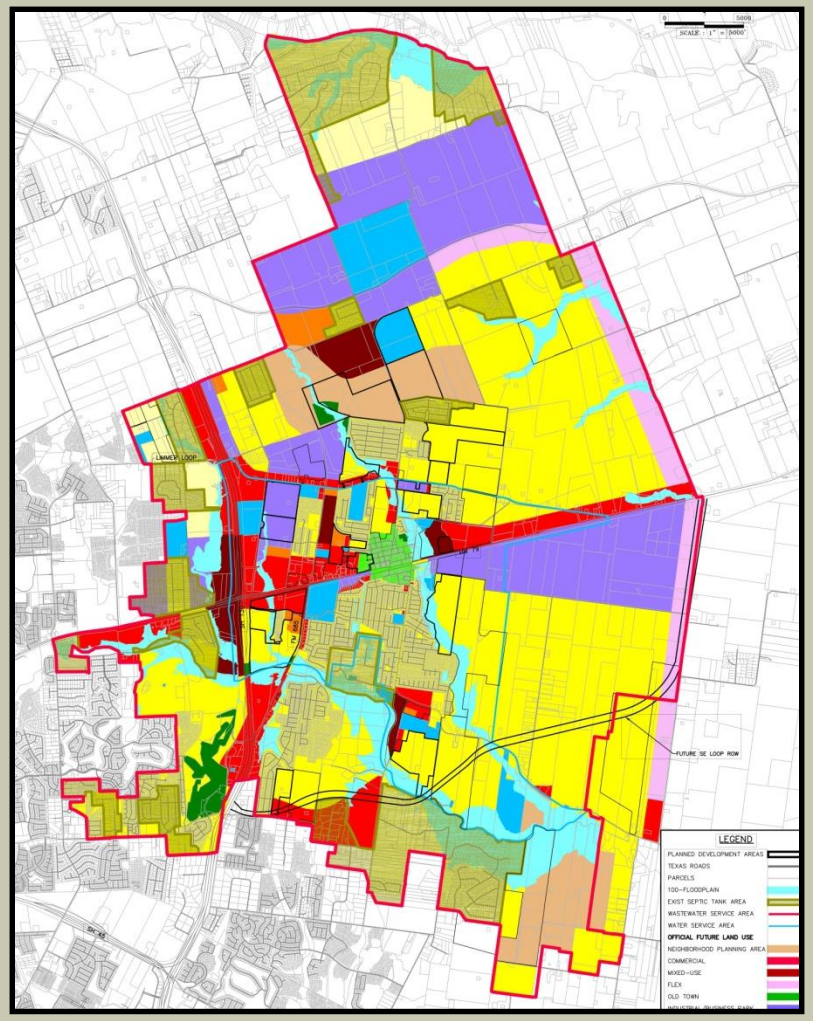
CITY OF HUTTO



City of Hutto
Water and Wastewater Impact Fee Study

November 17, 2020

Presented by:

DCS ENGINEERING, LLC

NewGen Strategies & Solutions

Impact Fee Purpose and Principles

- Impact fees shift the burden of infrastructure costs from the tax payers to the developers
- Allows the City to recover a portion of the cost of capital improvement projects
- Provides a structured approach to assessment of fees
- Impact fees for a new development are based on the water and wastewater capacity required
  - Measured in Living Unit Equivalencies (LUEs)

Impact Fee Purpose and Principles

- Impact Fee Process
  - Develop Land Use Assumptions (LUA)
  - Develop 10-year Capital Improvement Plan (CIP)
  - City Council Approval of LUA and 10-year CIP
  - Conduct Impact Fee Calculations and Prepare Technical Report
  - Capital Improvement Advisory Committee (CIAC) Approval of Impact Fee and Recommendation to City Council
  - Public Hearing and Council Consideration
  - Adopt Updated Impact Fee Ordinance

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Impact Fee Purpose and Principles

- Impact Fee Calculation
  - Maximum Impact Fees are calculated based on the cost of the eligible CIP projects in the next 10 years and the projected new LUE growth over that time period

$$\textbf{Impact Fee per LUE} = \frac{\text{Eligible CIP Cost}}{\text{New LUEs}}$$

