

ORDINANCE NO. 2020-

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS AMENDING CHAPTER 86, ARTICLE 5, DIVISION 4 OF THE SAN MARCOS CITY CODE REGARDING IMPACT FEES TO, AMONG OTHER THINGS, CHANGE THE METHODOLOGY FOR ESTABLISHING IMPACT FEES FOR INDUSTRIAL AND COMMERCIAL USES HAVING PEAK FLOW RATES IN EXCESS OF 500 GALLONS PER MINUTE, AND TO ADD HOMES CONSTRUCTED WITH FEDERAL FUNDS AWARDED TO THE CITY AND CITY FACILITIES AS PROJECTS EXEMPT FROM THE ASSESSMENT OF IMPACT FEES; INCLUDING PROCEDURAL PROVISIONS; PROVIDING FOR THE REPEAL OF ANY CONFLICTING PROVISIONS; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

SECTION 1. Section 86.294 of the San Marcos City Code is hereby amended to change the definition for “Schedule 1” as set forth below. Added text is indicated by underlining and deleted text is indicated by strikethroughs.

DIVISION 4. IMPACT FEE ORDINANCE OF THE SAN MARCOS CITY CODE

Sec. 86.294. Definitions.

Schedule 1 means the maximum impact fee per service unit for each service area shall be established by category of capital improvements calculated by peak flow as outlined in section 86.297 and as shown in the table below:

**SCHEDULE 1
APPLICABLE WATER AND WASTEWATER IMPACT FEE AMOUNTS*
CITY OF SAN MARCOS, TEXAS**

Calculated Peak Water Flow (gpm)	Living Units Equivalent LUE's by Flow	Impact Fee Prior to 10/4/2002	Impact Fee after 12/31/2003**	Impact Fee after 12/31/2013	Impact Fee after 4/30/2018
WATER UTILITY					
1 to 10	1.0	\$363.00	\$2,466.00	\$2,285.00	\$3,801.00
>10 to 15	2.0	\$726.00	\$4,932.00	\$4,570.00	\$7,602.00
>15 to 25	4.0	\$1,452.00	\$9,864.00	\$9,140.00	\$15,204.00
>25 to 50	6.0	\$2,178.00	\$14,796.00	\$13,710.00	\$22,806.00
>50 to 80	8.5	\$3,085.50	\$20,961.00	\$19,422.50	\$32,308.50
>80 to 160	32.5	\$11,797.50	\$80,145.00	\$74,262.50	\$123,532.50
>160 to 250	64.5	\$23,413.50	\$159,057.00	\$147,382.50	\$245,164.50

>250 to 500	104.0	\$37,752.00	\$256,464.00	\$237,640.00	\$395,304.00
>500	$150.0 + (\text{Peak Flow in gpm} - 500\text{gpm})/0.41\text{gpm/LUE}$	$\frac{\# \text{ of LUEs X } \$363}{\$54,450.00}$	$\frac{\# \text{ of LUEs X } \$2,466}{\$369,900.00}$	$\frac{\# \text{ of LUEs X } \$2,285}{\$342,750.00}$	$\frac{\# \text{ of LUEs X } \$3,801}{\$570,150.00}$
WASTEWATER UTILITY					
1 to 10	1.0	\$527.00	\$2,185.00	\$3,506.00	\$2,684.00
>10 to 15	2.0	\$1,054.00	\$4,370.00	\$7,012.00	\$5,368.00
>15 to 25	4.0	\$2,108.00	\$8,740.00	\$14,024.00	\$10,736.00
>25 to 50	6.0	\$3,162.00	\$13,110.00	\$21,036.00	\$16,104.00
>50 to 80	8.5	\$4,479.50	\$18,572.50	\$29,801.00	\$22,814.00
>80 to 160	32.5	\$17,127.50	\$71,012.50	\$113,945.00	\$87,230.00
>160 to 250	64.5	\$33,991.50	\$140,932.50	\$226,137.00	\$173,118.00
>250 to 500	104.0	\$54,808.00	\$227,240.00	\$364,624.00	\$279,136.00
>500	$150.0 + (\text{Peak Flow in gpm} - 500\text{gpm})/0.41\text{gpm/LUE}$	$\frac{\# \text{ of LUEs X } \$527}{\$79,050.00}$	$\frac{\# \text{ of LUEs X } \$2,185}{\$327,750.00}$	$\frac{\# \text{ of LUEs X } \$3,506}{\$525,900.00}$	$\frac{\# \text{ of LUEs X } \$2,684}{\$402,600.00}$

