



City of Fort Worth

Procedure for Calculating and Applying Impact Fee Conservation/Reuse Credits

Reference: Texas Local Government Code §395.0231 (Senate Bill 14, 2025, Second Special Session)

Effective Date: January 1, 2026

Purpose

This procedure establishes a uniform procedure for calculating and applying credits against collected water and/or wastewater impact fees for developments that incorporate eligible water conservation or reuse measures beyond those required by City code, design standards, or the City’s Water Conservation Plan. The purpose of the credit is to encourage innovative and voluntary conservation practices and support Fort Worth Water’s long-term demand reduction goals.

Applicability

Credits under this procedure apply to new developments and concern collected water and/or wastewater impact fees under Chapter 35, Article III, Division 2 of the Fort Worth City Code. This procedure applies to both Retail and Wholesale Customer developments.

1. Retail: A development that receives potable water service directly from the City through a metered connection. Retail Customers may be located either within or outside the City Limits and are billed according to the City’s applicable retail rate structure.
2. Wholesale: A development that receives water and/or wastewater service from one of Fort Worth’s wholesale customer utilities, where that utility is contractually required to collect Fort Worth’s water and/or wastewater impact fees as a pass-through charge to the development.

Definitions

1. Eligible Conservation and Reuse Measures: A facility, system, or product that results in water reuse, conservation or savings beyond those Base Requirements currently established by the City, as defined in §395.0231(b).
 - a. Conservation and reuse measures must be permanent improvements and not temporary or portable systems.
2. Base Requirements: The minimum conservation and efficiency standards required by City Code, the City’s Water Conservation Plan, the Plumbing Code, and the City’s regional conservation partnership with the Tarrant Regional Water District (TRWD).
 - a. City Code:
https://codelibrary.amlegal.com/codes/ftworth/latest/ftworth_tx/0-0-0-1



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- b. Water Conservation Plan:
<https://www.fortworthtexas.gov/files/assets/public/v/4/water/documents/save-water/fort-worth-2024-water-conservation-plan.pdf>
 - c. Plumbing Code:
https://codelibrary.amlegal.com/codes/ftworth/latest/ftworth_tx/0-0-0-25795
 - d. Regional Conservation Partnership with TRWD: <https://www.trwd.com/wp-content/uploads/2024/11/2024-TRWD-Conservation-and-Drought-Contingency-and-Emergency-Water-Management-Plan-Final.pdf>
3. Projected Performance: The anticipated level of water demand or wastewater generation reduction or reuse efficiency expected to result from the implementation of eligible conservation and reuse measures. Projected performance must be supported by engineering calculations, design assumptions, and operational data demonstrating how the proposed measures will reduce potable water usage and/or wastewater generation compared to base requirements.
4. Credit: The refund granted after the Monitoring Period to a development that implements eligible conservation and reuse measures in accordance with this procedure. Credits are calculated as a percentage of the collected water and/or wastewater impact fee.
5. Developer: The individual, entity, or organization responsible for planning, designing, financing, and constructing a development subject to City water and/or wastewater impact fees.
6. Land Use Categories
 - a. Single Family Residential Land Uses: Developments consisting of detached single family dwellings or residential units designed for occupancy by one household on an individual lot or parcel.
 - b. Irrigation-Only Land Uses: A land use classification where the associated metered service connection is dedicated solely to landscape irrigation and is not used for any domestic, commercial, industrial, or other non-irrigation purposes. Irrigation-Only Land Uses may occur in conjunction with any development type but are treated as a distinct category for the purposes of this procedure.
 - c. Other Land Uses: All non-single family development types, including but not limited to commercial, industrial, commercial, institutional, multi-family, and mixed-use developments.
7. System-Level Metering: Metering infrastructure capable of accurately measuring water demand at a resolution sufficient to evaluate system performance, verify

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conservation benefits, and support credit calculations under this procedure. System-Level Metering may be achieved through one or more of the following:

- a. Advanced Metering Infrastructure (AMI): Remote, automated metering technology that provides high-resolution, time-stamped usage data suitable for evaluating water demand patterns and verifying conservation performance, where such technology is available and reliable.
 - b. District Metering Areas (DMAs): A defined portion of the water distribution system that is hydraulically isolated and equipped with a master flow meter to measure all water entering or leaving the area. Used when AMI is not available or does not provide sufficient data for the intended analysis.
8. **Monitoring Period:** The continuous 5-year timeframe during which actual water usage data is collected and evaluated to verify that the eligible conservation and reuse measures projected performance has been achieved. The monitoring period begins in Year 0, which starts at the time of the first building permit approval for the development. Year 5 serves as the validation year, during which the City will evaluate the development's actual performance against the required criteria. During the monitoring period:
- a. The City will maintain and monitor the system-level metering infrastructure, including AMI or DMA components, as applicable.
 - b. The developer must cooperate in providing any supplemental data necessary for the City to assess compliance with the program requirements.
 - c. At the end of Year 5, if the development meets all required performance conditions as documented through a validation assessment, the developer shall be eligible for credit as outlined in this procedure.
9. **Average Day Demand:** The average volume of water used per day over a 1-year period.
10. **Maximum Day Demand:** The highest total volume of water used during any day within a given year.
11. **Peak Hour Demand:** The highest average rate of water use recorded during any 1-hour period of a given year.
12. **Average Day Usage Factor:** A measure of average daily water use per person within a single family residential development, expressed in gallons per capita day (gpcd). It is calculated by dividing the average day demand by the estimated residential population served.
13. **Maximum Day to Average Day Peaking Factor:** The ratio of the maximum day demand to the average day demand.
14. **Peak Hour to Maximum Day Peaking Factor:** The ratio of the peak hour demand to the maximum day demand.



