

Mayor and Council Communication

DATE: 08/08/23

M&C FILE NUMBER: M&C 23-0657

LOG NAME: 60SEWER CAPACITY CHARGE

SUBJECT

(ALL) Adopt Ordinance Amending Chapter 35, "Water and Sewers," Article III "Charges," of the Code of the City of Fort Worth, Texas (2015) to Add Division 5 to Establish a Sewer Capacity Charge Cost Recovery Method

RECOMMENDATION:

It is recommended that the City Council adopt the attached ordinance amending Chapter 35, "Water and Sewers," Article III "Charges," of the Code of the City of Fort Worth, Texas (2015) to Add Division 5 to Establish a Sewer Capacity Charge Cost Recovery Method.

DISCUSSION:

The City currently uses sewer per acre charges pursuant to Chapter 35, Article III, Division 3 of the City Code in order to recoup costs associated with constructing sewer infrastructure paid for by the City or a developer. The sewer per acre charge was created for single-family residential type developments.

As Fort Worth's growth pattern includes more high-density vertical mixed-use developments, and manufacturing/processing industrial developments, City staff have identified the need for an alternative method to calculate sewer reimbursement. The alternative method is based on peak sewer discharge from an approved sewer study.

The attached ordinance will amend Chapter 35, Article III, of the City Code to add Division 5 to be entitled "Sewer Capacity Charges". The ordinance establishes definitions, guidelines, criteria, calculations, and assessment and refund procedures to govern sewer capacity charges for developer projects and City projects.

The proposed ordinance allows the following:

- Developers to recover costs incurred from installing approach sewer infrastructure;
- The City to recover costs incurred from installing sewer infrastructure that are not included in the Impact Fee Study;
- Assessments to be collected from developers and property owners connecting directly or indirectly to the sewer infrastructure;
- Assessments to be based on the peak sewer discharge in the approved sewer study of the connecting developments;
- Payment of assessments to be made at the time of building permit application; and
- A maximum reimbursement time period to be twenty years for developer-initiated projects or until the max reimbursement is reached, whichever occurs first.

The criteria used to establish sewer capacity charges for developer projects include:

- Sewer infrastructure that is not included in the Impact Fee Study and designation of the sewer capacity charge for the subject sewer service area.

The proposed sewer capacity charge will be calculated by dividing the total development cost of the sewer infrastructure project by the peak sewer infrastructure capacity. The peak sewer infrastructure capacity is determined in accordance with current City policy governing design of sewer infrastructure.

Staff previously presented this cost reimbursement method to the Development Advisory Committee.

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

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FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that approval of these recommendations will have no material effect on City funds.

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Expedited