



COUNCIL AGENDA ITEM MEMORANDUM

DEPT./DIVISION SUBMISSION & REVIEW:

Brynn Myers, City Manager
Erin Smith, Assistant City Manager

ITEM DESCRIPTION: FIRST READING – PUBLIC HEARING: Consider adopting an ordinance authorizing a Pro-Rata Reimbursement Fee for construction of off-site wastewater collection lines.

BACKGROUND: The City of Temple and The Ridge at Knob Creek Land Investments, LLC (“Developer”) entered into that certain Developer Participation Agreement dated on August 15, 2024, regarding the development of the Property, which development includes the construction of wastewater lines and a regional lift station providing sufficient capacity to serve at least 2,552 Living Unit Equivalents. The City is obligated to establish an ordinance providing for the assessment and collection of a subsequent user pro-rata fee related to the use of the wastewater utilities by those who did not share in its cost, but who may desire to obtain the benefits arising by the construction of the wastewater utilities.

Living Unit Equivalents shall be a calculation based on the type of development and the impact of that type of development on the wastewater utilities. The following conversion criteria for Living Unit Equivalents (LUE) shall be used:

Development Type	LUE Conversion
1 Single Family Residence (attached or detached)	1 LUE/Dwelling Unit
1 Duplex Residential Structure	1 LUE/Dwelling Unit
Multi-Family Residential Structures	0.7 LUE/Dwelling Unit
Retail or Commercial Structures	0.6 LUE/1,000 sq. ft. (floor space)
Industrial or Warehouse Structures	0.2-0.5 LUE/1,000 sq. ft. (land area)

For industrial, warehouse, or other heavy commercial development, a registered professional engineer must submit design flow criteria based on the actual proposed development to justify the specific conversion factor used within the general range.

This area contains a total of 110 acres of developed property and 153 acres of undeveloped property, totaling 263 acres, as shown in the table below.

Area	Undeveloped	Developed
1	0	25
2A	17	0
2B	46	0
3	53	27
4	37	0
City Property	0	58
TOTAL = 263 acres	153	110

The Developer will construct the wastewater utilities to include a lift station serving 263 acres of land, gravity sewer mains and force mains connecting lift stations, removal of the existing Waters Edge lift station, and removal of the existing Crestview lift station off 40th Street in a future phase of development up to the Not to Exceed Amount of \$3,028,970.00, or 100% of the actual costs of the improvements, whichever is less. The Subsequent User Pro-Rata Fee shall be in the amount of \$19,797.19 per acre based on 153 acres of undeveloped property. After collecting the Subsequent User Pro-Rata Fees, the City shall reimburse the funds the City paid Developer under above mentioned Developer Participation Agreement. Such reimbursements shall be recovered on a pro-rata basis so that all participants, other than those expressly exempted, shall share proportionately in the Construction Costs of the Wastewater Utilities. The maximum period of time the City may collect the pro rata reimbursement for the Wastewater Utilities shall not exceed fifteen (15) years.

ALIGNMENT WITH ADOPTED PLANS:

Plan	Comments
Strategic Plan	This item supports the City of Temple's Strategic Plan goal of "Infrastructure and Systems that Support Exceptional Services and Community Growth", as well as the Strategic Plan commitment of "Plan for, design, construct, and maintain high quality water, wastewater, and drainage infrastructure systems, and services that meet the needs of the community now and in the future."

STAFF RECOMMENDATION: Adopt ordinance as presented in item description.

BOARDS & COMMISSIONS RECOMMENDATION: This item was not reviewed by any of the official boards and commissions.

FISCAL IMPACT: The fiscal impact is addressed with the Developer Participation Agreement which includes a Not to Exceed Amount of \$3,028,970.00, or 100% of the actual costs of the wastewater utility improvements, whichever is less.

ATTACHMENTS:

Ordinance
Pro-Rata Ordinance
Map