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15. Pre-Conservation Meter Size: The water meter size determined through the City's Water Study process prior to consideration of any proposed eligible conservation or reuse measures. This meter size represents the base requirements used to assess a non-single family development's projected water demand and wastewater generation. The determination of the pre-conservation meter size projected water demands shall be made in accordance with the City's Water Installation Policy & Design Criteria Manual and the applicable plumbing code as adopted and amended by the City.



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General Provisions

1. Credits will be applied as a percentage of the collected water and/or wastewater impact fee.
2. Eligible conservation and reuse measures must be other than and exceed the base requirements, such as those identified in Table 4-3 of the City's Water Conservation Plan, and all City codes.
 - a. Water Conservation Plan:
<https://www.fortworthtexas.gov/files/assets/public/v/4/water/documents/save-water/fort-worth-2024-water-conservation-plan.pdf>
3. Credits may be granted only for measures that are voluntary, not required by City ordinance, are permanent in operation, and demonstrate a quantifiable reduction in potable water demand and/or wastewater generation.
4. Credits are non-transferable and apply only to the development for which they were requested.
5. Credit may be applied to collected water and wastewater impact fees if the eligible conservation and reuse measures reduce both potable water demand and wastewater generation.
6. Credit may be applied to collected water impact fees only if the eligible conservation and reuse measures reduce outdoor, irrigation, or non-wastewater usage .
7. It is the developer's responsibility to prepare and submit a detailed study demonstrating projected water usage and eligible conservation and reuse measures projected performance.
 - a. Study must be signed and sealed by a licensed professional engineer currently licensed in the State of Texas.
 - b. Study must be unique to the development and include specific location exhibit(s). A minimum of 50 single-family units and up to 500 single-family residential credits may be submitted in a single study. A maximum of ten Other Land Uses commercial credits may also be included in a single study.
 - c. It is the developer's responsibility to request, coordinate with City staff, and fund system-level metering infrastructure to monitor and verify metered water usage within a specific development and confirm that eligible conservation and reuse measures' projected performance have been achieved.
8. The maximum total credit shall not exceed 5 percent of the collected water and/or wastewater impact fee for single-family residential and irrigation-only land uses. The maximum total credit shall not exceed 2 percent of the collected water and/or wastewater impact fee for other land uses.



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9. The credit is based on the collected water and/or wastewater impact fee. It will be calculated as a percentage of the collected water and/or wastewater impact fees for the development.



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Impact Fee Conservation and Reuse Credits

1. Single Family Residential Land Uses:
 - a. A 5 percent credit is eligible to be approved for single family developments that implement eligible conservation and reuse measures that meet all of the following criteria. Projected performance of eligible conservation and reuse measures must be demonstrated in a detailed study and confirmed with at least 5-years of system-level metering water usage data.
 - i. Demonstrate an average day water usage factor of less than or equal to 68 gpcd¹.
 - ii. Demonstrate the maximum day to average day peaking factor never exceeds 2.25² in the validation year, excluding fire events.
 - iii. Demonstrate the peak hour to maximum day peaking factor never exceeds 2.00² in the validation year, excluding fire events.
2. Other Land Uses:
 - a. A 2 percent credit is eligible to be approved for non-single family developments that implement eligible conservation and reuse measures that meet all of the following criteria. Criteria must be demonstrated in a detailed study and confirmed with at least 5-years of system-level metering water usage data.
 - i. Demonstrate the need for a water meter smaller than the pre-conservation water meter size.
 - ii. Elect to install the smaller water meter size.
 - iii. Demonstrate the average day, maximum day, and peak hour demands do not exceed the projected demands determined in accordance with the City's Water Installation Policy & Design Criteria Manual and the applicable plumbing code as adopted and amended by the City.



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3. Irrigation-Only Land Uses:

- a. A 5 percent credit is eligible to be approved for irrigation-only developments that implement eligible conservation and reuse measures that meet all of the following criteria. Projected performance of eligible conservation and reuse measures must be demonstrated in a detailed study and confirmed with at least 5-years of system-level metering water usage data.
 - i. Demonstrate a record of zero irrigation ordinance violations for the development, excluding violations accompanied by an approved variance.
 - ii. Demonstrate the eligible conservation and reuse measures remain installed and functional.

¹2034 goal for the residential average day water usage factor from the City's most recent Water Conservation Plan.

²Water demand criteria from the City's Installation Policy and Design Criteria for Water, Wastewater, and Reclaimed Water Infrastructure.



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Credit Application Procedure

1. **Submittal:** The developer prepares and submits a detailed conservation study with the credit calculation request, identifying all proposed conservation and reuse measures. The credit application form must include detailed calculations proving the conservation or reuse measures' reduction in water demand or wastewater generation. The study must be signed and sealed by a licensed professional engineer currently licensed in the State of Texas.
2. **Review:** City staff will review the application for eligibility, confirming eligible conservation and reuse measures that exceed baseline requirements.
3. **Monitoring Period:** The developer installs system-level metering and the City monitors water usage for 5-year period.
4. **Approval:** The developer that paid the water and/or wastewater impact fee and submitted the detailed credit study must formally request a validation assessment at the end of the monitoring period. Upon formal request, City staff will review the system-level metering data to assess compliance and approve eligible credits.
5. **Credit:** If the approved conservation and reuse measures exceed the baseline requirements and are validated through the monitoring period, City staff will issue a written approval confirming eligibility for credit for collected water and/or wastewater impact fees by the end of the monitoring period. If the development successfully meets all validation requirements, the City will issue the water and/or wastewater impact fee credit to the same entity that paid the water and/or wastewater impact fee.