



August 4, 2026, ORIENTATION & STATUS REPORT

CAPITAL IMPROVEMENTS ADVISORY COMMITTEE

Welcome to the Capital Improvements Advisory Committee!

Purpose of Tonight's Meeting

- Understand Chapter 395 of the Texas Local Government Code
- Learn how Boerne's impact fee program works
- Understand your statutory responsibilities
- Learn how your recommendations support City Council decisions
- Review the status of the impact fee program
- Review current capital improvement projects
- Review financial status



Why Boerne Uses Impact Fees

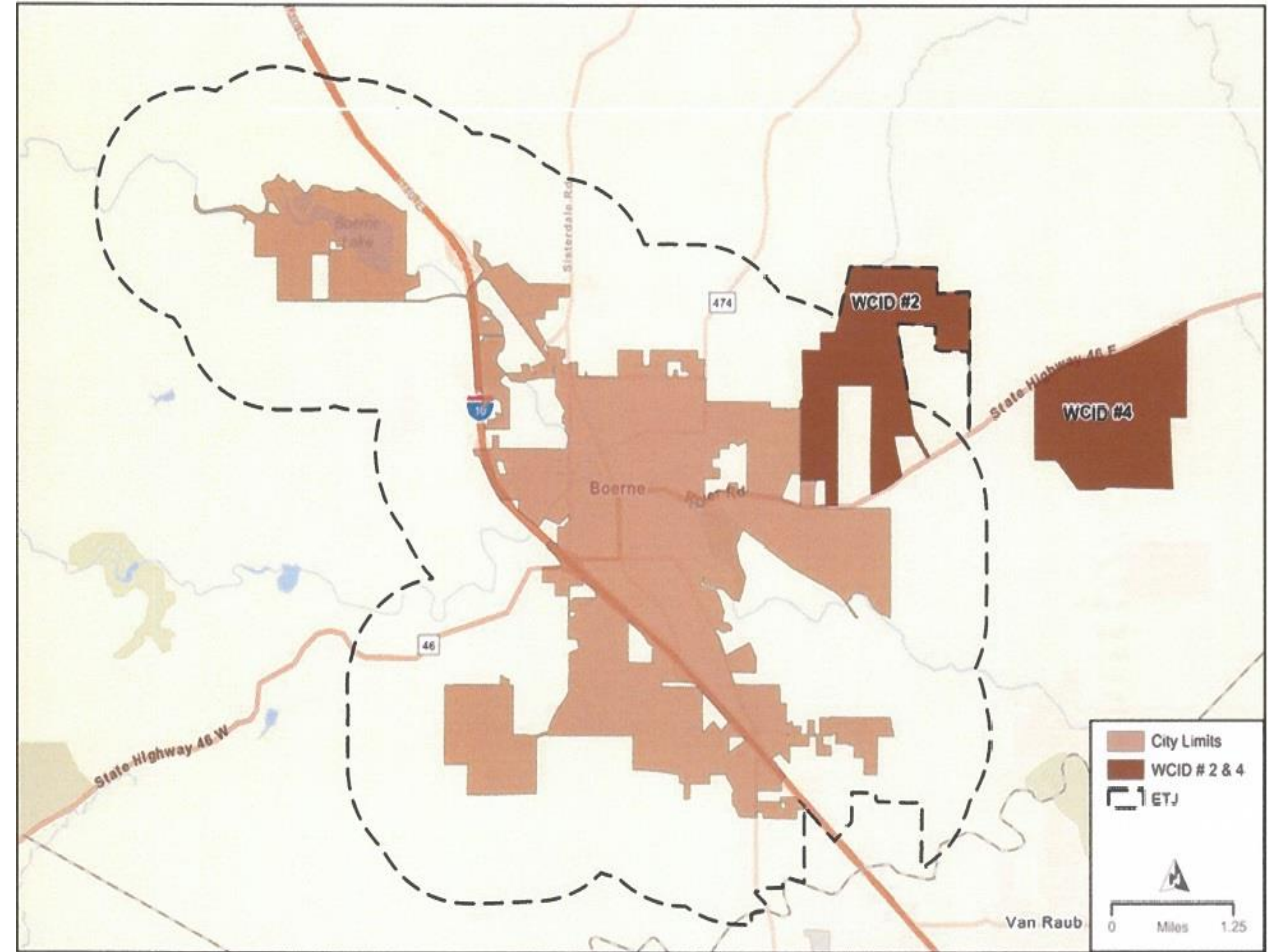
City of Boerne is Growing

Boerne continues to experience:

- Residential growth
- Commercial development
- Expansion into the ETJ
- Increased demand on infrastructure

Growth requires additional:

- Water capacity
- Wastewater capacity
- Distribution and collection facilities
- Storage facilities



INTEGRITY • COLLABORATION • RESPECT • SERVICE • EXCELLENCE

What Is an Impact Fee?

- A one-time charge collected from new development to recover the development's proportionate share of capital improvements.
 - Assessed at the time of platting for water and wastewater utilities.
 - Paid at the time of application for water and/or wastewater service.
 - They are not a tax, a utility rate, or a maintenance fee.
- Monies can only be spent on projects included in the Capital Improvements plan.
 - They cannot pay for existing deficiencies, routine maintenance, or operations.
 - Monies are tracked as separate interest-bearing accounts.
- State Law provides framework in Chapter 395 of the Local Government Code.



Chapter 395 Framework

- Texas law requires that impact fees be based upon:
 - Land Use Assumptions
 - Capital Improvements Plan (CIP)
 - Engineering analysis
 - Cost allocation methodology
 - Public hearings
 - Advisory committee review
- Every impact fee must satisfy the principle of proportionate share:
 - New development only pays for the capacity it requires.



City of Boerne's Impact Fee Process

- Prepare Land Use Assumptions
- Develop Capital Improvements Plan
- Calculate the Maximum Assessable Fee
- Committee Review
- Public Hearing
- Recommendation to City Council
- City Council Adoption
- Fee Collection and Accounting



Chapter 395- Recent Legislative Updates

- Approval of the imposition of an impact fee requires an affirmative vote of two-thirds of the governing body of the political subdivision.
- The amount of an impact fee shall not be increased for three (3) years from the date the fee was adopted or most recently increased.
- The Advisory Committee members must represent at least 50% of real estate, development, or building industries trades.
- An independent financial audit must be performed by an independent auditor prior to an increase in an existing impact fee or the adoption of a new impact fee. This audit must be made available to the public at least 30 days before the publication of notice of hearing on land use assumptions and capital improvements plan and before setting a public hearing to review/amend the updated plan.
- Information about land use assumptions and capital improvements plan shall be made available to the public at least 60 days before the date of the first publication of the notice of hearing.



Role of Advisory Committee

- Advises the City regarding Land Use Assumptions.
- Reviews the Capital Improvements Plan.
- Reviews proposed impact fees.
- Monitors implementation of the CIP.
- Advises when updates are needed.
- Remember:
 - The Committee recommends.
 - City Council decides.

LAND USE ASSUMPTIONS
Current and Projected Land Use

<i>Item</i>	<i>Current</i>		<i>Future (Including ETJ)</i>	
	<i>Acres</i>	<i>%</i>	<i>Acres</i>	<i>%</i>
Rural Residential	3,750	13.4%	3,500	12.5%
Single-Family Residential	8,000	30.4%	12,000	46.5%
Multi-Family Residential	250	0.9%	400	1.4%
Mobile/Manufactured Homes	150	0.5%	150	0.5%
Commercial/Schools/Churches	2,750	9.8%	3,500	12.5%
Utility/Transportation	400	1.4%	500	1.8%
Industrial	60	0.2%	120	0.4%
Government Owned/Parks	1,000	3.6%	1,500	5.4%
Agricultural/Undeveloped/Open Space	10,473	39.7%	5,163	19.0%
Total Land Use Acreage	26,833	100%	26,833	100%
Source: Adapted from Boerne 2018 Master Plan – Technical Plan, August 28, 2018. Land values have been projected from those contained in the plan to be consistent with recent and current growth forecast. Acreage includes the land area of WCID #4.				



