

CIAC
8.15.2025

Development Services



Brief History of How Did We Get Here??

1982 to 2023 (41 years): Trust funds paid out approximately \$41.5 million dollars for connecting new water and wastewater utilities to existing City infrastructure.

- The trust consists of four (4) funds: Water Grid Mains; Water Distribution Lines; Wastewater Trunk Mains; and Wastewater Collection Lines.
- The UDC allows the funds to be interchangeable, moving money from one fund to the other.
- The Trust Funds only extend new water and wastewater infrastructure (including Lift Stations and Force Mains).
- The Trust Funds do not provide for new stormwater and roadway infrastructure needed to support new developments.

August 2019: City Council gave direction to re-examine trust funds to assess alternative funding of new infrastructure.

December 2019 - February 2020: A Utility Alternative Financing Study update was completed and presented to City Council. The study recommended transitioning from trust funds to impact fees, to fund infrastructure expansion.

May 2020: RFQ for master planning & impact fee study was issued.

July 2020: Pape-Dawson Engineers was selected as the consultant to:

- 1) Review and evaluate existing land use assumptions;
- 2) Develop comprehensive master plans for water, wastewater, stormwater, roadway infrastructure;
- 3) Provide an impact fee study based on the new master plans



Chapter 395 Requirements

- Maximum Fee Determination
 - Based on Capital Improvement Fee
- Fee Coordination
 - Advisory Committee Report
 - Public Notices and Public Hearings
- Fee Decision-Making
 - City Council considers impact fee for approval



Master Planning and Impact Fee Study Contract

- February 9, 2021: City Council approved contract with Pape-Dawson Engineering
- March 4, 2021: Contract executed for \$2,289,700
- October 15, 2021: City Council approved an additional service request for \$1,192,000 to aide in producing the comprehensive Stormwater Master Plan
- Total contract of \$3,481,700 and the project is expected to be completed in the Fall 2023



Master plan update:

The Four Draft Master Plans have been presented to Capital Improvement Advisory Committee (CIAC) and the committee is in the process of providing comments and suggested changes to finalize these documents.

Wastewater Master Plan - \$931,307,000

This plan has 6 service areas. The Wastewater Master Plan had some operational recommendations to maximize existing assets without installing more. Most of the large improvements were associated with growth.

Roadway Master Plan- \$1,566,105,500

The Road Master Plan evaluated the roadways within the City limits through 21 service areas. Most areas, as expected, have minimal growth and therefore, minimal projects associated with growth.

Stormwater Master Plan- \$696,995,352

This plan has 16 service areas. A number of improvements are required within existing areas along with some large stormwater management projects throughout the Oso Basin.

Water Master Plan- \$ 1,838,972,547

This plan has 2 service areas. This master plan is predicted on the O.N. Stevens Water Treatment Plant being the singular source of water. The existing internal network is not greatly affected by growth; however, the major growth-related projects are located in the City's ETJ.

