

A RESOLUTION OF THE MEEKER MUNICIPAL WATER DISTRICT
ESTABLISHING IMPACT FEES FOR WATER UTILITIES

WHEREAS, the Meeker Municipal Water District (the "District") is responsible for and committed to the provision of public facilities and services (including water service) at levels necessary to cure any existing public service deficiencies in already developed areas; and

WHEREAS, such facilities and service levels shall be provided by the District utilizing funds allocated in the budget and capital improvements programming processes and relying upon the funding sources indicated therein; and

WHEREAS, new residential and nonresidential development causes and imposes increased and excessive demands upon District Water Utilities public facilities and services, including water facilities, that would not otherwise occur; and

WHEREAS, planning projections indicate that such development will continue and will place ever-increasing demands on the District to provide necessary public facilities; and

WHEREAS, to the extent that such new development places demand upon the public facility infrastructure, those demands should be satisfied by shifting the responsibility for financing the provision of such facilities from the public at large to the developments creating the demands for them; and

WHEREAS, the amount of the impact fee to be imposed shall be determined by the cost of the additional public facilities needed to support such development, which public facilities shall be identified in a capital improvement plan; and

WHEREAS, the Board of Directors, after careful consideration of the matter, hereby finds and declares that impact fees imposed upon residential and nonresidential development to finance specified major public facilities, the demand for which is created by such development, is in the best interest of the general welfare of the District and its residents, is equitable, and does not impose an unfair burden on such development; and

WHEREAS, in 1987 the Texas Legislature adopted Senate Bill 336, now Texas Local Government Code Chapter 395, and

WHEREAS, the Board of Directors finds that in all things the District has complied with said statute in the notice, adoption, promulgation, and methodology necessary to adopt Impact Fees; and

WHEREAS, the District has completed a review and update of the land use assumptions, the capital improvements plan for water facilities, and the impact fees in accordance with the procedures set forth in Texas Local Government Code Chapter 395.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MEEKER MUNICIPAL WATER DISTRICT:

WATER IMPACT FEES
ARTICLE 1
GENERAL PROVISIONS

Section 1.01 Short Title

This Resolution shall be known and cited as the Water Impact Fee Resolution.

Section 1.02 Intent

This Resolution is intended to impose water impact fees, as established in this Resolution, in order to finance public facilities, the demand for which is generated by new development in the designated service area.

Section 1.03 Authority

The District is authorized to enact this Resolution by Texas Local Government Code Chapter 395 (Senate Bill 336 enacted by the 70th Texas Legislature) and its successors, which authorizes municipal utility districts, among others, to enact or impose impact fees (impact fees) on land within their boundaries, as charges or assessments imposed against new development in order to generate revenue for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to such new development.

Section 1.04 Definitions

As applied in this Resolution, the following words and terms shall be used"

- (1) Assessment-The determination of the amount of the maximum impact fee per service unit which can be imposed on new development pursuant to this Resolution.
- (2) Capital Construction Cost of Service-Costs of constructing capital improvements or facility expansions, including and limited to the construction contract price, surveying and engineering fees, land acquisition costs (including land purchases, court awards and costs, attorney's fees, and expert witness fees), and the fees actually paid or contracted to be paid to an independent qualified engineer or financial consultant preparing or updating the capital improvements plan who is not an employee of the District.
- (3) Capital Improvement Advisory Committee (Advisory Committee)-Advisory committee, appointed by the Board of Directors, consisting of at least five numbers which are not employees of the District, not less than 40 percent of which shall be

representatives of the real estate, development, or building industries who are not employees or officials of a political subdivision or governmental entity. The advisory committee is appointed to regularly review and update the capital improvements program in accordance with the requirements of Texas Local Government Code Chapter 395, and its successors.

(4) Capital Improvements Plan (CIP)-Plan which identifies water capital improvements or facility expansions pursuant to which impact fees may be assessed.

(5) Commercial Development-For the purposes of this Resolution, all development which is neither residential nor industrial. Commercial development includes any structure or structures on a single lot designed to accommodate more than four dwelling units.

(6) Developer-a person or an entity which: (a) subdivides a single, legal tract of property into multiple tracts; or (b) requests more than two meters or taps for treated water service to a single, legal tract of property.

(7) Developer Property-any land owned and/or developed by a Developer.