  - The City may elect not to charge the maximum Impact Fee amount

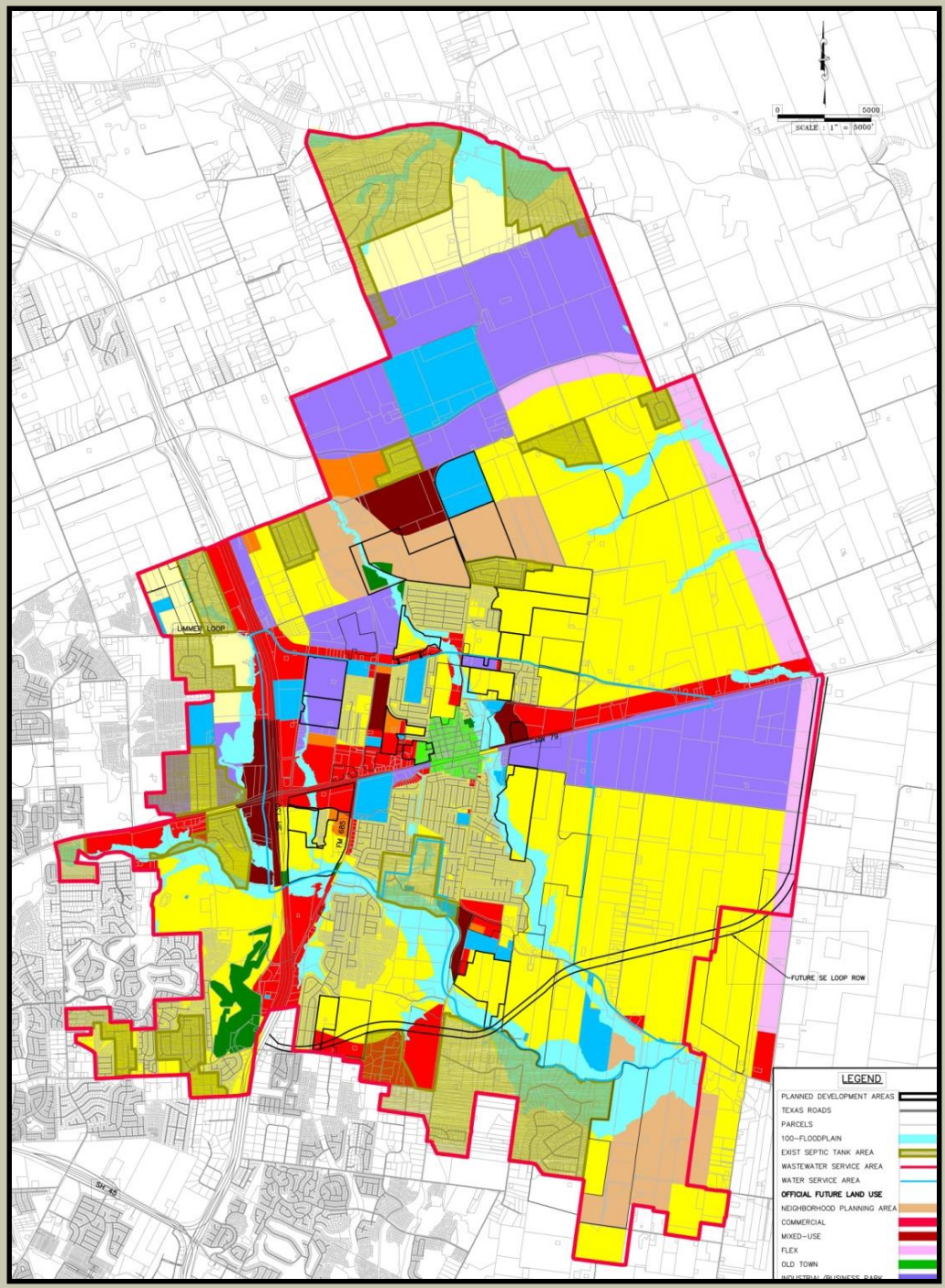
Impact Fee Purpose and Principles

- Eligible CIP projects
  - Recently constructed projects with capacity remaining
  - Proposed projects that will accommodate growth in the next 10 years
    - Construction Cost, Easement Acquisition, Professional Fees, etc.
  - Financing Costs
  - Cost of Impact Fee Study
    - Split between Water and Wastewater Impact Fees

