residents, are proportionate, and do not impose an unfair burden on such development; and

**WHEREAS**, the amount of the wastewater impact fees imposed on new development shall be determined by the cost of the additional public infrastructure needed to support such new development as identified in capital improvements plans; and

**WHEREAS**, the Capital Improvements Advisory Committee has filed written comments regarding the proposed wastewater impact fees with the City Council; and

**WHEREAS**, on September 14, 2021, the City Council approved an order establishing two public hearing dates to consider adoption of land use assumptions and the capital improvements plan for the potential imposition of impact fees for wastewater facilities and directed the City Secretary to publish notice of said Public Hearings; and

**WHEREAS**, after publishing public notices in the newspaper on September 26, 2021 and October 3, 2021, the City Council held a public hearing on October 26, 2021 and November 9 2021 to solicit comments from citizens and other interested parties concerning the adoption of land use assumptions and the capital improvements plan for the potential imposition of impact fees for wastewater facilities; and

**WHEREAS**, on November 9, 2021, the City Council approved Ordinance No. 2021-39 adopting land use assumptions and the capital improvements plans for the potential imposition of impact fees for wastewater facilities; and

**WHEREAS**, on January 18, 2022, the City Council approved an order establishing two public hearing dates to consider adoption of impact fees for wastewater facilities and directed the City Secretary to publish notice of said public hearings; and

**WHEREAS**, on February 22, 2022, and March 8, 2022, the City Council held a public hearing to consider land use assumptions and wastewater capital improvements plans pursuant to which impact fees would be imposed; and

**WHEREAS**, on October 4, 2022, the City Council approved an order establishing a public hearing date to consider adoption of impact fees for wastewater facilities and directed the City Secretary to publish notice of said public hearings; and

**WHEREAS**, on November 15, 2022, the City Council held a public hearing to consider establishing and adopting of the Impact Fee Ordinance to include an assessment and collection rate of \$6,133 per service unit, and impact fee calculations; and

**WHEREAS**, the land use assumptions, wastewater capital improvements plans, and impact fee report were developed by qualified professionals using generally accepted engineering and planning practices in accordance with Chapter 395 of the Texas Local Government Code; and

**WHEREAS**, the report dated January 10, 2022, prepared by Freese and Nichols,

Inc., and entitled “Wastewater Impact Fee Study Report” sets forth reasonable methodologies and analyses for determining the impact of new development on public infrastructure and the costs for additional wastewater facilities in the City of Harker Heights, and are in accordance with the provisions of Chapter 395 of the Texas Local Government Code; and

**WHEREAS**, the City Council finds that the City has complied with Chapter 395 in the notice, adoption, promulgation, and methodology necessary to adopt impact fees;

**WHEREAS**, the meeting at which this Ordinance was passed was open to the public, and notice of the time, place and purpose of said meeting was given as required by law, all in strict accordance with the requirements of the Texas Open Meetings Act;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HARKER HEIGHTS, TEXAS AS FOLLOWS:**

**Section 1.** All the above whereas clauses and the premises stated in them are hereby found to be true and correct legislative and factual findings of the City Council and are hereby approved and incorporated into the body of this ordinance as if copied in their entirety.

**Section 2.** In accordance with Chapter 395 of the Texas Local Government Code, the City Council has employed qualified professionals to prepare land use assumptions and capital improvements plans for the imposition of wastewater impact fees. These land use assumptions and capital improvements plans were approved after a public hearing in accordance with Chapter 395 of the Texas Local Government Code.

**Section 3.** The report entitled “Wastewater Impact Fee Study Report”, dated January 10, 2022, which is attached to this Ordinance as Exhibit “D”, is hereby adopted and incorporated into this Ordinance. To the extent of any conflict between Exhibit “D” and prior versions of the report, Exhibit “D” shall control. To the extent of any conflict between Exhibit “D” and this Ordinance, Exhibit “D” shall control.

**Section 4.** The provisions in this Ordinance apply to all new development within the impact fee service area of the City.

**Section 5.** Chapter 55 of the Code of Ordinances of the City of Harker Heights, Texas, is hereby established which shall hereafter read as follows:

**CHAPTER 55: IMPACT FEES**

**GENERAL PROVISIONS**

§ 55.01 TITLE.

This chapter shall be known and may be cited as the Impact Fees Ordinance or the Impact Fees Code of the City of Harker Heights.

§ 55.02 STATEMENT OF PURPOSE.

This chapter is intended to ensure the provision of adequate public facilities to serve new development in the city by requiring each development to pay its proportional share of the costs of such improvements necessitated by and attributable to such new development as related to wastewater capital improvements.

§ 55.03 AUTHORITY.

This chapter is adopted pursuant to Tex. Loc. Gov't Code, Ch. 395. The provisions of this chapter shall not be construed to limit the powers of the city to utilize other methods authorized under state law, or pursuant to other city powers to accomplish the purposes set forth herein, either in substitution or in conjunction with this chapter.

§ 55.04 DEFINITIONS.

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

**AREA-RELATED FACILITY.** A capital improvement or facility expansion which is designated in the Impact Fee Capital Improvements Plan and which is not a site-related facility. AREA-RELATED FACILITY may include a capital improvement, which is located offsite, within, or on the perimeter of the development site.

**ASSESSMENT.** The determination of the amount of the maximum credited impact fee per service unit that can be imposed on new development pursuant to this chapter.

**CAPITAL IMPROVEMENT.** Any wastewater facilities that have a life expectancy of three or more years and are owned and operated by or on behalf of the city.

**CAPITAL IMPROVEMENTS PLAN.** A plan approved by the City Council that identifies capital improvements or facility expansions for which impact fees may be assessed.

**CHANGE OF USE.** A new development involving a change in use or occupancy of any existing structure, with the exception of shell structures never previously occupied, that has the effect of increasing the number of service units beyond those attributable to the immediately preceding use, which requires the issuance of a new permit and which may include, but is not limited to, the reconstruction, redevelopment, conversion, structural alteration or enlargement of any structure.

**CITY.** The City of Harker Heights, Texas.

**CITY COUNCIL.** The City Council of the City of Harker Heights, Texas.

**CITY MANAGER.** The City Manager of the City of Harker Heights, Texas, or his or her designee.

**DIRECTOR.** The Public Works Director or the Director's designee.

**EFFECTIVE DATE.** November 15, 2022.

**EXTRATERRITORIAL JURISDICTION (ETJ).** The extraterritorial range of the city's authority outside corporate limits of the city.

**FACILITY EXPANSION.** The expansion of the capacity of any existing facility for the purpose of serving new development. The term does not include the repair, maintenance, modernization, or expansion of an existing facility to serve existing development.

**FINAL PLAT.** The map of a subdivision (and any required accompanying material per § 154.22 and § 154.26) which is presented to the city's Planning and Zoning Commission, the City Council or authorized city staff for approval, and which, if approved, is recorded in the official public records of Bell County, Texas.

**IMPACT FEE CAPITAL IMPROVEMENTS PLAN.** The adopted plan for public infrastructure within the impact fee service area, as may be amended from time to time, which identifies the facilities and their associated costs which are necessitated by and which are attributable to new development, for a period not to exceed ten years, and which are to be financed in whole or in part through the imposition impact fees pursuant to this chapter.

**LAND USE ASSUMPTIONS.** The projections of growth and associated changes in land uses, densities and intensities for a service area adopted by the city, as may be amended from time to time, upon which the Impact Fee Capital Improvements Plan for the service area is based.

**NEW DEVELOPMENT.** An activity involving the construction, reconstruction, redevelopment, conversion, structural alteration, relocation, or enlargement of any structure, or any use or extension of land, which has the effect of increasing demand, measured by an increase in the number of the service units utilizing the city's systems that are attributable to such activity, and which requires either the approval and filing of a plat, or a re-plat pursuant to the city's subdivision regulations, or the issuance of a building permit, or a utility connection.

**OWNER.** An owner of real property who is subject to this chapter, or an agent, employee or representative thereof who is authorized to act on the real property owner's behalf or a person who has paid an impact fee under this chapter.

**PRELIMINARY PLAT.** The map of the proposed layout of a subdivision (and any required accompanying material per § 154.21) which is presented to the Planning and Zoning Commission and City Council and is approved by the City Council.

**SCHOOL DISTRICT.** A public or private institution for the teaching of students.

**SERVICE AREA.** A geographic area within the city or within the city's extraterritorial jurisdiction within which impact fees may be collected for new development occurring within such area. For purposes of this chapter, the area within in the portion of the city as illustrated and annotated in Exhibit A.

**SERVICE UNIT.** 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, for a particular category of capital improvements or facility expansions.

**SERVICE UNIT EQUIVALENT ("SUE's").** An equivalency factor, based on the demand associated with the smallest water meter used in the City of Harker Heights, Texas utility systems. SUE's are utilized to establish the number of service units to be allocated to various meter sizes used in the City of Harker Heights, Texas.

**SITE-RELATED FACILITY.** An improvement or facility which is for the primary use or benefit of a new development and/or which is there for the primary purpose of safe and adequate provision of facilities to serve the new development and which is not included in



the Impact Fee Capital Improvements Plan and for which the developer or owner is solely responsible under subdivision and other applicable regulations.

STUDY. Collectively, the impact fee report prepared by a registered professional engineer licensed in the State of Texas that is on file in the office of the City Secretary.

SYSTEM-RELATED FACILITY. A capital improvement or facility expansion which is designated in the capital improvements plan and which is not a site-related facility. This term may include a capital improvement which is located off-site or within or on the perimeter of the development site.

UTILITY CONNECTION. Connection of an individual meter to the city's system, or an increase in the size of an existing meter.

WASTEWATER FACILITY. A wastewater interceptor or main, lift station or other facility or improvement used for providing wastewater collection and/or treatment included within the city's wastewater system. This term includes land, easements or structures associated with such facilities. This term excludes a site-related facility.

§ 55.05 EXHIBITS.

(A) Land Use Assumptions Map (Exhibit A).

(B) Impact Fee Service Area Map (Exhibit B).

(C) Impact Fee Tables (Exhibit C).

(D) Wastewater Impact Fee Study Report dated January 10, 2022 is attached for reference as Exhibit D to this ordinance. Exhibit D is available for inspection on the city's website or in the city offices during regular business hours.

