

AN ORDINANCE AMENDING CHAPTER 25, ARTICLE VII, STREET MAINTENANCE FEE, OF THE CODE OF ORDINANCES OF THE CITY OF KILLEEN; PROVIDING FOR THE REPEAL OF CONFLICTING PROVISIONS; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING FOR A SAVINGS CLAUSE; PROVIDING FOR PUBLICATION AND AN EFFECTIVE DATE.

WHEREAS, the City of Killeen, Texas is a home-rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and,

WHEREAS, the City Council of the City of Killeen deems the continued operation and functionality of the City's transportation infrastructure to be of vital importance to the protection of the public health, safety, and welfare of its citizens; and,

WHEREAS, the City of Killeen desires to provide for a higher level of maintenance for the City's transportation infrastructure; and,

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KILLEEN, TEXAS:

SECTION I. That Chapter 25, Article VII of the City of Killeen Code of Ordinances is hereby amended by adding the following sections to read as follows:

ARTICLE VII. STREET MAINTENANCE FEE

Sec. 25-225. Definitions.

In this article:

Benefitted property means a residence; a business; or a lot or parcel on which improvements have been constructed and that generates motor vehicle trips.

Annual street maintenance costs ~~Monthly street maintenance cost per unit~~ means the annual cost of street maintenance including related materials; supplies; contracted treatments; pavement; concrete; and markings; roadway reconstructions with associated expenses, including but not limited to, design, engineering analysis, geotechnical engineering, debt service payments, and making adjustments to existing sidewalks as required by the Americans with Disabilities Act. Annual street maintenance costs do not include ~~and not including~~ capital expansion expenses such as existing debt, as it exists on the effective date of the ordinance from which this section is derived, or any new construction providing added capacity. ~~divided by the~~

total number of single family equivalents divided by twelve (12) months. The total number of single family equivalents is total units within the city multiplied by each corresponding single family equivalent.

Nonresidential benefitted property means benefitted property not defined as residential benefitted property under this article. Nonresidential property shall include, but not be limited to, property being used for the following purposes: commercial, industrial, institutional, lodging, medical, office, or religious.

Residential benefitted property means a single-family residence, modular home, townhouse, two-family housing, multi-family housing, mobile home, travel trailer, or manufactured home.

Street maintenance fee means the fee established by this article.

Transportation system means the structures, streets, rights-of-way, bridges, alleys, and other facilities within the city limits that are dedicated to the use of vehicular traffic; and the maintenance and repair of those facilities.

Unit means a unit of measurement equaling:

- (1) Residential benefitted property: One (1) per dwelling unit; or
- (2) Nonresidential benefitted property: One (1) per one thousand (1,000) square feet of improvements designated as living area/floor area as applicable in the records of the Bell County Appraisal District; or
- (3) Hotel/motel: One (1) per room; or
- (4) Self-service car wash: One (1) per stall.

Single-family equivalent is the equivalent number of trips per any other land use to single-family land use and is the principle basis of service measurement derived from trip generation rates, pass by percentages, and trip lengths published by the Institute of Transportation Engineers. The single-family equivalents of the following uses per unit are:

Land Use	Single-family Equivalent Rate	Billing Code
1. Single-family detached housing dwelling unit	1.00	SFH
2. Multi-family housing (low-rise) dwelling unit	0.57	MFL
3. Multi-family housing (mid-rise) dwelling unit	0.44	MFH
4. Mobile home dwelling unit	0.47	MH
5. Assisted living 1,000 SF GFA	0.49	ALV
6. Intermodal truck terminal 1,000 SF GFA	2.31	ITT
7. General light industrial 1,000 SF GFA	0.78	GLI
8. Industrial park 1,000 SF GFA	0.49	IPK
9. Manufacturing 1,000 SF GFA	0.83	MFG
10. Warehousing 1,000 SF GFA	0.23	WHS
11. Mini warehouse 1,000 SF GFA	0.21	MWH
12. Hotel room	0.50	HRM