Land Use Assumptions

Land Use Assumptions

COH Future Land Use	Density (LUE/Ac)	Notes
Commercial	7.04	Actual - Hansons Corner, Townwest Commons
Mixed-Use	8	Developed for Water Master Plan (50% High Density Residential, 50% Commercial)
Flex	5.4	Developed- mix of 50% commercial and 50% mid-density residential
Old Town	3.5	Downtown Hutto
Industrial/Business Park	1.8	Actual - Tradesmens Industrial Park, 79 Business Park
Institutional	1.6	Actual - Howard Norman Elementary, Veterans Hill Elementary
Agricultural/Open Space	0.1	Defined as Floodplain and Parkland
Low-Density Residential	1.5	Actual - Carmel Creek Est, Country View Est, Green Haven
Mid-Density Residential	3.84	Actual - Enclave, Riverwalk, Park at Brushy Creek
High-Density Residential	17	COH Definition from Unified Development Code
Neighborhood Planning Area	3.84	Developed to match Mid-Density Residential



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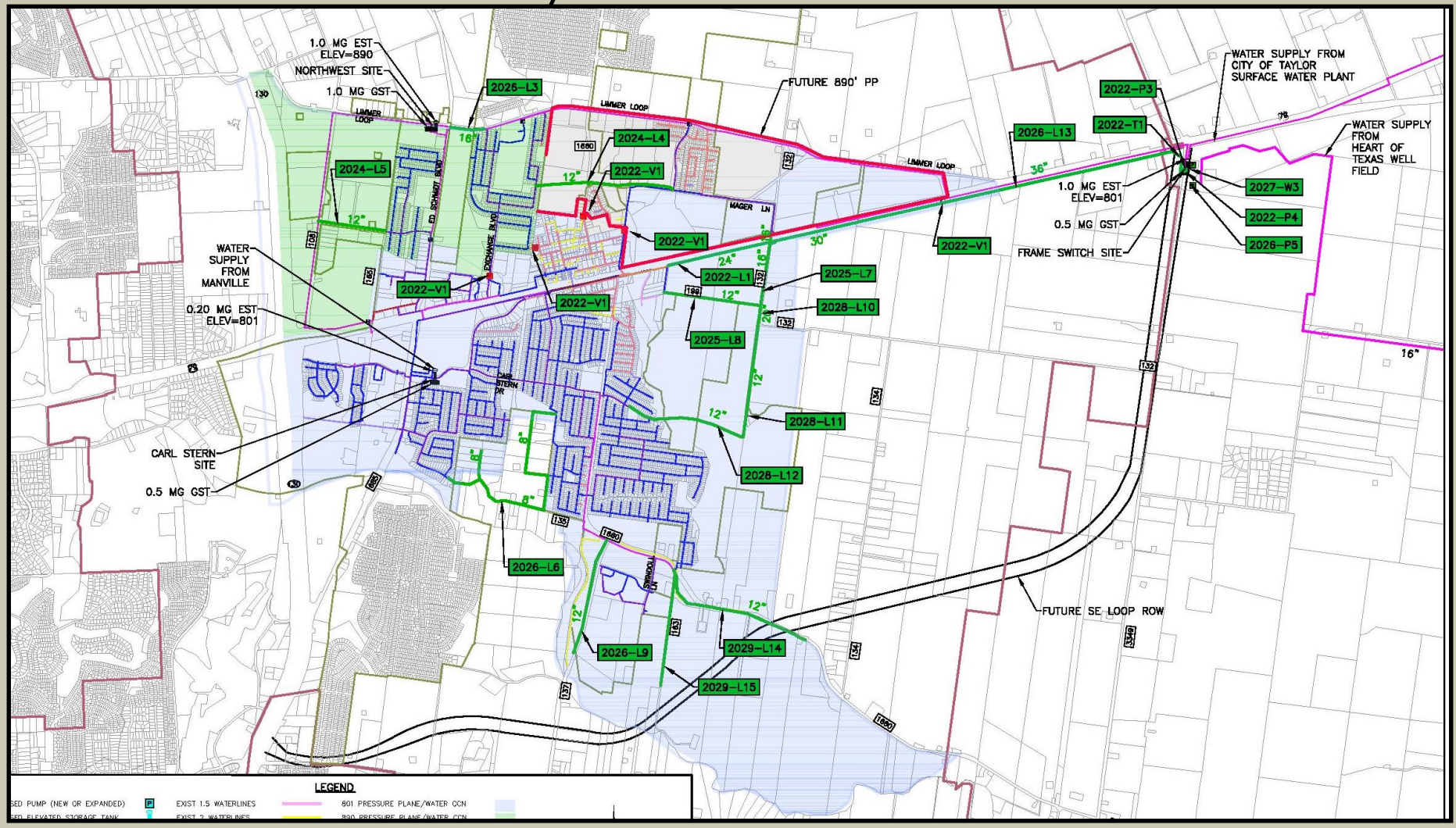
Water System -10-Year CIP



