

ORDINANCE NO. 21-10

ADOPTING AND ENACTING IMPACT FEES FOR WATER SYSTEM; SANITARY SEWER COLLECTION SYSTEM; STORM DRAIN SYSTEM; AND TRANSPORTATION SYSTEM

RECITALS

WHEREAS, Tremonton City has established and is currently collecting Impact Fees for a Water System; Sanitary Sewer Collection System; Storm Drain System; and

WHEREAS, Tremonton City is desirous of establishing Impact Fees for a Transportation System; and

WHEREAS, Utah Code Annotated (“U.C.A.”) 11-36a-402 allows for the said collection of Impact Fees; and

WHEREAS, U.C.A. 11-36a-303 requires that prior to amending or enacting new Impact Fees that a City shall prepare an Impact Fee Analysis; and

WHEREAS, UCA11-36a-503 also requires that a City caused to be posted on the Utah Public Notice Website a notice of intent to prepare an Impact Fee Analysis (see Appendix G); and

WHEREAS, U.C.A. 11-36a-504 requires and Tremonton City has fulfilled all noticing requirements included therein and caused to be posted on the Utah Public Notice Website a public notice of intent to adopt Impact Fee Enactment (see Appendix H); and

WHEREAS, Tremonton City previously established Impact Fees associated with the Wastewater Treatment Plant, Parks, Recreation, Open Space, & Trails System, and Public Safety including Fire/E.M.S. and Law Enforcement, which shall remain intact and unaffected by this Ordinance; and

WHEREAS, in accordance with U.C.A. 11-36a-302(3), Tremonton City Council’s plan for financing System Improvements establishes that Impact Fees are necessary to maintain the existing level of service.

NOW, THEREFORE, BE IT ORDAINED that the Tremonton City Council hereby adopts the Impact Fee Enactment as follows:

Section 1– Definitions

Section 2– Findings

Section 3– Adoption of Impact Fees Analysis

Section 4– Adoption and Administering of Impact Fees

Section 5– Procedures for Challenging or Appealing Impact Fees or the Administration Thereof

Section 6– Miscellaneous Provisions

- Appendix A– Consolidated Impact Fee Schedule
- Appendix B– E.R.U. or E.R.C. Schedule
- Appendix C– Impact Fee Analysis for the Water System
- Appendix D– Impact Fee Analysis for the Sanitary Sewer Collection System
- Appendix E– Impact Fee Analysis for the Storm Drain System
- Appendix F– Impact Fee Analysis for the Transportation System
- Appendix G– Notice of intent to prepare an Impact Fee Facilities Plan and Impact Fee Analysis & Notice to Adopt Impact Fee Enactment

SECTION 1- DEFINITIONS

1.1 Definitions. As used in this Ordinance, the following terms shall have the meanings herein set out:

1.1.1. “A.D.T.” means Average Daily Trips.

1.1.2. “City” means Tremonton City and its incorporated boundaries.

1.1.3. “Developer” shall mean the person or entity to whom the City has record of issuing a building permit, street cut permit, conditional use permit, business license, or issuance for the Development Activity or New Development in which the Impact Fee was imposed and levied.

1.1.4. “Development Activity” or “New Development” means any construction or expansion of a building, structure, or use, any change in use of a building or structure, or any changes in the use of land that creates additional demand and need for Public Facilities.

1.1.5. “Equivalent Residential Unit” (“E.R.U.”) or “Equivalent Residential Connection” (“E.R.C.”) means a unit of measure which serves as an index to compare the impact on certain Public Facilities equal to the impacts of one typical single-family detached dwelling unit.

1.1.6. “Impact Fees” means the Impact Fees adopted and imposed by this Ordinance on Development Activity or New Development within the City and as allowed by U.C.A. § 11-36a-101 *et al.*

1.1.7. “Impact Fee Analysis” means the Impact Fee Analysis is typically prepared and certified by Zions Bank Public Finance and adopted by the City Council in this Ordinance.

