

## **ORDINANCE 2025-XX**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS, AMENDING ARTICLE III, "IMPACT FEES" OF CHAPTER 90 "UTILITIES" OF THE CITY CODE OF ORDINANCES BY INCREASING THE IMPACT FEES FOR WATER AND WASTEWATER IMPROVEMENTS THAT ARE ATTRIBUTABLE TO NEW DEVELOPMENT IN THE CITY'S WATER AND WASTEWATER IMPACT FEE SERVICE AREA WITHIN THE CORPORATE BOUNDARIES OF THE CITY; AMENDING CITY ORDINANCE NO. 24-09, DATED JUNE 11, 2024; PROVIDING A TEXAS OPEN MEETINGS ACT CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE AFTER PUBLICATION.**

**WHEREAS**, the City Council approved Resolution 2016-06 creating the City of Montgomery Capital Improvement Advisory Committee ("CIAC"), appointing its members, and establishing the Committee's functions, duties and rules of conduct associated with the study, consideration, development and adoption of impact fees pursuant to the Texas Local Government Code Chapter 395 ("Impact Fee Statute"); and

**WHEREAS**, the City Council approved and adopted Resolution No. 2016-12 approving the proposed land use assumptions and capital improvements plan relating to impact fees for water and wastewater improvements; and

**WHEREAS**, the City Council passed Ordinance No. 24-09, dated June 11, 2024, approving impact fees for water and wastewater improvements that are attributable to new development within the corporate limits of the City of Montgomery; and

**WHEREAS**, Section 395.058 (c) of the Impact Fee Statute requires the CIAC to file semiannual reports with respect to the progress of the capital improvements plan and report to the City Council any perceived inequities in implementing the plan or imposing the impact fee; and advise the City Council of the need to update or revise the land use assumptions, capital improvements plan, and impact fee; and

**WHEREAS**, Section 395.052 of the Impact Fee Statute requires a political subdivision imposing an impact fee to update its land use assumptions and capital improvements plan at least every five years; to review and evaluate its current land use assumptions; and to cause an update of the capital improvements plan as required by law; and

**WHEREAS**, the CIAC held a meeting on June 11, 2025 to consider the progress of the capital improvements plan and updates to the land use assumptions and capital improvement plan relating to City's approved impact fees for water and wastewater improvements; and

**WHEREAS**, the CIAC has submitted written comments and suggestions to the City Council by which the CIAC recommends a increase in impact fees by approximately seventeen percent (17%) and the addition of 3,923 connections; and

**WHEREAS**, pursuant to Section 395.053 of the Impact Fee Statute, the City Council held a public hearing on September 9, 2025 to review and discuss the CIAC's comments and suggestions concerning the City's land use assumptions and capital improvement plan; and

**WHEREAS**, the City Council believes that it is appropriate to approve the CIAC recommendation to increase the current impact fees by approximately seventeen percent (17%) as described in the WGA report, dated May 29, 2025, and attached here as Exhibit "A."

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS THAT:**

**SECTION 1.** The facts and recitations found in the preamble of this Ordinance are true and correct and incorporated herein for all purposes.

**SECTION 2. Amendment to City Code of Ordinances.** Chapter 90, "Utilities" at Article III, "Impact Fees," Section 90-381, "Impact Fees Approved," of the City of Montgomery Code of Ordinances is hereby amended to read as follows:

**Section 90-381, Impact Fees Approved.** The impact fees recommended by the CIAC in its amended Water and Wastewater Impact Fee Analysis dated May 29, 2025 (a copy of which is attached to this Ordinance as Exhibit "A" and incorporated into this Ordinance for all purposes) are approved, levied and imposed as to the City's water and wastewater impact fee service area within the entire City boundaries.

**SECTION 3. Repeal of Conflicting Ordinances.** The provisions in City Ordinance No. 24-09, dated June 11, 2024, are amended; and all provisions of other ordinances of the City of Montgomery in conflict with the provisions of this Ordinance are hereby repealed. All other provisions of the Ordinances of the City of Montgomery not in conflict with the provisions of this Ordinance shall remain in full force and effect.

**SECTION 4. Severability Clause.** If any provision, section, exception, subsection, paragraph, sentence, clause or phrase of this Ordinance or the application of same to any person or set of circumstances, shall for any reason be held unconstitutional, void, invalid or otherwise unenforceable, the invalidity or unenforceability shall not affect other provisions of this Ordinance or their application to other sets of circumstances and to this end all provisions of this Ordinance are declared to be severable.