13. Motel/other lodging facilities room	0.31	MLF
14. Multipurpose recreational facility 1,000 SF GFA	2.84	MPR
15. Bowling alley 1,000 SF GFA	0.92	BWA
16. Adult cabaret 1,000 SF GFA	2.32	ACB
17. Ice skating rink 1,000 SF GFA	1.05	ISR
18. Health/fitness club 1,000 SF GFA	2.74	HFC
19. Athletic club 1,000 SF GFA	4.99	ATC
20. Recreational community center 1,000 SF GFA	1.83	RCC
21. Elementary school 1,000 SF GFA	1.01	ES
22. Middle school/junior high school 1,000 SF GFA	0.88	MS
23. High school 1,000 SF GFA	0.72	HS
24. Private school (K-8) 1,000 SF GFA	4.83	PVS
25. Junior/community college 1,000 SF GFA	1.37	JCC
26. Place of Worship 1,000 SF GFA	0.24	PLW
27. Reserved	0.00	—
28. Day care center 1,000 SF GFA	3.61 4.60	DCC
29. Museum 1,000 SF GFA	0.13	MSM
30. Nursing home 1,000 SF GFA	0.44	NSH
31. Clinic 1,000 SF GFA	2.42	CLC
32. Animal hospital/veterinary clinic 1,000 SF GFA	1.83	AVC
33. General office building 1,000 SF GFA	0.85	GOB
34. Corporate headquarters building 1,000 SF GFA	1.03	CHB
35. Single tenant office building 1,000 SF GFA	1.26	STO
36. Medical - Dental office building 1,000 SF GFA	2.56	MDO
37. Office Park 1,000 SF GFA	0.98	OPF
38. Construction equipment rental store 1,000 SF GFA	0.82	CER
39. Building materials and lumber store 1,000 SF GFA	1.70	BML
40. Free-standing discount superstore 1,000 SF GFA	1.72 2.53	DSS
41. Variety store 1,000 SF GFA	2.76 3.72	VRS
42. Free-standing retail store 1,000 SF GFA	1.96 2.79	RTS
43. Hardware/paint store 1,000 SF GFA	0.97 1.63	HPS
44. Nursery (garden center) 1,000 SF GFA	2.63 4.01	NGC
45. Shopping center 1,000 SF GLA	1.25 2.07	SHC
46. New and used car sales 1,000 SF GFA	2.38	CRS
47. Recreational vehicle sales 1,000 SF GFA	0.61	RVS
48. Automobile parts sales 1,000 SF GFA	1.71 2.22	APS
49. Tire store 1,000 SF GFA	1.96 2.28	TRS
50. Tire superstore 1,000 SF GFA	1.04 1.20	TSS
51. Supermarket 1,000 SF GFA	1.98 4.88	SPM
52. Convenience market (open 24 hours) 1,000 SF GFA	11.75 19.85	CVM
53. Convenience market w/ gasoline pumps 1,000 SF GFA	4.47 13.83	CMG
54. Discount supermarket 1,000 SF GFA	3.52 5.46	DSM
55. Home improvement superstore 1,000 SF GFA	0.65 1.11	HIS