§ 55.06 CONFLICTING ORDINANCES.

All ordinances or parts of ordinances that are in force when the provisions of this chapter become effective, which are inconsistent or in conflict with the terms or provisions contained in this chapter, are hereby repealed to the extent of the conflict.

IMPACT FEES

§ 55.20 IMPACT FEE AS CONDITION OF DEVELOPMENT APPROVAL.

No new development shall be connected to the city's wastewater system within the service area without the assessment of an impact fee pursuant to this chapter, and no building permit or request for service shall be issued until the applicant has paid the impact fee imposed herein, except for those entities that are expressly exempt from impact fees as set forth in Tex. Loc. Gov't Code, Ch. 395.

§ 55.21 LAND USE ASSUMPTIONS.

(A) Said land use assumptions for the service area are depicted in Exhibit A, which is attached to this chapter and incorporated by reference herein as § 55.05(A).

(B) Exhibit A shall be updated at least every five years utilizing the amendment procedure set forth in Tex. Loc. Gov't Code, Ch. 395.

(C) Amendments to the land use assumptions shall incorporate projections of changes in land uses, densities, intensities, and population for the service area over at least a ten-year period.

§ 55.22 WASTEWATER IMPACT FEE SERVICE AREA.

(A) There is hereby established one wastewater impact fee service area the boundaries of which are depicted in Exhibit B, which is attached to this chapter and incorporated by reference herein as § 55.05(B).

(B) Exhibit B may be amended from time to time utilizing the amendment procedure set forth in Tex. Loc. Gov't Code, Ch. 395.

**§ 55.23 DETERMINATION OF SERVICE UNITS.**

(A) The service unit shall constitute the basis for establishing equivalency within various customer classes based upon the relationship of the continuous duty maximum flow rate in gallons per minute for a water meter of a given size and type compared to the continuous duty maximum flow rate in gallons per minute for a 3/4-inch diameter simple water meter.

(B) The number of service units for impact fees shall be determined by using land use and service unit equivalencies tables, which convert the demands generated by typical land uses to SUE. Said tables are included within Exhibit C of this chapter and are incorporated by reference herein as § 55.05(C).

(C) Exhibit C shall be updated at least every five years utilizing the amendment procedure set forth in Tex. Loc. Gov't Code, Ch. 395.

**§ 55.24 IMPACT FEES PER SERVICE UNIT.**

(A) Maximum impact fees per service unit for each service area shall be established by category of capital improvements. The maximum impact fee per service unit for each service area for each category of capital improvement shall be computed in the following manner:

(1) For each category of capital improvements, calculate the total projected costs of capital improvements necessitated by and attributable to new development in the service area identified in the Impact Fee Capital Improvements Plan;

(2) From such amount, subtract a credit in the amount of that portion of utility service revenues, if any, including the payment of debt, to be generated by new service units during the period the capital improvements plan is in effect, including the payment of debt, associated with the capital improvements in the plan; and

(3) Divide the resultant amount by the total number of service units anticipated within the service area, based upon the land use assumptions for that service area.

(B) The maximum impact fee per service unit by service area shall be as set forth in Exhibit C. Exhibit C shall be used to assess impact fees.

(C) The impact fee to be paid per service unit by each new development within a service area shall be as set forth in Exhibit C and shall be an amount less than or equal to the assessed impact fee.

**§ 55.25 COMPUTATION OF IMPACT FEES.**

(A) Following the filing and acceptance of a written application for building permit or utility connection, the city shall compute the impact fee due in the following manner:

(1) The number of service units shall be determined by using the service unit/SUE tables in Exhibit C to calculate impact fees as applicable.

(2) Service units shall then be multiplied by the applicable impact fees as depicted in Exhibit C.

(3) The amount of each impact fee shall be reduced by any allowable offsets or credits for that category of capital improvements, in the manner provided in § 55.41.

(B) The amount of impact fees due for new development shall not exceed the amount computed by multiplying the assessed fee for service units generated by the development as by the applicable impact fee(s) in Exhibit C. The amount of impact fee due for redevelopment shall not exceed the amount computed by multiplying the appropriate fees for services by the net increase in service units generated by the redevelopment.

(C) The developer may submit, or the Director may require the submission of, a study prepared by a professional engineer licensed in the State of Texas that clearly indicates the number of service units which will be consumed or generated by the new development. The Director will review the information for completeness and conformity with generally accepted engineering practices and will, when satisfied with the completeness and conformity of the study, multiply the number of service units determined by the study by the impact fee per service unit contained in Exhibit C to determine the total impact fee to be collected for the development.

(D) Whenever the owner increases the number of service units for a development, the additional impact fees collected for such new service units shall be determined based on Exhibit C then in effect and shall be collected at issuance of building permits or, as applicable, when water meters are purchased.

(E) In the event the owner decreases the number of service units for a development, the owner shall be entitled to a refund of the impact fee or impact fees actually paid, but only for the amounts represented by the decrease in service units based on the assessed fees applicable at the time the fees were paid.

(F) If the building permit for the property on which an impact fee is paid has expired and a new application for a building permit is thereafter filed for the identical property and the identical number of service units, the impact fee previously paid satisfies the requirements of this chapter, unless the earlier impact fee was refunded to the applicant at the expiration of the previously-issued building permit, or is otherwise refunded.

(G) The impact fee shall attach to the property for which the impact fee was paid and shall not be transferable to other properties or service units.

(H) No building permit or utility connection shall be issued if the applicant cannot verify payment to the city of the appropriate impact fees and other applicable fees, or if existing facilities do not have actual capacity to provide service to the new connection(s), except for those entities that are exempted from impact fees as are specifically set forth in Tex. Loc. Gov't Code, Ch. 395.

(I) All matters pertaining to the enforcement, assessment, computation, or collection of impact fees provided for herein shall be determined by the Director.

#### § 55.26 ASSESSMENT OF IMPACT FEES.

(A) Assessment of impact fees for any new development in all of the service area as illustrated in Exhibit B shall be made as follows:

(1) For land which is unplatted at the time of application for a building permit or utility connection, or for a new development which received final plat approval prior the effective date of this chapter, and for which no re-platting is necessary pursuant to the city's subdivision regulations prior to development, assessment of impact fees shall occur at the time application is made for the building permit or utility connection, whichever first

occurs, and shall be the amount of the assessed impact fee per service unit in effect, as set forth in Exhibit C.

(2) For a new development which is submitted for approval pursuant to the city's subdivision regulations on or after the effective date of this chapter, or for which re-platting results in an increase in the number of service units after such date, assessment of impact fees shall be at the time of final plat recordation and shall be the amount of the assessed impact fee per service unit in effect as set forth in Exhibit C.

(B) Following assessment of impact fees pursuant to division (A), the amount of impact fee assessment per service unit for that development cannot be increased, unless the owner proposes to change the approved development by the submission of a new application for final plat approval or other development application that results in approval of additional service units, in which case a new assessment shall occur at the Exhibit C rate then in effect for such additional service units.

(C) Following the vacating of any plat or approval of any re-plat, a new assessment must be made in accordance with division (A)(2).

(D) An application for an amending plat made pursuant to Tex. Loc. Gov't Code § 212.016 and § 154.26 of this municipal code, for which no new development is proposed and for which there is not an increase in the number of service units, is not subject to reassessment for an impact fee.

**COLLECTION; ACCOUNTS; ADMINISTRATION**  
**§ 55.40 COLLECTION OF IMPACT FEES.**

(A) Except as otherwise provided in this chapter, the impact fee for the new development shall be collected at the time the city issues a building permit, or if a building permit is not required, at the time an application is filed for a new connection, to the city's wastewater system or for an increase in water meter size.

(B) Except as otherwise provided by contracts with political subdivisions, developer's contracts, or wholesale customers, no building permit shall be issued until all impact fees due and owing have been paid to the city.

(C) The city may enter into an agreement for capital improvements with an owner pursuant to § 55.46 that establishes a different time and manner of payment.

(D) In the event that an owner agrees to construct or finance capital improvements in the capital improvements plan pursuant to § 55.46, the costs of which are to be reimbursed to the owner from impact fees paid from other new developments that will use such facilities, the city may collect impact fees from such other new developments at the time a final plat is recorded for such development or phase of development.

**§ 55.41 OFFSETS AND CREDITS.**

(A) The city shall offset the reasonable value of any area-related facilities, identified in the Impact Fee Capital Improvements Plan and constructed pursuant to an agreement with the city, except as otherwise provided therein, which are dedicated to and received by the city on or after the effective date of this chapter, against the amount of the impact fee due for that category of capital improvement. No offsets or credits shall be provided for required over-sizing of water and wastewater lines or lift stations not identified in the capital improvements plan or for pro-rata payments to repay other developers for such over-sizing.

(B) The city shall credit any new development that occurs after the effective date of this chapter, any amount of capital recovery fees which have been collected by the city pursuant to duly adopted ordinances and any impact fees collected by the city pursuant to this chapter.

(C) All offsets and credits against impact fees shall be subject to the following limitations and shall be granted based on this chapter and additional standards promulgated by the city, which may be adopted as administrative guidelines.

(1) No offset or credit shall be given for the dedication or construction of site-related facilities.

(2) No offset or credit shall exceed the impact fee to be collected from new development as established in § 55.25.

(3) The unit costs used to calculate the offsets shall not exceed those assumed for the capital improvements included in the Impact Fee Capital Improvements Plan for the category of facility within the service area for which the impact fee is imposed.

(4) If an offset or credit applicable to a plat has not been exhausted within ten years from the date of the acquisition of the first building permit issued or connection made after the effective date of this chapter or within such period as may be otherwise designated by agreement for capital improvements pursuant to § 55.46, such offset or credit shall lapse.

(5) In no event will the city reimburse the owner or developer for an offset or credit when no impact fees for the new development can be collected pursuant to this chapter or for any amount exceeding the total impact fees collected or due for the development for that category of capital improvement, unless otherwise agreed to by the city.

(6) The city may participate in the costs of an area-related improvement to be dedicated to the city, including costs that exceed the amount of the impact fees due for the development under Exhibit C for that category of capital improvements, in accordance with policies and rules established under the city's subdivision regulations and when incorporated into an agreement for capital improvements pursuant to § 55.46. The amount of any offset shall not include the amount of the city's participation.