1.1.8. “Impact Fee Facilities Plan” means the Impact Fee Facilities Plan prepared Jones & Associates Consulting Engineers or Zions Bank Public Finance as adopted by the City Council in Ordinance No. 21-09.

1.1.9. “Development Review Committee” means the public body established in Chapter 1.04 of the Tremonton City *Land Use Code*.

1.1.10. “New Development” means the same as “Development Activity. Please reference the definition for “Development Activity” contained in this Ordinance.

1.1.11. “Public Facility(ies)” means the System Improvements that have a life expectancy of ten (10) or more years, the City is an Owner, Partner, or Operator, and are necessary for providing services such as (a) water rights, water shares, and culinary water supply, secondary water supply, treatment, storage, and distribution facilities – collectively known as Water System; (b) wastewater collection facilities – collectively known as Sanitary Sewer Collection System; (c) stormwater, drainage, and flood control facilities – collectively known as Storm Drain System; and (d) roads, streets – collectively known as Transportation System.

1.1.12. “Proportionate Share” means the cost of Public Facility improvements that are roughly proportionate and reasonably related to the service demands and needs of any Development Activity.

1.1.13. “Service Area” means the service area formally adopted by the City Council in this Ordinance.

1.1.14. “System Improvements” means existing or future Public Facilities that are identified in the Impact Fee Analysis and or Impact Fee Facilities Plan assigned to provide services to service areas within the City at large.

1.1.15. “Utah Impact Fees Act” means Utah Code Title 11, Chapter 36a, and as amended.

SECTION 2- FINDINGS

2.1. Findings. The City Council hereby finds and determines:

2.1.1. There are limited existing Public Facilities, and New Development will create the need for the Public Facilities as set out in the Impact Fee Analysis and/or Impact Fee Facilities Plan.

2.1.2. There is a need for Public Facilities for New Development which have been constructed with the capacity to service New Development and/or have yet to be constructed to service New Development and is required to protect the public’s health, safety, and welfare.

2.1.3. The existing level of service as calculated in the Impact Fee Facilities Plan and/or Impact Fee Analysis shall be perpetuated in the future.

2.1.4. The imposition and collection of the Impact Fees are necessary for providing the Public Facilities occasioned by the demands and needs of the New Development at existing service levels necessary to preserve the public health, safety, and welfare.

2.1.5. The Impact Fees are a fair and equitable means of providing Public Facilities to service New Development. Specifically, the Impact Fee Facilities Plan and/or Impact Fee Analysis establishes: (a) the estimated costs for providing the Public Facilities; (b) identifies the impact on the needs for those Public Facilities by New Development; (c) demonstrates how the impacts on the need for the applicable Public Facilities are reasonably related to the New Development; (d) estimates the Proportionate Share of the costs of the needed Public Facilities related to New Development; and (e) identifies how the Impact Fees set out in the Impact Fee Facilities Plan and/or Impact Fee Analysis were determined.

2.1.6. The Impact Fees established by this Ordinance are reasonably related to the costs of providing such Public Facilities necessitated by anticipated New Development within the City and are consistent with requirements of the Utah Impact Fees Act.

SECTION 3- ADOPTION OF IMPACT FEES ANALYSIS

3.1. Adoption of Impact Fee Analysis. The Impact Fee Analysis provides the analysis, methodology, and formula used to calculate the Impact Fees imposed by this Ordinance. The City Council hereby approves and adopts the Impact Fee Analysis for the: Water System; Sanitary Sewer Collection System; Storm Drain System; and Transportation System, as contained in Appendix C through F.

SECTION 4- ADOPTION AND ADMINISTERING OF IMPACT FEES

4.1. Adoption and Imposition of Impact Fees. The City Council hereby approves and imposes and levies on all Development Activity or New Development Impact Fees for the: Water System; Sanitary Sewer Collection System; Storm Drain System; and Transportation System.

4.2. Calculation of Impact Fee. Impact Fees for Water System; Sanitary Sewer Collection System; Storm Drain System; and Transportation System shall be collected in the amount contained in Appendix A- Consolidated Impact Fee Schedule.