56. Office supply superstore 1,000 SF GFA	<u>1.122.29</u>	OSS
57. Discount home furnishing superstore 1,000 SF GFA	<u>0.641.30</u>	DHF
58. Department store 1,000 SF GFA	<u>0.851.13</u>	DTS
59. Apparel store 1,000 SF GFA	<u>1.803.40</u>	AST
60. Pharmacy/drugstore w/o drive-through window 1,000 SF GFA	<u>2.323.30</u>	PDS
61. Pharmacy/drugstore w/drive-through window 1,000 SF GFA	<u>3.234.33</u>	PDT
62. Furniture store 1,000 SF GFA	0.20	FTS
63. Walk-in bank 1,000 SF GFA	<u>2.493.05</u>	WKB
64. Drive-in bank 1,000 SF GFA	<u>3.685.31</u>	DIB
65. Hair salon 1,000 SF GFA	0.43	HRS
66. Drinking place 1,000 SF GFA	3.83	DRP
67. Sit down restaurant 1,000 SF GFA	<u>1.332.58</u>	SDR
68. High turnover (sit-down) restaurant 1,000 SF GFA	<u>1.793.29</u>	HTR
69. Fast food restaurant without drive-thru window 1,000 SF GFA	<u>4.528.38</u>	FFR
70. Fast food restaurant with drive-thru window 1,000 SF GFA	<u>5.219.66</u>	FFD
71. Coffee/donut shop without drive-through window 1,000 SF GFA	2.36	CDS
72. Coffee/donut shop with drive-thru window 1,000 SF GFA	2.82	CDW
73. Quick lubrication vehicle shop 1,000 SF GFA	<u>3.454.14</u>	QLV
74. Automobile care center 1,000 SF GFA	<u>.241.48</u>	ACC
75. Automobile parts & service center 1,000 SF GFA	<u>.901.00</u>	APC
76. Self-service car wash stall	<u>0.410.49</u>	CWS
77. Automated car wash 1,000 SF GFA	<u>1.051.00</u>	ACW

User or utility customer means the person who is responsible for the payment of charges on a city utility meter for a benefitted property.

(Ord. No. 18-045 , § I, 12-11-18; Ord. No. 19-010 , § I, 3-26-19; Ord. No. 20-033 , § I, 8-4-20)

Sec. 25-226. Creation of street maintenance special revenue fund; audit.

A separate fund, within the city's fund structure, shall be created as of the effective date of the ordinance, known as the Street Maintenance Special Revenue Fund, for the purpose of maintenance of the transportation system.

Such street maintenance revenues shall be used only for ~~maintenanece costs of the transportation system~~ those costs included in annual street maintenance costs as defined herein.

Money from sources other than the street maintenance fee may be deposited in the street maintenance special revenue fund. An expenditure from the street maintenance special revenue fund need not specifically relate to the property of a particular user from the street maintenance fee was collected.

The street maintenance special revenue fund shall be audited twice annually, once by the city's internal auditor and once by the external auditor. Audits should occur approximately six (6) months apart, as feasible.

(Ord. No. 18-045 , § I, 12-11-18; Ord. No. 20-033 , § I, 8-4-20)

Sec. 25-227. Administration; ~~calculation of street maintenance costs; review.~~

The city manager, or designee, shall be responsible for the administration of this ordinance including, but not limited to, creating a policy for the administration of the street maintenance fund and the street maintenance fee; enacting any procedures necessary for the administration of the street maintenance fees and the consideration of petitions for exemption or adjustment; developing maintenance programs; and establishing transportation system criteria and standards for the operation of maintenance of the transportation system.

~~The estimated annual cost to provide street maintenance at a level adequate to maintain the current pavement condition is four million two hundred eighty thousand dollars (\$4,280,000.00). The total single-family equivalents within the city limits equal ninety thousand two hundred seventy-seven and fifty-seven hundredths (90,277.57). The monthly street maintenance cost per unit is three dollars and ninety-five cents (\$3.95). ($\$4,280,000.00/90,277.57/12$ months = \$3.95)~~

~~The annual street maintenance costs and total single-family equivalents above shall be reviewed every three (3) years and updated as needed. A road condition survey shall be conducted every three (3) years.~~

(Ord. No. 18-045 , § I, 12-11-18; Ord. No. 20-033 , § I, 8-4-20)

Sec. 25-228. Findings.

