

EXHIBIT A

Capital Improvements Advisory Committee Semi-Annual Report and Recommendations Regarding Proposed Land Use Assumptions, Capital Improvement Plans and Impact Fees

Overview:

To partially pay for the extension of Water and Wastewater systems attributable to new development, the City of Fair Oaks Ranch has opted to charge impact fees as allowed under Texas Governmental Code Title 12, Subtitle C, Chapter 395 (Code).

The Code requires the governing body (the City) to appoint a Capital Improvements Advisory Committee (CIAC) to serve in an advisory capacity to:

1. Advise and assist the City in adopting land use assumptions;
2. Review the capital improvements plan and file written comments;
3. Monitor and evaluate implementation of the capital improvements plan;
4. File semiannual reports with respect to the progress of the capital improvements plan and report to the City any perceived inequities in implementing the plan or imposing the impact fee; and
5. Advise the City of the need to update or revise the land use assumptions, capital improvements plan, and impact fee.

The City's CIAC, as appointed by the City Council, is composed of nine members of the community with four being members from the development, real estate or building industry as required by the Code. The committee members are:

Paul Mebane, Chair (At Large)	Jamin Kazarian (At Large)
Chris Weigand, Vice Chair (Real Estate)	Joe DeCola (Real Estate)
Gary Miller (At Large)	Ben Koerner (At Large)
Marcus Garcia (Development)	Dana Green (Development)
Harold Prasatik (At Large)	

The current Impact Fees were adopted in 2020. Late last year, the City hired the engineering firm of Freese and Nichols, Inc. to update the City's Land Use Assumptions, Capital Improvement Plans, and to calculate the maximum allowed Impact Fees under the provisions of the Code.

The CIAC met in March and April 2025 to receive and discuss the Freese and Nichols' draft Water & Wastewater Impact Fee Report. Presented in the report are proposed updates to the City's LUA, CIP and calculations resulting in a Maximum Allowable Water Impact Fee of \$21,013 and a Maximum Allowable Wastewater Impact Fee of \$9,943, for a combined total of \$30,958.

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CIAC Findings and Recommendations:

1. The CIAC finds that the proposed updates to the Land Use Assumptions and Capital Improvement Plan are based on sound assumptions, including more realistic growth rates than assumed in past plans and reports.
2. The CIAC finds that Freese & Nichols used sound engineering practices and complied with the requirements under the Code in their calculation of the Maximum Allowable Impact Fees.
3. The CIAC recommends that the City Council adopt the Maximum Allowable Impact Fees as calculated by Freese & Nichols. Accordingly, the following Impact Fees changes are recommended:
 - Water Impact Fee increased from the current \$8,670 to \$21,013
 - Wastewater Impact Fee increased from the current \$6,069 to \$9,943

The next semi-annual CIAC meeting is scheduled for September 16, 2025.

Signed: Paul Mebane

Date: May 28, 2025

Paul Mebane, CIAC Chairperson