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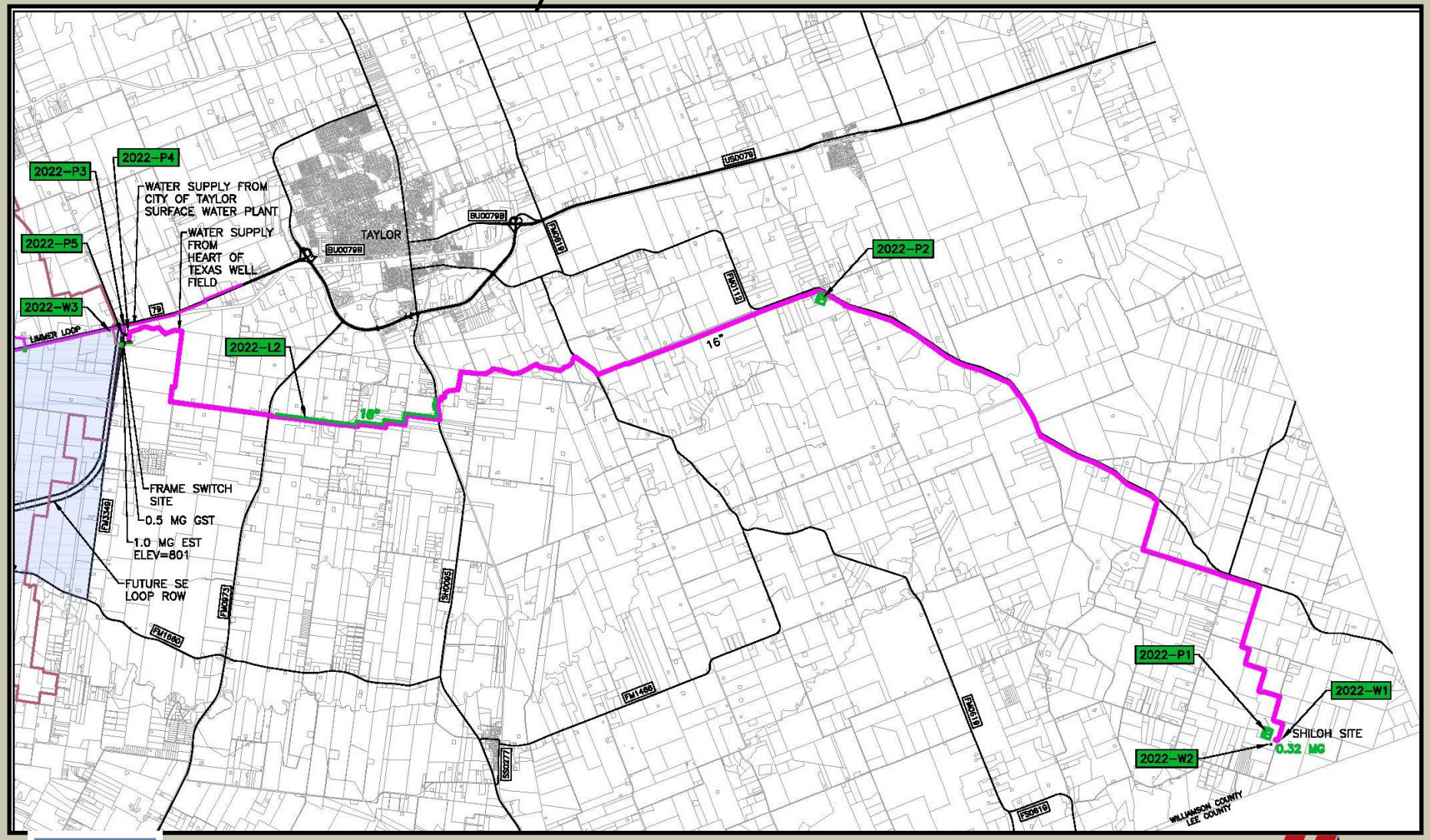
Water System -10-Year CIP