4.2.1. The Impact Fee Analysis and Impact Fee Facilities Plan for each respective Impact Fee, as contained in Appendix C through F and Ordinance No. 21-09, shall be used in cases where clarification is required regarding the analysis, methodology, and formula used for calculation of the Impact Fees. If any conflict should occur or arise between Appendix A- Consolidated Impact Fee Schedule and the Impact Fee Analysis, the Development Review Committee shall reconcile and interpret the correct methodology, and formula used for calculation of the Impact Fees. The Development Review Committee may contact the professionals that certified the Impact Fee Analysis for their assistance in clarifying the methodology, and formula used for calculation of the Impact Fees.

4.2.2. Adoption of E.R.C. Schedule. The Water System and Sanitary Sewer Collection System Impact Fees are calculated based upon an Equivalent Residential Connections (“E.R.C.”). The City Council hereby approves and adopts Appendix B as the E.R.C. Schedule for the Water System and Sanitary Sewer Collection System, which enumerates the number of Equivalent Residential Connection (“E.R.C.”) for land uses other than a single-family detached dwelling. For land uses not specified in the E.R.C. Schedule, the most appropriate member or members of the Development Review Committee shall apply the land use outlined in the E.R.C. Schedule that is deemed to be most similar to the proposed use, or use other data that will provide an accurate accounting of the number of E.R.C. associated with the land use. If the development plan approval or permit for the Development Activity or New Development indicates a mix of uses in the development, the Impact Fees shall be calculated separately for each use according to the E.R.C. Schedule, and the results aggregated.

4.2.3. Adoption of A.D.T. Schedule. The Transportation System Impact Fees are calculated based upon the Average Daily Trips (“A.D.T.”). The City Council hereby approves and adopts Appendix B as the A.D.T. Schedule for the Transportation System, which enumerates the number of average daily trips for common land uses, including single-family detached dwellings. For land uses not specified in the A.D.T. Schedule, the most appropriate member or members of the Development Review Committee shall use the Institute of Transportation Engineers (ITE) trip generation manual to determine the A.D.T. for the land use within the ITE trip generation manual, that is deemed to be most similar to the proposed use. For some land uses, the Institute of Transportation Engineers (ITE) trip generation manual types identify a reduction for trips based upon trips that are considered “pass-by,” which is explained in greater detail in the Transportation IFFP contained in Ordinance 21-09. If the development plan approval or permit for the Development Activity or New Development indicates a mix of uses in the development, the Impact Fees shall be calculated separately for each use according to the A.D.T. Schedule, and the results aggregated.

4.3. Service Area Established. The entire area of the incorporated limits of the City and any area outside of the City, which may hereafter be annexed into the City or serviced by any Public Facility, are hereby designated as one service area.

4.4. Exemption of Impact Fees. In accordance with U.C.A. 11-36a-403 and as amended, the City Council may, at its discretion, approve an Impact Fee exemption for Development Activity or New Development when it finds that the Development Activity or New Development has a broad public purpose and when the City Council establishes one or more sources of funds other than Impact Fees to pay for that Development Activity impact on Public Facilities and/or System Improvements.

4.5. Time of Collection. Unless otherwise provided by the City Council, Impact Fees imposed by this Ordinance shall be paid prior to, and as a condition of, the issuance of a building permit or other applicable City issued permit for any Development Activity or New Development. If

Development Activity occurs for commercial development, for which no building permit is required, the Impact Fees imposed by this Ordinance shall be paid prior to the issuance of a street cut permit, conditional use permit, business license, or issuance of any City permit or license. If for some reason the Development Activity or New Development does not require a City-issued permit or a permit was issued without payment of Impact Fees, the City may impose the Impact Fee before providing services, or when feasible and at the City Council's discretion may disconnect the Development Activity or New Development from the Public Facilities until Impact Fee is paid in full.