Maximum fees for prior to 10/4/2002 update are:

Water \$363/LUE

Wastewater: \$527/LUE

Maximum fees for 2002 update are:

Water \$2,466/LUE

Wastewater \$2,185/LUE

Maximum fees for 2013 update are:

Water \$2,285/LUE

Wastewater \$3,506/LUE

Maximum fees for 2018 update are:

Water \$3,801/LUE

Wastewater \$2,684/LUE

*Applicable amount may be reduced by any city-approved offsets.

**Exemption rate in Ordinance 2002-81 is still in effect for remaining qualifying lots.

Service unit means a living unit equivalent ("LUE") based upon the relationship of the maximum design water flow to that of single family residential peak demand as served by a 5/8-inch displacement-water meter. The number of service units or LUEs is based upon the peak development flow relative to the average peak demand in the system for a 5/8-inch meter of 0.41 gpm. LUE's by peak flow ~~and~~ are contained in Schedules 1 and in the chart below:

Calculated Peak Water Flow (gpm)	LUE's by Flow
1 to 10	1.0
>10 to 15	2.0
>15 to 25	4.0
>25 to 50	6.0
>50 to 80	8.5
>80 to 160	32.5
>160 to 250	64.5
>250 to 500	104.0
>500	150.0 + $(\text{Peak Flow in gpm} - 500\text{gpm})/0.41\text{gpm/LUE}$

SECTION 2. Section 86.295 of the San Marcos City Code is hereby amended to read as set forth below. Added text is indicated by underlining and deleted text is indicated by strikethroughs.

Sec. 86.295. Applicability.

(a) This division applies to all new, non-exempt development within the city limits and its extraterritorial jurisdiction within the applicable service areas. The provisions of this division shall apply uniformly within each service area.

(b) Exemptions.

- (1) No wastewater impact fee shall be charged for an irrigation meter.
- (2) No impact fee shall be charged for a fire line meter that serves only a fire suppression system.
- (3) ~~To encourage affordable housing as defined by 42 U.S.C. § 12745, the city may refund impact fees paid for construction of a new single-family dwelling that qualifies for the refund under affordable housing guidelines approved by the city council and exempt the~~ eConstruction of new single-family dwellings by Habitat for Humanity and San Marcos Housing Authority.
- (4) Any exemptions required under applicable state laws.
- (5) Homes constructed by the City using federal funds or with federal funds administered by the City.
- (6) City facilities.

(~~c~~b) ~~The city manager is authorized to adopt and administer guidelines for applying the provisions of this section. To encourage affordable housing the~~ city may refund impact fees paid for construction of a new single-family dwelling

that qualifies for the refund under affordable housing guidelines approved by the city council.

(d) The city manager is authorized to adopt and administer guidelines for applying the provisions of this section.

SECTION 3. Section 86.299 of the San Marcos City Code is hereby amended to read as set forth below. Added text is indicated by underlining and deleted text is indicated by strikethroughs.

Sec. 86.299. Computation of service units and collection of impact fees.

(a) Impact fees shall be computed and collected for platted land at the time the city issues a building permit for land within the city limits or at the time a plumbing permit or utility application is approved for land located outside the city limits.

(b) Impact fees shall be computed and collected for unplatted land at the time the city issues a building permit, plumbing permit or utility application, whichever is applicable pursuant to section 86.299(a).