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Water System Impact Fee Eligible Projects

Project Date	Project ID	Fiscal Year Completed	Project Name	Project Description	2021 Utilization	2031 Utilization	Eligible Utilization (2031 - 2021)	Engineer's Opinion of Most Probable Cost or Actual Project Cost	Impact Fee Eligible Cost
Existing Projects*									
Completed	N/A	2017	12" Waterline - Future Carl Stern Dr (SH 130 South)	9,000 linear feet of 12" waterline to transfer water for new development areas at Future Carl Stern Dr / SH 130 South	11%	83%	72%	$940,000	$679,468
Completed	N/A	2018	12" Waterline – West of FM 685	1,500 linear feet of 12" waterline to transfer water	11%	83%	72%	$156,000	$112,763
Completed	N/A	2018	12" Waterline – Front Street	3,600 linear feet of 12" waterline	30%	100%	70%	$376,000	$263,200
Completed	N/A	2018	16" Waterline – Front Street	900 linear feet of 16" waterline	30%	100%	70%	$152,000	$106,400
Completed	N/A	2018	20" Waterline – Front Street	2,500 linear feet of 20" waterline	30%	100%	70%	$595,000	$416,500
Completed	N/A	2018	24" Waterline – Front Street	1,800 linear feet of 24" waterline	30%	100%	70%	$548,000	$383,600
Completed	N/A	2020	Old Town Waterline Replacement Program	Waterline Replacements as shown in report Figure No. 2.11 including: East Street Phase I at $60,000, Live Oak Street at $480,000, Taylor Street at $240,000, West Street Phase I and II with Metcalf Street at $540,000, Marvin Cove at $175,000, East Street Phase II at $150,000, Ross Street at $160,000, and Brushy Street/Evans Street at $280,000.	100%	100%	0%	$2,085,000	$0
Completed	N/A	2020	Shiloh Booster Station Upgrade to 3.27 MGD	Install 3 new pumps to reach a capacity of 3.27 mgd	64%	100%	36%	$500,000	$178,899
Proposed Projects**									
Under Design	2022-P1	2022	Shiloh Pumping Station Upgrade to 5.70 MGD	Install 5.7 mgd booster pump station at Shiloh Pump Station to replace existing 3.27 MGD pump station.	53%	100%	47%	$4,900,000	$2,321,053
Under Design	2022-P2	2022	Heart of Texas In-Line 5.7 MGD Pumping Station	Install 5.7 mgd inline booster pump station at the proposed Noack Pumping Station to allow the Heart of Texas Transmission Line to serve 5.7 mgd	53%	100%	47%	$5,250,000	$2,486,842
Under Design	2022-P3	2022	Frame Switch 890 PP 5.7 MGD Pump Station	Install 5.7 MGD 890' PP Pump Station at the Frame Switch Pumping Station.	53%	100%	47%	$4,290,000	$2,032,105
Under Design	2022-P4	2022	Frame Switch 801 PP 6.48 MGD Pump Station	Install 6.48 MGD 801' PP Pumping Station at the Frame Switch Pumping Station.	53%	100%	47%	$2,960,000	$1,402,105
Under Design	2022-T1	2022	Frame Switch 801 Pressure Plane Tank Modifications	Install new dedicated tank inlet to imrpove tank operation and mixing characteristics.	100%	100%	0%	$520,000	$0
Under Design	2022-V1	2022	890' Pressure Plane Expansion	To expand the 890' pressure plane east, 4 pressure reducing valves will be installed around Hutto's Historic Downtown. 1 Pressure sustaining valve will be converted into a pressure reducing valve.	100%	100%	0%	$100,000	$0