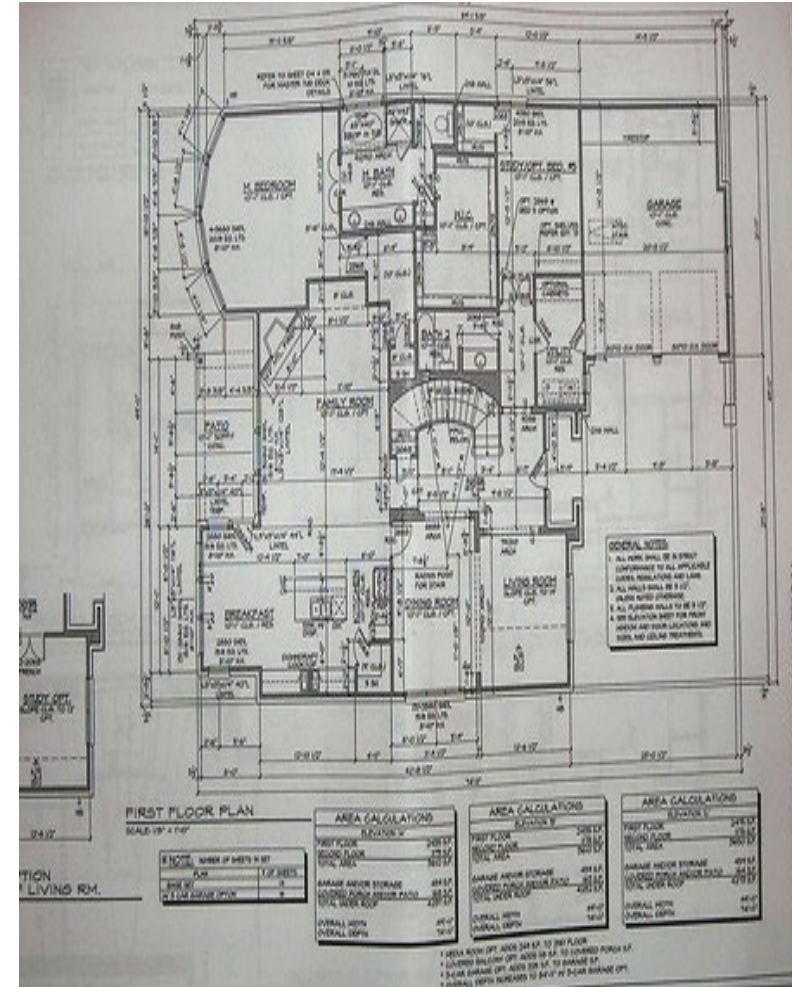
Impact Fee Design

- Review and affirm land uses
- Project utility demands based on land uses for 10-year period
- Compare those demands to existing capacity
- Identify amount and cost of existing available capacity and new facility needs (10-year CIP)
- Allocate current and future service demands to facilities



Eligible Impact Fee Costs

- Costs of constructing capital improvements or facility expansions, including and limited to the:
 - Construction contract price
 - Surveying and engineering fees
 - Land acquisition costs, including land purchases
 - Engineering and Financial Consultant Costs
- Capital Cost must be included in the 10-year CIP used in the calculation of the Impact Fee
- Can't be used for operations, maintenance or replacement



CIAC RECOMMENDATIONS ON IMPACT FEES



STORMWATER

No. Service Areas: 1

Adopted Rate: \$30.54 / KSF*

Assessed Fee: \$ 100 per ERU*

**Assessed Fee for
Non-Residential Development: Waived**



WASTEWATER

No. Service Areas: 1

Adopted Rate: \$ 1,268 per ERU

Assessed Fee: \$ 612.00 per ERU

**Assessed Fee for Commercial:
Based on meter size**



WATER

No. Service Areas: 1

Adopted Rate: \$ 1,866.00 per ERU

Assessed Fee: \$ 950.00 per ERU

**Assessed Fee for Commercial:
Based on meter size**



TRANSPORTATION

21 Service Areas

Adopted Rate: 5% of Max Rate

Assessed Fee: \$0



IMPLEMENTATION

**October 1, 2025, or when Policies &
Procedures have been approved by
the CIAC Sub-Committee**

*** Total Impact Fees
\$1,662.00 / ERU**

KSF – thousand square feet
ERU – equivalent residential unit

Comparison of Current Trust Fund Fees & CIAC Proposed Impact Fees

	TRUST FUND		IMPACT FEE	
	ASSESSED		ADOPTED	ASSESSED
WATER		WATER	1SA	
Com-Lot	525.61		1866.00 per ERU	950.00 per ERU
Com-Acre	2106.84			
Res-Lot	266.47			
Res-Acre	1052.69			
Surcharge W	355.78			
Pro Rata W**	15.42 ft			
WASTE		WASTE	1SA	
Lot	575.39		1268.00 per ERU	612.00 per ERU
Acre	2300.1			
Surcharge WW	405.56			
Pro Rata WW**	17.83 ft			
STORMWATER		STORMWATER		
L	0		30.54 ksf	100.00 per ERU*
ROADWAY		ROADWAY	21SA	
	0		5% of Max Rate	0

