

INFRASTRUCTURE & DEVELOPMENT COUNCIL COMMITTEE
MAY 21, 2025
DRAFT MINUTES

Council Present:

Dan McClendon, Chair
Chris Fletcher
Phil Anderson

Council Absent:

Staff:

Tommy Ludwig, City Manager
Harlan Jefferson, Deputy City Manager
Eric Oscarson, Deputy City Manager
Amanda Campos, City Secretary
Monica Solko, Deputy City Secretary
Matt Ribitzki, Deputy City Attorney

1. CALL TO ORDER – 9:00 a.m.

Chair Dan McClendon called the meeting to order. **Time: 9:01 a.m.**

2. CITIZEN APPEARANCES

- No speakers.

3. GENERAL

A. Minutes from the February 19, 2025 Infrastructure & Development committee meeting. (Staff Contact: Monica Solko, Deputy City Secretary)

Motion made by Phil Anderson and seconded by Chris Fletcher to approve.

Motion passed 3-0.

4. REPORTS AND PRESENTATIONS

A. Receive a report, hold a discussion, and provide staff direction regarding a stormwater utility and street maintenance fee. (Staff Contact: Justin Scharnhorst, Deputy Director of Public Works)

Errick Thompson, Director of Public Works, introduced Trey Shanks with Freese and Nicholas. Mr. Shanks gave a presentation on stormwater utility to the committee. Presentation included problems facing stormwater systems, common approach of stormwater utility fee authorized by state law (must be reasonable, equitable and non-discriminatory), fees are based on each property, fees directly support costs of maintaining the stormwater system, fees are assessed by impervious area, exemption from fees are allowed by council policy (city property, county property, school district, religious institutions), service level scenarios, flat rate and tiered rates, and rate comparison with bench mark cities.

The committee was in favor of a combination of scenario 3 CIP and scenario 2 with a crew, no exemptions, and tiered rate.

Service			Flat Residential Rate	
Generates \$3.7M - \$4.1M annually			Residential - \$8.00 per month	
✓ Existing Expenses: \$1.51M (\$4.00/ERU)			Non-Residential - \$8.00 per month/ERU	
✓ New Crew (3 Worker + 1 Leader): \$340K (\$0.90/ERU)				
✓ Maintenance and Equipment Replacement Fund for new equipment: \$100K (\$0.25/ERU)*				
✓ Capital: \$1.4M - \$1.8M (\$2.85/ERU)				
Funds debt service for potentially up to \$20M in CIP				
* Excludes initial equipment purchase				
Optional Exemptions			OR	
Property Type	Change in Annual Revenue	Impact to Non-Exempt Properties	Tiered Residential Rate	
Religious Institutions	-\$120,000	+ \$0.28/ERU	Residential –	
City	-\$130,000	+ \$0.34/ERU	• Tier 1 (smallest 10%): \$4.91 per month	
ISD	-\$236,000	+ \$0.65/ERU	• Tier 2 (middle 80%): \$8.00 per month	
County	-\$2,000	+ <\$0.01ERU	• Tier 3: (largest 10%): \$14.95 per month	
			Non-Residential - \$8.00 per month/ERU	

Mr. Shanks gave a presentation on the street maintenance fee to the committee.

Street Maintenance Fee Scenarios:

- Scenario 1: Use street maintenance fee to fund existing services (\$2.8M)
- Scenario 2: Use street maintenance fee to fund existing services, plus an additional \$3M (total \$5.8M)
- Two billing structures for consideration for non-residential customers: unit rate per vehicle mile traveled (VMT) and tiered rate

Fee Creation Basis:

- Flat rate for residential accounts
 - Every single-family household has the same VMT
- Unit Rate or Tiered Rate for non-residential accounts
 - Unit Rate: customers pay per vehicle mile traveled
 - Tiered Rate: customers grouped into tiers and charged flat rate according to tier assignment
- Flat rate not equitable for non-residential customers
 - VMT for non-residential ranges from <1 to >8,000

The committee was in favor of waiting on the maintenance fee and bringing it back to discuss after legislation, budget and other fees are discussed with the full council.

RECESS AND BACK TO ORDER

Chair Dan McClendon recessed for a short break at 10:44 a.m. and called the meeting back to order at 10:52 a.m. with all members present.

Chair Dan McClendon requested item 4C be moved up.

C. Receive a report, hold a discussion, and provide staff direction on the Alternate Water Supply Feasibility Study. (Staff Contact: Errick Thompson, Director of Public Works)

Gary Hendricks with Birkhoff, Hendricks & Carter presented an alternate water supply feasibility study to the committee. The presentation included an overview of the water distribution system, evaluation of alternate water sources, supply needs, flexibility during service disruptions, and emergency supply estimates of 6 million gallons per day. Cost estimates were provided for various options.

Phil Anderson and Dan McClendon left the room at 11:17 a.m. and both returned at 11:18 a.m.

The best option identified was connecting to the Johnson County Special Utility District (JCSUD) system. JCSUD is constructing a new water line from Arlington, using the same water source as Fort Worth. The most suitable potential connection/delivery point would involve an air gap and ground storage tank at the Mountain Valley and Hidden Creek pump stations. The conceptual project cost is estimated at \$61.2–\$70 million, with potential funding through the Texas Water Development Board's Region C and Region G planning groups.

The committee did not support the \$108 million groundwater supply option or raw water sources. They were in favor of pursuing the treated water option through JCSUD as the best approach, maintaining discussions with JCSUD without committing funds at this time.

RECESS AND BACK TO ORDER

Chair Dan McClendon recessed for a short break at 12:08 p.m. and called the meeting back to order at 12:20 p.m. with all members present.

B. Receive a report, hold a discussion, and provide staff direction on the draft facility condition assessment. (Staff Contact: Errick Thompson, Director of Public Works)

Errick Thompson, Director of Public Works, presented a draft facility condition assessment to the committee. Presentation included project overview, facility condition index, summary of results (good, fair, poor and critical conditions) and estimated costs on updating poor/critical conditions, and moving forward to be more proactive with a preventive maintenance.

There were no questions from the committee.

5. REQUESTS FOR FUTURE AGENDA ITEMS OR REPORTS

- None.

6. RECESS INTO EXECUTIVE SESSION

In accordance with Chapter 551 of the Texas Government Code, the City Council may convene in Executive Session in the City Council Workroom in City Hall to conduct a closed meeting to discuss any item listed on this Agenda.

A. Pending or contemplated litigation or to seek the advice of the City Attorney pursuant to Section 551.071, Texas Government Code

- No executive session needed.

7. ADJOURN

There being no further discussion Chair Dan McClendon adjourned the meeting.

Time: 12:41 p.m.

Monica Solko
Deputy City Secretary