

	<div style="text-align: center;">AGENDA ITEM SUMMARY</div> <div style="border: 1px dashed purple; padding: 5px; float: right; margin-top: 10px;"> District Impacted <input type="checkbox"/> 1 = Wolosin <input type="checkbox"/> 2 = Woolard <input type="checkbox"/> 3 = Vacant <input type="checkbox"/> 4 = Cisneros <input type="checkbox"/> 5 = Handren <input checked="" type="checkbox"/> All </div>
AGENDA DATE	March 26, 2019
DESCRIPTION	CONSIDER RESOLUTION NO. 2019-R23; A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AND MANAGE AN AGREEMENT BETWEEN THE CITY OF BOERNE AND HDR ENGINEERING, INC. FOR WATER, WASTEWATER AND RECLAIMED WATER IMPACT FEE UPDATE. <i>(Update of the land use assumptions and Capital Improvements Plan for water, wastewater, and reclaimed water impact fees)</i>
STAFF'S RECOMMENDED ACTION (be specific)	Approve Resolution No. 2019-R23; Authorizing the City Manager to contract with HDR Engineering for professional services associated with updates to the City's water and wastewater impact fees in an amount not to exceed \$41,200.00.
CONTACT PERSON	Michael Mann – Utilities Director
SUMMARY	<p>For several decades, the City of Boerne has assessed and collected impact fees on new water and wastewater services. The intent of these programs is to recover the cost of major infrastructure improvements that the City must build to service new development from those that will need improvement rather than from existing ratepayers.</p> <p>Impact Fee programs are highly regulated by State Law. Impact fee funds cannot be used for maintenance purposes. They can only be used to finance work that will provide for new development. The allowable methods for assessing and collecting have changed over the years. Nevertheless, these fees remain very useful for minimizing the financial impact of development on existing ratepayers.</p> <p>Impact fees are determined by adding up the costs for infrastructure that must be constructed to serve new development (plants, pipelines, etc.), dividing that cost over the number of new services that would be anticipated, and reducing the resultant figures by a factor known as "rate credits." The planning timeline for the capital improvements plan and the land use assumptions used to determine those figures is ten years. However, because these plans are subject to change on a continual basis, State Law requires that we update our plans at least every five years. Our last update was done in 2014, so it is time to do so again.</p> <p>Because of the complexities of applicable State Law and the amount of engineering and financial work that is required to assemble the</p>

	<p>required documentation, consultant services are needed. A significant amount of staff involvement will also be required to provide various information and guidance to the consultants on an as-needed basis.</p> <p>HDR Engineering was chosen to assist us with this work based on their qualifications and because of their extensive experience with our prior utility planning work. HDR has assisted with the last few updates of our impact fee ordinances. We negotiated the scope of their work, and the proposed price for their services is only about \$7,000 higher than our last update. Their efforts will be more extensive than prior updates due to the recent inclusion of reclaimed water facilities into our water system planning.</p> <p>The proposed task order for HDR's scope of services and their fees is attached for the Council's review. The proposed fee of \$41,200 would be paid from our water and wastewater impact fee funds rather than the utility operating budgets. The impact fee funds are typically used for these studies as well as to pay debt service on the improvements that are included in the referenced capital improvements plans.</p>
COST	\$41,200
SOURCE OF FUNDS	Water and Wastewater Impact Fee Funds
ADDITIONAL INFORMATION	

This summary is not meant to be all inclusive. Supporting documentation is attached.