



City of Harker Heights

WASTEWATER IMPACT FEE STUDY

December 8, 2021



What are Impact Fees?



*New
Development
should share
in the cost to
provide
service*

- One-time charge assessed to new development for a portion of costs from impact to specific city infrastructure
- Chapter 395, Texas Local Govt. Code (1989)
- Structured approach to assessment of fees.



Program Development Process

CIAC COORDINATION

1 Develop Land Use Assumptions

2 Develop Capital Improvement Plan

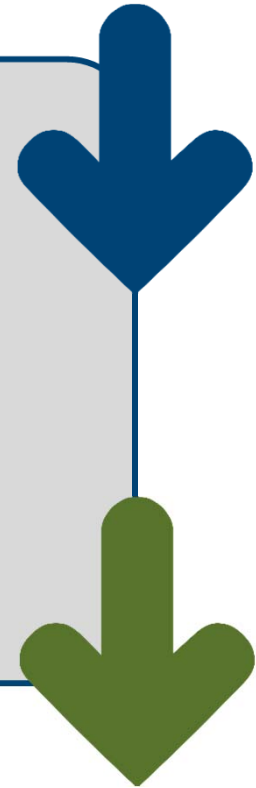
3 Conduct Impact Fee Calculations/
Prepare Technical Report

4 Public Hearing and Council Consideration

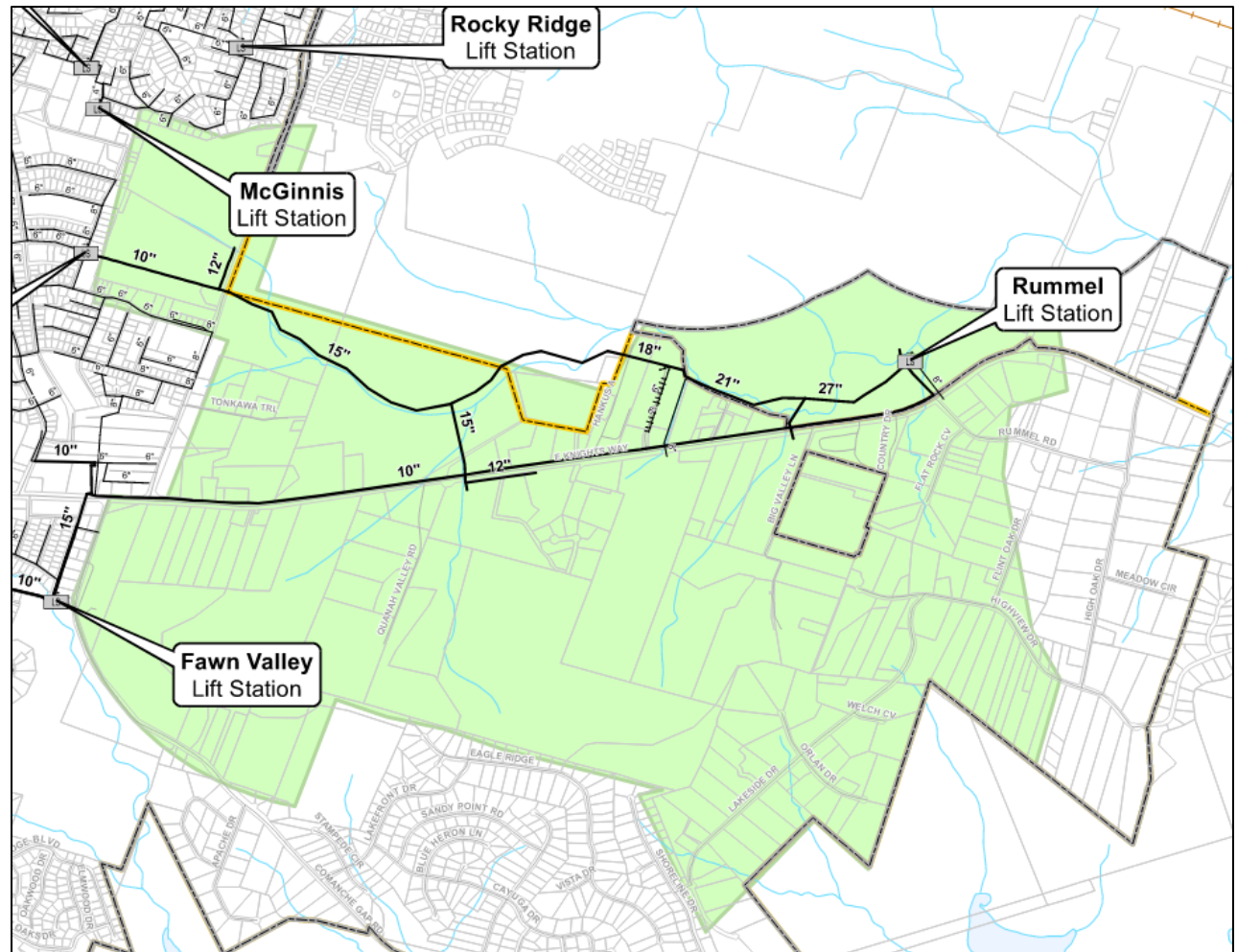
✓ 1. LUA & CIP – Oct. 26th/Nov. 9th

- 2. Impact Fee/Ordinance –Feb. 22nd/Mar. 8th

5 Adopt Impact Fee Ordinance

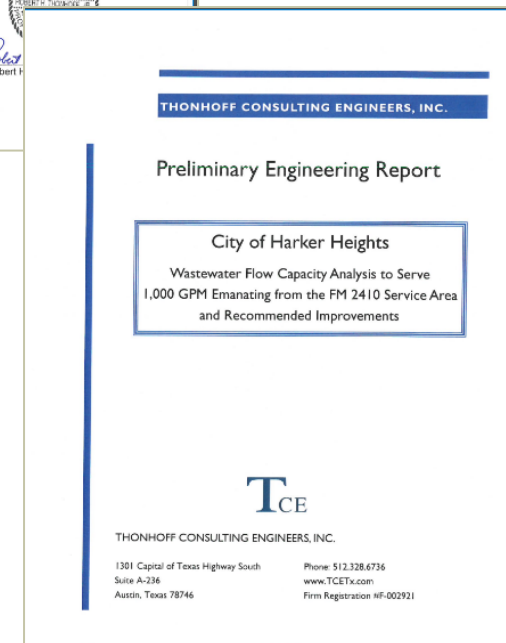
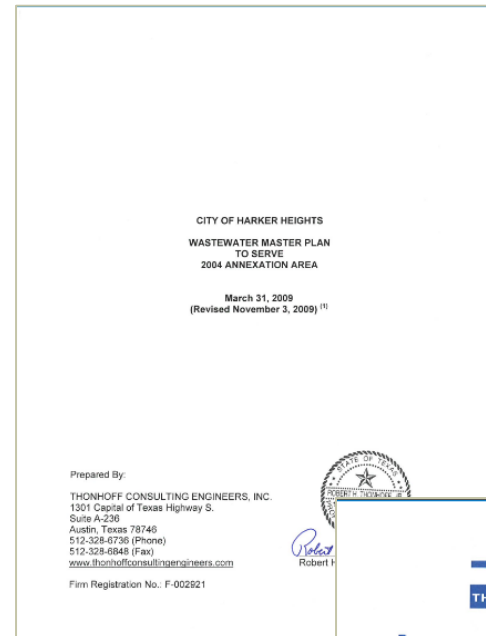


