

COUNTY LINE SPECIAL UTILITY DISTRICT

Public Hearing

July 18, 2022, at 6:30 p.m.

District Office – 8870 Camino Real, Umland, Texas, 78640

The following represents the actions taken by the Board of Directors of the County Line Special Utility District (CLSUD) in the order they occurred during the public hearing. The Board of Directors convened in a public hearing at the date, time, and location stated above and via video conference call and telephone conference call.

A. CALL TO ORDER.

Director Brewer called the meeting to order at 6:30 p.m.

B. ROLL CALL.

The roll was called of the members of the Board of Directors:

Toni Brewer	present
Bob Diaz	present
Joe Howe	present
William Ilse	present
Ken Dodson	absent
Jeff “Rusty” Loep	present

All Board members were in attendance except for Director Dodson, thus constituting a quorum of the Board of Directors. All Directors who attended voted on all matters that came before the Board.

Also attending were Daniel Heideman, General Manger; Jennifer Tarbutton, Office Manager; Rebecca Moore, Accountant; Danielle Lam, Attorney, of Lloyd Gosselink Rochelle & Townsend, P.C.; Chris Betz; Allison Nieto, P.E., Jeff Kallus, P.E., and John Littlefield, P.E. of Southwest Engineers; Herb Williams of Williams Water Works; Humberto Ramos of Canyon Regional Water Authority; Kip Kronenberg and Brooks Willig of La Tierra Realty; Jacy Warwick of D.R. Horton; Chris Rawls, P.E., of BGE, Inc.; Steven Greenberg, Mia Natalino, and Bill Fry of BVRT Utility Holding Company, and Tracy Scheel.

C. CONDUCT A PUBLIC HEARING TO CONSIDER AMENDMENTS TO THE WATER LAND USE ASSUMPTIONS, CAPITAL IMPROVEMENT PLAN, AND THE IMPACT FEES.

Ms. Lam, attorney for CLSUD, began the hearing by explaining that impact fees are charges imposed against new development in order to fund or recoup the costs of capital improvements or facility expansions necessitated by and attributable to the new development. She also provided a brief background of how CLSUD created its Capital Improvements Plan and determined the maximum impact fee amount. She stated that the purpose of the public hearing was for Mr. Kallas

to explain his reports and for the public to ask questions, then the impact fee amount would be determined and adopted during the regular Board meeting.

Mr. Kallus explained that since April 2022, the Capital Improvement Plan and recommended impact fee was amended (1) to reduce the amount for the ARWA and GBRA project by removing water acquisition costs, (2) to increase costs for the Gristmill Road Water Line project to be consistent with recent bids, and (3) to add the FM 2720 Water Main project. Mr. Kallus reported that the recommended impact fee amount was \$11,705.

Ms. Lam clarified that CLSUD had a public hearing on impact fees in April 2022, and since such hearing, the overall impact fee amount had increased. She noted however that the changes were to remove water acquisition costs and adjust for bid and water main increases. She emphasized that CLSUD is at capacity, which necessitates the Capital Improvement Plan projects and increases to impact fees.

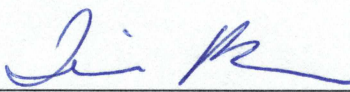
Mr. Kronenberg asked what costs were removed from the April 2022 proposed Capital Improvement Plan. Mr. Kallas responded that approximately \$600 for the cost of water acquisition \$600 was removed, but the cost of the FM 2720 Water Main project was added.

Mr. Heideman asked Ms. Lam and Mr. Kallus to explain the water acquisition fee. Ms. Lam explained that CLSUD removed the costs of water rights from the impact fee amount in compliance with Chapter 395 of the Local Government Code, but that amount may still be recovered through a separate water acquisition fee.


Mr. Kronenberg also whether this water acquisition fee would be \$705 per tap. Ms. Lam responded that the water acquisition fee would be \$600 per meter or per LUE. Mr. Kronenberg then asked if CLSUD would still charge a reservation fee. Ms. Lam clarified that there will be impact fees and some developments will have monthly reservation fees based upon their current contractual obligations. She explained that the service policy regarding the assessment and collection of impact fees and reservation fees will be revised with the adoption of a new service policy, but going forward new developments and new contracts will have a higher impact fee and a water acquisition fee as the two main costs. Mr. Kronenberg asked at what point in time the fees will be due and payable. Ms. Lam responded that that a revised service policy will be presented to the Board of Directors and discussed during the regular Board meeting which will establish the collection and assessment of such fees.

D. ADJOURNMENT

At 6:37 p.m., after discussion and there being no further public comments, Director Diaz moved to adjourn the public hearing. Director Howe seconded the Motion and the Motion passed unanimously, 5-0.



President of the Board



Secretary of the Board