2023 Impact Fee Update

- City contracted with HDR Engineering, Inc. to update the Land Use Assumptions, Capital Improvements Plan and to calculate updated maximum impact fees based upon the new Capital Improvements Plan.
- HDR Engineering, Inc. provided a draft report on February 6, 2023 , presenting a maximum impact fee determination for consideration by the City's Impact Fee Advisory Committee and the Boerne City Council.
- The Advisory Committee made a recommendation to City Council on March 6, 2023 , to approve the Land Use Assumptions, Capital Improvements Plan and maximum fee of \$7,629 to be set as the new impact fee.
- In a public hearing on May 9, 2023, City Council approved the new maximum fee.
- The new impact fee is a decrease of \$1,928 from the previous impact fee of \$9,557.
- Ordinance 2025-20 is the current Impact Fee Ordinance.



Current Impact Fees

Assessed Beginning May 23, 2023

LUE's	Meter Size	Water Fee	Wastewater Fee	Combined Fee
1	5/8"	\$2,509.00	\$5,120.00	\$7,629.00
1.5	3/4"	\$3,763.50	\$7,680.00	\$11,443.50
2.5	1"	\$6,272.50	\$12,800.00	\$19,072.50
5.0	1-1/2"	\$12,545.00	\$25,600.00	\$38,145.00
8.0	2"	\$20,072.00	\$40,960.00	\$61,032.00
16	3"	\$40,144.00	\$81,920.00	\$122,064.00
25	4"	\$62,725.00	\$128,000.00	\$190,725.00
50	6"	\$125,450.00	\$256,000.00	\$381,450.00