(D) Unless an agreement for capital improvements is executed providing for a different manner of offsetting or crediting impact fees due pursuant to § 55.46, an offset or credit associated with a plat shall be applied to reduce an impact fee at the time of application for the first building permit or at the time of application for the first utility connection for the property, in the case of land located within the city's extraterritorial jurisdiction, and, thereafter, to reduce impact fees subsequently to be collected, until the offset or credit is exhausted.

#### § 55.42 ESTABLISHMENT OF ACCOUNTS.

(A) The city's Finance Department shall establish separate interest-bearing accounts clearly identifying the category of capital improvement (i.e. wastewater facility).

(B) Interest earned by each account shall be credited to the account on which it is earned and shall be used solely for the purposes specified for impact fees as authorized herein.

(C) The city's Finance Department shall establish adequate financial and accounting controls to ensure that impact fees disbursed from the account are utilized solely for the purposes authorized in this chapter. Disbursement of funds shall be authorized by the city at such times as are reasonably necessary to carry out the purposes and intent of this

chapter; provided, however, that any fee paid shall be expended within a reasonable period of time, but not to exceed ten years from the date the fee is deposited into the account.

(D) The city's Department of Finance shall maintain and keep adequate financial records for each such account, which shall show the source and disbursement of all revenues, which shall account for all monies received, the number of service units for which the monies are received, and which shall ensure that the disbursement of funds from each account shall be used solely and exclusively for the provision of projects specified in the Impact Fee Capital Improvements Plan as area-related capital projects.

(E) The city's Department of Finance shall also maintain such records as are necessary to ensure that refunds are appropriately made in accordance with this chapter.

(F) The records of the account into which impact fees are deposited shall be open for public inspection and copying during ordinary city business hours. The cost for copies is as annually adopted in the city's fee schedule.

#### § 55.43 USE OF PROCEEDS OF IMPACT FEE ACCOUNTS.

(A) The impact fee collected pursuant to this chapter may be used to finance or to recoup capital construction costs for public infrastructure identified in the adopted Impact Fee Capital Improvements Plan and for any purpose authorized in Tex. Loc. Gov't Code, Ch. 395, as amended. Impact fees may also be used to pay the principal sum and interest and other finance costs on bonds, notes or other obligations issued by or on behalf of the city to finance such capital improvements or facility expansions.

(B) Impact fees collected pursuant to this chapter shall not be used to pay for any of the following expenses:

(1) Construction, acquisition, or expansion of capital improvements or assets other than those identified in the Impact Fee Capital Improvements Plan;

(2) Repair, operation, or maintenance of existing or new capital improvements or expansion of facilities;

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

(4) Upgrading, expanding, or replacing existing capital improvements to serve existing development; provided, however, that impact fees may be used to pay the costs of upgrading, expanding or replacing existing capital improvements in order to meet the need for new capital improvements generated by new development; or

(5) Administrative and operating costs of the city.

#### § 55.44 APPEALS.

(A) The owner or applicant for new development may appeal the Director's decisions and determinations first to the City Manager and then to the City Council: (a) the applicability of an impact fee to the new development; (b) the method of calculating the amount of the impact fee due; (c) the availability or the amount of an offset, credit or rebate; (d) the application of an offset or credit against an impact fee due; or (e) the amount of a refund due, if any.

(B) The written notice to the City Secretary requesting an appeal shall contain the following information:

(1) The name of the owner and/or applicant of the appeal; and



- (2) The business address and telephone number of the owner and/or applicant; and
- (3) The specific decision or determination of the Director which owner and/or applicant are aggrieved by, and the date of issuance thereof; and
- (4) State specifically the grounds regarding owner's and/or applicant's application for appeal; and
- (5) State specifically what amount of money that you believe is owed to the city, as well as the basis thereof; and
- (6) The name and address of any legal counsel representing the owner or applicant who will appear before the City Manager/City Council; and
- (7) The signature of the owner and/or applicant regarding the appeal.

(C) The burden of proof shall be on the owner and/or applicant to demonstrate that the amount of the fee or the amount of the offset, credit or rebate was not calculated according to the provisions of this chapter. Upon submission of the case and posting of the appropriate public notification, a hearing on the case shall be held. The owner and/or applicant must be present and shall be given an opportunity to present their case.

(1) (a) The owner/applicant shall file a notice of appeal with the City Secretary of the City of Harker Heights, Texas in writing, of its desire to appeal the Director's decision or determination to the City Manager, no later than ten days following the date of the Director's decision or determination. This notice shall be untimely if it is received by the City Secretary more than ten days following the date of the Director's decision and determination.

(b) The City Manager shall provide for a hearing on the appeal. The owner and/or applicant may appear in person or by counsel, at the time and place named in the notice of setting, and may make a defense to the action. If the appellant fails or refuses to appear, the City Manager may proceed to hear and determine the appeal. When the City Manager has completed the hearing and made a decision, one copy of the decision shall be filed with the Director, and one copy shall be forwarded to the owner/applicant by certified mail.

(2) (a) The owner/applicant shall file a notice of appeal with the City Secretary of the City of Harker Heights, Texas in writing, of its desire to appeal the City Manager's decision or determination to the City Council, no later than ten days following the date of the City Manager's decision or determination. This notice shall be untimely if it is received by the City Secretary more than ten days following the date of the City Manager's decision and determination.

(b) The City Council shall provide for a public hearing on the appeal. The owner and/or applicant may appear in person or by counsel, at the time and place named in the notice of setting, and may make a defense to the action. If the owner/applicant fails or refuses to appear, the City Council may proceed to hear and determine the appeal. When the City Council has completed the hearing and made a decision, one copy of the decision shall be filed with the Director, and one copy shall be forwarded to the owner/applicant by certified mail.

(D) If the notice of appeal is accompanied by a bond or other sufficient surety satisfactory to the City Attorney in an amount equal to the original determination of the impact fee due, the development application may be processed while the appeal of the impact fee is pending.

§ 55.45 UPDATE OF PLAN AND REVISION OF FEES.

(A) The city shall update its land use assumptions and capital improvements plans at least every five years, commencing approximately from the date of adoption of such plans, and shall recalculate the impact fees based thereon in accordance with the procedures set forth in Tex. Loc. Gov't Code, Ch. 395, or in any successor statute.

(B) The city may review its land use assumptions, impact fees, capital improvements plans and other factors such as market conditions more frequently than provided in division (A) above to determine whether the land use assumptions and capital improvements plans should be updated and the impact fee recalculated accordingly, or whether Exhibit C should be changed. Exhibit C may be amended without revising land use assumptions and capital improvements plans at any time prior to the update provided for in division (A), provided that the impact fees to be collected under Exhibit C do not exceed the maximum impact fees of Exhibit C.

(C) If at the time an update is required pursuant to division (A), the City Council determines that no change to the land use assumptions, capital improvements plans, or impact fees is needed it may dispense with such update by following the procedures in Tex. Loc. Gov't Code, § 395.0575.

(D) The city may amend by resolution the land uses and service unit equivalency tables in Exhibit A and Exhibit C respectively at any time prior to the update provided for in division (A), provided that the number of service units associated with a particular land use shall not be increased.

**§ 55.46 AGREEMENT FOR CAPITAL IMPROVEMENTS.**

An owner of a new development may construct or finance a capital improvement or facility expansion designated in the Impact Fee Capital Improvements Plan, if required or authorized by the city, by entering into an agreement with the city prior to the issuance of any building permit for the development. The agreement shall be on a form approved by the city and shall identify the estimated cost of the improvement or expansion, the schedule for initiation and completion of the improvement or expansion, a requirement that the improvement be designed and completed to city standards and such other terms and conditions as deemed necessary by the city. The agreement shall provide for the method to be used to determine the amount of the offset to be given against the impact fees due for the development or any reimbursement to the owner for construction of the facility.

**§ 55.47 USE OF OTHER FINANCING MECHANISMS.**

(A) In addition to the use of impact fees, the city may finance capital improvements or facilities expansions designated in the Impact Fee Capital Improvements Plan through the issuance of bonds, through the formation of public improvements districts or other assessment districts, or through any other authorized mechanism, in such manner and subject to such limitations as may be provided by law.

(B) Except as otherwise provided herein, the assessment and collection of an impact fee shall be additional and supplemental to, and not in substitution of, any other tax, fee, charge, or assessment which is lawfully imposed on and due against the property.

**§ 55.99 PENALTY.**

Any person who violates this chapter shall be guilty of a misdemeanor and, upon conviction thereof, shall be subject to a fine not exceeding \$2,000. Each and every day that

a violation of this chapter occurs shall constitute a separate offense. The culpable mental state required by Tex. Penal Code, Ch. 6.02, is specifically negated and dispensed with and a violation is a strict liability offense.

EXHIBIT A: LAND USE ASSUMPTIONS MAP

EXHIBIT B: IMPACT FEE SERVICE AREA MAP

EXHIBIT C: IMPACT FEE TABLES

**Section 6.** Impact Fees shall be assessed and collected in accordance with the provisions of Chapter 395 of the Texas Local Government Code, as amended. The City Manager, or the Manager's designee, is hereby authorized to develop procedures and policies for assessment and collection of impact fees consistent with applicable law and the City's ordinances and to implement said procedures and policies in the administration of the City's Impact Fee Program. Impact fees shall be collected at the time of issuance of the building permit or, for property outside the city limits, at the time an application for connection to the City's wastewater system is filed. On property that receives final plat approval before the effective date of this Ordinance, no impact fees shall be collected on any service unit for which a valid building permit is issued within one (1) year of the effective date of this Ordinance. If a building permit obtained within one (1) year of the effective date of this Ordinance subsequently expires, and no new application is made and approved within such period, the new development shall be subject to the payment of the impact fees adopted in this Ordinance.

**Section 7.** The maximum impact fee per service unit, as defined in Exhibit A and as may be amended from time to time, is hereby declared to be an appropriate measure of the impacts generated by a new development on the City's public infrastructure. To the extent that the impact fee charged against a new development, as may be amended from time to time, is less than the maximum impact fee per service unit, such difference is hereby declared to be founded on policies unrelated to the measurement of the impacts of the new development on the City's public infrastructure. The maximum impact shall therefore be used when evaluating any claim by a property owner that the dedication or construction of a capital improvement within a service area that is imposed as a condition of development pursuant to the City's subdivision or development regulations is disproportionate to the impacts created by the development on the City's public infrastructure.