(8) Dwelling Unit-a structure or portion of an overall structure in which a typical household or person or unrelated persons would reside together. A single dwelling unit would include a single family detached house or individual units or attached housing, i.e. one unit within a duplex, triplex, fourplex or larger apartment building.

(9) Effective Impact Fee-amount of a impact fee collected per service unit, which may be equal to or less than the maximum impact fees as set forth in Exhibit C to this resolution.

(10) Existing Development-all development within the service area which has a water service, whether on the District Utilities' system or other centralized water or sewer system, as of the date of the adoption of this Resolution.

(11) Facility Expansion-the expansion of the capacity of an existing facility which serves the same function as an otherwise necessary new capital improvement in order that the existing facility may serve new development. Facility expansion does not include the repair, maintenance, modernization, or expansion of an existing facility to better serve existing development.

(12) Final Subdivision Plan or Final Plat-the map, drawing, or chart on which is provided a Developer's plan of a subdivision, and which has received final approval by the Board of Directors and which is recorded with the office of the County Clerk.

(13) Growth-Related Costs-Capital Construction costs of service related to providing additional service units to new development, either from excess capacity in existing facilities, from facility expansions, or from new capital facilities.

(14) Impact Fee-fee to be imposed upon new development, calculated based upon the growth-related costs of facilities in proportion to development creating the need for such facilities, fees do not include dedication of rights of way or easements, or construction or dedication of site-related water distribution facilities required by other District policy, or pro rata fees placed in trust funds for the purpose of reimbursing developers for oversizing or constructing water mains.

(15) Industrial Development-Development which will be assigned the industrial customer class of the water utilities; generally development in which goods are manufactured, or development is ancillary to such manufacturing activity.

(16) Land Use Assumptions-projections of changes in land uses, densities, intensities, and population therein over at least a 10-year period, adopted by the District, as may be amended from time to time, upon which the capital improvement plan is based.

(17) New Development-subdivision of land; or the construction, reconstruction, redevelopment, conversion, structural alteration, relocation, or enlargement of any structure, or any use or extension of the use of land; any of which increases the number of service units for water service.

(18) Preliminary Subdivision Plan or Preliminary Plat-the initial map, drawing, or chart on which is provided a sub-divider's plan of a subdivision, and which accompanies the completed application for preliminary plat approval.

(19) Residential-A lot developed for use and occupancy as a single-family residence, a duplex, a triplex, or a fourplex.

(20) Service Area- area within the boundaries of the District to be served by water capital improvements or facilities expansions specified in the capital improvements program application the service area.

(21) Service Unit-standardized measure of consumption, use, generation, or discharge attributable to an individual unit of development calculated in accordance with generally accepted engineering or planning standards for a particular category of capital improvements or facility expansions.

(22) Water Facility-improvement for providing water service, including, but not limited to, land or easements, water supply facilities, treatment facilities, pumping facilities, storage facilities, or transmission mains. Water facility excludes water lines or mains which are constructed by Developers, the costs of which are reimbursed from pro rata

charges paid by subsequent users of the facilities and which are maintained in dedicated trusts. Water facilities also exclude dedication of rights-of-way or easements or construction or dedication of on-site water distribution facilities required by valid policies of the District and necessitated by and attributable to the new development.

Section 1.05 Applicability of Impact Fees

(1) No new development shall be exempt from the assessment of impact fees as defined in this Resolution. However, the Board of Directors of the District may determine that for reasons of applicant hardship or for reasons of general community welfare, the applicable fees may be paid by the District into the appropriate utility funds in lieu of payment by the applicant.

Section 1.06 Impact Fees as Conditions of Development Approval

(1) No application for new development shall be approved without assessment of impact fees pursuant to this Resolution, and no application for District approval of utility service and/or plat shall be issued unless the applicant has paid the impact fees imposed by and calculated herein.

Section 1.07 Establishment of Water Service Areas

(1) The conceptual water service area(s) for development of impact fee purposes are established as shown on the Service Area Map(s) which is Exhibit A to this resolution.

(2) The conceptual service areas shall be established consistent with any facility service area established in the CIP for each utility. Additions to the service area may be designated by the Board of Directors consistent with the procedure set forth in Texas Local Government Code Chapter 395 or its successors.

