

**MINUTES - REGULAR MEETING
CAPTIAL IMPROVEMENTS ADVISORY COMMITTEE
CITY OF CORPUS CHRISTI
CITY HALL – 6TH FLOOR
1201 LEOPARD STREET
MAY 19, 2022
2:00 P.M.**

COMMITTEE MEMBERS:

Moses Mostaghasi - Chairman
Ramiro Munoz, III – Vice Chairman
George Laster - Absent
Trey Summers
John Holmgreen
Jesus Jimenez

COMMITTEE MEMBERS:

Velda Tamez
Ann Mahaffey - Absent
Everett Roy
Rudy Garza, Jr.
Alex Harris
Melody Nixon Bice

I. Call to Order/Roll Call

The meeting was called to order by Vice Chairman Munoz and a quorum was established with George Laster and Anne Mahaffey absent. Chairman Mostaghasi arrived at approximately 2:50 p.m.

II. Approval of Minutes: January 19, 2022

A motion was made by Mr. Summers to approve the minutes listed above and it was seconded by Mr. Garza. The motion passed.

III. Approval of Absences: George Laster and Trey Summers

For the record, minutes have been reviewed from the previous meeting of January 19, 2022, and it was discovered that Rosie Collin and Melody Nixon-Bice were the correct absentees, not Mr. Laster/Mr. Summers. Mr. Laster and Mr. Summers were absent at the October 2021 meeting and the minutes from January reflect that they were approved/excused. Ms. Nixon-Bice's absence will be added to the next agenda for resolution; Ms. Collins has resigned.

IV. Public Comment: None.

V. Discussion or Possible Action: No action was taken on the following items and were discussed/addressed during the presentation for item "VI".

- Review of Committee Activities:
- Identified Land Use Assumptions by the Committee

At this point, Peter Zanoni, City Manager, took a moment to address the Committee. He gave brief updates on City activities; mentioned the importance of the Committee's role in this project and thanked them for their service.

VI. Update on Master Plans (MP): Water, Wastewater, Stormwater & Roadway

Sam Villegas, meeting facilitator with Raftelis, began the presentation for this item and went through some housekeeping items. After this, she turned the meeting over to Kim Keefer (Land Use/Master Plans) and Angie Flores (Impact Fees). Ms. Keefer proceeded to explain the status of where this project stands at this time. The comparison of existing and future land uses has been completed, and the 10-year delineation is in progress. She stated data-collecting is ongoing for Water, Wastewater and Stormwater master plans, but continue to make progress with the latest data. Right now, they are working on determining the difference between current and ultimate flow data. The data scrub is complete for the Transportation MP. The process for the Water MP has fallen behind due to model issues (calibration) but they are currently ironing out the details.

Using data from the Metropolitan Planning Organization (MPO) annual study, a table for Residential Land Uses was presented for each Area Development Plan (ADP). For growth rates, the MPO's projected rate was compared with the City's growth trend (percentage between 2010 & 2019), including the number of residential units and lots. Another table projected the number of households for each ADP, comparing 2021 and 2031 with an assumed percentage of growth rate. A table for Non-residential land uses was also presented for each ADP showing the percentage of annual growth for the number of employees, comparing 2021 and 2031.

Next, Ms. Keefer presented maps using sample data, comparing the master plan process for existing and ultimate flows using the Allison Wastewater Treatment Plant (WWTP) as an example. From the map legend, she explained that the thick, red line represents "current flow pipe surcharge". In an agreement with the Environmental Protection Agency (EPA), the existing condition of these pipes will need to be repaired by the City because they do not meet EPA criteria. To keep lines functioning for existing customers, per EPA standards, the City will need to increase the size of the pipe (e.g., a 15-inch line to a 21-inch). If the City added to the pipelines that currently do not function correctly, then the issue would get worse. It is predicted that areas within the Allison WWTP will see growth. For an example of ultimate flows, a pipe can be increased from 21 inches to 30 inches to accommodate growth (Impact Fees). Determining the distinction between which "red" pipelines will need to be increased for current customers and growth is part of the master planning process; determining how to route wastewater with the least amount of impact on the existing system for treatment. Undeveloped areas are also taken into consideration.

