

# Mayor and Council Communication

**DATE:** 09/21/21

**M&C FILE NUMBER:** M&C 21-0725

**LOG NAME:** 60MONTRACHET 16-INCH WS3 WMCC

**SUBJECT**

(CD 3 and ETJ) Adopt Ordinance to Establish a Water Main Capacity Charge in the Amount of \$191,330.86 per Million Gallons per Day for a 16-Inch Westside III Water Main to Serve the Montrachet Development and Surrounding Areas, Pursuant to Chapter 35, Article III, Division IV, Sections 35-90 through 35-92 of the City Code

**RECOMMENDATION:**

It is recommended that the City Council:

1. Adopt the attached ordinance to establish the water main capacity charge for the 16-inch water main to serve the Montrachet development and surrounding areas in accordance with Chapter 35, Water and Sewers, Article III, Division IV, Section 35-90 through 35-92 of the City Code; and
2. Establish the boundary area for the water main to allow the Water Department to assess a reimbursement for the City pursuant to Section 35-93 (c).

**DISCUSSION:**

This Mayor and Council Communication (M&C) is to authorize the establishment of a water main capacity charge for a developer initiated water main extension (City Project 102276). Montserrat Hills, LLC extended a 12-inch offsite water line to serve the Montrachet development. In March 2020, in M&C 20-0170, the City participated in the cost to upsize the offsite Westside III water line extension to a 16-inch diameter water main in order to serve surrounding areas within the Westside III pressure plane along West Loop 820 South.

The qualified costs used to establish this water main capacity charge are outlined below:

Description	City Project Number	Developer's Cost	City Participation	Total Cost	16-inch Net MGD	Cost Per MGD
16-Inch WL Construction	102276	\$622,135.30	\$251,552.70	\$873,688.00		
Engineering Costs		\$56,180.00		\$56,180.00		
		<b>\$678,315.30</b>	<b>\$251,552.70</b>	<b>\$929,868.00</b>	<b>4.86</b>	<b>\$191,330.86</b>

The water main capacity charge for the 16-inch water main is \$191,330.86 per million gallons per day (MGD) in accordance with City Code Section 35-92. The percentage of the water main capacity charge collected that will be eligible to be reimbursed to Montserrat Hill, LLC shall be 72.9% and to the Fort Worth Water Department is 27.1%. The collection period for the developer shall be 20 years or until the maximum reimbursable amount has been received, whichever occurs first. There is no restriction to the time period for the reimbursement to the Fort Worth Water Department.

The boundary area, as shown in Exhibit A, is determined for the purpose of assessment review. The boundary is used as a guideline, not as a definitive boundary for service area due to the possibility of varying lot sizes that may be proposed. If a plat meets the definition of other development stated in the water main capacity charge policy, then the plat will be assessed the water main capacity charge even though the plat may be located adjacent to, within, and/or outside the boundary area. The adoption of this charge is in accordance with Chapter 35, Water and Sewers, Division IV, Water Main Capacity Charges.

The water main capacity charge boundary is located in the City's Extraterritorial Jurisdiction and Council District 3.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that upon approval of the above recommendation and establishment of the charge, funds will be deposited into the Water & Sewer Fund. The Water Department (and Financial Management Services) is responsible for the collection and deposit of funds due to the City.

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