4.5.1. Industrial User Estimates. In the event estimates are used to calculate the impact on Public Facilities for Development Activities for industrial uses, after twenty-four (24) months of actual use for each phase Development Activities or expansion of Development Activities, if it is determined that peak use is in excess of the estimates used to calculate the impact of the Development Activity, the City shall have the right to collect the difference between actual peak use and estimated use by the Development Activity. If peak use is less than estimated use, a proportional refund shall be granted.

4.5.2 Sanitary Sewer Collection. An existing user of septic tanks that are located a distance greater than three hundred (300) feet from an existing sewer line is not subject to any Sewer Impact Fee (meaning collection and treatment) until such time as they connect. Consistent with 14-232 of the Tremonton City Revised Ordinances, any existing users of septic tanks may be required to connect to a sewer line that comes within three hundred (300) feet of their property. Under these circumstances, the City may develop a payment plan for these property owners to pay their impact fees over time with the payment of their utility bills. Any such payment plan agreement will be recorded in the Box Elder County's Recorder's Office.

4.5.3 Annexations. At the discretion of the City Council, the City may require the collection of Impact Fees on a Development Activity being annexed into the Corporate Limits of the City, where the parcel will impact Public Facilities and/or System Improvements.

4.6 Use of Impact Fees. Impact Fees collected by the City shall be used to:

1. Pay for the Public Facilities or System Improvements provided for by this Ordinance and the Impact Fee Facilities Plan and/or Impact Fee Analysis by the City;
2. Reimburse funds to the City for a Development Activity or New Development's Proportionate Share of Public Facilities or System Improvement already constructed by the City. The amount of funds to be reimbursed per Impact Fee is enumerated in Appendix A;
3. Reimburse funds or grant Impact Fee credits to individuals or entities who dedicate land, construct and dedicate some or all Public Facilities or System Improvement where those Public Facilities or System Improvements are beyond an individual's or entities' Proportionate Share; and

4. Any other use authorized by the “Utah Impact Fees Act” or law.

4.7 Adjustment, Credits, or Reimbursement. In accordance with U.C.A. 11-36a-402 and as amended, the City Council may adjust and/or grant Impact Fee credits or reimbursement imposed by this Ordinance. The City Council hereby designates the Tremonton City Development Review Committee as the public body to review and approve adjustment and/or grant Impact Fee credits or reimbursement. Any Developer who believes they are entitled for consideration of an Impact Fee adjustment, credit, or reimbursement shall file a written request with the Chairperson of the City’s Development Review Committee. The written request for an Impact Fee adjustment, credit, or reimbursement shall set forth, in detail and specificity, the grounds and asserted facts for which an adjustment, credit, or reimbursement is warranted. Any adjustment, Impact Fee credit, or reimbursement granted by the Development Review Committee and shall be memorialized in written form. Impact Fee adjustments, credits, or reimbursement granted by the Development Review Committee for Public Facility and/or System Improvement included in the Impact Fee Facilities Plan and/or Impact Fee Analysis shall be based upon responses to the following:

4.7.1. Unusual circumstances in specific cases;

4.7.2. Request for a prompt and individualized Impact Fee review for the Development Activity of the state, a school district, or a charter school and an offset or credit or reimbursement for a Public Facility for which an Impact Fee has been or will be collected;

4.7.3. Ensure that the Impact Fees are imposed fairly;

4.7.4. Adjust the amount of the Impact Fees to be imposed on a particular Development Activity based upon studies and data submitted by the Developer;

4.7.5. Ensure that a Developer, including a school district or a charter school, receives a proportionate credit or proportionate reimbursement of an Impact Fee if the Developer dedicates land for a System Improvement; builds and dedicates some or all of a System Improvement; or dedicates a Public Facility.

4.7.6. Ensure that a Developer receives a proportionate credit or proportionate reimbursement against Impact Fees for any dedication of land for, improvement to, or new construction of, any System Improvements provided by the Developer if the facilities: are System Improvements or are dedicated to the public; and offset the need for an identified System Improvement.