Under Design	2022-L1	2022	24" Waterline – US 79	5,500 linear feet of 24" waterline, and 6,000 linear feet of 30" waterline	37%	87%	50%	$2,342,000	$1,170,468
Under Design	2022-L2	2022	Heart of Texas 16" Parallel Pipeline	16,000 linear feet of 16" waterline	53%	100%	47%	$2,658,000	$1,249,260
Under Design	N/A	2021	Water Impact Fee Update	Update water impact fees.	0%	100%	100%	$39,670	$39,670
FY 2021 thru FY 2026	2026-L3	2026	16" Waterline - Limmer Loop	1,600 linear feet of 16" waterline to transfer water from the existing 890-ft PP at Ed Schmidt Blvd to Anderson St in Hutto Square (for expanding 890-ft PP)	100%	100%	0%	$404,000	$0
FY 2021 thru FY 2026	2024-L4	2024	12" Waterline - FM 1660/Mager Ln	4,800 linear feet of 12" waterline to transfer water from Delby St in Hutto Square to Carol Dr in Carol Meadows (for expanding 890-ft PP)	0%	100%	100%	$728,000	$728,000
FY 2021 thru FY 2026	2024-L5	2024	12" Waterline - Alliance Blvd (CR 108)	2,400 linear feet of 12" waterline to transfer water for new development areas along Innovation Blvd	0%	100%	100%	$265,000	$265,000
FY 2021 thru FY 2026	2026-L6	2026	Jonah Water Service Transfer Tier II South	7,910 linear feet of 8" waterline to transfer water to Coyote Trail	0%	100%	100%	$953,000	$953,000
FY 2021 thru FY 2026	2025-L7	2025	16" Waterline - CR 132	2,500 linear feet of 16" waterline to transfer water for new development areas at US79 / CR 132	0%	51%	51%	$449,000	$228,979
FY 2021 thru FY 2026	2025-L8	2025	12" Waterline - CR 199	3,300 linear feet of 12" waterline	0%	51%	51%	$366,000	$186,651
FY 2021 thru FY 2026	2026-L9	2026	12" Waterline	4,000 linear feet of 12" waterline	0%	54%	54%	$606,000	$328,107
FY 2027 thru FY 2031	2028-L10	2028	20" Waterline – CR 132	800 linear feet of 20" waterline	0%	36%	36%	$202,000	$73,257
FY 2027 thru FY 2031	2028-L11	2028	12" Waterline - Future Roadway	3,800 linear feet of 12" waterline	0%	36%	36%	$421,000	$152,678
FY 2027 thru FY 2031	2028-L12	2028	12" Waterline - Future Carl Stern Dr	4,300 linear feet of 12" waterline	0%	54%	54%	$477,000	$258,262
FY 2021 thru FY 2027	2026-L13	2026	36" Waterline - US 79	9,200 linear feet of 36" waterline	0%	62%	62%	$4,623,000	$2,856,402
FY 2027 thru FY 2031	2029-L14	2029	12" Waterline - FM 1660	5,400 linear feet of 12" waterline	0%	79%	79%	$771,000	$612,599
FY 2027 thru FY 2031	2029-L15	2029	12" Waterline - CR 163	3,900 linear feet of 12" waterline	0%	63%	63%	$557,000	$348,362
FY 2021 thru FY 2027	2026-P5	2026	Frameswitch 890' PP Pump Upgrades	Replace 4 50 HP 890' PP pumps with 4 150 HP 890' PP pumps	0%	100%	100%	$500,000	$500,000
FY 2021 thru FY 2026	2022-W1	2022	Well Capacity Increase to 5.7 MGD	Install 2 new Hooper wells, Drill one new Simsboro well, repermit the existing Simbsoro well No. 12.	0%	100%	100%	$3,688,000	$3,688,000
FY 2021 thru FY 2026	2022-W2	2022	Well Collection Capacity Increase to 5.7 MGD	Install +/- 21,000 LF of 16" and 12" piping.	0%	100%	100%	$3,955,000	$3,955,000
FY 2027 thru FY 2031	2027-W3	2027	5 MGD Brackish Water Treatment Plant	5 MGD brackish water treatment and cooling, 3 lower trinitiy aquifer wells, 1 injection well.	0%	54%	54%	$27,300,000	$14,742,000
							Total =	**$74,676,670**	**$42,718,631**