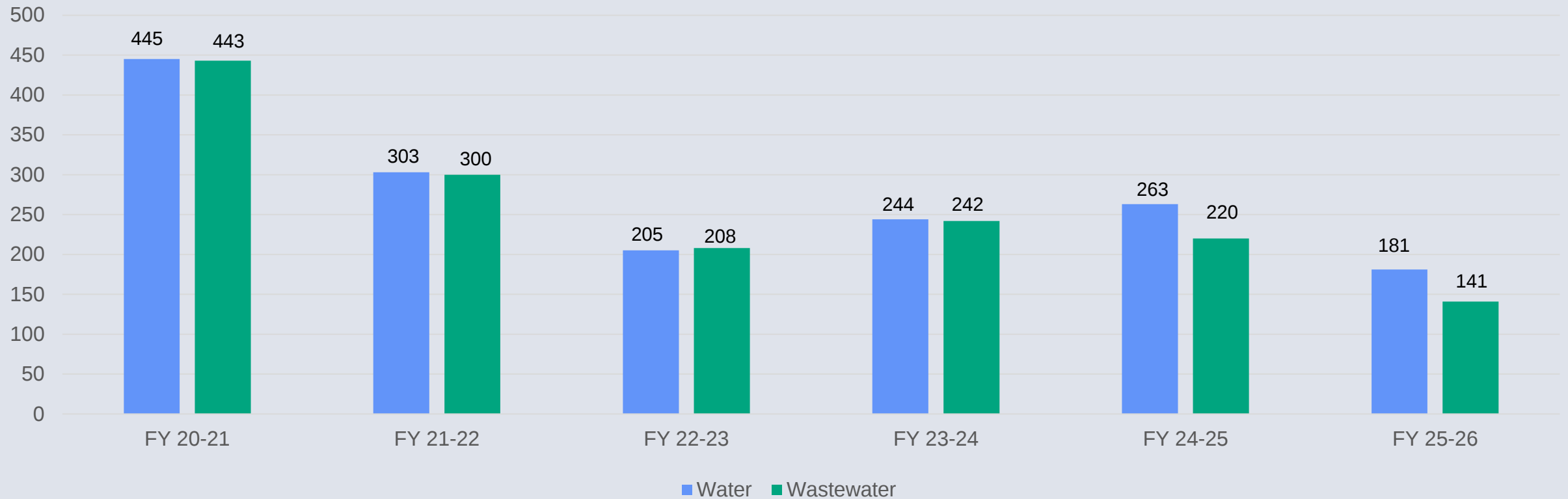


Impact Fee Comparison

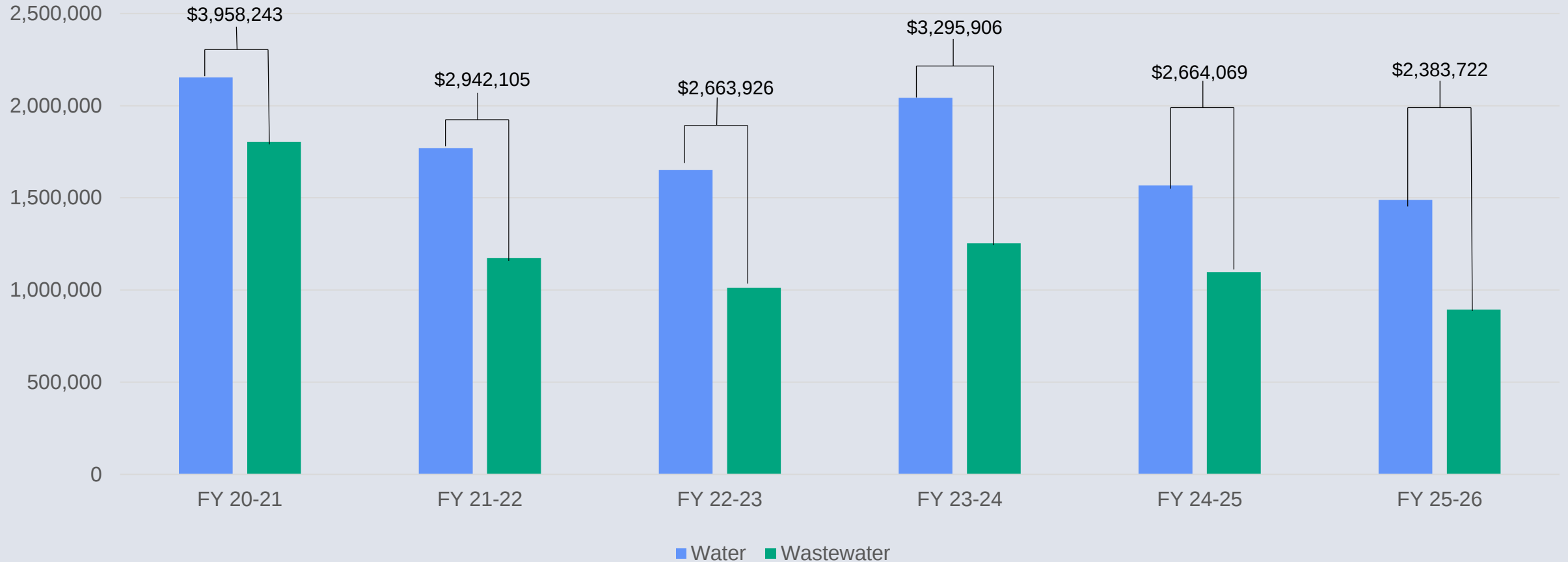
City Utility	Water	Wastewater	Total
Universal City	\$3,881	\$655	\$4,537
Fredericksburg	\$3,575	\$3,425	\$7,000
Boerne	\$2,509	\$5,120	\$7,629
Austin	\$4,800	\$2,900	\$7,700
Round Rock	\$4,912	\$2,921	\$7,833
San Antonio Water System*	\$5,720	\$3,287	\$9,007
Leander	\$8,762	\$2,301	\$11,063
Buda	\$7,188	\$5,239	\$12,427
Kyle	\$6,169	\$8,762	\$14,931
Georgetown	\$11,000	\$6,129	\$17,129
New Braunfels	\$19,448	\$6,244	\$25,692
Fair Oaks Ranch	\$21,013	\$9,943	\$30,956