**SECTION 5. Texas Open Meetings Clause.** It is hereby officially found and determined that the meeting at which this Ordinance was considered was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

**SECTION 6. Effective Date.** This Ordinance shall become effective and be in full force from and after publication as required by law.

**PASSED AND APPROVED** this the 9th day of September, 2025.

**CITY OF MONTGOMERY, TEXAS**

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Sara Countryman, Mayor

**ATTEST:**

\_\_\_\_\_  
Ruby Beaven, City Secretary

## **Exhibit "A"**

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## EXECUTIVE SUMMARY

This study was performed to update the City of Montgomery's (the City) Water and Wastewater System Impact Fees that were previously completed back in 2023. Water and wastewater system improvements necessary to serve the 10-year (2035) build-out and ultimate system needs were evaluated. Based on the City's 10-year growth projections and the associated demand (consumption) values, 3,923 additional service units will need water and wastewater service by the year 2035. Based on the additional service units and the recoverable capital improvements plans, the City may assess a maximum of **\$4,788** per ESFC for water and sanitary sewer combined, which is a 17% increase to the 2023 impact fees.

## UPDATES:

1. The City is anticipating an additional 3,923 connections within the next 10 years. 1,754 of which are currently tied to developments that are working towards or have executed Development Agreements.
2. We have updated the timing of projects based on upcoming and active developments within the City.
3. Updated estimated project costs based on current pricing.
4. Total updated costs for Water Improvements are **\$26,976,071 (\$21,153,000 is recoverable)**, which includes 5 projects that are currently in design or construction.
5. Total costs for Wastewater Improvements are **\$24,173,692 (\$15,007,230 is recoverable)**, which includes 3 projects that are currently in design or construction.

Meter Size	Maximum Capacity (GPM)	Existing Maximum Assessable Water Fee (\$/ESFC)	Proposed Maximum Assessable Water Fee (\$/ESFC)	Existing Maximum Assessable Wastewater Fee (\$/ESFC)	Proposed Maximum Assessable Wastewater Fee (\$/ESFC)	Existing Maximum Assessable Fee (\$/ESFC)	Proposed Maximum Assessable Fee (\$/ESFC)	% Difference
5/8" x 3/4" fitting	25	2,033	2,696	1,951	2,092	3,984	4,788	17%
3/4"	35	3,396	4,502	3,258	3,494	6,654	7,996	17%
1"	55	5,429	7,198	5,209	5,586	10,638	12,784	17%
1 1/2"	120	16,268	21,566	15,607	16,738	31,875	38,303	17%
2"	170	23,039	30,543	22,104	23,705	45,143	54,247	17%
3"	350	47,441	62,891	45,515	48,811	92,956	111,702	17%
4"	600	81,339	107,829	78,037	83,688	159,376	191,517	17%
6"	1,200	162,679	215,658	156,074	167,376	318,753	383,033	17%
8"	1,800	244,018	323,487	234,111	251,063	478,129	574,550	17%

**WATER PROJECT DESCRIPTIONS (16)**

- 1. WATER PLANT No. 4**  
The design of Water Plant No. 4 with a 1000-gpm Jasper water well, booster pumps, a 500,000-gallon elevated storage tank, and general sitework.  
**Estimated Project Cost** **\$11,543,700**
- 2. WATER PLANT No. 2 IMPROVEMENTS**  
Recoat tanks and pumps, generator addition, and replace and upsize the well rework to improve water quality and extend the life of existing facilities.  
**Estimated Project Cost** **\$2,905,950**
- 3. ABNER LANE WATERLINE EXTENSION**  
Closes loop from Lone Star Parkway to Estates of Lake Creek Village at Abner Lane.  
**Estimated Project Cost** **\$281,350**
- 4. CB STEWART AND BUFFALO SPRINGS WATERLINE EXTENSION (12")**  
Closes loops from Estates of Lake Creek Village to SH 105 via CB Stewart Dr. and Buffalo Springs Dr.  
**Estimated Project Cost** **\$696,065**
- 5. DOWNTOWN WATERLINE REPLACEMENT PH II (POND TO PRAIRIE)**  
Upsize the existing 8" waterline to a 12" waterline along SH 105 from Pond Street to Prairie Street.  
**Estimated Project Cost** **\$527,000**
- 6. EAST LONE STAR PARKWAY WATERLINE EXTENSION**  
Closes the loop from Town Creek Crossing Section 1 to FM 149.  
**Final Project Cost** **\$877,000**
- 7. HOUSTON ST. WATERLINE REPLACEMENT**  
Upsize the existing 8" waterline to a 12" waterline from SH 105 to Water Plant No. 2.  
**Final Project Cost** **\$498,000**
- 8. OLD PLANTERSVILLE RD. WATERLINE EXTENSION**  
Install 12" waterline from Womack Cemetery W to SH-105 along Old Plantersville Rd and Old Dobbin Plantersville Rd.  
**Estimated Project Cost** **\$1,238,000**
- 9. POND STREET WATERLINE REPLACEMENT (SH 105 TO MONTGOMERY ELEMENTARY)**  
Upsize the existing 8" waterline to a 12" waterline from SH 105 to Montgomery Elementary.  
**Estimated Project Cost** **\$1,125,000**
- 10. SH-105 WATERLINE EXTENSION**  
Extension of existing 12" waterline from Buffalo Springs to CB Stewart, via SH-105.  
**Estimated Project Cost** **\$515,000**