Impact Fee Service Area

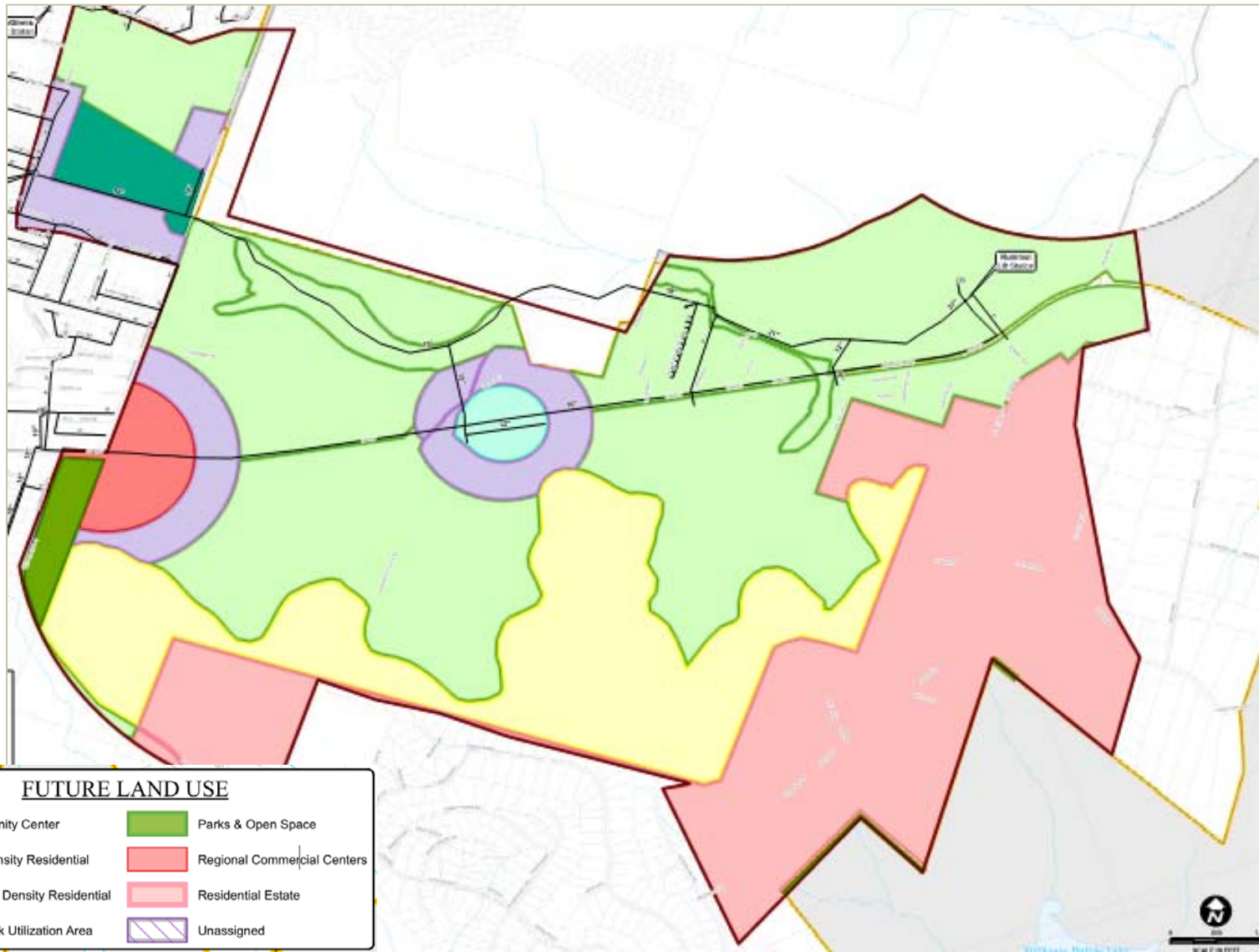


Previous Studies

- Thonhoff Consulting Engineers, Inc. – Wastewater Flow Capacity Analysis to Serve 1,000 gpm Emanating from the FM 2410 Service Area and Recommended Improvements- February 2021
- Thonhoff Consulting Engineers, Inc. – Wastewater Master Plan to Serve 2004 Annexation Area – November 2009