*Existing projects includes projects currently completed that provide capacity to the system

**Proposed projects includes all future projects including those currently under design or construction not completed

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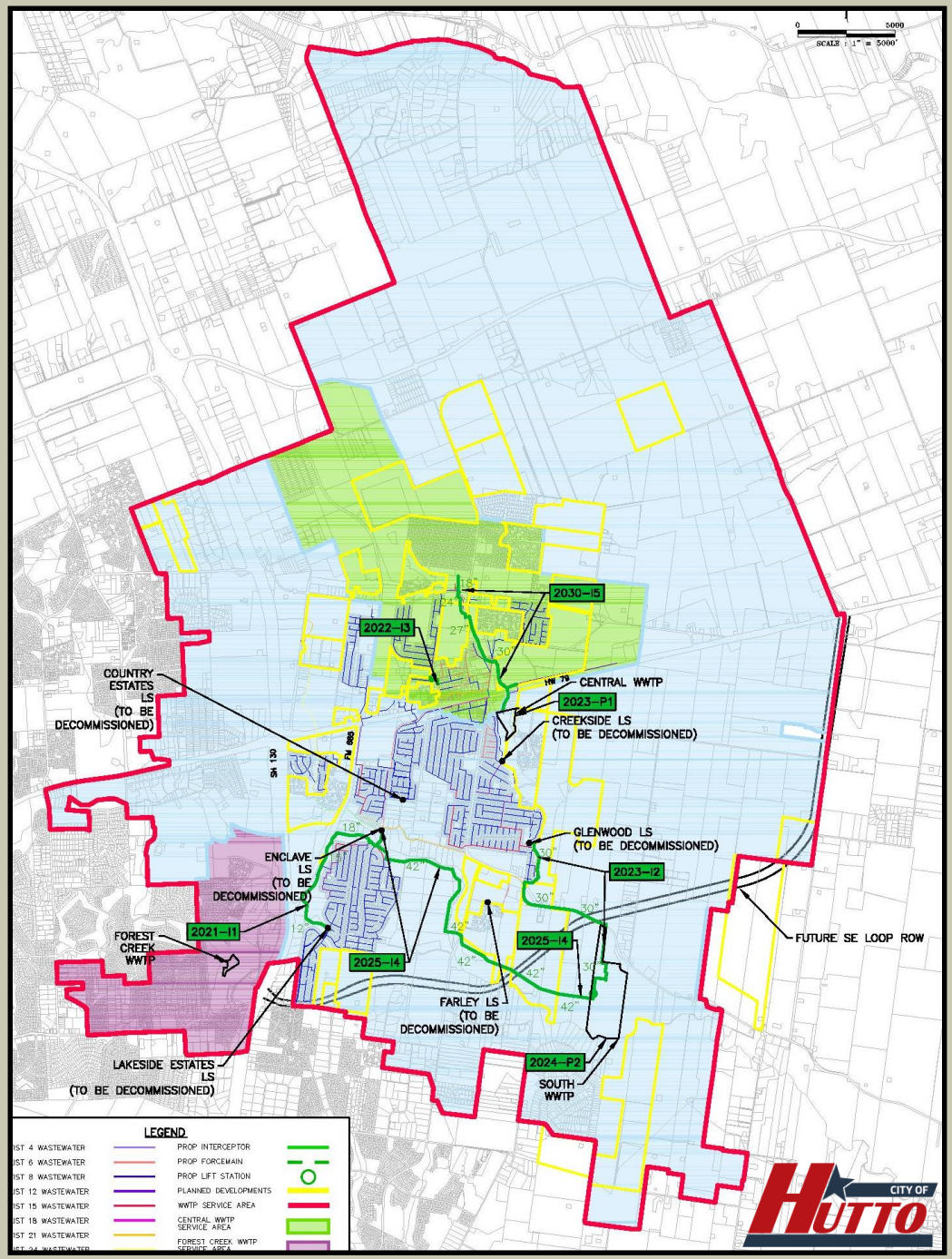
Wastewater System - 10-Year CIP