*only for Single Family lots

**charged when existing platted lot

Trust Fund Originating Ordinances – 17092 (W) and 17396 (WW)

December 15, 1982

Definitions

- Lot Fee- the fee required to be paid by the developer based on number of lots in the development.
- Acreage Fee- The fee required to be paid by the developer based on the number of acreage in the development including parks, streets, and drainage dedication.
- Surcharge Water: A \$100.00 Charge to be charged in addition to tap fees for single-family or duplex utility connections to be paid when the tap fee is paid.
- Surcharge Wastewater: A \$100.00 Charge to be added to sanitary sewer tap fees to be paid when the sanitary sewer tap fee is paid.
- Pro-Rata Fee: A fee required to be paid by the developer as a front foot charge for the use of a water main/sanitary sewer which serves property being platted or developed but which was installed by others.

Fees

Fee	Water RES	Water COM	WW RES	WW COM
Lot/Acreage	\$75.00 per lot or \$300 per acre whichever is greater	\$150 per lot or \$600 per acre whichever is greater	\$75.00 per lot or \$300 per acre whichever is greater	\$150 per lot or \$600 per acre whichever is greater
Pro Rata	\$4.25 per linear foot of frontage	\$4.25 per linear foot of frontage	\$5.00 per linear foot of frontage	\$5.00 per linear foot of frontage
Surcharge	\$100.00 per lot	\$0.00	\$100.00 per lot	\$100.00 per lot

Sources of Fees Into Water and Wastewater Trust Fund(s)



