The Morning News

Local News for Northwest Arkansas

Council Wants Fees Recalculated

By <u>Richard Dean Prudenti</u> THE MORNING NEWS

BENTONVILLE -- Council members say impact fees must be fair. For that reason they want the consultant responsible for recommending an increase in the water impact fees to recalculate them based on what they consider to be a reasonable basis for charging new customers.

TischlerBise calibrated water impact fees -- charges meant to offset the cost of development on a service -- based on how much water comes to Bentonville from Beaver Water District.

The three-year average of water supplied by Beaver Lake shows 244 gallons per day per residential connection, compared with meter readings that show Bentonville's 13,070 residential customers use 193 gallons per day, also according to a three-year average. That a 26 percent difference.

Adding almost 1,000 nonresidential and wholesale customers to those figures results in a lower discrepancy in water usage of 13 percent.

Losses come from a number of places including fire hydrants where no meters calculate the amount of water flushed during testings, leaks and old or faulty meters that give inaccurate readings. These losses are not a development issue and so should not be part of impact fees, said Bill Burckart, a member of the Bentonville City Council on Monday.

"It's an overhead and maintenance should not be addressed in impact fees," Burckart said.

Burckart and other council members would rather not see new development pay for the discrepancy.

"I want to make sure that if we charge people money that we charge what is a reasonable relationship with the cost," Burckart said.

"My concern is that it's not that we have impact fees, but if they need to be passed (then) they need to be fair," Burckart said.

Dwayne Guthrie, representing TischlerBise, said the calculations adjust for the discrepancy.

"Usually when you have one large reading that is a much more accurate measure than 15,000 individual meters," Guthrie said.

Guthrie clarified that impact fees cover improvement projects such as installation of water lines and system improvements. "So the impact fee is on the entire system. That is one of the justifications," he said.

Guthrie also noted that new development is only paying a proportional share, between 20 percent and 30 percent, and the method of determining the impact fee would adjust if the city saw no more development.

"The water customers would totally pay off that line," Guthrie said.

Guthrie said he will rework calculations based on meter reads instead of the amount of water coming from Beaver Lake, although he doesn't think the final impact fees will change much.

"I think we are making much ado over nothing," he said.

"It would be best if there is a shadow of doubt to redo the fees," he added.

Councilman Jim Grider said recalculating figures is a good idea.

"Some people think we are passing on costs to new development," Grider said.

Councilman Shane Perry said that if the city is losing 13 percent of its water, the question becomes, "Where is it appropriate that it be paid?"

"The manner in which we do this is very important to me for many reasons -- first of all to be legal and second of all to be fair," Perry said.

Meeting Information

Bentonville City Council

When: 6 p.m. today

Where: Community Development Building, 305 S.W. "A" St.

On The Agenda:

- A \$33,223 bid from Barnes Trucking for materials to create a new sand volleyball court in Memorial Park.
- Change of ordinance to allow for open burning in agricultural and residential estate zonings.
- Contract to hire Heckathron Construction for \$189,963 to renovate the facade at City Hall on West Central Avenue.
- A resolution to hire CEI Engineering for \$63,250 to handle the design, specifications, bid administration and general construction assistance for Orchards Park at the corner of Northeast John DeShields Boulevard and "J" streets.
- Final plat for 118 single-family residential lots on 72 acres, the first phase of a larger planned-unit development called Grammercy Park in northeast Bentonville, near Rice Road and Northeast Grammercy Parkway.
- Revise the city employee pay grade plan.

Source: City of Bentonville