The computation of the quantity of service units required for a new development will be as follows:

(1) For new development subject to assessment under section 86,298(a)(1), and for new development subject to assessment under section 86.298(a)(2) the quantity of service units will be determined by the calculated peak water demand as listed in Schedule 1. The calculated peak water demand for a new development is to be determined initially by the applicant and is subject to review and approval by the director, using best water utility industry and engineering practices and standards. The director may require an applicant to provide building plans, plumbing layouts, flow calculations and other information.

a. In cases with industrial or commercial equipment where the plumbing fixture count methodology cannot be used, water demand can be provided based upon manufacturer data. The water demand will be added to any peak water demand calculated by fixture count and the combined flow will be used to determine the LUEs per Schedule 1.

b. The quantity of service units for demands greater than 500 gpm will be based upon the relationship to that of a single family residential peak demand as served by a 5/8-inch displacement-water meter of 0.41 gpm.

- (2) No building permit or utility connection shall be issued if the applicant cannot verify payment to staff of the appropriate impact fee and other applicable fees or if existing facilities do not have actual capacity to provide service to the new connections(s), except for those entities that are exempted from impact fees as are specifically set forth herein.
- (3) The impact fee shall attach to the property for which the impact fee was paid and shall not be transferable to other properties or service units.

(c) *Amount to be collected.* The city shall compute the impact fees for a new development in the following manner:

- (1) The amount of each impact fee shall be determined by multiplying the number of service units required for the new development by the impact fee per service unit using the applicable rate in the applicable schedule. The calculation of peak water demand development is subject to review and approval by the director, using best water utility industry and engineering practices and standards.
- (2) The amount of each impact fee shall be reduced by any allowable offsets or credits for that category of capital improvements, in the manner provided in section 86.300.
- (3) The total amount of each impact fee for the new development shall be calculated and attached to the permit or utility application as a condition of approval.
- (4) Except as otherwise provided by contracts with political subdivisions, developer's contracts, or wholesale customers, no building permit shall be issued until all impact fees due and owing have been paid to the city.

(d) *Limit on fees.* The amount of each impact fee for a new development shall not exceed an amount computed by multiplying the assessment amount per service unit under section 86.298 by the number of service units for the development determined under this section.

(e) If a building or plumbing permit or an approved utility application for which an impact fee has been paid has expired, and a new application is thereafter filed, the impact fees shall be computed using the Schedule 1 rate in effect at the time the new permit or application is filed, with credits for previously paid fees being applied against the newly determined amount.

(f) Whenever a property owner proposes to increase the number of service units for a new development, the additional impact fees collected for the new service units shall be determined by using the applicable service unit computation criteria in subsection (b) and the applicable Schedule 1 rate then in effect, and the additional fees for the increase in service units shall be collected at the times prescribed by this section.

(g) For new development to be served by the city wastewater system and by a water system other than the city's, the operator of the water system shall provide written notice to the city of each application for new water service or a change in meter size within ten days of the date the application is received. This requirement is satisfied by the submission of a legible copy of the application or other information that identifies the applicant and indicates the proposed land use, peak demand calculation and the meter size.

(h) The amount of impact fees to be collected for single purpose domestic (sanitary) or irrigation meters will be determined by calculated peak water demand as listed in Schedule 1. The amount of impact fees to be collected for a combined domestic and fire flow meter will be based upon the applicable peak flow demand delineated in Schedule 1 excluding the fire flow portion.

(i) The city council may approve an agreement with a property owner for a different time, manner of computation, or payment of impact fees for new development on the owner's property.

SECTION 4. In codifying the changes authorized by this ordinance, paragraphs, sections and subsections may be renumbered and reformatted as appropriate consistent with the numbering and formatting of the San Marcos City Code.

SECTION 5. If any word, phrase, clause, sentence, or paragraph of this ordinance is held to be unconstitutional or invalid by a court of competent jurisdiction, the other provisions of this ordinance will continue in force if they can be given effect without the invalid portion.

SECTION 6. All ordinances and resolutions or parts of ordinances or resolutions in conflict with this ordinance are repealed.

SECTION 7. This ordinance shall become effective upon approval on second reading.

PASSED AND APPROVED on first reading on June 2, 2020.

PASSED, APPROVED AND ADOPTED on second reading on June 16, 2020.

Jane Hughson
Mayor

Attest:

Tammy K. Cook
Interim City Clerk

Approved:

Michael J. Cosentino
City Attorney