



July 5, 2023

Honorable Joe Boles, Mayor
City of Glen Rose
201 NE Vernon St.
Glen Rose, Texas 76043

**Re: Project No. 5722, Work Order No. 41 under General Services Agreement
Impact Fee Study and Capital Improvements Plan Update**

Dear Mayor Boles:

The City of Glen Rose is requesting Enprotec/Hibbs & Todd, Inc. (eHT) to provide the following engineering services to assist the City with updating the capital improvement plan (CIP) report and development of an Impact Fee Assessment to be performed by eHT's subconsultant, Raftelis. The services to be performed include coordination with the City's utility staff to determine areas of concern in the streets, drainage, water and wastewater systems, then developing a report detailing the projects, opinions of probable construction cost and prioritizing the projects based on age and condition of the system and developing exhibits showing the location and extents of the proposed projects. The scope of the development of the Impact Fee Assessment is attached to this work order.

The work is authorized under the terms and conditions of the General Services Agreement dated February 11, 2013 between the City of Glen Rose and eHT. The capital improvements plan update developed by eHT will be reviewed by City staff for consideration of adoption by the City Council.


The compensation for services shall be on a *lump sum amount of \$65,490.00*. Upon execution, this Work Order authorizes eHT to invoice for the above-referenced services.

Please sign this Work Order, keep a copy for your files, and return a copy to me.

City of Glen Rose

Enprotec / Hibbs & Todd, Inc.

Joe Boles
Mayor
Date: _____



Chris Hay, P.E.
Associate Vice President
Date: _____

Scope of Work

We have developed the proposed scope based on our extensive experience completing impact fee studies for other utilities. We have used a similar project approach on many of our impact fee study projects for utilities throughout Texas.

Task 1 – Initial Project Meeting

The Team will meet with City representatives to confirm study objectives and expectations, including identifying any specific issues that may impact the completion of the study. By bringing the Team and City staff together at the start of the project, we ensure all parties have a mutual understanding of the goals related to the study. During this meeting, the Team will discuss calculating the impact fees and the methodology used. Additionally, this task provides a solid foundation for the project. It is critical to have project management oversight to ensure that the project is completed on time and within budget. To complete the project, the Team will communicate with staff regarding data requests, validation, decisions, and results. This can be accomplished through conference calls, emails, and virtual meetings. These efforts provide for consistent and competent project management to ensure that all deadlines and objectives are met promptly and efficiently. We believe in a “no-surprises” approach so that the client is aware of the status of the project at all times.

We will discuss the information needed to complete the project in the initial meeting. Information to be reviewed will include, but not be limited to, the following:

- Current Land Use Assumptions
- Capital Improvement Plan
- Current Water and Wastewater Connections
- Growth Assumptions

This meeting will include a discussion of our proposed schedule and the City’s timing requirements for meetings, milestones, and deliverables so that our teams fully understand what to expect on the project. Throughout the project, we will provide the City with frequent updates so that you are constantly aware of the status of the project and our progress toward meeting milestones and deadlines.

Task 2 – Develop Impact Fee Model, Land Use, Available Capacity, and CIP Data

In this task, Raftelis will begin to develop the impact fee model utilizing system data provided by City staff. The model will be developed in compliance with Chapter 395 of the Texas Local Government Code (Chapter 395). For water and wastewater, the model will be designed specifically for the City and will include the calculation of existing and future capacities, growth, and the cost per Living Unit Equivalent (LUE). For the roadway impact fees, the model will consider the roadway facilities by service area and miles of line to be considered. Finally, the models will calculate the maximum allowable impact fee using either the rate credit or 50%, as allowed in Chapter 395.

Raftelis will review all the information available to the City related to defining the land use assumptions, existing and future utility demands, existing and future capacities, and capital improvements in the next ten years.

Each existing capacity or new capital project item will need to be identified and quantified in terms of facility type, cost to construct, used/available capacity, and cost per LUE for new capacity. Capital improvements must have a life expectancy of three or more years. Projected interest charges and other finance costs may be included only if the impact fees are used to pay principal and interest to finance the capital improvements identified in the CIP.

Impact fees may not be used to pay for the following:

- Construction or expansion of facilities not identified in the CIP
- Repair, operation, or maintenance of existing or new capital improvements or facilities expansions
- Upgrading, updating, expanding, or replacing existing capital improvements to serve existing development to meet stricter regulatory requirements
- Upgrading, updating, expanding, or replacing existing capital improvements to provide better service to existing development and
- Administrative or operating costs of the city.

QUALITY ASSURANCE/QUALITY CONTROL PROGRAM

Credibility is crucial for building consensus and support for implementing the recommendations of a study. The fastest way for the City to lose credibility with its stakeholders is to provide incomplete or incorrect information. The City must have total confidence that the information provided by the consultant is as accurate as possible.