The city council finds and determines the following:

- (1) It is appropriate that a benefitted property pay the prorated annual cost of the maintenance of the transportation system that can reasonably be attributed to the benefitted property.
- (2) The number of motor vehicle trips generated by a benefitted property may reasonably be used to estimate the prorated cost of the maintenance of the transportation system attributable to a benefitted property.
- (3) The size and use of a property may reasonably be used to estimate the number of motor vehicle trips generated by and single-family equivalent associated with the property.
- (4) Based on the best available data, the method of imposing the Street Maintenance fee reasonably prorates the cost of maintenance of the transportation system among benefitted properties.
- (5) If available, appraisal district property tax records may be relied on to determine the size of nonresidential benefitted property.
- (6) It is reasonable and equitable to derive trip generation rates or single-family equivalents for residential and nonresidential benefitted property as determined and published by the Institute of Transportation Engineers.
- (7) It is reasonable and equitable to assume that each utility meter in the service area serves a benefitted property.
- ~~(8) It is reasonable to calculate the single-family equivalent and the monthly street maintenance cost components based on a representative year.~~

(89) For purposes of this article, a property's use does not depend on the property's zoning. If a property fits more than one (1) category of land use, the city manager, or designee, shall assign a composite single-family equivalent which will be calculated by combining the single-family equivalents for the existing land uses in percentages corresponding to the percentage of property used for each land use.

(Ord. No. 18-045 , § I, 12-11-18)

Sec. 25-229. Fee established.

The city council hereby establishes a street maintenance fee intended to fund approximately ~~forty-three and 04 hundredths (43.04) percent of annual street maintenance costs.~~ Such street maintenance fee shall be set in an amount which will provide sufficient funds to properly maintain the transportation system.

The street maintenance fee shall be at ~~ten~~ one dollars and ~~noseventy~~ seventy cents (~~\$10.00+70~~) per single-family equivalent (~~\$3.95 x .4304 = \$1.70~~). The street maintenance fee shall be paid by each City of Killeen utility customer within the city limits of Killeen, Texas.

(Ord. No. 20-033 , § I, 8-4-20)

Sec. 25-230. Calculation of fee.

The street maintenance fee shall be calculated using the following formula:

Street Maintenance Fee per Single-Family Equivalent x Number of Units x Single-Family Equivalent = Monthly Bill

For example, a similarly situated customer shall pay an amount equal to the following each month:

Single-family: ~~\$10.00+70~~ x 1 unit x 1 = ~~\$10.00+70~~

Multi-family (Low-Rise): ~~\$10.00+70~~ x 4 units x .57 = ~~\$22.803-88~~

Shopping Center: ~~\$10.00+70~~ x 20 units (1 per 1,000 square feet) x ~~1.252-07~~ = ~~\$250.0070-38~~

(Ord. No. 18-045 , § I, 12-11-18; Ord. No. 20-033 , § I, 8-4-20)

SECTION II. That all ordinances or resolutions or parts of ordinances or resolutions in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

SECTION III. That should any section or part of any section, paragraph or clause of this ordinance be declared invalid or unconstitutional for any reason, it shall not invalidate or impair

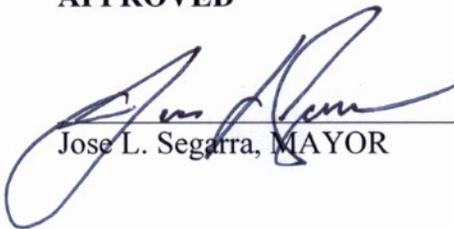
the validity, force or effect of any other section or sections or part of a section or paragraph of this ordinance.

SECTION IV. That the Code of Ordinances of the City of Killeen, Texas, as amended, shall remain in full force and effect, save and except as amended by this ordinance.

SECTION V. That this ordinance shall be effective on October 1, 2021.

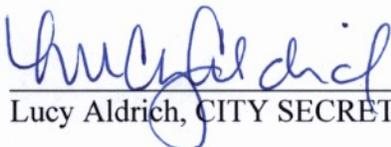
PASSED AND APPROVED at a regular meeting of the City Council of the City of Killeen, Texas, this 14th day of September, 2021, at which meeting a quorum was present, held in accordance with the provisions of V.T.C.A., Government Code, §551.001 *et seq.*

APPROVED

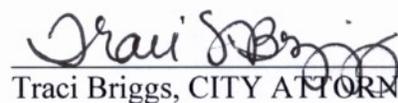

Jose L. Segarra, MAYOR



ATTEST:


Lucy Aldrich, CITY SECRETARY

APPROVED AS TO FORM:


Traci Briggs, CITY ATTORNEY

ORD 21-055

Date: September 14, 2021

CITY COUNCIL MEMORANDUM FOR ORDINANCE

DATE: September 7, 2021
TO: Kent Cagle, City Manager
FROM: Jonathan Locke, Executive Director of Finance
SUBJECT: Ordinance amending street maintenance fees

BACKGROUND AND FINDINGS:

The City maintains 539 centerline miles, or 2,191 lane miles, of paved roadways with a total replacement value of \$840 million. To better address street maintenance needs, City Council adopted an ordinance in December 2018 for the collection of street maintenance fees. The ordinance established the street maintenance fee at \$1.70 per single-family equivalent.

A street condition assessment was initiated in 2019. The assessment found that there are an estimated \$120 million in streets that are past the point of maintenance and require reconstruction. That number increased significantly following Winter Storm Uri. The winter storm added an estimated \$40 million of streets that require reconstruction.

The assessment also recommended an annual street maintenance budget of \$4.3 million. This is the annual amount of street maintenance needed to maintain streets at their current condition. The current annual street maintenance budget is approximately \$1.7 million.

City Council received a briefing on July 17, 2021, that included different funding options to address street reconstruction and street maintenance. After several meetings and further discussion, City Council decided to move forward with a \$10 monthly single-family equivalent fee. The \$10 monthly single-family equivalent fee is expected to generate \$9.6 million annually.

Staff evaluated the methodology used to calculate the single-family equivalent and have updated the calculations to account for diverted trips in order to more accurately reflect the impact each land use will have on the City's transportation system. Diverted trips occur when a vehicle diverts from the original path of travel to stop at another location. An example of this is when a vehicle is traveling from work to home, but diverges from the direct travel path to stop at a convenience store. With the updated methodology, the convenience store is not charged for an additional trip, since it is a diversion from the original intended trip. This method was developed by the Institute of Transportation Engineers.

With alteration or reconstruction projects, the Americans with Disability Act (ADA) will require that the roadway be brought into compliance with ADA standards, in an amount not to exceed 20% of the project budget. This may require adjustments and repairs to sidewalks and curb

ramps along the project length. The ordinance amendment also makes these costs eligible to be paid with the street maintenance fee when in conjunction with an alteration or reconstruction project.

The additional revenue from the street maintenance fee will be used for three purposes, street maintenance, street reconstruction, and to repay a bond issue for street reconstruction. The annual street maintenance budget will increase approximately \$2.6 million, from \$1.7 million to the recommended \$4.3 million. Approximately \$4 million annually will be used to cash fund street reconstruction and associated costs. Finally, a \$24 million bond issue will expedite street reconstruction, and street maintenance fees will repay the bonds. The ordinance has been updated to reflect these eligible expenses.

THE ALTERNATIVES CONSIDERED:

Two alternatives were considered:

1. Do not amend street maintenance fees and continue using current rates; and
2. Amend street maintenance fees.

Which alternative is recommended? Why?

Option 2 is recommended. This alternative provides the needed revenue to adequately maintain the City's street infrastructure. If street maintenance fees are not amended, street conditions will continue to deteriorate.

CONFORMITY TO CITY POLICY:

The proposed ordinance conforms to applicable City policy.

FINANCIAL IMPACT:

What is the amount of the expenditure in the current fiscal year? For future years?

N/A

Is this a one-time or recurring expenditure?

N/A

Is this expenditure budgeted?

N/A

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this expenditure?

N/A

RECOMMENDATION:

City Council approve the ordinance amending Chapter 25, Streets, Sidewalks, and Miscellaneous Public Places, of the Code of Ordinances, to amend street maintenance fees.

DEPARTMENTAL CLEARANCES:

Public Works

Finance

Legal

ATTACHED SUPPORTING DOCUMENTS:

Ordinance