

MINUTES OF THE WORK SESSION MEETING OF THE CITY COUNCIL OF THE CITY OF JERSEY VILLAGE, TEXAS, HELD ON AUGUST 17, 2015 AT 6:00 P.M. IN THE CIVIC CENTER MEETING ROOM, 16327 LAKEVIEW, JERSEY VILLAGE, TEXAS.

A. The meeting was called to order by Mayor Ray at 6:00 p.m. with the following present:

Mayor, Justin Ray	City Manager, Mike Castro, PhD
Council Member, Andrew Mitcham	City Secretary, Lorri Coody
Council Member, Greg Holden	Finance Director, Isabel Kato
Council Member, C. J. Harper	Building Official, Christian Somers
Council Member, Sheri Sheppard	
Council Member, Tom Eustace	

B. Receive and discuss a presentation by Freese and Nichols, Inc., concerning amendments to the City's land use assumptions, capital improvements plan and impact fees.

Freese and Nichols, Inc. Consultant Richard Weatherly gave a presentation on impact fees. Mr. Weatherly began the presentation, informing the Council that the impact fee will be an update to a previous City impact fee, and the purpose of the meeting is to receive information concerning amendments to the City's land use assumptions, capital improvements plan, and impact fees.

He explained that an impact fee is a one (1) time charge assessed to developers on projects that serve new growth. It is updated every five (5) years and is based upon the information available at the time the update is made.

Impact fees are authorized at Chapter 395 of the Local Government Code, are based upon the capacity consumed, and are needed to:

- Facilitate "Growth paying for Growth;"
- Alleviate the burden of new facilities on existing customers;
- Allow new development to pay for a share of a city's cost to provide off-site improvements that will serve developing property;
- Allow cities to recoup a portion of cost of providing improvements; and
- Provide a systematic, structured approach to assessment of fees.

Mr. Weatherly also explained which costs are eligible for recovery via impact fees as follows:

- Recently constructed improvements with excess capacity to accommodate growth;
- Cost of new projects needed to serve growth; and
- Study/Update Costs.

The costs not eligible for recovery are:

- Projects not included in the CIP;
- Repair, operation, and maintenance of existing or new facilities; and
- Rehabilitation to serve existing development.

WORK SESSION MEETING OF THE CITY COUNCIL
CITY OF JERSEY VILLAGE, TEXAS – August 17, 2015

Consultant Weatherly then explained, in detail, the eight (8) step impact fee process:

- Step 1** - Establish the CIAC
- Step 2** - Identify Service Areas
- Step 3** - Develop Land Use Assumptions
- Step 4** - Develop Capital Improvements Plan
- Step 5** - Impact Fee Calculations & Report Preparation
- Step 6** - CIAC Presentations
- Step 7** - Public Hearings & Council Approval
- Step 8** - Adopt Impact Fee Ordinance

Throughout the presentation, Council engaged in discussion about the impact fee process. Since meters will be used as the bases for assessing the fee in this updated plan, Council wondered how the fee would be assessed for a new residential neighborhood with 150 homes. Consultant Weatherly explained that the fee would be 150 x \$3928.

There was discussion about what will be needed before development occurs south of US Highway 290, and Council discussed the proposed fee versus the current fee. Consultant Weatherly explained that due to the prior plan having seven (7) service areas and the amended plan only having one (1) service area, it is difficult to make this comparison. City Manager Castro gave an example, stating that the fee in one (1) of the seven (7) service areas is as high as \$12,000, and going to meters makes assessing the fee easier.

There was discussion that since there will only be one (1) service area, development south of US Highway 290 will be assessed the same fee as development north of US Highway 290. Some felt that charging the fee on the whole City may not be appropriate, when most of the development will occur south of US Highway 290 in the City limits and in the City's ETJ. The Consultant explained that the new development will place demands on City services, regardless of where the development occurs. He reminded Council that the fees are reviewed every five (5) years, and that if a City or area in the City does not have an impact fee, the existing rate payers will pay for new development/growth.

There was concern that assessing an impact fee is a deterrent to development. For example, discussion was had about new warehouses needing a 4 to 6 inch meter for fire purposes, which is in addition to the standard water meter needs. The concern was that this company should only be charged for water impacts from the fire meter and not waste water impacts. Additionally, there was discussion that only the water impact fee should be charged to residents on irrigation meters. Accordingly, it was the consensus of Council that differences in meter usage should be considered when assessing the impact fee.

Discussion was had on when the Consultant felt the new water plant would be needed for development occurring south of US Highway 290. The Consultant recommended that the plant will be needed as soon as the City receives plans for development; but cautioned that it will be hard to tell the need without actual plans for development.

WORK SESSION MEETING OF THE CITY COUNCIL
CITY OF JERSEY VILLAGE, TEXAS – August 17, 2015

In closing the discussion, City Manager Castro summarized the unresolved issue of charging impact fees for waste water impacts for the following meters:

- Irrigation meters; and
- Fire Sprinkler meters.

C. ADJOURN

With no further discussion, the meeting was adjourned at 6:50 p.m.

Lorri Coody, City Secretary