

**CITY OF TRUTH OR CONSEQUENCES
IMPACT FEE ADVISORY BOARD
MONDAY, JUNE 18, 2018**

REGULAR MEETING

MINUTES

Regular meeting of the Impact Fee Advisory Board of the City of Truth or Consequences, New Mexico to be held in the City Commission Chambers, 405 W. Third, Truth or Consequences, New Mexico, on Monday, June 18, 2018 at 4:30 P.M.

INTRODUCTION:

ROLL CALL:

George Szigeti, Chairman
Jeff Dornbusch, Vice-Chairman
Ron Pacourek, Member
Gil Avelar, Member
Randy Ashbaugh, Member – Arrived at 4:39 p.m.

Absent:

Sid Bryan, Member

Also Present:

Juan Fuentes, City Manager
Molzen Corbin
Traci Burnette, Grant/Projects Coordinator
Susanna Diller, Planner/GIS Tech.
Renee Cantin, City Clerk

APPROVAL OF AGENDA:

Vice Chairman Dornbusch moved approval of the agenda.

Member Avelar seconded the motion. Motion carried unanimously.

APPROVAL OF MINUTES:

Regular Meeting of Monday, May 21, 2018.

Member Pacourek said he didn't see in the minutes where they discussed the parameters they would be using on their study with the 0.75% for growth rate and 1 ½ baths per house.

Vice-Chairman Dornbusch moved approval of the Monday, May 21, 2018 minutes as amended.

Member Pacourek seconded the motion. Motion carried unanimously.

COMMENTS FROM THE PUBLIC:

There were no comments from the public.

NEW BUSINESS:

Discussion/Update: Update of Impact Fee Study for the City of Truth or Consequences – Molzen Corbin:

John Montoya, Molzen Corbin reported the following:

- Calculation of baths per household – Mr. Montoya explained how they figure the number of fixture units per home.
- The cemetery is built into the city's ICIP for a water line extension, however that is going to come out of the total.
- They recommend 2 baths per household.
- The current Impact Fee is \$150 per fixture unit, which buys about 1.75 million dollars' worth of improvements, with the growth rate, they're figuring that would be about 1200 people in that time period. The way we listed them now, is about 5.6 million dollars' worth of improvements, and that includes treatment production and water production.
- They are going to have all the costs developed, and look at a few areas in town to see if they can trim some costs down, but as of right now they're looking at and it will probably get close to \$500 per fixture unit.
- They planned on using another tank while looking at the pressure zones, but they decided to take that out because it turns out that the city has something they can use to utilize with the middle pressure zone as well as the existing infrastructure.

Grant/Projects Coordinator Burnette asked if the board could possibly have a brief discussion and come to a determination on the bathrooms tonight. It's much easier than trying to get everybody's answers via email.

Vice-Chairman Dornbusch asked if they bring it up to 2 baths per household would it give them roughly 20%.

Mr. Montoya responded a fixture unit for ½ bath is about 16%, so yes you're saving about 20%.

Chairman Szigeti said it would drop the fee by about 20%.

Chairman Szigeti noted that he doesn't have any problem with using the 2 bathroom home instead of the 1 ½ bathroom.

Member Pacourek said 1 ¾ bathrooms makes more sense to him for a family of 4.

Member Ashbaugh said we cannot afford a \$500 fee per fixture unit. An impact fee is for growth, and we have no growth.

Member Pacourek said but the study has to be done by law.

Member Ashbaugh replied the study doesn't have to be done if you do not have impact fees.

Chairman Szigeti stated that this is something we need to do and if the board concludes after the study that we should not have impact fees that would be the outcome of the study. You have to find a way to pay of these improvements and if the city has to go out and borrow money to do that, that's going to impact everybody so we want to put some of that burden on the new construction. If you put it all on the new construction, that makes high impact fees which discourages development. So you want to use numbers that will give you a lower impact fee to encourage development. He feels it's a good idea to go with the 2 Baths, and asked if there were any objections.

Member Ashbaugh said he will abstain completely from this decision.

The board, minus Member Ashbaugh, agreed with the 2 units per household.

Member Pacourek asked when they think they will be finished with this.

Mr. Montoya said they will have a draft next time they come, and they would like to wrap it up in August.

COMMENTS FROM THE BOARD:

Member Ashbaugh asked the City Manager to provide a copy of the statute that makes it legal for the city to have a Utility Impact Fee Board.

City Manager responded, as you are all aware, we are in litigation with Mr. Ashbaugh and his company, and he will refer Mr. Ashbaugh's question our legal counsel, but he will not make any commitments at this time.


COMMENTS FROM STAFF:

There were no additional comments from staff.

ADJOURNMENT:

There being no further business to come before the Impact Fee Advisory Board, George Sziget, Chairman, declared the meeting adjourned at 4:55 p.m.

PASSED AND APPROVED this 16th day of July, 2018.


George Sziget, Chairman
Impact Fee Advisory Board