4.7.7. For any other provision or requirement by the “Utah Impact Fees Act” or law to adjust Impact Fees.

4.8. Accounting of Impact Fees. The City shall account for Impact Fees collected in accordance with the U.C.A. 11-36a-601 and as amended.

4.9. Expenditure of Impact Fee. In accordance with U.C.A. 11-36a-602 and as amended, the City may expend Impact Fees for a System Improvement: (a) identified in the Impact Fee Facilities Plan or Impact Fee Analysis, and (b) for the specific Public Facility type for which the fee was collected. The City shall expend or encumber the Impact Fees for a permissible use within six (6) years of their receipt; except the City may hold the fees for longer than six (6) years if it identifies, in writing: (a) an extraordinary and compelling reason why the fees should be held longer than six (6) years; and (b) an absolute date by which the fees shall be expended.

4.10. Refund of Impact Fee. In accordance with U.C.A. 11-36a-603 and as amended, the Development Review Committee shall authorize refund any Impact Fee paid by a Developer, plus interest earned, as calculated by the post-judgment interest rate for the state of Utah pursuant to U.C.A. 15-1-4 when the following circumstances exist: (1) the Developer does not proceed with the Development Activity and has filed a written request for a refund to the Development Review Committee; (2) the Impact Fee has not been spent or encumbered; and (3) no impact has resulted.

4.11 Interpretation of Ordinance. The City Council hereby designates the Tremonton City Development Review Committee as the public body to interpret Ordinance No. 14-01 and this Ordinance as necessary for the administration of Impact Fees.

SECTION 5 - PROCEDURES FOR CHALLENGING LEGAL VALIDITY AND ADMINISTRATIVE APPEAL OF IMPACT FEES OR THE ADMINISTRATION THEREOF

5.1. Challenging Legal Validity of Impact Fee.

5.1.1. Legality Appeal. Any - Developer that pays an Impact Fee who believes the Impact Fee does not meet the requirements of law, may file a written request for relevant information and written analysis with the Chairperson of the City's Development Review Committee. The request for relevant information and written analysis shall set forth, in detail and specificity, all grounds and asserted facts to support an illegal Impact Fee claim.

5.1.2. Relevant Information and Written Analysis. Within two (2) weeks of the receipt of the request for relevant information and written analysis, the City shall provide the Developer with the relevant information and written analysis required by the Utah Impact Fee Act relating to the legality of the City's Impact Fees. The City may charge for all copies provided in response to such a request in an amount set out in the City's Consolidated Fee Schedule.

5.1.3. Impact Fee Appeal. After receiving the relevant information and written analysis, any Developer required to pay an Impact Fee may file an appeal challenging the legal validity of the City's Impact Fee. The appeal shall be filed with the Chairperson of the City's Development Review Committee in written form, providing detail and specificity as to why the Impact Fee is being challenged.

a. Property Rights Ombudsman's Review. After receiving the appeal, the City shall provide the Property Rights Ombudsman for the State of Utah all of the relevant analysis and information regarding the Impact Fee and Appeal for its issuance of an advisory opinion pursuant to U.C.A. 13-43-205.

5.1.4. Declaratory Judgment. Any Developer residing in or owning property within a Service Area and any organization, association, or corporation representing Developers owning property within a Service Area, after filing an appeal with the City and receiving the advisory opinion from the Property Rights Ombudsman for the State of Utah pursuant to U.C.A. 13-43-205, may file a declaratory judgment action challenging the validity of the Impact Fees.

5.2. Administrative Appeal. Within thirty (30) days after paying an Impact Fee, any Developer who has paid the Impact Fee and wishes to challenge the administration of the City's Impact Fee shall file a written administrative appeal with the Chairperson of the City's Development Review Committee. The written appeal shall set forth, in detail and specificity, all grounds for the appeal and all facts relied upon by the appealing party with respect to the administration of the Impact Fee that is being appealed.