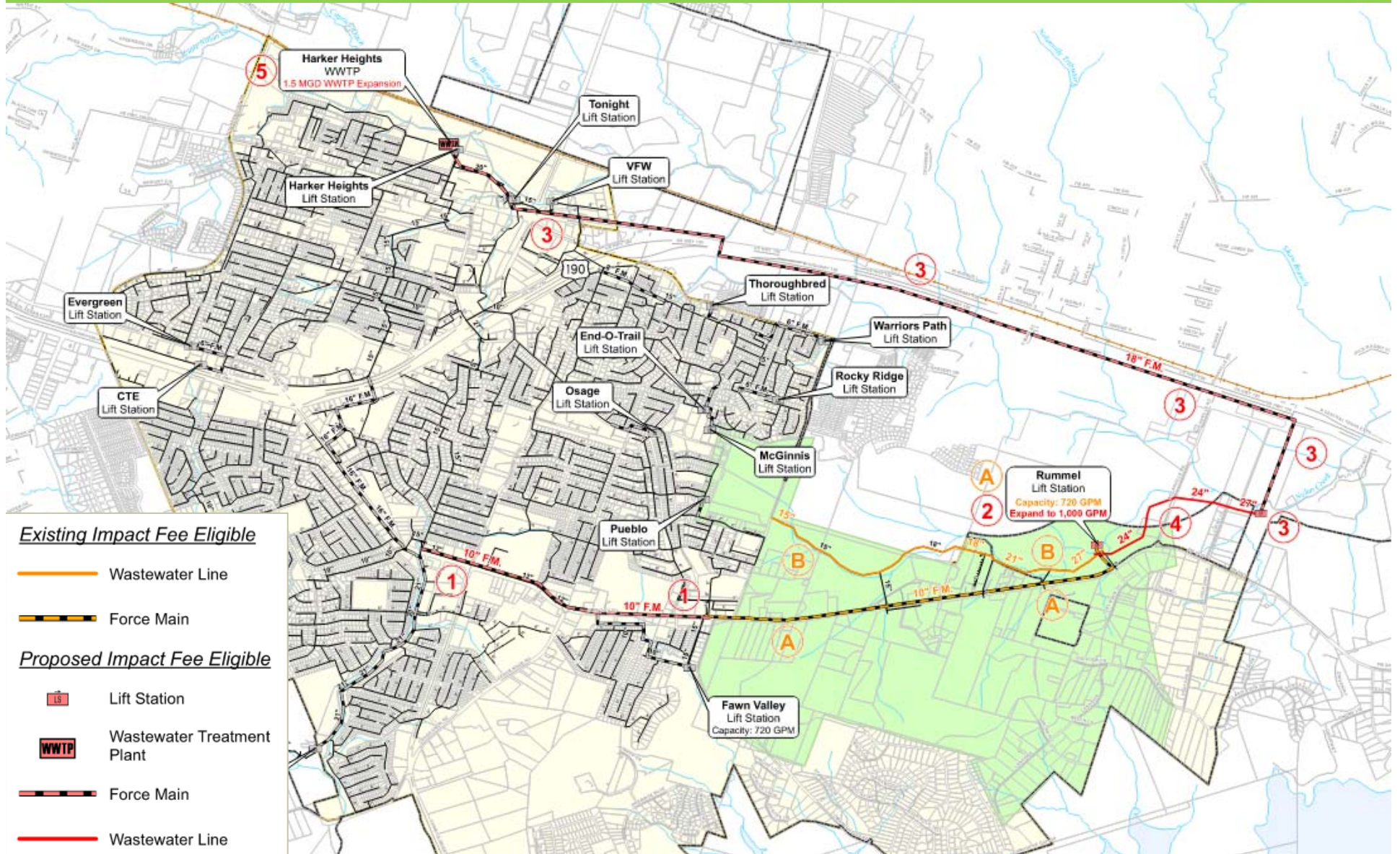
Proposed Future Land Use



Service Area Growth Assumptions

Year	Connections
2022	125
2032	1,500

Impact Fee CIP



Impact Fee Calculation

- Impact Fees Calculated by Dividing Eligible CIP/Growth in Service Units
- Credit of 50% for the portion of ad-valorem taxes generated by CIP improvements
- Fee collected can be less than maximum

Impact Fee Per Service Unit =

Eligible CIP Cost - Credit

New Service Units



Impact Fee CIP

No.	Description of Project	Percent Utilization			Costs Based on 2022 Dollars	
		2022 ⁽¹⁾	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	\$1,674,752
	C Impact Fee Study	0%	100%	100%	\$64,000	\$64,000
	Existing Project Sub-total				\$2,855,254	\$2,743,604
Proposed	1 12-inch Force Main	0%	100%	100%	\$1,486,567	\$1,486,567
	2 Rummel Lift Station Expansion	0%	100%	100%	\$313,433	\$313,433
	3 Proposed Lift Station and 18-inch Force Main	0%	23%	23%	\$6,330,252	\$1,455,958
	4 24/27" Gravity Line	0%	23%	23%	\$10,569,749	\$2,431,042
	5 1.5 MGD Wastewater Treatment Plant Expansion	0%	23%	23%	\$31,500,000	\$7,245,000
	Proposed Project Sub-total				\$50,200,000	\$12,932,000
Total Capital Improvements Cost					\$53,055,254	\$15,675,604

(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.

Service Unit Equivalents (SUE)

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

Projected Service Units

Meter Size	2022		2032		Growth in Service Units
	Meters	Service Units	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
TOTAL	125	128	1,500	1,507	1,379

Impact Fee Calculation

Wastewater Impact Fee	
Total Eligible Capital Improvement Costs	\$15,675,604
Total Eligible Financing Costs	\$1,150,684
Total Eligible Impact Fee Costs	\$16,826,288
Growth in Service Units	1,379
Maximum Wastewater Impact Fee per Service Unit ⁽¹⁾	\$12,202
Impact Fee Credit per Service Unit ⁽²⁾	\$6,101
Maximum Allowable Wastewater Impact Fee for ¾" Meter ⁽³⁾	\$6,100

(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 minus the Impact Fee Credit per Service Unit.

Next Steps

- Written Recommendation
- Public Hearing #2: Impact Fee Ordinance
- Ordinance Adoption (within 30 days of Public Hearing)

Project Schedule

- January 11: Council Resolution to set Public Hearing #2
- February 22: Public Hearing #2: Impact Fee Ordinance
- March 8: Public Hearing #2: Impact Fee Ordinance



QUESTIONS AND DISCUSSION