Lot or Acreage Fees



Surcharge Fees



ProRata Fees



Trust Fund
4 Accounts

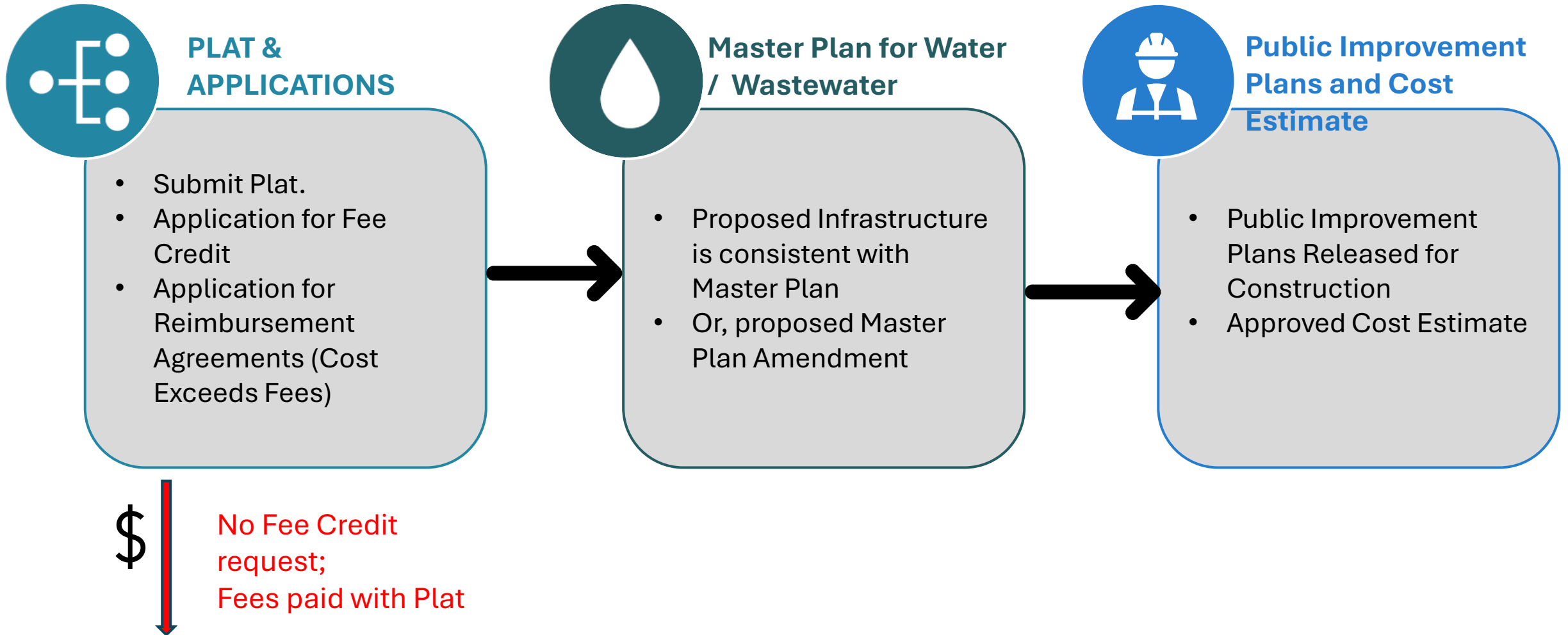
Accounting For Water Trust Fund Fees

Trust Fund	Grid Main Trust Fund	Distribution Main Trust Fund	CIP Fund (supported by rates)
Offsite Grid Water Main- 12" and greater (less than 1 mile) *100% of Lot/Acreage fee, 75% of Surcharge Fee	X		
Offsite Grid Water Main- 12" and greater (more than 1 mile)			X
Distribution Mains - more than 12"		X	
Storage			X
Treatment			X
Water Source			X

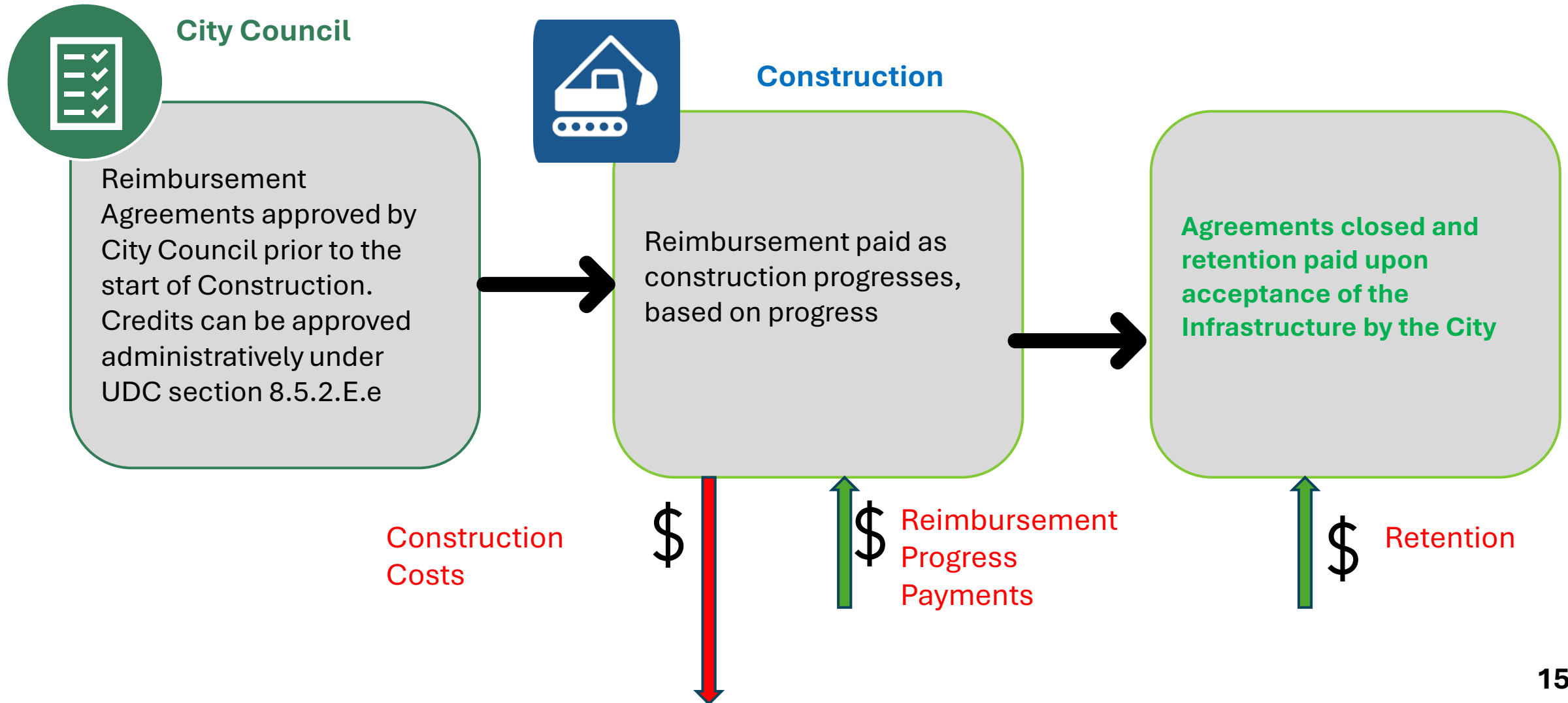
Accounting For Wastewater Trust Fund Fees