**Section 8.** This ordinance shall not limit the City’s authority to impose other or additional impact fees authorized by Chapter 395 of the Texas Local Government Code or impose taxes, fees, charges, or assessments authorized by State law.

**Section 9.** This Ordinance shall be cumulative of all other Ordinances and shall not repeal any of the provisions of such Ordinances except for those instances where there are direct conflicts with the provisions of this Ordinance, Ordinances, or parts thereof, in force at the time this Ordinance shall take effect and that are inconsistent with this Ordinance are hereby repealed to the extent that they are inconsistent with this Ordinance.

**Section 10.** If any provision or any section of this ordinance shall be held to be void or unconstitutional, such holding shall in no way affect the validity of the remaining provisions or sections of this ordinance, which shall remain in full force and effect.

**Section 11.** Any person who violates this Ordinance shall be guilty of a misdemeanor and, upon conviction thereof, shall be subject to a fine not exceeding two thousand dollars (\$2,000.00). Each and every day that a violation of this Ordinance occurs shall constitute a separate offense. The culpable mental state required by Chapter 6.02, Texas Penal Code, is specifically negated and dispensed with and a violation is a strict liability offense.

**Section 12.** This ordinance shall be effective from and after its passage, and the City Secretary shall publish the caption or title of hereof within ten days as required by law.

**PASSED AND APPROVED** by the City Council of the City of Harker Heights on November 15, 2022.

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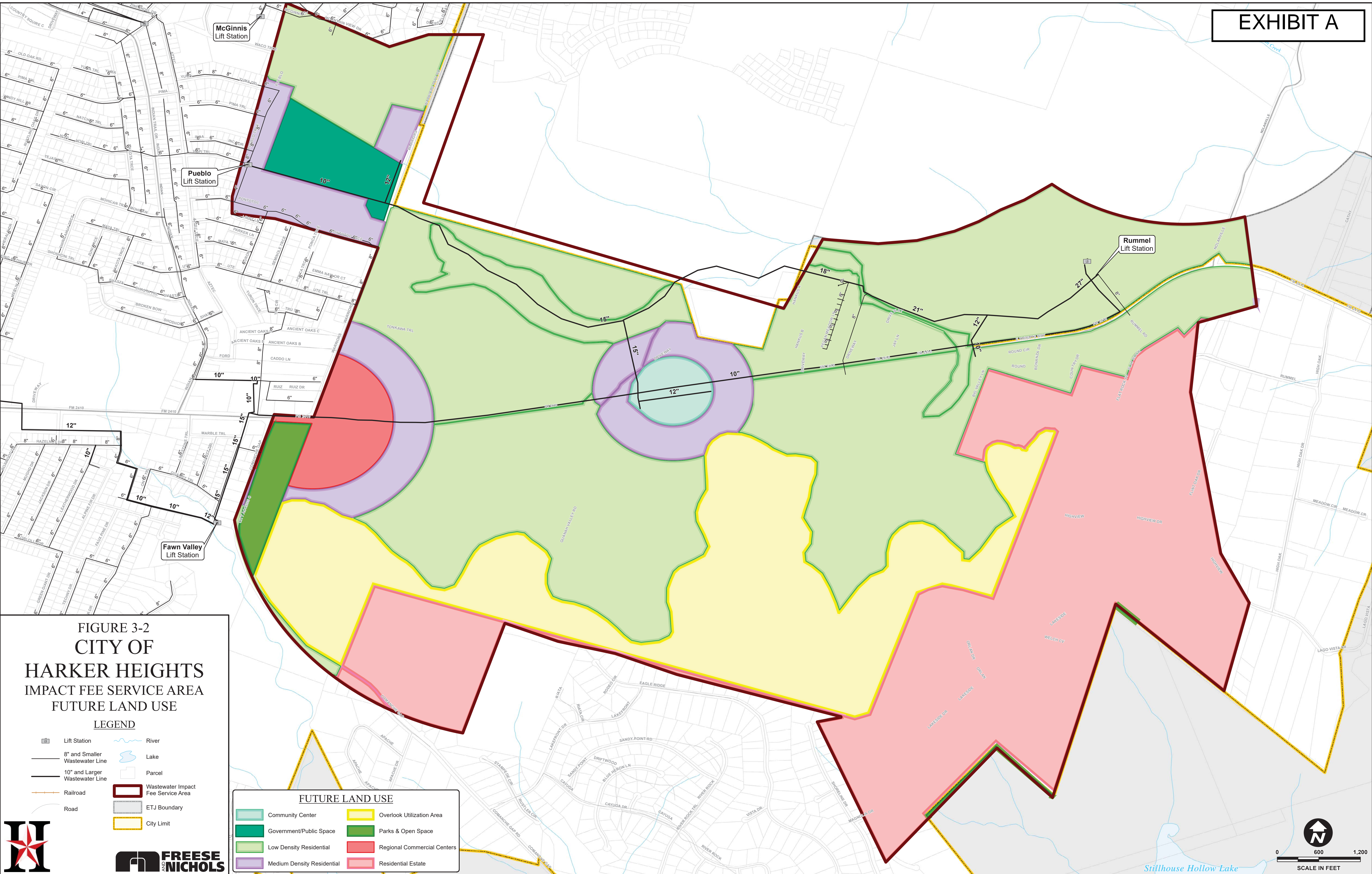
Spencer H. Smith, Mayor

ATTEST:

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Julie Helsham, City Secretary





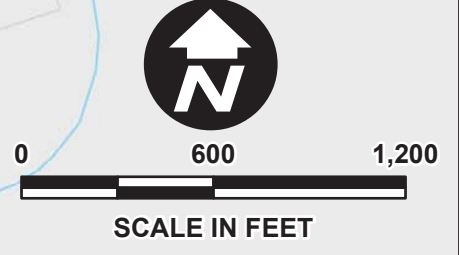
**FIGURE 3-2  
CITY OF  
HARKER HEIGHTS  
IMPACT FEE SERVICE AREA  
FUTURE LAND USE**

**LEGEND**

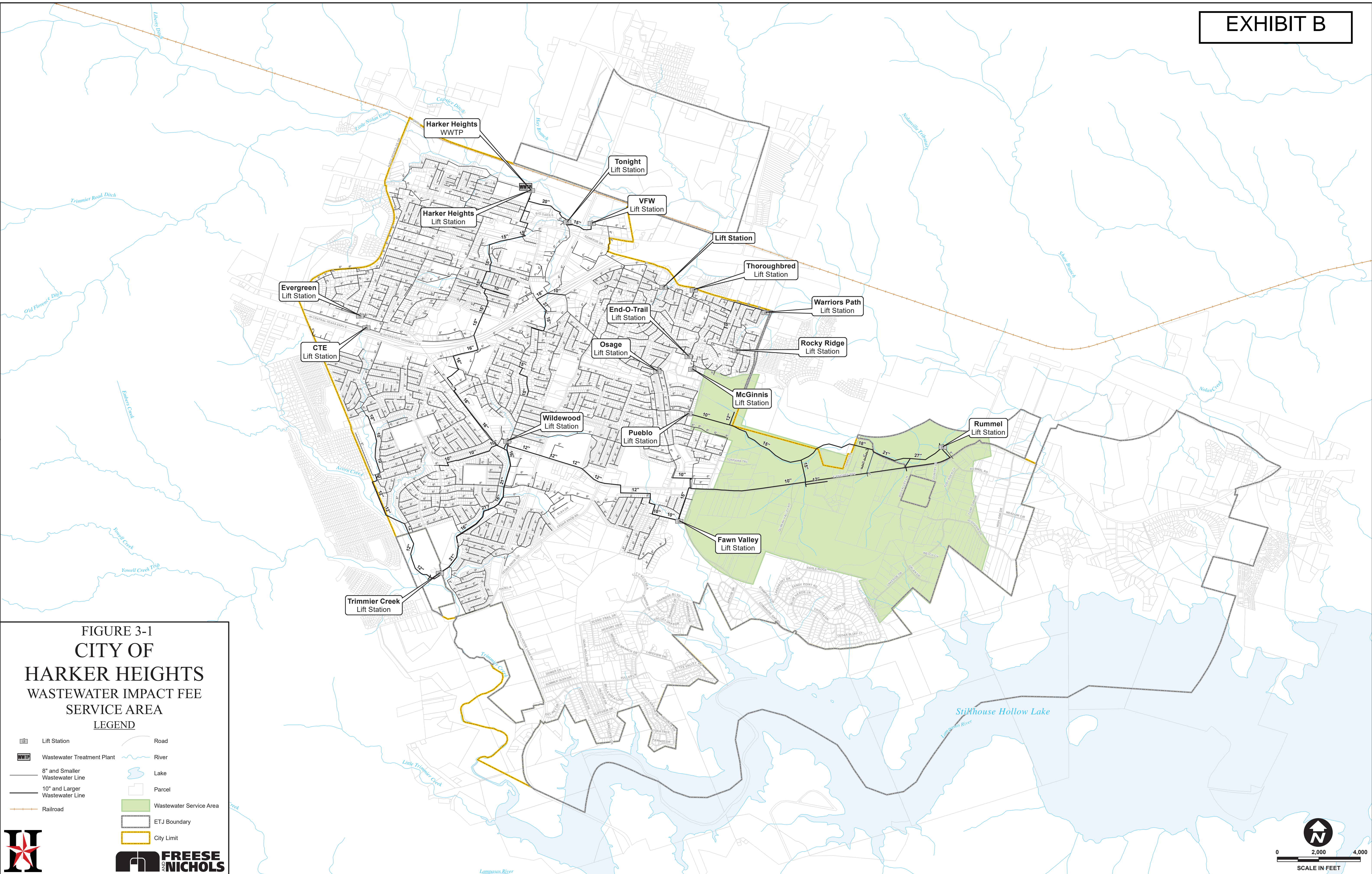
- Lift Station
- 8" and Smaller Wastewater Line
- 10" and Larger Wastewater Line
- Railroad
- Road
- River
- Lake
- Parcel
- Wastewater Impact Fee Service Area
- ETJ Boundary
- City Limit

**FUTURE LAND USE**

- Community Center
- Government/Public Space
- Low Density Residential
- Medium Density Residential
- Overlook Utilization Area
- Parks & Open Space
- Regional Commercial Centers
- Residential Estate







