



ENGINEERING SERVICES

To: Mayor and Town Council

From: Hulon T. Webb, Jr., P.E., Director of Engineering Services

Through: Mario Canizares, Town Manager
Chuck Ewings, Assistant Town Manager

Re: Water Impact Fee Agreement
(DNT Frontier Retail Center)

Town Council Meeting – November 14, 2023

Strategic Visioning Priority: 1. Acceleration of Infrastructure

Agenda Item:

Consider and act upon authorizing the Town Manager to execute a Water Impact Fee Agreement between DNT Frontier, LP, and the Town of Prosper, Texas, related to the construction of a water line to serve the DNT Frontier Retail Center development.

Description of Agenda Item:

DNT Frontier, LP, is developing the DNT Frontier Retail Center south of Frontier Parkway and east of the Dallas North Tollway. In order to facilitate the development, they have agreed to construct a 12" water line from the Dallas North Tollway across their property, connecting to an existing water line in Frontier Park, as shown on Exhibit B in the agreement. The Town has completed the design and will be constructing a separate 12" water line along the west side of the Dallas North Tollway from Prosper Trail to Frontier Parkway that includes an extension under the Dallas North Tollway to the DNT Frontier Retail Center development just south of Frontier Parkway. The construction of the 12" water line by DNT Frontier, LP, and the Town's construction of the 12" water line along the Dallas North Tollway, will provide the DNT Frontier Retail Center development with the required looped water service from two points of connection to the Town's water system.

Since the proposed water line is depicted on the Town of Prosper Water System Capital Improvement Plan, the actual costs for the design and construction of the improvements are eligible for reimbursement of water impact fees collected by the developments. The purpose of the Water Impact Fee Agreement is to outline the obligations of the Town of Prosper, and DNT Frontier, LP, related to the design, construction, credit and reimbursement of collected water impact fees to fund the project.

Budget Impact:

The estimated cost for the design and construction of the extension of approximately 2,562 feet of a 12" water line is \$343,542. The current anticipated water impact fees owed by the DNT Frontier Retail Center development as well as the adjacent property to the east also included in the area of reimbursement is \$309,476. In the event that full credits and reimbursements have not been made to DNT Frontier, LP, by the Town after the expiration of ten (10) years from the date of the Town's acceptance of the water line, the Town will reimburse DNT Frontier, LP, any shortfall.

Legal Obligations and Review:

Terrence Welch of Brown & Hofmeister, L.L.P., has reviewed the agreement as to form and legality. DNT Frontier, LP, will contribute up to \$2,000 towards the legal preparation fees.

Attached Documents:

1. Town of Prosper Water System Capital Improvement Plan
2. Water Impact Fee Agreement

Town Staff Recommendation:

Town staff recommends that the Town Council authorize the Town Manager to execute a Water Impact Fee Agreement between DNT Frontier, LP, and the Town of Prosper, Texas, related to the construction of a water line to serve the DNT Frontier Retail Center development.

Proposed Motion:

I move to authorize the Town Manager to execute a Water Impact Fee Agreement between DNT Frontier, LP, and the Town of Prosper, Texas, related to the construction of a water line to serve the DNT Frontier Retail Center development.