City Commission delays action on impact fees

<u>By Emma Perez-Trevino, The Brownsville Herald</u> April 7, 2009 - 9:23PM

The City Commission tabled action Tuesday, delaying an increase on impact fees charged to recoup the cost of extending water and sewer service to new developments.

The commission did not take the second and final required vote to increase the fee from \$280 per lot to \$2,600 per lot.

Commissioner Charlie Atkinson said following the session that a problem with the wording on the agenda prevented action, but that the matter would be brought up again at an upcoming meeting. The matter was still discussed, however.

Commissioner Anthony Troiani told fellow commissioners that the commission's recent and first vote of approval had been under the belief that adopting the fee at \$2,600 a lot would not require an increase in water and sewer rates for a five-year period.

"I took that to the bank," Troiani said.

Brownsville Public Utilities Board officials noted that water and sewer rate increases would not be required for \$23 million of the \$212 million of needed capital improvements. The impact fees would cover the \$23 million in capital improvements. However, water and sewer rate increases would be required to finance the remaining \$189 million in improvements.

Atkinson urged fellow commissioners to stick with the \$2,600 and not succumb to pressures from developers. "Everybody is tired of this impact fee being so political," said Atkinson who told commissioners that delaying action only gives developers time to regroup and attack commissioners.

"We've already voted, let it go. It's done. It's over. Why do we keep fighting this stupid issue? It's stupid," Atkinson said, referring to the recent first vote on the fee.

Troiani said that he doesn't want to see rate increases.

"I think it is difficult for a large majority of our population to make their water and electric bill," Troiani said. Commissioner Edward C. Camarillo said that persons in the construction business are hurting the most.

Mayor Pat M. Ahumada Jr. has been advocating for a fee of \$3,486 that a most recent study identified as the maximum allowable fee, noting that a lower fee would shift the burden further from developers to ratepayers.

Commissioner Ricardo Longoria told BPUB General Manager John Bruciak that he had "20 damn years to do it (increase impact fees)," and didn't, just as City Commissions in the past had not and told Bruciak to live within his means.

The \$280 fee has been in place since 1990. More than \$600,000 has been spent on studying impact fees.

"You're spending more in studies than what has been collected," Bruciak told the commission Tuesday.