**FIGURE 3-1**  
**CITY OF**  
**HARKER HEIGHTS**  
**WASTEWATER IMPACT FEE**  
**SERVICE AREA**

**LEGEND**

|  |                                |  |                         |
|--|--------------------------------|--|-------------------------|
|  | Lift Station                   |  | Road                    |
|  | Wastewater Treatment Plant     |  | River                   |
|  | 8" and Smaller Wastewater Line |  | Lake                    |
|  | 10" and Larger Wastewater Line |  | Parcel                  |
|  | Railroad                       |  | Wastewater Service Area |
|  |                                |  | ETJ Boundary            |
|  |                                |  | City Limit              |



0 2,000 4,000  
 SCALE IN FEET



**EXHIBIT C**

**Table 1. Service Unit Equivalency Table (per water meter)**

| <b>Water Meter Size (inches)</b> | <b>Meter Type</b> | <b>Service Unit Equivalent Water and Wastewater</b> |
|----------------------------------|-------------------|---|
| 3/4"                             | Displacement      | 1.0   |
| 1"                               | Displacement      | 1.6   |
| 1 1/2"                           | Displacement      | 2.0   |
| 2"                               | Ultrasonic        | 4.0   |
| 3"                               | Compound          | 12.8  |
| 4"                               | Compound          | 20.0  |
| 6"                               | Compound          | 40.0  |
| 8"                               | Compound          | 64.0  |

**Table 2. Wastewater Impact Fees**

| <b>Service Area</b>          | <b>Maximum Impact Fee Per SUE</b> | <b>Assessed Impact Fee Per SUE</b> | <b>Impact Fee To Be Paid At Building Permit Per SUE</b> |
|------------------------------|-----------------------------------|------------------------------------|---|
| 2022 Impact Fee Service Area | \$6,133                           | \$6,133                            | \$6,133   |



Innovative approaches  
Practical results  
Outstanding service

# EXHIBIT D

## WASTEWATER IMPACT FEE STUDY REPORT

Prepared for:

**City of Harker Heights**

January 2022

Prepared by:

**FREESE AND NICHOLS, INC.**  
10431 Morado Circle, Suite 300  
Austin, Texas 78759  
512-617-3100



Innovative approaches  
Practical results  
Outstanding service

# WASTEWATER IMPACT FEE STUDY REPORT

Prepared for:

**City of Harker Heights**



1/10/2022

*Jessica B. Vassar*

FREESE AND NICHOLS, INC.  
TEXAS REGISTERED  
ENGINEERING FIRM  
F-2144

Prepared by:

**FREESE AND NICHOLS, INC.**  
10431 Morado Circle, Suite 300  
Austin, Texas 78759  
512-617-3100

FNI Project No.: HAK21373

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Appendix A: Cost Estimates



## 1.0 EXECUTIVE SUMMARY

### 1.1 BACKGROUND

In April 2021, the City of Harker Heights, Texas (City) authorized Freese and Nichols, Inc. (FNI) to perform an impact fee analysis for the southeast portion of the City’s wastewater system. The purpose of this report is to document the methodology used in the development and calculation of wastewater impact fees for the City of Harker Heights. The methodology used herein satisfies the requirements of the Texas Local Government Code (TLGC) Section for the establishment of impact fees. The City does not currently charge wastewater impact fees to new developments.

### 1.2 LAND USE ASSUMPTIONS

Population and land use assumptions are important elements in the determination of needs for infrastructure systems. To assist in the determination of need and timing of capital improvements to serve future development, a reasonable estimation of future growth is required. Growth and future development projections were formulated based on the adopted future land uses within the community. These land use assumptions, which include growth projections for the ten-year planning period of 2022-2032, are the basis for the preparation of impact fee capital improvement plan (CIP).

### 1.3 WASTEWATER IMPACT FEE ANALYSIS

A wastewater impact fee CIP was developed for the City of Harker Heights based on the adopted land use assumptions and previously conducted studies. The recommended improvements will provide the required capacity to meet projected wastewater flows through 2032. **Table 1-1** displays the wastewater flow projections in terms of million gallons per day (MGD) for the study area.

**Table 1-1: Impact Fee Service Area Wastewater Flow Projections**

| Year | Average Daily Flow (MGD) | Peak Wet Weather Flow (MGD) |
|------|--------------------------|-----------------------------|
| 2022 | 0.03                     | 0.11                        |
| 2032 | 0.34                     | 1.35                        |

Chapter 395 of the TLGC states that the maximum impact fee may not exceed the amount determined by dividing the cost of capital improvements required by the total number of service units attributed to new

development during the impact fee eligibility period, less the credit to account for revenues used to finance these capital improvements. The total projected costs include the projected capital improvement costs to serve 10-year development, the projected finance cost for the capital improvements, and the consultant cost for preparing and updating the CIP. A 2.0% interest rate was used to calculate financing costs. **Table 1-2** displays a summary of the maximum allowable wastewater impact fee calculation.

**Table 1-2: Maximum Wastewater Impact Fee Calculation**

|  |                     |
|--|---------------------|
| Total Eligible Capital Improvement Costs                                       | <b>\$15,758,705</b> |
| Total Eligible Financing Costs   | \$1,156,784         |
| Total Eligible Impact Fee Costs  | \$16,915,489        |
| Growth in Service Units  | 1,379               |
| Maximum Wastewater Impact Fee per Service Unit <sup>(1)</sup>                  | \$12,266            |
| Impact Fee Credit per Service Unit <sup>(2)</sup>                              | \$6,133             |
| <b>Maximum Allowable Wastewater Impact Fee per Service Unit <sup>(3)</sup></b> | <b>\$6,133</b>      |

(1) Total Eligible Costs divided by the Growth in Service Units.

(2) Credit is 50% of Maximum Wastewater Impact Fee per Service Unit.

(3) Maximum Allowable Wastewater Impact Fee is Maximum Wastewater Impact Fee per service unit minus the Impact Fee Credit per Service Unit.



## 2.0 BACKGROUND AND SCOPE

In April 2021, the City of Harker Heights, Texas (City) authorized Freese and Nichols, Inc. (FNI) to perform an impact fee analysis for the southeast portion of the City's wastewater system. The purpose of this report is to document the land use assumptions and capital improvements plan which were used in the development and calculation of the maximum allowable wastewater impact fees for the City of Harker Heights. The methodology used herein satisfies the requirements of the Texas Local Government Code (TLGC) Section 395 (**Section 1.1**) for the establishment of impact fees. The City does not currently charge wastewater impact fees to new developments.

### 2.1 TEXAS LOCAL GOVERNMENT CODE

Chapter 395 of the Texas Local Government Code requires an impact fee analysis before impact fees can be created and assessed. Chapter 395 defines an impact fee 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." In September 2001, Chapter 395 was amended creating the current procedure for implementing impact fees. Chapter 395 identifies the following items as impact fee eligible costs:

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

Chapter 395 also identifies items that impact 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, impact fees allow cities to recover the costs associated with new or facility expansion in order to serve future development. Statutory requirements mandate that impact 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 10-year period may be considered. Once established, impact fees are required to be updated at least every five years.

## 2.2 METHODOLOGY

Wastewater impact fee capital improvement plan (CIP) projects were selected by FNI for the City based on the land use assumptions, input from City staff, and projects developed during previous studies. The recommended improvements will provide the required capacity to meet projected wastewater flows through year 2032. The projects identified are consistent with the Chapter 395 definition of impact fee eligible projects.

As part of the impact fee development, FNI conducted workshops with the City's appointed Capital Improvements Advisory Committee (CIAC) and City Council. FNI calculated the maximum allowable impact fee utilizing the 50% credit methodology identified in TLGC Chapter 395. The CIAC's role included reviewing the land use assumptions and impact fee CIP and recommending an impact fee rate to the City Council. The City Council sets the impact fees to be collected.

### 2.3 LIST OF ABBREVIATIONS

The list of abbreviations used in this report are presented in **Table 2-1**.

**Table 2-1: List of Abbreviations**

| Abbreviation | Actual                                 |
|--------------|--|
| AWWA         | American Water Works Association       |
| CIAC         | Capital Improvement Advisory Committee |
| CIP          | Capital Improvement Plan               |
| FNI          | Freese and Nichols, Inc.               |
| MGD          | Million Gallons per Day                |
| TCE          | Thonhoff Consulting Engineers, Inc.    |
| TLGC         | Texas Local Government Code            |



### 3.0 LAND USE ASSUMPTIONS

Projected land use is an important element in the analysis of wastewater collection and treatment systems. To assist the City in determining the need and timing of capital improvements to serve future development, a reasonable estimation of future growth is required. These assumptions will become the basis for the preparation of impact fee capital improvement plans for wastewater facilities.













#### 3.1 SERVICE AREA

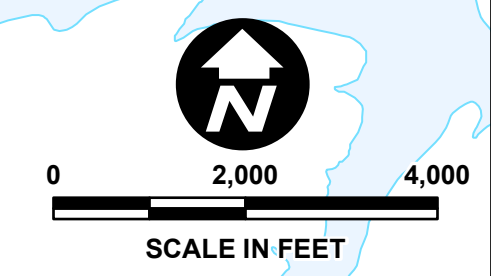
FNI worked with City staff to develop growth projections and land use assumptions for the study area during the development of this report. The City is anticipating the majority of future developments to occur roughly within the southeast portion of the City, and therefore determined to set the wastewater impact fee service area to this boundary, shown on **Figure 3-1**. The City recently adopted an updated future land use plan that was used for this study. The future land use for the service area is presented on **Figure 3-2**.