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Wastewater System - 10-Year CIP

Wastewater System Impact Fee Eligible Projects

Project Date	Project ID	Project Name	Project Description	2021 Utilization	2031 Utilization	Eligible Utilization (2031 - 2021)	Engineer's Opinion of Most Probable Cost or Actual Project Cost	Impact Fee Eligible Cost
Existing Projects[1]								
2013-2017	N/A	Existing 2.00 MGD South WWTP	The existing South WWTP with 2.00 mgd capacity	47%	100%	53%	$17,167,062	$9,029,875
2013-2016	N/A	Existing Enclave LS and FM	The existing Enclave lift station and forcemain with 8,960 LUEs of capacity	34%	100%	66%	$3,074,224	$2,043,193
Proposed Projects								
2020-2021	N/A	Wastewater Impact Fee Update[2]	Update wastewater impact fees.	0%	100%	100%	$39,670	$39,670
2020-2021	2020-I1	Lakeside Estates Lift Station Abandonment[2]	8,700 LF of 12", 15", and 18" interceptor to decommission the Lakeside Estates Lift Station and provide additional capacity for future developments in the area.	26%	100%	74%	$1,584,472	$1,168,995
2019-2023	2021-I3	Glenwood Lift Station Decommission, Interceptor, and 2 - WWTP Lift Stations[2]	10,500 LF of 30" interceptor to take Glenwood lift station offline and transfer flows to the South WWTP. Includes decommissioning of Glenwood LS, construction of new lift station at the south WWTP, and construction of new lift station at the Central WWTP.	34%	75%	41%	$8,645,099	$3,554,167
2021-2022	2022-I5	The Landing Pipe Bursting	Pipe burst existing 500 LF of 12-inch pipe to 15-inch on Whitfield, located north of Co-op to provide capacity for the future Landing development	60%	100%	40%	$250,372	$99,546
2021-2023	2023-P2	Phosphorus Chemical Dosing	Adding Phosphorus chemical dosing system to the Central WWTP to meet TCEQ permit requirements.	0%	100%	100%	$420,000	$420,000
2021-2023	2024-P1	South WWTP from 2.0 to 4.0 MGD Capacity	Expand South WWTP plant capacity from 2.00 mgd to 4.00 mgd.	0%	80%	80%	$30,199,320	$24,159,456
2028-2030	2025-I6	Cottonwood Creek Parallel Interceptor	700 LF of 18", 1,700 LF of 24", 3,900 LF of 27", and 2,100 LF of 30" Interceptor along east side of Cottonwood Creek to increase capacity of current Cottonwood Creek interceptor to ultimate conditions.	0%	75%	75%	$4,727,561	$3,545,671
2023-2025	2030-I7	Brushy Creek Interceptor & LS	2,800 LF of 36" and 15,100 LF of 42" interceptor to take Enclave LS offline and transfer flows to the South WWTP. Includes inverted siphon with two access vaults and on-site LS at WWTP. Decommissioning of Enclave LS is included in this project.	42%	65%	23%	$14,238,000	$3,270,720
						Total =	**$80,345,781**	**$47,331,291**

1. Existing projects are currently under review and the list will be updated for any other qualifying projects that are identified.
2. Projects are currently under design

Proposed Schedule

- November 17, 2020 - CIAC meeting; Impact Fee overview and 10 year CIP list and Land Use Assumptions presentation
- November 19, 2020 - Public Hearing and City Council adoption of Land Use Assumptions and 10 Year CIP
- December 1, 2020 - Draft Impact Fee Report to City
- December 4, 2020 - Meet with City Staff to review Draft Impact Fee Report
- December 7-11, 2020 - CIAC meeting on Draft Impact Fee Report and approval
- December 17, 2020 - Impact Fee Report City Council Work Session Presentation
- December 21, 2020 - Meet with City Staff
- January 1, 2021 - Final Impact Fee Report
- January 7, 2021 - Public Hearing
- January 21, 2021 - Public Hearing and City Council Approval

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CITY OF HUTTO

Questions?