Section 1.08 Land Use Assumptions

(1) Land use assumptions used in the development of the impact fees are contained in Exhibit B of this Resolution. These assumptions may be revised by the Board of Directors according to the procedure set forth in Texas Local Government Code Chapter 395.

Section 1.09 Impact Fee

(1) In order to determine the Impact Fee, the Total Annual Expenses and Total Annual Income have been evaluated with the proposed new rates and with the proposed average annual expenditures due to expansions for development. The deficit between the Total Annual Expenses and Total Annual Income will include the amount of revenue needed to be raised by impact fees.

(2) Impact Fee Adjustment by Meter Size

Impact Fee Adjustment by Meter Size						
Meter Size	<u>Residential</u>		<u>Commercial</u>		<u>Industrial</u>	
	<u>Additional Impact Fee</u>	<u>Total Impact Fee</u>	<u>Additional Impact Fee</u>	<u>Total Impact Fee</u>	<u>Additional Impact Fee</u>	<u>Total Impact Fee</u>
0.75-inch		\$2,200.00		\$2,860.00		\$3,300.00
1-inch		\$2,200.00		\$2,860.00		\$3,300.00
1.5-inch	\$275.00	\$2,475.00	\$360.00	\$3,220.00	\$415.00	\$3,715.00
2-inch	\$1,320.00	\$3,520.00	\$1,720.00	\$4,580.00	\$1,980.00	\$5,280.00
3-inch	\$3,740.00	\$5,940.00	\$4,865.00	\$7,725.00	\$5,610.00	\$8,910.00
4-inch	\$8,360.00	\$10,560.00	\$10,870.00	\$13,730.00	\$12,540.00	\$15,840.00
6-inch	\$21,560.00	\$23,760.00	\$28,030.00	\$30,890.00	\$32,340.00	\$35,640.00

Section 1.10 Assessment of Impact Fees

(1) The approval of any subdivision of land or of any new development shall include as a condition the assessment of the impact fee applicable to such development.

(2) Assessment of the impact fee for any new development shall be made as follows:

(a) For land on which new development occurs or is proposed to occur, assessment shall be made at the time the subdivision plat is provided to the Board of Directors by the Developer. The impact fee must be paid before the Board of Directors provide plat approval.

(b) For land on which a new Dwelling Unit will be constructed, assessment shall be made when the Developer or owner applies for a meter.

(3) Following assessment of the impact fee pursuant to subsection (2), no additional impact fees or increases thereof shall be assessed against that development unless the number of service units increases. An increase in service units shall be deemed to have occurred when existing development with existing services for which impact fees have been paid is redeveloped or otherwise altered to require additional water capacity.

Section 1.11 Collection of Impact Fees

(1) No approval of Application for Utility Service shall be made until all relevant impact fees have been paid to the District.

(2) For a platted or unplatted development which is submitted to the District for approval, impact fees shall be collected at the time the District provides its approval.

(3) At the request of the applicant, and with the approval of the Board of Directors, the impact fees for such customers may be paid in increments over a period of not more than six (6) months with interest computes on the unpaid balance at the statutory rate as set forth in Tex. Rev. Civ. Stat. art. 5069-1.03, or any successor statute.

(4) Late payments shall be subject the applicant to a penalty of ten percent of the amount due and additional interest in addition to all other remedies available to the District as lien holder.

Section 1.12 Establishment of Accounts

(1) The District shall establish separate interest-bearing accounts, in an institution authorized in the District's Investment Policy, for the Impact Fee.

(2) Interest earned by each account shall be credited to that account and shall be used solely for the purposes specified for funds authorized in Section 1.13.

Section 1.13 Use of Proceeds of Impact Fee Amounts

(1) The impact fees collected pursuant to this Resolution may be used to finance or to recoup capital construction costs of service. Impact fees may also be used to retire bonds or pay the principal sum and interest and other finance costs on bonds, notes, or other obligations issued by or on behalf of the City to finance such water capital improvements or facilities expansions as included in the CIP.

(2) Impact fees collected pursuant to this Resolution shall not be used to pay for any of the following expenses:

(a) Construction, acquisition or expansion of capital improvements or assets other than those identified for the appropriate utility in the capital improvements plan;

(b) Repair, operation, or maintenance of existing or new capital improvements or facilities expansions;

(c) Upgrading, expanding, or replacing existing capital improvements to serve existing development in order to meet stricter safety, efficiency, or environmental or regulatory standards;

(d) Upgrading, expanding, or replacing existing capital improvements to provide better service to existing development ;provided, however, that impact fees may be used to pay the costs of upgrading, expanding, or replacing existing capital improvements in order to meet the need for new capital improvements generated by new development; or

(e) Administrative and operating costs of the District.