**FIGURE 3-1  
CITY OF  
HARKER HEIGHTS  
WASTEWATER IMPACT FEE  
SERVICE AREA**

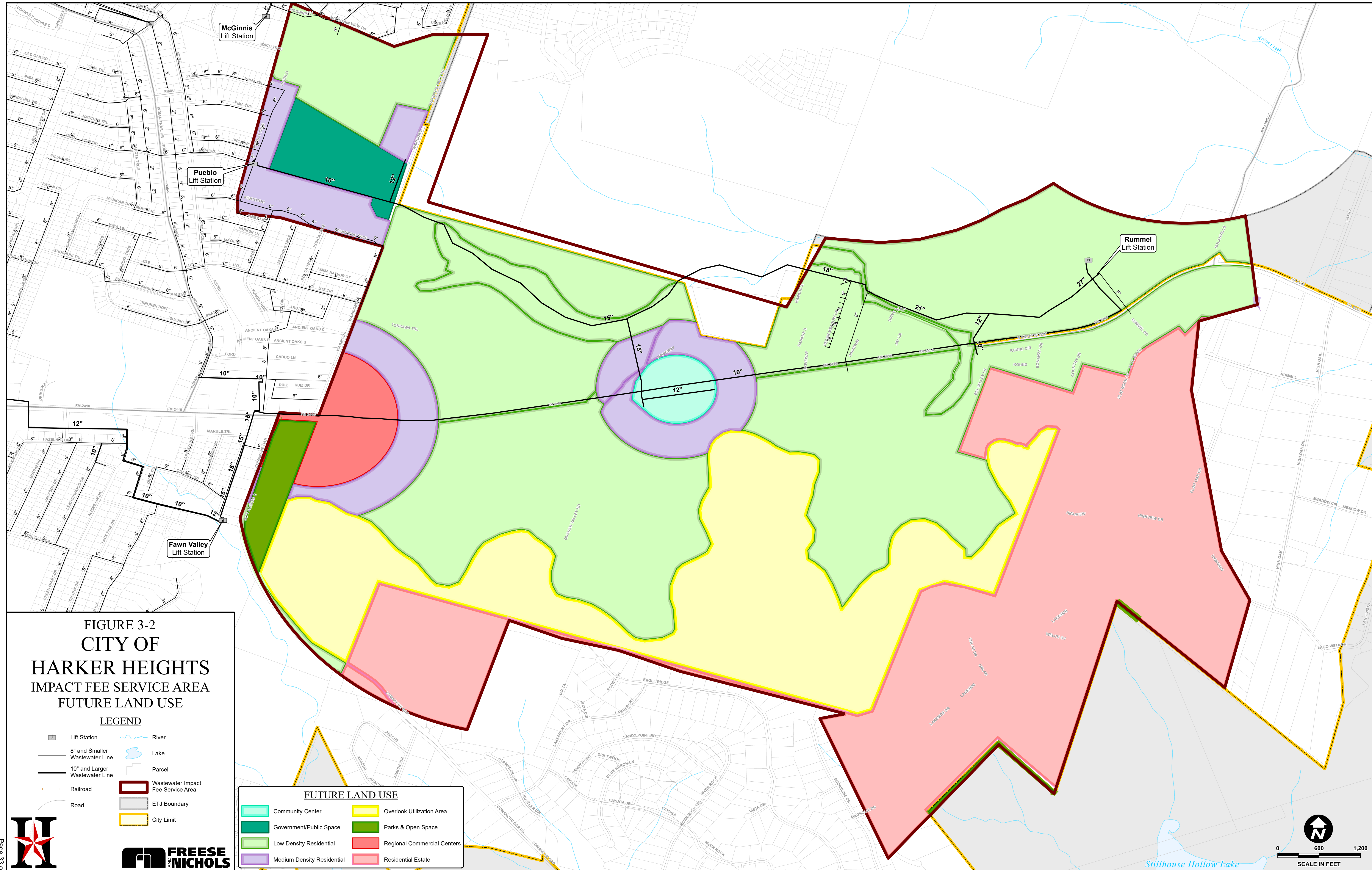
**LEGEND**

-  Lift Station
-  Wastewater Treatment Plant
-  8" and Smaller Wastewater Line
-  10" and Larger Wastewater Line
-  Railroad
-  Road
-  River
-  Lake
-  Parcel
-  Wastewater Service Area
-  ETJ Boundary
-  City Limit



Created by Freese and Nichols, Inc.  
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User Name: C2818





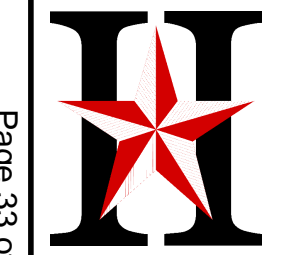
**FIGURE 3-2  
CITY OF  
HARKER HEIGHTS  
IMPACT FEE SERVICE AREA  
FUTURE LAND USE**

**LEGEND**

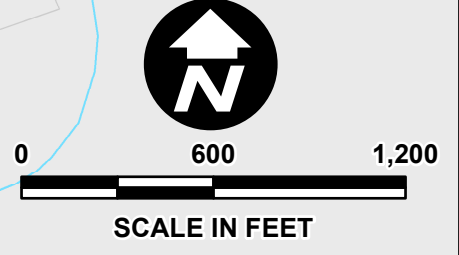
- Lift Station
- 8" and Smaller Wastewater Line
- 10" and Larger Wastewater Line
- Railroad
- Road
- River
- Lake
- Parcel
- Wastewater Impact Fee Service Area
- ETJ Boundary
- City Limit

**FUTURE LAND USE**

- Community Center
- Government/Public Space
- Low Density Residential
- Medium Density Residential
- Overlook Utilization Area
- Parks & Open Space
- Regional Commercial Centers
- Residential Estate



**FREESE AND NICHOLS**



Created by Freese and Nichols, Inc. on 10/12/2011  
Location: H:\01\_Plan\001\_DELIVERABLES\02\_Land\_Use\Figure\_3-2\_Service\_Area\_Land\_Use.mxd  
Operator: jnichols, August 18, 2011 10:25:04 AM  
User Name: jni



### 3.2 HISTORICAL AND PROJECTED GROWTH

#### 3.2.1 Historical Population

Historical population data was provided in the February 2021 *Wastewater Flow Capacity Analysis Report* developed by Thonhoff Consulting Engineers, Inc. (TCE). The City had an average 2.2% annual growth rate over the past eight years. This historical population information is presented in **Table 3-1**.

**Table 3-1: Historical Population within City Limits**

| Year    | Population | Average Annual Growth Rate (%) |
|---------|------------|--------------------------------|
| 2012    | 27,894     |                                |
| 2013    | 28,563     | 2.4%                           |
| 2014    | 29,233     | 2.3%                           |
| 2015    | 29,903     | 2.3%                           |
| 2016    | 30,573     | 2.2%                           |
| 2017    | 31,243     | 2.2%                           |
| 2018    | 31,913     | 2.1%                           |
| 2019    | 32,583     | 2.1%                           |
| 2020    | 33,253     | 2.1%                           |
| Average |            | 2.2%                           |

#### 3.2.2 Projected Growth

The magnitude and distribution of the growth in the service area will dictate where future wastewater infrastructure is required. It is important to note that projecting future growth is challenging, especially for relatively small geographic areas such as individual cities or sections of cities, because it can be difficult to predict how fast or slow development will occur when there are a variety of circumstances that can impact it. **Table 3-2** presents the City’s projected growth for the 10-year planning period for the wastewater impact fee service area.

**Table 3-2: Wastewater Impact Fee Service Area Growth**

| Year | Connections |
|------|-------------|
| 2022 | 125         |
| 2032 | 1,500       |

## 4.0 WASTEWATER IMPACT FEE ANALYSIS

Wastewater CIP projects were developed for the City of Harker Heights in the February 2021 *Wastewater Flow Capacity Analysis Report* by TCE. The wastewater CIP projects that are required to serve growth within the next 10 years were identified for inclusion in the wastewater impact fee analysis.

### 4.1 WASTEWATER LOAD PROJECTIONS

Wastewater flow projections for 2022 and 2032 were developed using criteria from the February 2021 *Wastewater Flow Capacity Analysis Report*. 2.97 people per connection and 76 gallons per capita per day were assumed for wastewater flow projections. A wet weather peaking factor of 4.0 was applied to calculate the peak wet weather flow. **Table 4-1** presents the projected wastewater flows for the wastewater impact fee service area in million gallons per day (MGD).

**Table 4-1: Impact Fee Service Area Wastewater Flow Projections**

| Year | Average Daily Flow (MGD) | Peak Wet Weather Flow (MGD) |
|------|--------------------------|-----------------------------|
| 2022 | 0.03                     | 0.11                        |
| 2032 | 0.34                     | 1.35                        |

### 4.2 WASTEWATER SYSTEM IMPROVEMENTS

The TCE 2021 *Wastewater Flow Capacity Analysis Report* included proposed wastewater system improvements. A summary of the costs for each of the projects required for the 10-year growth period used in the wastewater system impact fee analysis is shown in **Table 4-2**. Costs listed for the existing projects are based on actual design and construction cost data provided by the City. Detailed cost estimates for the proposed wastewater system projects were provided by TCE and are provided in **Appendix A**. **Table 4-2** shows a 2022 percent utilization, which is the portion of a project’s capacity that is required to serve existing development. This portion of the project cost is not impact-fee-eligible. The 2032 percent utilization is the portion of the project’s capacity that will be required to serve projected growth in the city in 2032. The 2022-2032 percent utilization is the portion of the project’s capacity required to serve development from 2022 to 2032. The impact fee eligible cost for each project is calculated as the total capital cost multiplied by the 2022-2032 percent utilization. Only this portion of



