

MEMORANDUM

TO: Donna Barron, City Manager

FROM: Keith Marvin, P.E., Director of Public Services

DATE: September 4, 2018

SUBJECT: **Approval of the Capital Improvements Advisory Committee Semi-Annual Report for the Periods of April 1, 2017 through September 30, 2017 and October 1, 2017 through March 31, 2018; and Receive Written Comments from the Capital Improvements Advisory Committee on Land Use Assumptions, Capital Improvements Plan, and Capital Recovery (Impact) Fees.**

BACKGROUND

The Capital Improvements Advisory Committee (CIAC) is responsible for reviewing the water and sewer impact fees assessed by the City of Lewisville for new development to verify compliance with Texas Local Government Code, Chapter 395. This is accomplished through Semi-Annual Reports submitted to the CIAC. The Planning and Zoning Commission members also serve as the CIAC members and the CIAC meetings are conducted immediately following the P&Z meeting.

ANALYSIS

The CIAC met on August 21, 2018. The Semi-Annual Report for April 1, 2017 through September 30, 2017 and October 1, 2017 through March 31, 2018 was presented to the committee for review and recommendation of forwarding to the City Council for approval.

The CIAC was advised that a review and update of the City of Lewisville Land Use Assumptions (LUA), Capital Improvements Plan (CIP), and Capital Recovery (Impact) Fee calculations was recently completed. Texas Local Government Code, Chapter 395 requires these documents to be reviewed and updated every five years as part of an impact fee update.

All reports associated with these updates were presented to the CIAC, and City staff made a detailed presentation of the findings and recommendations contained in all reports. Staff noted that the maximum water impact fee per LUE, as determined in the July 2018 Five-Year Water and Wastewater Impact Fee Review, is \$2,614.89, and the maximum wastewater impact fee per

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LUE is \$3,949.72. Staff recommended implementing a water impact fee of \$2,614 per LUE, and a wastewater impact fee of \$2,724 per LUE.

Members of the CIAC were given the opportunity to ask questions or make comments associated with the LUA, CIP, and Impact Fee calculations. CIAC members asked about the City's ability to deliver water to Castle Hills, and they were told that the ability to deliver water today and in the future was covered through the CIP, and that in the future the City will need to purchase additional water from Dallas Water Utilities as development continues.

The second question asked by the CIAC had to do with aesthetics of the water, specifically taste and odor. City staff discussed the ongoing ozonation project, and how that would primarily be to address the aesthetic issues brought up. Staff also explained that since this project would not add capacity to the system, it would be funded through other funding sources, not through Impact Fees.

The CIAC recommended by a 4-0 vote that the report be forwarded to the City Council for approval.

RECOMMENDATION

It is City staff's recommendation that the City Council approve the report as set forth in the caption above.