Raftelis has developed a Quality Assurance (QA) process that consistently results in accurate deliverables of the highest quality. Each QA plan is tailored to the specific project, but there are several common elements, such as senior-level participation, outside perspective, and involvement from project initiation. The QA plan we will implement as part of this project embodies these elements. We have found that a well-defined QA plan ensures that our work products will be of the highest quality and meet or exceed the standards that our clients have come to expect from Raftelis.

Task 3 – Impact Fee Calculation

Raftelis will use the land use and capital improvements program information to calculate the impact fee amounts. The fee calculation will consider specific estimated capital payments supported by rates or the standard 50% deduction allowed in Chapter 395. The calculations and fee design will also be divided into parts of the water and wastewater utilities to qualify for credits or offsets against a total fee amount should the entity paying the fee provides a good portion of eligible capital at their own expense.

The total cost of capital for these utility components will be calculated and then pro-rated to a lesser amount should the Capital Improvement Advisory Committee (CIAC) and Council recommend a fee less than the maximum allowable. Data will also be provided to scale the base fee per standard service unit to allow appropriate fee levies for more extensive service requirements.

Task 4 – Impact Fee Report

The Team will provide all documentation needed to comply with Chapter 395. This includes a draft and final written report of the CIAC to the City Council outlining the CIAC's recommendations on land use assumptions, a 10-year capital improvement plan, fee design and calculation, offset credits, and any policy or fee issues that may affect the pending ordinance provisions.

Task 5 – Coordination with Staff, CIAC, and City Council (Public Hearings)

The Team will develop support materials and coordinate with the CIAC in the study process to ensure that the provisions of Chapter 395 of the Texas Local Government Code are met and that all key parties are adequately informed.

The proposed formal coordination efforts include the following activities:

- **City Staff – Three Meetings.** The first meeting with City staff will be the initial meeting. It will be a work session to discuss the requirements of Chapter 395 and data needs related to the land use assumptions, existing capacity, and capital improvement needs. The second meeting will review preliminary model development and fee calculation results. The third meeting will coordinate any final revisions after the CIAC's review. The second and third meetings can be done through a virtual platform like Microsoft Teams or Zoom.
- **Capital Improvement Advisory Committee – Four Meetings.** The first meeting with the CIAC will be to brief the CIAC on the Chapter 395 process, review their charge, and current land use and projected growth assumptions. The second meeting will discuss the final land use assumptions, capacity analysis, and the CIP. After this second meeting, the notice for the first public hearing can be published. The third meeting will be to present the calculation of the impact fee. Before this third meeting, a draft committee report will be provided. The fourth meeting will be held to respond to the CIAC's comments regarding the impact fee calculation. Comments on the draft report may be addressed through email before finalization of the report. After the finalization of the report, the notice for a second public hearing can be published. It is assumed that at least two meetings will be held virtually.
- **City Council – Two Meetings.** There will need to be two public hearings held by the City Council. The first public hearing will consider the Land Use Assumptions and CIP, and the second will consider the calculated Impact Fee. The City Council can consider the adoption of the maximum allowable fee and the fee to be assessed at this meeting. The Team would be available to attend the meeting where the City Council sets the public hearings. This would result in attending four City Council meetings.

The Raftelis Team will prepare the necessary information required under Chapter 395 for the public notices for the Public Hearings on the land use assumptions, the CIP, and the impact fee calculation. This information will be provided to the City for placement in a local newspaper, and it is understood that the City will provide for the cost of the publications and any certified mailings that may be required. Raftelis will also prepare a CIAC report for release at the time of the publication of the public hearing. Raftelis will also prepare presentations for the public hearing.

This level of coordination effort only assumes significant additional coordination with local groups if they become involved in a detailed lobbying effort. Suppose other communication efforts are required for attending stakeholder meetings or communicating about the new fee. In that case, Raftelis has a communication team that can provide those services as an optional task.

Budget

Tasks	Web Meetings	In-person Meetings	Hours			Total Fees & Expenses
			AF	RI	Total	
1. Initial Project Meeting		1	16	4	20	\$6,163
2. Develop Impact Fee Model		1	4	32	36	\$7,683
3. Impact Fee Calculation		1	8	32	40	\$8,903
4. Impact Fee Report			16	24	40	\$9,320
5. Coordination with Staff, CIAC and City Council (Public Hearings)	3	6	40	16	56	\$18,420
Total Meetings / Hours	3	9	84	108	192	
			Hourly Billing Rate	\$295	\$175	
			Total Professional Fees	\$24,780	\$18,900	\$43,680
					Total Fees	\$43,680
					Total Expenses	\$6,810
					Total Fees & Expenses	\$50,490

AF - Angie Flores
 RI - Richardson Irvine
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Timeline

TASKS	2023					2024			
	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	
1. Initial Project Meeting	●								
2. Develop Impact Fee Model									
3. Impact Fee Calculation									
4. Impact Fee Report									
5. Coordination with Staff, CIAC and City Council (Public Hearings)		Various meetings as described in scope					●		

- In-person Meetings
- Web Meetings
- Deliverables