Wastewater Impact Fee Study  
City of Harker Heights

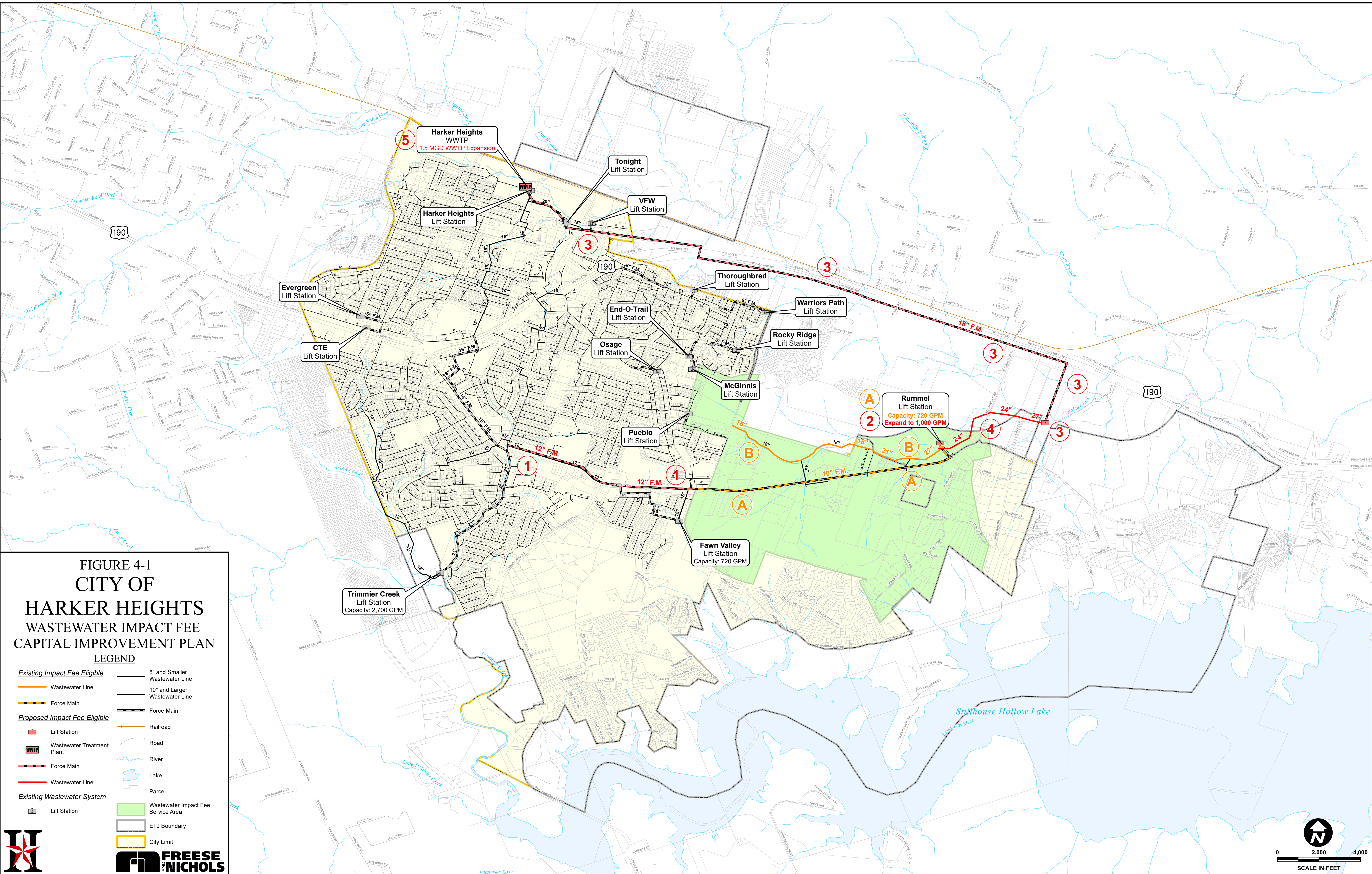
the cost can be used to calculate maximum allowable impact fees. Proposed wastewater projects are shown on **Figure 4-1**.

**Table 4-2: Wastewater Impact Fee Eligible Projects**

| No.                                    | Description of Project            | Percent Utilization                          |      |             | Costs Based on 2022 Dollars |                          |                     |
|--|-----------------------------------|--|------|-------------|-----------------------------|--------------------------|---------------------|
|  |                                   | 2022 <sup>(1)</sup>                          | 2032 | 2022 - 2032 | Capital Cost                | Impact Fee Eligible Cost |                     |
| Existing                               | A                                 | Rummel Lift Station and Force Main           | 10%  | 100%        | 90%                         | \$1,116,502              | \$1,004,851         |
|  | B                                 | 15/18/21/27" Gravity Line                    | 10%  | 75%         | 65%                         | \$1,674,752              | \$1,088,589         |
|  | C                                 | Impact Fee Study                             | 0%   | 100%        | 100%                        | \$64,000                 | \$64,000            |
|  | <b>Existing Project Sub-total</b> |  |      |             |                             | <b>\$2,855,254</b>       | <b>\$2,157,440</b>  |
| Proposed                               | 1                                 | 12" Force Main                               | 0%   | 100%        | 100%                        | \$1,975,412              | \$1,975,412         |
|  | 2                                 | Rummel Lift Station Expansion                | 0%   | 100%        | 100%                        | \$493,853                | \$493,853           |
|  | 3                                 | Proposed Lift Station and 18" Force Main     | 0%   | 23%         | 23%                         | \$6,330,252              | \$1,455,958         |
|  | 4                                 | 24/27" Gravity Line                          | 0%   | 23%         | 23%                         | \$10,569,748             | \$2,431,042         |
|  | 5                                 | 1.5 MGD Wastewater Treatment Plant Expansion | 0%   | 23%         | 23%                         | \$31,500,000             | \$7,245,000         |
|  | <b>Proposed Project Sub-total</b> |  |      |             |                             | <b>\$50,869,265</b>      | <b>\$13,601,265</b> |
| <b>Total Capital Improvements Cost</b> |                                   |  |      |             | <b>\$53,724,519</b>         | <b>\$15,758,705</b>      |                     |

(1) Utilization in 2022 on proposed projects indicates a portion of the project that will be used to address deficiencies within the existing system, and therefore are not eligible for impact fee cost recovery for future growth.

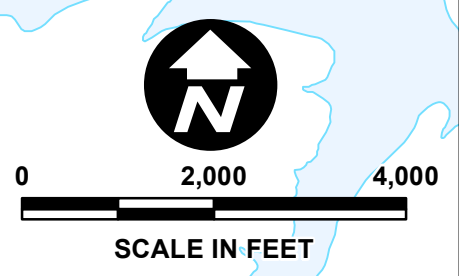




**FIGURE 4-1  
CITY OF  
HARKER HEIGHTS  
WASTEWATER IMPACT FEE  
CAPITAL IMPROVEMENT PLAN**

**LEGEND**

|                                     |                                    |
|-------------------------------------|------------------------------------|
| <b>Existing Impact Fee Eligible</b> | 8" and Smaller Wastewater Line     |
| Wastewater Line                     | 10" and Larger Wastewater Line     |
| Force Main                          | Force Main                         |
| <b>Proposed Impact Fee Eligible</b> | Railroad                           |
| Lift Station                        | Road                               |
| Wastewater Treatment Plant          | River                              |
| Force Main                          | Lake                               |
| Wastewater Line                     | Parcel                             |
| <b>Existing Wastewater System</b>   | Wastewater Impact Fee Service Area |
| Lift Station                        | ETJ Boundary                       |
|                                     | City Limit                         |





### 4.3 WASTEWATER IMPACT FEE ANALYSIS

The impact fee analysis involves determining the utilization of existing and proposed projects required as defined by the capital improvement plan to serve new development over the next 10-year period. For existing or proposed projects, the impact fee eligible cost is calculated as a percentage of the total project cost, based upon the percentage of the project’s capacity required to serve development projected to occur between 2022 and 2032. Capacity serving existing development and development projected to occur more than 10 years in the future cannot be included in the maximum allowable impact fee calculations.

#### 4.3.1 Service Units

According to Chapter 395 of the TLGC, the maximum allowable impact 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 impact fee eligibility period. A service unit for wastewater is defined as the service equivalent to a water connection for a single-family residence.

Public, commercial, and industrial connections are converted into service units based upon the capacity of each meter used to provide service. The number of service units required to represent each meter size is based on the safe maximum operating capacity of the appropriate meter type. American Water Works Association (AWWA) standards C700 and C710 (Displacement Meters), C715 (Ultrasonic Meters), and C702 (Compound Meters) were used to determine the safe maximum operating capacity, as these meter types represent those in place and stocked by the City. The service unit equivalent for each meter size used by the City is listed in **Table 4-3**.

**Table 4-3: Service Unit Equivalents**

| Meter Size | Type         | Maximum Flow (gpm) | Service Unit Equivalents |
|------------|--------------|--------------------|--------------------------|
| 3/4"       | Displacement | 25                 | 1.0                      |
| 1"         | Displacement | 40                 | 1.6                      |
| 1 1/2"     | Displacement | 50                 | 2.0                      |
| 2"         | Ultrasonic   | 100                | 4.0                      |
| 3"         | Compound     | 320                | 12.8                     |
| 4"         | Compound     | 500                | 20.0                     |
| 6"         | Compound     | 1,000              | 40.0                     |
| 8"         | Compound     | 1,600              | 64.0                     |

Typically, in Harker Heights, single-family residences are served with 3/4-inch water meters. Larger meters represent multi-family, public, commercial, and industrial water use. **Table 4-4** shows the service units by meter size for 2022 and the projected service units for 2032.

**Table 4-4: Service Units**

| Meter Size   | 2022             |               | 2032             |               | Growth in Service Units |
|--------------|------------------|---------------|------------------|---------------|-------------------------|
|              | Number of Meters | Service Units | Number of Meters | Service Units |                         |
| 3/4"         | 120              | 120           | 1,489            | 1,489         | 1,369                   |
| 1"           | 5                | 8             | 10               | 16            | 8                       |
| 1 1/2"       | 0                | 0             | 1                | 2             | 2                       |
| 2"           | 0                | 0             | 0                | 0             | 0                       |
| 3"           | 0                | 0             | 0                | 0             | 0                       |
| 4"           | 0                | 0             | 0                | 0             | 0                       |
| 6"           | 0                | 0             | 0                | 0             | 0                       |
| 8"           | 0                | 0             | 0                | 0             | 0                       |
| <b>Total</b> | <b>125</b>       | <b>128</b>    | <b>1,500</b>     | <b>1,507</b>  | <b>1,379</b>            |

#### 4.3.2 Maximum Impact Fee Calculations

TLGC Chapter 395 outlines the procedures and requirements for calculating maximum allowable impact fees to recover costs associated with capital improvement projects needed due to growth over a 10-year period. Chapter 395 also requires a plan that addresses possible duplication of payments for capital improvements. This plan can either provide a credit for the portion of revenues generated by new

Wastewater Impact Fee Study  
 City of Harker Heights

development that is used for the payment of eligible improvements, including payment of debt, or reduce the total eligible project costs by 50 percent. The City of Harker Heights has selected to utilize the reduction of the total eligible project costs by 50 percent to determine the maximum allowable impact fees.

Chapter 395 of the TLGC states that the maximum impact fee may not exceed the amount determined by dividing the cost of capital improvements required by the total number of service units attributed to new development during the impact fee eligibility period less the credit to account for water and wastewater revenues used to finance these capital improvements.

