

New city impact fee committee organizes

By TOM LOTSHAW/The Daily Inter Lake | Posted: Thursday, August 23, 2012 9:22 am

Kalispell's new Impact Fee Committee members met for the first time Tuesday for a primer on the one-time "hook-up" fees the city charges for water, sewer, storm water, police and fire services.

Jason Mueller, Michael Johnson, Larry Sartain and Chad Graham were appointed to the advisory committee earlier this year by the Kalispell City Council.

So was council member Jeff Zauner, who said he "felt it was important for a council member to be part of the committee."

Rick Wills, the city's finance director, serves as the committee's nonvoting certified public accountant because no one from the community has volunteered to fill that role, which is required by state law.

All of the committee appointments were needed.

Karlene Osorio-Khor, Roxanna Brothers, Sharon DeMeester and Brenda Talbert resigned from the committee in February the day after the City Council went against their recommendation and voted 5-3 to end the city's transportation impact fees.

Those resignations left the committee with no members.

"This is an advisory committee where you get to spend a lot of time and we pay you nothing," Kalispell City Attorney Charlie Harball told the new committee members Tuesday. "You get undying gratitude for doing this."

Harball and staff from the Public Works Department explained how Kalispell's impact fees are calculated based on projected infrastructure needs, reviewed and adjusted every two years and charged to construction, expansion and renovation projects that put new demand on city infrastructure and services.

The fees raise dedicated revenue to pay for capital improvement and infrastructure enlargement projects needed because of growth. The aim is to keep those often-substantial costs off the backs of existing rate-payers and taxpayers who pay for maintenance and operations.

The committee elected Graham as chairman, Mueller as vice chairman and Johnson as secretary. Graham also chairs the city's advisory Planning Board.

In September, the committee will take up a two-year review of the city's water and sewer impact fees.

Earlier this year, City Council members rejected proposed adjustments that would have reduced the base water impact fee from \$2,213 to \$1,930 and more than doubled the base sewer impact fee from \$2,499 to \$5,345.

Those adjustments were based on an August 2010 report by HDR Inc. that was never updated to account for a recommended annexation boundary the City Council adopted in March 2011 or a slowdown of growth in demand for water and sewer services.

"We were directed to go back and update this report," Public Works Director Susie Turner told committee members. "Right now we are working on that update for water and wastewater, and we would like to bring that to you in about a month."

The city contracted with Morrison-Maierle to update the water and sewer impact fee report.

Kalispell's various impact fees total about \$6,357 for the construction of a single-family home and as much as tens or even hundreds of thousands of dollars for larger developments.

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