Section 1.14 Appeals

(1) The property owner or applicant for new development may appeal the following decisions to the Board of Directors of District:

(a) The applicability of an impact fee to the development;

(b) The availability or the amount of an offset or credit;

(c) The application of an offset or credit against an impact fee due;

(d) The amount of the refund due, if any.

(2) The burden of proof shall be on the appellant to demonstrate that the amount of the fee or the amount of the offset or credit was not calculated according to the applicable impact fee schedule or the guidelines established for determining offsets and credits.

(3) The appellant must file a notice of appeal with the Board of Directors of the District within thirty (30) days following the decision. If the notice of appeal is accompanied by a bond or other sufficient surety satisfactory to the Board of Directors in an amount equal to the original determination of the impact fee due, the development application or Application for the Utility Service may be processed while the appeal is pending.

Section 1.15 Refunds

(1) On the request of an owner of the property on which an impact fee has been paid, the political subdivision shall refund the impact fee if existing facilities are available and service is denied or the political subdivision has, after collecting the fee when service was not available, failed to commence construction within two years or service is not available within a reasonable period considering the type of capital improvement or facility expansion to be constructed, but in no event later than five years from the date of payment under Section 395.019(1) of the Texas Local Government Code.

(a) The political subdivision shall refund any impact fee or part of it that is not spent as authorized by this chapter within 10 years after the date of payment.

EXHIBIT A
SERVICE AREA MAP

EXHIBIT B

CAPITAL IMPROVEMENT PLAN

EXHIBIT C

Impact Fee Adjustment by Meter Size

	<u>Residential</u>		<u>Commercial</u>		<u>Industrial</u>	
Meter <u>Size</u>	Additional Impact <u>Fee</u>	Total Impact <u>Fee</u>	Additional Impact <u>Fee</u>	Total Impact <u>Fee</u>	Additional Impact <u>Fee</u>	Total Impact <u>Fee</u>
0.75-inch		\$2,200.00		\$2,860.00		\$3,300.00
1-inch		\$2,200.00		\$2,860.00		\$3,300.00
1.5-inch	\$275.00	\$2,475.00	\$360.00	\$3,220.00	\$415.00	\$3,715.00
2-inch	\$1,320.00	\$3,520.00	\$1,720.00	\$4,580.00	\$1,980.00	\$5,280.00
3-inch	\$3,740.00	\$5,940.00	\$4,865.00	\$7,725.00	\$5,610.00	\$8,910.00
4-inch	\$8,360.00	\$10,560.00	\$10,870.00	\$13,730.00	\$12,540.00	\$15,840.00
6-inch	\$21,560.00	\$23,760.00	\$28,030.00	\$30,890.00	\$32,340.00	\$35,640.00

(b) Any refund shall bear interest calculated from the date of collection to the date of refund at the statutory rate as set forth in Section 302.002, Finance Code, or its successor statute.

(c) All refunds shall be made to the record owner of the property at the time the refund is paid. However, if the impact fees were paid by another political subdivision or governmental entity, payment shall be made to the political subdivision or governmental entity.

(d) The owner of the property on which an impact fee has been paid or another political subdivision or governmental entity that paid the impact fee has standing to sue for a refund under this section.


(2) A Developer or Owner may not request a refund after an impact fee has been paid if the Developer or Owner decides not to proceed with the Development and/or Dwelling Unit.

Section 1.16 Updates to the Plan and Revision of Fees

(1) The District shall review the land use assumptions and capital improvements plan for water facilities at an interval consistent with requirements set forth in Texas Local Government Code Chapter 395, or any successor statute. The Board of Directors shall accordingly then make a determination of whether changes to the land use assumptions, capital improvements plan or impact fees are needed and shall, in accordance with the procedures set forth in Texas Local Government Code Chapter 395, or any successor statute, either update the fees or make a determination that no update necessary.

PASSED, APPROVED, and ADOPTED on this 27th day of January, 2020.

APPROVED:


Billy Kinney Board President

ATTEST:


Tommy Showers Board President-VP