11. **WEST LONE STAR PARKWAY WATERLINE (12")**  
Closing the loop from Hills of Town Creek subdivision to the existing 12" line along Lone Star Parkway east of Town creek. Currently in design.  
**Estimated Project Cost** **\$1,489,000**
  
12. **McCOWN AND CAROLINE WATERLINE REPLACEMENT**  
Replace existing 4" and 6" waterlines with an 8" waterline east of FM 149. Currently in design.  
**Estimated Project Cost** **\$492,000**
  
13. **OLD PLANTERSVILLE ROAD WATERLINE REPLACEMENT (SH 105 TO WOMACK CEMETERY)**  
Upsize the existing 8" waterline to a 12" waterline along Old Plantersville Rd from SH 105 to Womack Cemetery.  
**Estimated Project Cost** **\$2,453,000**
  
14. **WATER PLANT No. 3 EXPANSION**  
Booster pump addition and misc. improvements.  
**Estimated Project Cost** **\$233,500**
  
15. **WATER PLANT No. 3 IMPROVEMENTS (COMPLETED)**  
210,000-gallon GST addition, 600 gpm cooling tower, generator addition, and misc. site work.  
**Estimated Project Cost** **\$1,001,622**
  
16. **DOWNTOWN WATERLINE REPLACEMENT PH I (COMPLETED)**  
Upsize the existing 4" and 6" waterlines to a 12" waterline along SH-105, Pond St. and FM 149 to Berkeley Dr.  
**Estimated Project Cost** **\$1,099,884**

#### WASTEWATER DESCRIPTIONS (8)

1. **TOWN CREEK WWTP IMPROVEMENTS**  
LS2 and 0.3 MGD WWTP (Town Creek).  
**Estimated Project Cost** **\$11,485,000**
  
2. **2023 SANITARY SEWER PHASE I (PIPE BURSTING)**  
Rehab and repair of gravity sanitary sewer system overall.  
**Estimated Project Cost** **\$200,000**
  
3. **GSA 1 GRAVITY SYSTEM IMPROVEMENTS**  
Replace existing 10" sanitary sewer line with 18" sanitary sewer from SH 105 to just north of Grandview Dr along Lone Star Parkway.  
**Estimated Project Cost** **\$2,667,000**
  
4. **GSA 12 GRAVITY SYSTEM IMPROVEMENTS**  
Extend 8" gravity sanitary sewer along SH-105 from Buffalo Springs to CB Stewart to abandon Lift Station No. 12.  
**Estimated Project Cost** **\$335,000**

5. **GSA NO. 25 GRAVITY SYSTEM IMPROVEMENTS (2023 SANITARY SEWER REHABILITATION PHASE II) (COMPLETED)**  
Upsize existing 8" and 10" sanitary sewer lines to a 12" sanitary sewer line from SH-105 to College St.  
**Final Project Cost** **\$150,520**
6. **GSA NO. 5 SYSTEM IMPROVEMENTS**  
Extends 8" gravity sanitary sewer from Lift Station No. 5 past Lift Station B to abandon Lift Station B.  
**Estimated Project Cost** **\$331,000**
7. **LIFT STATION No. 3 FORCE MAIN REROUTE**  
Abandons existing 4" force main along FM 149 to SH-105 and reroutes flow along SH-105 to Stewart Creek Wastewater Treatment Plant.  
**Estimated Project Cost** **\$356,000**
8. **TOWN CREEK WWTP UPSIZING TO ULTIMATE**  
Upsizing of Town Creek WWTP and Lift Station No. 2 to 0.6MGD.  
**Estimated Project Cost** **\$6,500,000**