Trust Fund	Wastewater Trunk System Trust Fund	Wastewater Collection System Trust Fund	CIP Fund (supported by rates)
Collection Line- less than 15"		X	X
Trunk Line- 15" and greater (added in 2003)	X		
Force Mains (added in 2003)	X		
Lift Stations (added in 2003)	X		
Treatment			X

Trust Fund Process



Trust Fund Process



Funding Reimbursement

Qualifying Infrastructure Projects are Funded:

- Only when monies are fully available in, and appropriated from, the relevant Trust Fund
- The order of Reimbursement is determined according to the date the Reimbursement Agreement is approved by City Council



	Single-Family (48 Lots-9.158 Acres)					Multifamily (286 Units 9.56 Acres)				Commercial 2.61 Acreage		
	Lot/Acreage	Pro-Rata	Surcharge	Total	Per Lot	Lot/Acreage	Pro-Rata	Surcharge	Total	Lot/Acreage	Surcharge	Total
Water	\$12,790.56	\$10,177.20	\$17,077.44	\$40,045.20	\$834.28	\$20,141.39	\$5,088.60	\$4,269.36	\$29,499.35	\$5,498.85	\$711.56	\$6,210.41
Wastewater	\$27,618.72	\$11,767.80	\$19,466.88	\$58,853.40	\$1,226.11	\$21,988.95	\$5,883.90	\$4,866.72	\$32,739.57	\$6,003.26	\$811.12	\$6,814.38
	Per Lot Total				\$2,060.39	Per Lot Total			\$62,238.92	Per Lot Total		\$13,024.79
Impact Fee (CIAC Recommendation)												
	Impact Fee		Total			Impact Fee		Total		Impact Fee	Total	
Water	\$45,600.00		\$45,600.00			\$271,700.00		\$235,600.00		\$4,750.00	\$4,750.00	
Wastewater	\$29,376		\$29,376.00			\$175,032.00		\$151,776.00		\$3,060.00	\$3,060.00	
Stormwater	\$4,800.00		\$4,800.00			\$0.00		\$0.00		\$0.00	\$0.00	
Total Per Lot			\$1,662.00			Total Per Lot			\$387,376.00	Total Per Lot		\$7,810.00
Potential Trust Fund Fee												
	Lot/Acreage	Surcharge	Total	Per Lot		Lot/Acreage	Surcharge	Total Per Lot		Lot/Acreage	Surcharge	Total
Water	\$29,858.40	\$22,200.67	\$52,059.07	\$1,084.56		\$32,798.98	\$5,550.17	\$38,349.15		\$15,166.91	\$925.03	\$16,091.94
Wastewater	\$51,202.32	\$25,306.94	\$76,509.26	\$1,598.94		\$36,234.70	\$6,326.74	\$42,561.44		\$17,075.85	\$1054.46	\$18,130.31
	Per Lot Total			\$2,683.50		Per Lot Total			\$80,910.59	Per Lot Total		\$34,222.25

