

City Council B Session

Presented by: Troy Elliott, Chief Financial Officer

September 30, 2026



Villas at Timberwood - Background



- The Villas at Timberwood Homeowners Association is a 75 home community served by a communal septic system located over the Edwards Aquifer Contributing Zone
- Timberwood Development Company L.P. is the original developer for the Villas who constructed the on-site sewage facility (“OSSF”) that serves the homes in the Villas
- The OSSF is regulated by the TCEQ to ensure wastewater treatment compliance
- There has been ongoing, noncompliance reporting by the TCEQ in various years including:
 - Failure to maintain compliance with the permitted effluent levels
 - Failure to prevent ponding or surfacing of effluent in the disposal fields

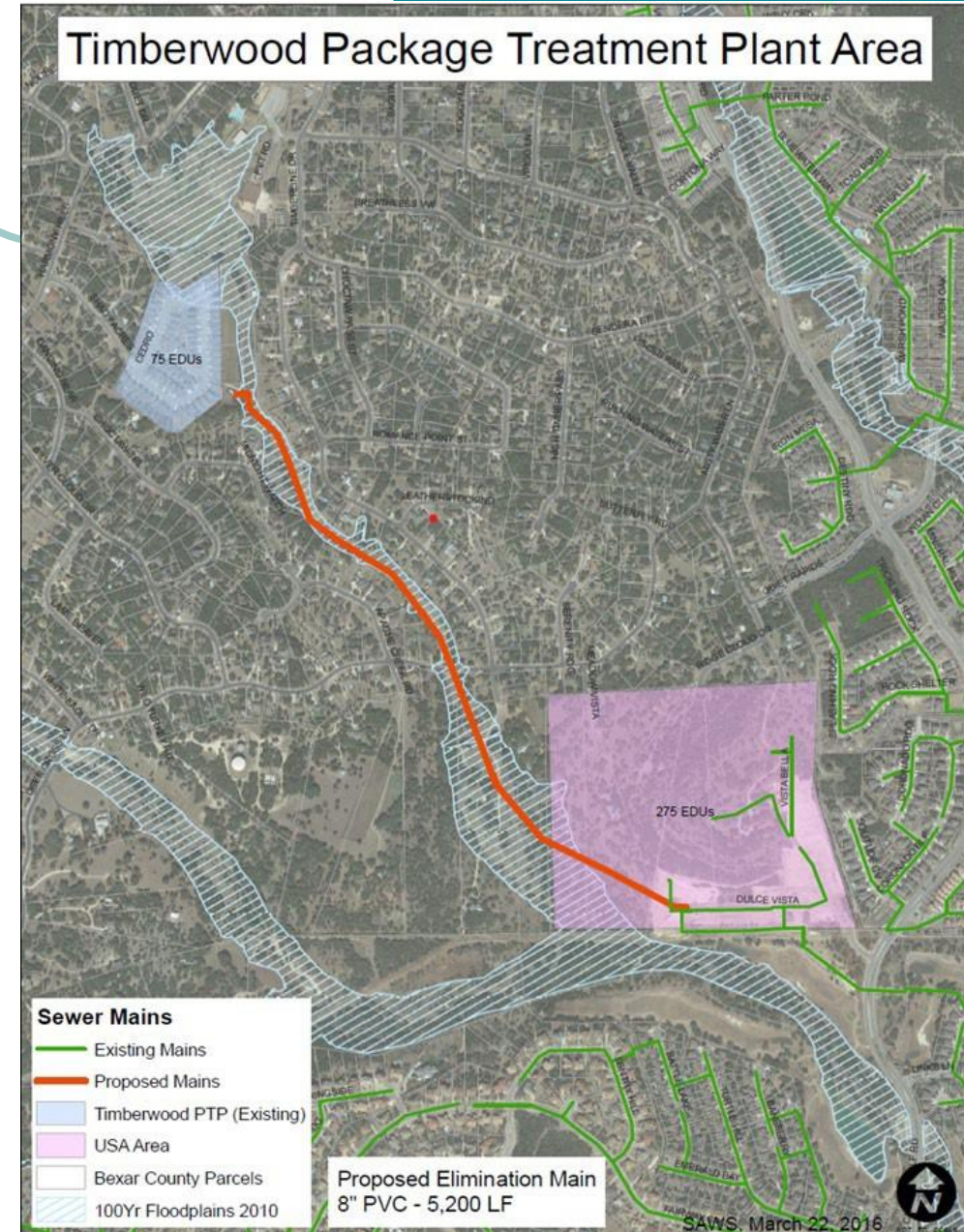


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Villas at Timberwood

To address the recurring non-compliance and failing On-Site Sewage Facility

- Bexar County has proposed a new wastewater main to connect Timberwood to **SAWS sewer infrastructure**
- Consideration of a request to waive Wastewater Treatment and Collection Impact fees for the Villas at Timberwood



Fee Waiver Program



Impact fees are **one-time charges on new development/new connections** that fund infrastructure and capacity to ensure new growth pays an equitable share of capital costs.

The City Fee Waiver Program waives SAWS impact fees for eligible projects, including affordable housing, historic preservation, as well as expansion of small businesses and targeted industry projects. SAWS provides \$3 million per year for impact fee waivers.

Ineligible locations and projects include:

- Restricted environmental areas, floodplains, publicly owned facilities, and projects outside City limits (including ETJ)
- Certain commercial uses, including hotels, bars, liquor stores, gas stations, tattoo parlors and sexually oriented businesses

City Council can issue waivers outside this Program for projects that may not otherwise be eligible under the current guidelines. Statutory and Policy implications for such waivers should be assessed.



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Project Cost & Waiver of Impact Fees



- \$2.8 Million Estimated Project Cost
- Bexar County proposes directing \$2 million in federal pandemic relief funds toward the wastewater infrastructure project
- This proposal would waive \$415,575 in SAWS impact fees otherwise required from the Villas at Timberwood
- Villas at Timberwood HOA to cover any excess costs above the contribution from the County and SAWS Impact Fee Waiver
- SAWS waiver would not come from COSA Impact Fee Waiver Program



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Impact Fee

- Wastewater Impact Fees vary by the Property's Service Area and are calculated on a fee per Equivalent Dwelling Unit (EDU)
- Specific to the Villas at Timberwood the fee is \$5,541 per EDU
 - \$1,105 for Wastewater Treatment
 - \$4,436 for Wastewater Collection
- Total of \$415,575 in Waiver of Impact Fees for 75 units

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Presented by: Tracey B. Lehmann, P.E.
Sr. Director - Development
San Antonio Water System

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