

MINUTES
IMPACT FEE ADVISORY COMMITTEE MEETING
BOERNE POLICE AND MUNICIPAL COURT COMPLEX
124 Old San Antonio Road
Boerne, TX 78006
June 6, 2016 – 5:30 p.m.

Advisory Committee

Members Present: John Hollinshead (Chair), Cal Chapman (Vice-Chair)
Patrick Cohoon (Secretary), Richard Sena,
Jeff Bachman, William Paxton,
Paula Hayward, and Russell Knoll

City Staff Present: Michael Mann (Public Works Director), Sean Reich (City Engineer),
and Andrea Rivera (Recording Secretary)

1. CALL TO ORDER – 5:30 PM

Meeting was called to order by Chairman Hollinshead at 5:32 p.m.

2. Approval of minutes of July 13, 2015.
3. Receive presentation and discuss current status of Impact Fee Program.

Mike Mann explained that our current impact fees were last updated in early 2014. He said we do not have to update the land use assumptions, capital improvements plan, and the fee until 2019. These current fees were set in 2014 and the total combined fee is \$7,299 per LUE. LUE is Living Unit Equivalent and that is the amount of water or sewer flow expected to get out of a house. A 5/8" water meter is 1 LUE. A 3/4" water meter flows 1 and 1/2 times as much water therefore, the impact fee is 1.5 LUE's. The largest meter we see is a 3 inch. We ask engineers to be conservative. The larger the meter the higher the impact. Collections comes with roads and houses and businesses that get built. The collections have been growing steadily. We have a 17 million dollar plan out there. We collect fees piece meal and build projects in advance. We build

projects using bond money and use impact fees to pay the principal and interest. Our balances are about 4 million in water and little over a million in sewer. The 4 million in water is building up to make a big down payment so our interest payments get smaller. Our population growth is meeting projections. Capital Improvements under construction are right on track. Impact fee collections are still outpacing expenditures. We have a balance that keeps growing. A question by the board was asked if laws govern how much we have in reserve. Mike Mann said he is not a lawyer and can't answer that legally but if balances got too big, the developers would probably ask us to look at the plan because they would feel they are paying too much. So, from that standpoint it is self regulating. We have consultants that can answer that question. Impact fees are still growing and are right on track. From the minutes from the last time there was a question about collecting roadway impact fees. Mike Mann said that Staff looks at that from time to time. There is a major limitation on roadway impact fees. We can only build roads that will serve developments inside the city limits. You can only charge fees to developments inside the city limits. It would not be fair to charge our citizens for funding of roads outside the city limits. A question was asked by the board regarding Cascade Caverns which will be a four lane in the future and if we could charge roadway impact fees to help pay for the road. Mike Mann said that we couldn't put that road in the Capital Improvements plan a year ago because it wasn't inside city limits at that time. We did not charge impact fees for part of Southglen because it wasn't in the CIP plan. Our ten year plan might be important to include roadway impact fees. The board asked if there is somewhere we can look to compare our impact fees. Mike Mann said we can. He said our fees aren't the highest and they aren't the lowest. We are a growing city so the impact fees are high. Cities that aren't growing don't have much of a fee. We are right inline with some of our neighbors. We don't hear a lot of complaining about the fees from the developers. Mike Mann said that we can get some numbers together for next time to let the board know what others pay. A question by the board was asked regarding the wastewater system and capital improvements. Mike Mann said the rate payers

are also paying debt service. Our rate payers are paying a debt service on projects not in the capital improvements plan like upgrade to plants and for maintenance purposes. And, this is why the law requires a rate credit. Another question was asked by the board regarding how long we were keeping the old plant around. Mike Mann said we renew the permit every five years and we renewed two years ago. We are good for another three years. The plant works great. It is reviewed by the state to what level it must be treated. The board asked if it becomes more economical to upgrade the new plant. At some point it will be more economical Mike said, but the phosphorus got too high so it was not feasible to upgrade the old plant so we built a new one and we left the old one alone. The balance of two plants is putting out high quality of effluent. The board asked if federal and state legislation is in house and out. Mike said, in house and out, we have consultants. Another question by the board was asked if there are any thresholds as we gain more population for rigorous requirements according to population. If you treat for population of 50,000, are there any additional requirements. Mike Mann said it is not a function of how often we treat but a function of how often we sample. From a wastewater standpoint, we are treating at a very, very high level. Chairman Hollinshead said we need to approve the minutes. He said he noticed some incorrect names on the minutes and it was questioned who called the last meeting to order. Mike Mann said we will correct names on the minutes. Commissioner Bachman moved to approve the minutes with the changes and Chairman Hollinshead carried the motion. All were in favor to approve the minutes.

4. ADJOURNMENT

The meeting was adjourned at 5:56 p.m.

Chairman

Secretary