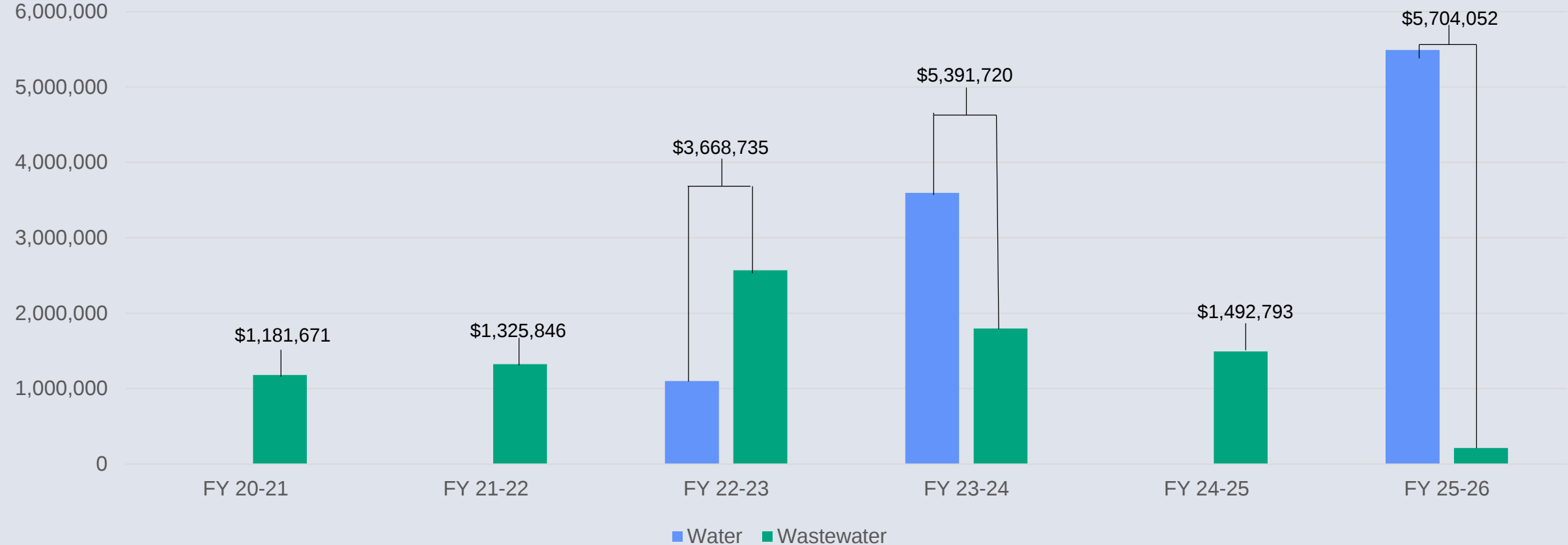
New Impact Fee Payments



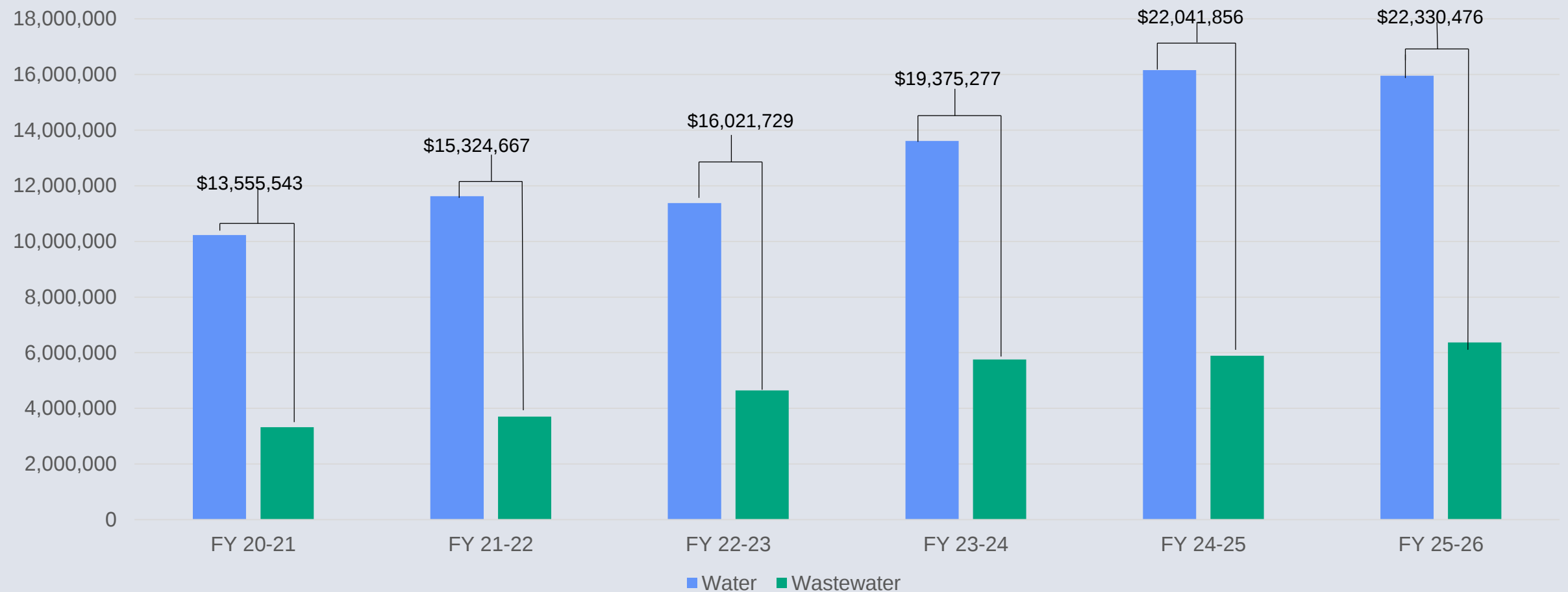
Impact Fee Collections



Impact Fee Expenditures



Impact Fee Fund Balances



Water CIP

Water Capital Projects	Cost
Water Treatment	
WTP Expansion	\$20,000,000
Water Pumping	
Ammann Road Water Tank & Pump Station	\$2,240,000
Water Supply	
GBRA Ammann Road Main	\$2,570,000
WCID #4 Supply Main (Ammann Rd.)	\$2,000,000
WCID #4 Supply Main (SH-46) – Oversizing	\$175,000
Reclaimed Water	
Reclaimed Main Transmission Upgrade	\$1,050,000
Trails of Herff Ranch Reclaimed Main	\$1,100,000
Reclaimed Water Elevated Storage	\$1,800,000
SH-46 Main Bore	\$200,000
WWTRC Storage Tank and Pumps	\$1,660,000
Total 10-Year Projects	\$32,795,000



Wastewater CIP

Wastewater Capital Projects	Cost
Wastewater Treatment	
1 st WWTRC Expansion	\$8,805,000
2 nd WWTRC Expansion	\$14,000,000
Pumping (Lift Stations)	
School Lift Station 3 rd Wet Well Addition	\$1,200,000
Interceptors	
South Cibolo Collector	\$7,000,000
Suggs Creek Sewer Main	\$2,250,000
Trails of Herff Ranch Main	\$2,090,000
Total 10-Year Projects for Growth	\$35,345,000



Summary

- Capital Improvements are under design or construction.
- Impact fee collections are outpacing expenditures.
- Impact fee fund is growing.
- Need to update Land Use Assumptions and Population Projections in 2028.
- Next Proposed Advisory Committee Meeting:
 - Nov/Dec 2026



Thank You!

- Your service helps City of Boerne:
 - Plan responsibly for growth
 - Protect existing taxpayers
 - Maintain reliable utility infrastructure
 - Comply with Texas law

