**From:** McFadden, Hugh
**To:** Mohr, Jason
**Subject:** RE: WPIC request for information
**Date:** Wednesday, October 21, 2015 4:19:22 PM

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Mr. Mohr:

I was Laramie city attorney for 15 years and saw the problem of annexation and utilities come up several times. Laramie did not accept annexation without utilities. The city manager advised the city council that subdivisions next to the city would never be annexed unless the owner had a reason to annex. The City's only incentive to encourage annexation is sewer and water. Once a city has given those up to a subdivision, annexation is seriously difficult and unlikely ever to happen. Wyoming law requires city approval for adjacent and nearby subdivisions, giving the City a way to protect itself from substandard housing, misaligned unpaved streets, etc. on its perimeter.

Un-annexed subdivisions on the borders use the town for everything except sewer and water, which means that folks are using the streets, parks, office space, and so on with no property tax contribution to the city. Cities have to provide some services such as streets, parks, and police protection, within the corporate limits, for everyone. The advantage to the subdivider of not annexing is cheaper lot prices. He can build streets to a lesser standard, rely on the state to enforce building codes instead of a local building inspector, perhaps build to a less stringent code. What the non-annexing subdivider is doing is shifting some of his cost of doing business to the neighboring city.

In the rare cases of later annexation, the city has problems with unpaved streets, which in Laramie's case means that after about 30 years of being annexed, West Laramie does not have paved streets because the folks who live there think that the City should build them for free, while those who live in the rest of town say that they paid for paved streets when they bought their lots, meaning that they won't happily pay for someone else's pavement. If the residents ever want water and sewer, they will have to pass a bond issue and assess themselves, which is another impediment.

Hugh McFadden
MT Water Court
Water Master

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**From:** Jason Mohr [mailto:jmohr2@mt.gov]
**Sent:** Wednesday, October 21, 2015 3:52 PM
**To:** McFadden, Hugh
**Subject:** WPIC request for information

All,

The Water Policy Interim Committee is seeking information for its interim study of Water Availability and Supply. Specifically, the committee seeks to evaluate four diverse cases of what you think works well and what doesn't related to supplying water for growing communities. For example, issues associated with the development of a subdivision next to

city limits and the subsequent decision to use either individual groundwater wells or a municipal water supply.

Please tell the committee what you think works well, what doesn't, and what the issue is. Suggested, knowledgeable contacts with phone number and/or email address would be appreciated.

The WPIC hopes to use these case studies to explore how the Legislature might support successes and address issues, so feel free to provide suggestions, even if you don't have a specific case study.

The Water Policy Interim Committee is a bipartisan, eight-member committee that meets to discuss water issues and has oversight of state agencies where the primary concern is the quality and quantity of water. The committee's next meeting is Jan. 11-12.

To suggest a potential case study, please contact WPIC staffer Jason Mohr at jasonmohr@mt.gov or 444-1640.

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