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City OKs deferred annexation to protect lake quality

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Whitefish Pilot

The city of Whitefish has revamped its annexation policy to allow for deferred annexation when a neighborhood connects into the city's sewer system with the goal of protecting the water quality of Whitefish Lake.

Under the policy, the city would agree to delay annexation for up to 20 years if property owners petition Flathead County to create a rural improvement district to fund connection of the neighborhood to city sewer. City Council July 18 unanimously approved the new policy.

"If an area with demonstrated water quality degradation issues agrees to be annexed, the city would agree to defer annexation for a period of time," City Attorney Angela Jacobs said.

The change in city policy has been prompted by discussions about the potential annexation of the Lion Mountain neighborhood.

Aging septic systems on Lion Mountain and other neighborhoods around Whitefish Lake have been identified as potential sources of ground-water contamination impacting the lake. A report by Carver Engineering recommends homeowners on Lion Mountain should abandon their septic systems and hook up to city sewer to prevent contamination entering the lake and their drinking water.

Councilor Frank Sweeney asked how the policy change would provide incentive for an area like Lion Mountain to take action to connect to city sewer within a reasonable time.

Jacobs said in order to provide that incentive Council would pass another resolution basically putting Lion Mountain on notice that it has two years to petition for creation of an SID to qualify for deferred annexation under the new policy.

"We want to provide incentive to do it sooner rather than



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later," Jacobs said.

Councilor Jen Frandsen asked what would happen if the city passed a resolution giving two years to an area for the SID and that neighborhood did not follow through.

Jacobs said the city would respond by not deferring annexation.

"That would be off the table," she said. "If their [property] limits became contiguous to the city limits, then we would annex."

Under the new policy, if such neighborhoods that include 10 or more properties successfully create an SID, Council would agree to defer annexation. Once connecting to the city system, homeowners would have to

sign a waiver of protest to consent to annexation at the end of the deferred period. Neighborhoods would be deferred from annexation for 20 years or the length of the SID, whichever is less. Annexation could occur sooner if it's agreed upon by both the city and the neighborhood.

Deferred annexation would not be available in areas that are considered wholly surrounded by city limits. Under state law, those areas can't protest being annexed into the city.

The topic of annexation has been met with resistance from residents of Lion Mountain. Some say they don't want to be annexed into the city and others say paying for the cost

of infrastructure to connect to sewer along with an increase in taxes by joining the city would be difficult to swallow.

Total costs to connect the neighborhood to city service is estimated to be \$2.9 million with an annual operating and maintenance costs of \$86,877. That comes out to up to \$173 per month for homeowners. The city estimates about a 20 percent tax increase when annexed into the city.

The city previously had a policy of deferred annexation for up to two years to encourage connection to the water and sewer system. It still has an agreement with Big Mountain that doesn't expire until 2022 when the city can decide whether to annex. However, in 1998 when the city was preparing to annex five large areas right next to city limits it rescinded the resolution and began requiring property owners who were already on water and sewer to sign a consent to annex.