

Memorandum

To: Mayor and City Council Members
Steve Parker, City Manager

From: Timothy J. Howe, Director of Utilities

Through: Rick Cortes, Deputy City Manager

Subject: Proposed On-Call Modeling Fee Adjustment

Date: October 6, 2025

Historical Background

The City of Seguin has worked with Freese and Nichols (FNI) October 3, 2022. On this date, city staff was authorized to enter into an agreement with FNI to perform “on-call modeling” of the water and wastewater utility to evaluate new developments and the timing and sizing of infrastructure. FNI services consists of the following:

1. Review of capital project timing and sizing;
2. Updating hydraulic models to include recently constructed projects;
3. Analyze proposed developments on existing infrastructure;
4. Project analysis and coordination with City staff and developers;
5. Perform various tasks related to the water and wastewater master plans.

This service has proven critical for the City to plan and execute capital improvement projects to meet the growing demand for water and wastewater service. Developers pay \$2,500 per utility per development for this service. This fee is intended to recover cost of service. Staff evaluated the current fees associated with this service. To date, the City has modeled sixty-three water/wastewater scenarios for various developments which equate to an average cost per task of \$2,907.75.

Action Requested

Consider a fee increase for the developers to recover the cost of the modeling service.

Staff Recommendation

It is recommended that the current fee for this service be increased from \$2,500 to \$3,000 to recover the full cost of providing the service.

ATTACHMENTS

1. Ordinance –Water Modeling Fee and Wastewater Modeling Fee
2. On-Call Task Summary