Infrastructure Fee	Current Fee	Current Collected	Infrastructure Fee	30% Increase	20% Increase	10% Increase	Collected
Residential							
Water							
Lot/Acreage (RES)	266.47/1,052.69	Final Plat	Lot Fee	622.05	574.20	526.35	Final Plat
Pro Rata (RES)	15.42 per foot	Final Plat	Surcharge	462.51	426.84	391.35	Building Permit-Meter
Surcharges	355.78	Building Permit-Meter					
Wastewater							
Lot/Acreage	575.39/2,300.10	Final Plat	Lot Fee	1066.72	984.66	902.61	Final Plat
Pro Rata	17.83 per foot	Final Plat	Surcharge	527.33	486.67	446.12	Building Permit-Meter
Surcharges	405.56	Building Permit-Meter					
Multifamily							
Water							
Lot/Acreage (COM)	525.61/2,106.84	Final Plat	Acreage Fee	3430.86	3166.94	2903.03	Final Plat
Pro Rata (COM)	15.42 per foot	Final Plat	Surcharge	462.51	426.84	391.35	Building Permit-Meter
Surcharges	355.78	Building Permit-Meter					
Wastewater							
Lot/Acreage	575.39/2,300.10	Final Plat	Acreage Fee	3790.24	3498.68	3207.13	Final Plat
Pro Rata	17.83 per foot	Final Plat	Surcharge	527.33	486.67	446.12	Building Permit-Meter
Surcharges	405.56	Building Permit-Meter					
Commerical/Industrial							
Water							
Lot/Acreage (COM)	525.61/2,106.84	Final Plat	Acreage Fee	5811.08	5364.07	4917.07	Final Plat
Pro Rata (COM)	15.42 per foot	Final Plat	Surcharge	462.51	426.84	391.35	Building Permit-Meter
Surcharges	355.78	Building Permit-Meter					
Wastewater							
Lot/Acreage	575.39/2,300.10	Final Plat	Acreage Fee	6542.47	6039.2	5535.94	Final Plat
Pro Rata	17.83 per foot	Final Plat	Surcharge	527.33	486.67	446.12	Building Permit-Meter
Surcharges	405.56	Building Permit-Meter					

5-Year Data Comparison

- 855 Commercial and Industrial platted acres
- 6,511 Residential lots
- 5,377 Water/Wastewater meter connections

	FY20-FY25 with Lift Stations	FY20-FY25 without Lift Stations	Proposed Adjustments
Expended	25,974,283	20,490,891	23,491,877
Collected	9,898,994	9,898,994	22,342,715
Deficit	(16,075,289)	(10,591,897)	(729,665)

RESIDENTIAL

Scenario- 48 Lots, 660 LF

Water								
FEE	Current	Scenario	30%^	Scenario2	20%^	Scenario3	10%^	Scenario4
Lot	\$266.47	\$12,790.56	\$622.05	\$29,858.40	\$574.20	\$27,561.60	\$526.35	\$25,264.80
Pro Rata	\$15.42/LF	\$10,177.20						
Per Lot		\$478.50		\$622.05		\$574.20		\$526.35
Surcharges	\$355.78	\$17,077.44	\$462.51	\$22,200.67	\$426.94	\$20,492.93	\$391.36	\$18,785.18
Per Meter		\$355.78		\$462.51		\$426.94		\$391.36
Total Per Lot		\$834.28		\$1,084.56		\$1,001.14		\$917.71
Wastewater								
FEE	Current	Scenario	30%^	Scenario2	20%^	Scenario3	10%^	Scenario4
Lot	\$575.39	\$27,618.72	\$1,066.72	\$51,202.32	\$984.66	\$47,263.68	\$902.61	\$43,325.04
Pro Rata	\$17.83/LF	\$11,767.80						
Per Lot		\$820.55		\$1,066.72		\$984.66		\$902.61
Surcharges	\$405.56	\$19,466.88	\$527.23	\$25,306.94	\$486.67	\$23,360.26	\$446.12	\$21,413.57
Per Meter		\$405.56		\$527.23		\$486.67		\$446.12
Total Per Lot		\$1,226.11		\$1,593.94		\$1,471.33		\$1,348.72
Total Per Lot		\$2,060.39		\$2,678.51		\$2,472.47		\$2,266.43

