

Mayor and Council Communication

DATE: 12/15/20

M&C FILE NUMBER: M&C 20-0980

LOG NAME: 60MCKELVEY-COLE OFFSITE 24-INCH NS2 WMCC

SUBJECT

(CD 7 and ETJ) Adopt Ordinance to Establish a Water Main Capacity Charge in the Amount of \$274,951.49 Per Million Gallons Per Day for a 24-Inch Northside II Water Transmission Main to Serve the McKelvey-Cole Developments, Pursuant to Chapter 35, Water and Sewers, 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 24-Inch water transmission main to serve the McKelvey-Cole developments 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 24-inch water transmission main extension (City Project No. 101021, Contract No. 50407). Forestar (USA) Real Estate Group, Inc., constructed the offsite 24-inch water transmission main to serve their private developments in areas along Farm to Market (FM) 156 and State Highway 114 that lie within the Northside II pressure plane. The City did not cost participate in the construction of the 24-inch water transmission main. The purpose of this charge is to recover costs from private developments not associated with the McKelvey-Cole developments that have been recently annexed or currently reside in the City of Fort Worth's extraterritorial jurisdiction along FM 156. This area is defined by Exhibit A that is attached to this M&C.

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

Description	Total Cost	24-Inch Net MGD	Per MGD Charge
Design	\$213,184.00		
Construction	\$3,295,197.00		
Total	\$3,508,381.00	12.76	\$274,951.49

The water main capacity charge for the 24-inch water transmission main is \$274,951.49 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 Forestar (USA) Real Estate Group, Inc., shall be 100%. The collection period for the developer shall be 20 years or until the maximum reimbursable amount has been received, whichever occurs first.

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 7.

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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