Discussion took place regarding a schedule of meetings and how to break down each of the master plans. Ms. Keefer stated that she believes the Water MP is approximately four months behind and suggested that one of the next meetings should focus on the Transportation MP since data collecting is complete. It was mentioned the goal to complete this project is targeted for Spring of 2023, but it is understandable if more time is needed to be thoroughly vetted. She said that the next goal will be to figure out the hierarchy of how specific MP's & ADP's will be presented at future meetings; the Committee will be provided research documents at least a week in advance of a meeting. No action was taken on this item.

VII. Overview of Impact Fees

At this time, Angie Flores with Raftelis continued with the remainder of the presentation regarding Impact Fees. To carry out Committee duties, it was explained that they must follow requirements of Chapter 395 of the Texas Local Government Code (TLGC). Chapter 395 determines fee decision-making (City Council), fee coordination (public notices/hearings) and the maximum fee based on the Capital Improvement Plan (CIP). Another table was presented for comparable communities in Texas (median home price) and their respective impact fees for each master plan service, determining the percentage of that fee.

To refresh the Committee, Ms. Flores explained what Impact Fees are and why this funding mechanism should be considered. Impact Fees maintain consistent levels of service for residents and businesses; minimize the need for broad-based revenues (e.g., user charges or general taxes); ensures current residents do not subsidize growth; provide predictable funding for system improvements shared by all new development. She also explained how impact fees are designed and eligible costs. Costs of constructing capital improvements or facility expansions, include and are limited to construction contract price; surveying and engineering fees; land acquisition costs - including land purchases; engineering and financial consultant costs. Capital costs must be included in the 10-year CIP, used in the calculation of the impact fee; cannot be used for operations, maintenance or replacement. To help understand the process of calculating the maximum allowable fee for each MP, Ms. Flores explained the formula to be used; presented a conceptual formula for the Stormwater MP.

Ms. Flores then gave information on the following cities in Texas which have adopted Impact Fees: Round Rock, Port Aransas and Portland. Round Rock has seen a significant amount of growth in the past 10 years and initially adopted Water and Wastewater impact fees in 2012; Roadway in 2018. Round Rock reviews impact fees every three years. Since adopting impact fees, their CIP has been funded 100% by

impact fees. Port Aransas adopted Roadway impact fees in 2016; are in the process of completing a Comprehensive Plan. Portland adopted Water, Wastewater and Roadway impact fees in 2021.

After the conclusion of the presentation, the floor was opened for comments/questions. Discussion took place regarding mission/goals of the Committee in determining an Impact Fee recommendation as a funding mechanism per TLGC Chapter 395. Mr. Summers suggested that more Committee education is needed to also understand the current funding mechanism of Trust Funds to make an educated recommendation. For a better understanding, he also suggested that an entire meeting be dedicated , in detail, to compare the functionality of Trust Funds vs. Impact fees, vs. Public improvement Districts, vs. Municipal Utility Districts and vs. other infrastructure funding mechanisms.

Discussion also took place regarding the composition of the Committee since three members have resigned. Because of the significance of this project, Chairman Mostaghassi raised the importance of attendance and for consistency, suggested that the following three meetings should be scheduled in advance: every six to eight weeks apart. Once, the Master Plans are complete, more meetings will be held regularly. It was stated that the next scheduled meeting will have the three newly appointed Committee members and that a review of information will need to be presented to bring them up to speed. No action was taken on this item.

VIII. Future Agenda Items: None.

IX. Director's Report: None.

X. Adjournment

There being no further business to discuss, the meeting adjourned at 3:55 p.m.