The total projected costs include the projected capital improvement costs to serve 10-year development, the projected finance cost for the capital improvements, and the consultant cost for preparing and updating the CIP. A 2.0% interest rate was used to calculate financing costs. **Table 4-5** displays a summary of the maximum allowable wastewater impact fee calculation.

**Table 4-5: Maximum Wastewater Impact Fee Calculation**

|  |                     |
|--|---------------------|
| Total Eligible Capital Improvement Costs                                       | <b>\$15,758,705</b> |
| Total Eligible Financing Costs   | \$1,156,784         |
| Total Eligible Impact Fee Costs  | \$16,915,489        |
| Growth in Service Units  | 1,379               |
| Maximum Wastewater Impact Fee per Service Unit <sup>(1)</sup>                  | \$12,266            |
| Impact Fee Credit per Service Unit <sup>(2)</sup>                              | \$6,133             |
| <b>Maximum Allowable Wastewater Impact Fee per Service Unit <sup>(3)</sup></b> | <b>\$6,133</b>      |

(1) Total Eligible Costs divided by the Growth in Service Units.

(2) Credit is 50% of Maximum Wastewater Impact Fee per Service Unit.

(3) Maximum Allowable Wastewater Impact Fee is Maximum Wastewater Impact Fee per Service Unit minus the Impact Fee Credit per Service Unit.

**Appendix A  
Cost Estimates**

**CITY OF HARKER HEIGHTS**  
**Rummel Road Lift Station Upgrade**  
**and 12-Inch Force Main Extension**

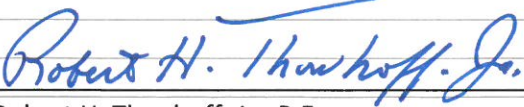
Bid Opening: January 5, 2022  
2:00 PM

TCE Job # 21006.1.300

| BIDDER                                 | BASE BID AMOUNT | COMMENT |
|--|-----------------|---------|
| Blackrock Construction<br>Mansfield TX | 2,469,265.00    |         |
| Bell Contractors<br>Belton, TX         | 2,530,098.11    |         |
|  |                 |         |
|  |                 |         |
|  |                 |         |
|  |                 |         |

**City of Harker Heights  
Phase 5 of FM 2410 Service Area Wastewater Trunk Line  
and 4167 GPM Lift Station and 18-inch Force Main  
Pumping Back to Existing WWTP Site**

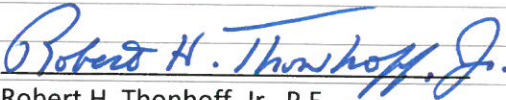
**Update of Initial Engineering Estimate of Total Project Cost  
December 6, 2021**

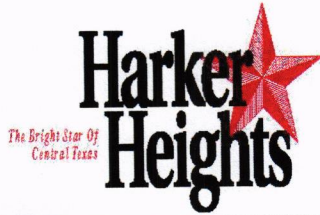
|  |                     |
|--|---------------------|
| <b>Construction Costs</b>  |                     |
| Original (11/03/2009) Phase 5 Wastewater Trunk Line Construction Cost Estimate: \$4,890,000  |                     |
| Updated Construction Cost using ENR Index<br>Est. 7767 (12/2021) ÷ Est. 5390 (11/2009) ≈ 1.44 x  | \$7,046,499         |
| Original (5/24/2011) 4167 GPM Lift Station Construction Cost Estimate: \$1,000,000   |                     |
| Updated Construction Cost using ENR Index<br>Est. 7767 (12/2021) ÷ Est. 5390 (11/2011) ≈ 1.44 x  | \$1,441,002         |
| Original (5/24/2011) 18-inch F.M. Construction Cost Estimate: \$1,939,800  |                     |
| Updated Construction Cost using ENR Index<br>Est. 7767 (12/2021) ÷ Est. 5390 (11/2011) ≈ 1.44 x  | <u>\$2,795,255</u>  |
| <b>Construction Subtotal</b>   | <b>\$11,282,756</b> |
| <b>Engineering Costs</b>   |                     |
| Turnkey Engineering Services at +/- 25%  | <u>\$2,820,689</u>  |
| <b>Engineering Subtotal</b>  | <b>\$2,820,689</b>  |
| <b>TOTAL COST</b>  | <b>\$14,103,445</b> |
| <b>Contingency at +/- 20%</b>  | <u>\$2,796,555</u>  |
| <b>UPDATE OF INITIAL ENGINEERING ESTIMATE OF TOTAL PROJECT COST</b>  | <b>\$16,900,000</b> |
| Prepared by:<br>THONHOFF CONSULTING ENGINEERS, INC.  |                     |
| <br><u>Robert H. Thonhoff, Jr.</u><br>Robert H. Thonhoff, Jr., P.E. |                     |



**City of Harker Heights  
Wastewater Treatment Plant Expansion  
From 3.0 MGD to 4.5 MGD**

**Initial Engineering Estimate of Total Project Cost  
December 3, 2021**

|  |                     |
|--|---------------------|
| <b>Construction Costs</b>  |                     |
| Renovation of Existing 3.0 MGD Facility  |                     |
| 3,000,000 GPD x \$1/GPD  | \$3,000,000         |
| Expansion of 1.5 MGD Capacity  |                     |
| 1,500,000 GPD x \$14/GPD   | <u>\$21,000,000</u> |
| Construction Subtotal  | \$24,000,000        |
| <b>Engineering Costs</b>   |                     |
| Turnkey Engineering Services at +/- 25%  | <u>\$6,000,000</u>  |
| Engineering Subtotal   | \$6,000,000         |
| Total  | \$30,000,000        |
| Contingency at +/- 20%   | <u>\$6,000,000</u>  |
| <b>INITIAL ENGINEERING ESTIMATE OF TOTAL PROJECT COST</b>  | <b>\$36,000,000</b> |
| Prepared by:<br>THONHOFF CONSULTING ENGINEERS, INC.  |                     |
| <br>Robert H. Thonhoff, Jr., P.E. |                     |



**TO: Mayor and City Council**  
**FROM: Larry Robison, Chair, Capital Improvements Advisory Committee (CIAC)**  
**DATE: August 31, 2022**  
**SUBJECT: Impact Fee Program Recommendation**

---

In accordance with Texas Local Government Code, the Harker Heights Capital Improvements Advisory Committee (CIAC), which consists of members from the Planning and Zoning Commission plus an ad hoc member for the ETJ, has been conducting public meetings with City staff and the City's consultants for the development of a wastewater impact fee program. Over the course of study, the CIAC has received data regarding Land Use Assumptions (2022-2032), impact fee Capital Improvement Plan and associated costs, and the resultant cost per service unit calculations for determining impact fees.

Chapter 395.056 of the Texas Local Government Code requires the CIAC to file its written comments on the proposed land use assumptions, capital improvements plan, and impact fees before the fifth business day before the date of the public hearing on the ordinance adoption. The scheduled public hearing date is September 27, 2022.

After review and comment of the information, the CIAC recommends the following:

- Approval of the Land Use Assumptions and growth forecasts over the ten-year planning period 2022-2032,
- Approval of the impact fee Wastewater Capital Improvements Plans as presented in the Land Use Assumptions and Capital Improvements Plan submitted in September 2021, and approved in Public Hearings with the City Council on October 26 and November 9,
- Approval of the Calculated Cost per Service Unit for, and
- Approval of the collection rate per service unit between a minimum of \$0 and a maximum of \$6,133.

The CIAC believes that the implementation of a wastewater impact fee program will assist Harker Heights in the development and implementation of specific capital improvements to address growth needs and that the City Council consider a collection rate up to the maximum allowable under law.

Respectfully,

**Harker Heights Capital Improvements Advisory Committee Members**

Lawrence "Larry" Robison, Chairman  
Robert "Rob" Robinson III, Vice Chairman  
Michael Stegmeyer, Secretary  
Natalie Austin, Member  
Bary Heidtbrink, Member  
Stephen Watford, Member  
Joshua McCann, Member  
Rodney Shine, Member  
Jerry Bess, Member  
Robert "Bobby" Hoxworth, ETJ Member



**TO:** Mayor and City Council  
**FROM:** Larry Robison, Chair, *Capital Improvements Advisory Committee (CIAC)*  
**DATE:** January 12, 2022  
**SUBJECT:** Impact Fee Program Recommendation

In accordance with Texas Local Government Code, the Harker Heights Capital Improvements Advisory Committee (CIAC), which consists of members from the Planning and Zoning Commission plus an ad hoc member for the ETJ, has been conducting public meetings with City staff and the City's consultants for the development of a wastewater impact fee program. Over the course of study, the CIAC has received data regarding Land Use Assumptions (2022-2032), impact fee Capital Improvement Plan and associated costs, and the resultant cost per service unit calculations for determining impact fees.

Chapter 395.056 of the Texas Local Government Code requires the CIAC to file its written comments on the proposed land use assumptions, capital improvements plan, and impact fees before the fifth business day before the date of the public hearing on the amendments. The scheduled public hearing dates February 22, 2022 and March 8, 2022.

After review and comment of the information, the CIAC recommends the following:

- Approval of the Land Use Assumptions and growth forecasts over the ten-year planning period 2022-2032,
- Approval of the impact fee Wastewater Capital Improvements Plans as presented in the Land Use Assumptions and Capital Improvements Plan submitted in September 2021, and approved in Public Hearings with the City Council on October 26 and November 9,
- Approval of the Calculated Cost per Service Unit for, and
- Approval of the maximum collection rate per service unit of \$6,133.

The CIAC believes that the implementation of a wastewater impact fee program will assist Harker Heights in the development and implementation of specific capital improvements to address growth needs and that the City Council consider a collection rate up to the maximum allowable under law.

Respectfully,

A handwritten signature in blue ink, consisting of a large, stylized loop followed by a horizontal line.

**Harker Heights Capital Improvements Advisory Committee Members**

- Lawrence "Larry" Robison, Chairman
- Robert "Rob" Robinson III, Vice Chairman
- Natalie Austin, Member
- Bary Heidtbrink, Member
- Stephen Watford, Member
- Joshua McCann, Member
- Rodney Shine, Member
- Jerry Bess, Member
- Michael Stegmeyer, Member
- Robert "Bobby" Hoxworth, ETJ Member