MULTIFAMILY

Scenario - 9.56 Acres, 286 Units, 12 Meters, 330 LF

Water								
FEE	Current	Scenario 1	30%^	Scenario 2	20%^	Scenario3	10%^	Scenario4
Acreage	\$2,106.84	\$20,141.39	\$3,430.86	\$32,798.98	\$3,166.94	\$30,275.98	\$2,903.03	\$27,752.99
Pro Rata	\$15.42/LF	\$5,088.60						
Per Acre		\$2,639.12		\$3,430.86		\$3,166.94		\$2,903.03
Surcharges	\$355.78	\$4,269.36	\$462.51	\$5,550.17	\$426.94	\$5,123.23	\$391.36	\$4,696.30
Per Meter		\$355.78		\$462.51		\$426.94		\$391.36
Total Per Acre		\$2,994.90		\$3,893.37		\$3,593.88		\$3,294.39
Wastewater								
FEE	Current	Scenario 1	30%^	Scenario 2	20%^	Scenario3	10%^	Scenario4
Acreage	\$2,300.10	\$21,988.96	\$3,790.24	\$36,234.70	\$3,498.68	\$33,447.42	\$3,207.13	\$30,660.13
Pro Rata	\$17.83/LF	\$5,883.90						
Per Acre		\$2,915.57		\$3,790.24		\$3,498.68		\$3,207.13
Surcharges	\$405.56	\$4,866.72	\$527.23	\$6,326.74	\$486.67	\$5,840.06	\$446.12	\$5,353.39
Per Meter		\$405.56		\$131.81		\$121.67		\$111.53
Total Per Acre		\$3,321.13		\$10,116.98		\$9,338.75		\$8,560.52
Total Per Acre		\$6,316.03		\$14,010.35		\$12,932.63		\$11,854.91

COMMERCIAL

Scenario – 2.61 Acres, 2 Units, 2 Meters, 400 LF

Water								
FEE	Current	Scenario	30%^	Scenario2	20%^	Scenario3	10%^	Scenario4
Acreage	\$2,106.84	\$5,498.85	\$5,811.08	\$15,166.91	\$5,364.07	\$14,000.23	\$4,917.07	\$12,833.54
Pro Rata	\$15.42/LF	\$6,168.00						
Per Acre		\$4,470.06		\$5,811.08		\$5,364.07		\$4,917.07
Surcharges	\$355.78	\$711.56	\$462.51	\$925.03	\$426.94	\$853.87	\$391.36	\$782.72
Per Meter		\$355.78		\$462.51		\$426.94		\$391.36
Total Per Acre		\$4,742.69		\$6,736.11		\$6,217.94		\$5,699.78
Wastewater								
FEE	Current	Scenario	30%^	Scenario2	20%^	Scenario3	10%^	Scenario4
Acreage	\$2,300.10	\$6,003.26	\$6,542.47	\$17,075.85	\$6,039.20	\$15,762.32	\$5,535.94	\$14,448.80
Pro Rata	\$17.83/LF	\$7,132.00						
Per Acre		\$5,032.67		\$6,542.47		\$6,039.20		\$5,535.94
Surcharges	\$405.56	\$811.12	\$527.23	\$1,054.46	\$486.67	\$973.34	\$446.12	\$892.23
Per Meter		\$405.56		\$527.23		\$486.67		\$446.12
Total Per Acre		\$5,843.79		\$7,596.93		\$7,012.55		\$6,428.17
Total Per Acre		\$10,586.47		\$14,333.03		\$13,230.49		\$12,127.95