5.2.1. Development Review Committee's Review. Upon receipt of an administrative appeal, the Development Review Committee shall thereafter schedule a public hearing, pursuant to the notice requirements of U.C.A. 10-9a-205 (1) through (3), on the appeal at which time all interested persons shall be allowed to be heard. The Development Review Committee shall then consider the evidence received using clearly erroneous standards and render its decision on the administrative appeal no later than thirty (30) days after the challenge to the administration to the Impact Fee is filed.

5.2.2. Exclusivity. Any person or entity who has failed to comply with the administrative appeal remedies established by this Section shall be prohibited from filing or joining a District Court action challenging the administration of any Impact Fee.

5.2.3. Property Rights Ombudsman's Review. Within ninety (90) days of the Development Review Committee's administrative appeal decision, any party to the appeal who is adversely affected by the Development Review Committee's decision may file an appeal via a request for an advisory opinion with the Utah Property Rights Ombudsman Office in accordance with U.C.A. 13-43-205 *et al.*

5.2.4 Development Review Committee's Re-review. If the Utah Property Rights Ombudsman Office's written advisory opinion contradicts the Land Use Authority Board's original decision, the Development Review Committee shall reconsider the matter. The Development Review Committee shall hold a public hearing, pursuant to the notice requirements of U.C.A. 10-9a-205, and all interested persons shall be given an opportunity to be heard. The Land Use Authority Board shall then reconsider the evidence received using a clearly erroneous standard and render its final decision no later than thirty (30) days after receiving the advisory opinion.

5.2.5. District Court Review. Within thirty (30) days of the Development Review Committee's final decision, an adversely affected party may petition the First Judicial District Court for Box Elder County for review of the decision. In the event of a petition to the First Judicial District Court, the City shall transmit to the reviewing court the record of its proceedings, including its minutes, findings, orders, and, if available, a true and correct transcript of its proceedings.

- a. If the proceeding was audio recorded, a transcript of that audio recording is a true and correct transcript for purposes of this Subsection.
- b. If there is a record:
 - i. the court's review is limited to the record provided by the City; and
 - ii. the advisory opinion issued by the Property Rights Ombudsman for the State of Utah.
- c. If there is an inadequate record, the court may call witnesses and take evidence.
- d. The court shall affirm the decision of the Development Review Committee's decision if the decision is supported by substantial evidence in the record.
- e. The judge may award reasonable attorneys' fees and costs to the prevailing party in any action brought under this Section.

SECTION 6- MISCELLANEOUS PROVISIONS

6.1 Conflicts between this Ordinance and "Utah Impact Fees Act" as Amended. If any conflict should occur or arise between this Ordinance and the Utah Impact Fees Act, as amended, the Utah Impact Fees Act shall prevail.

6.2 Severability. If any section, subsection, sentence, clause, or portion of this Ordinance is, for any reason, held invalid or unconstitutional by a court of competent jurisdiction, the remainder of this Ordinance shall not be affected thereby and shall remain in effect and be enforced to the extent permitted by law.

6.3. Effective Date. In accordance with 11-36a-401 (2), this Impact Fee Ordinance shall not take effect until ninety (90) days after the day on which the Impact Fee Ordinance is approved.

6.4 Incorporations of Recitals and Appendices. Ordinance No. 20-09 and the Recitals and all Appendices of this Ordinance are integral to the enactment and administration of Impact Fees, and the City Council hereby approves and adopts Ordinance No. 20-09, the Recitals and Appendices as part(s) of the enactment of this Impact Fee Ordinance.

ADOPTED AND PASSED by the Tremonton City Council this 21st day of September 2021.

Should any portion of this Ordinance be deemed invalid or unenforceable by the rule of law or otherwise, all other aspects of this Ordinance shall remain enforceable and in full effect. This Ordinance shall not take effect until ninety (90) days after the date of approval.

TREMONTON CITY, a Utah Municipal Corporation

By 
Mayor

ATTEST:


City Recorder

Publication or Posting Date: 9/30/2021



APPENDIX A –Consolidated Impact Fee Schedule

WATER SYSTEM IMPACT FEE

Summary of Impact Fees

Buy-In Cost	\$1,140.73
New Construction	\$3,759.26
Consultants	\$11.82
Credits	(\$210.00)
Total in 2021 Cost Per E.R.C.	\$4,701.80
Total in 2022 Cost Per E.R.C.	\$4,713.90
Total in 2023 Cost Per E.R.C.	\$4,726.46
Total in 2024 Cost Per E.R.C.	\$4,739.38
Total in 2025 Cost Per E.R.C.	\$4,752.68
Total in 2026 Cost Per E.R.C.	\$4,766.45
Total in 2027 Cost Per E.R.C.	\$4,780.67
Total in 2028 Cost Per E.R.C.	\$4,795.35
Total in 2029 Cost Per E.R.C.	\$4,810.50
Total in 2030 Cost Per E.R.C.	\$4,826.11
Total in 2031 Cost Per E.R.C.	\$4,842.19

Calculation of Water System Impact Fee. The Water System Impact Fee is calculated by multiplying the total cost per Equivalent Residential Connection (“E.R.C.”) listed above in a given year by the number of E.R.C. listed in the Water System - E.R.C. Schedule contained in Appendix B. The Water System- E.R.C. Schedule enumerates the number of E.R.C for common land uses other than a single-family detached dwelling. For land uses not specified in the Water E.R.C. Schedule, the most appropriate member or members of the Development Review Committee shall apply the land use outlined in the E.R.C. Schedule that is deemed to be most similar to the proposed use, or use other data that will provide an accurate accounting of the number of E.R.C. associated with the proposed land use. If the development plan approval or permit for the Development Activity or New Development indicates a mix of uses in the development, the Impact Fees shall be calculated separately for each use according to the E.R.C. Schedule, and the results aggregated. The more E.R.C. that are associated with a particular Development Activity or New Development, the greater its impact on the water system and a greater impact fee is accessed.

SANITARY SEWER COLLECTION SYSTEM IMPACT FEE

Summary of Impact Fees

	Amount
Excess Capacity	\$402.18
New Improvements	\$663.43
Consultant Costs	\$7.90
Impact Fee Fund Balance	(\$141.09)
Total Cost Per E.R.C.	\$932.43

Calculation of Sanitary Sewer Collection System Impact Fee. The Sanitary Sewer Collection Impact Fee is calculated by multiplying the total cost per Equivalent Residential Connection (“E.R.C.”) listed above by the number of E.R.C. listed in the Sanitary Sewer Collection System- E.R.C. Schedule contained in Appendix B. The Sanitary Sewer Collection System- E.R.C. Schedule enumerates the number of E.R.C for common land uses other than single-family detached dwelling. For land uses not specified in the E.R.C. Schedule, the most appropriate member or members of the Development Review Committee shall apply the land use outlined in the E.R.C. Schedule that is deemed to be most similar to the proposed use, or use other data that will provide an accurate accounting of the number of E.R.C. associated with the land use. If the development plan approval or permit for the Development Activity or New Development indicates a mix of uses in the development, the Impact Fees shall be calculated separately for each use according to the E.R.C. Schedule, and the results aggregated. The more E.R.C. that are associated with a Development Activity or New Development, the greater its impact on the sanitary sewer collection system and a greater impact fee is accessed.

STORM DRAIN SYSTEM IMPACT FEE

Summary of Impact Fees

Buy-In Excess Capacity	\$466.36
New Construction	\$3,094.86
Consultant Costs	\$9.32
Impact Fee Fund Balance	(\$0.00)
Total Cost Fee per ERU	\$3,570.54
Total Cost per Developed Acre	\$10,501.60

Calculation of Storm Drain System Impact Fee. The total cost per Equivalent Residential Unit (“E.R.U.”) and the total cost per developer acre are listed above. A single-family detached units is equal to ERU and are accessed an impact fee of \$3,570.54. The Storm Drain Impact Fee for any other type of Development Activity or New Development is calculated by multiplying the total cost per developed acre listed above by the total number of acres or fraction thereof associated with the Development Activity or New Development.

TRANSPORTATION SYSTEM IMPACT FEE- COST PER A.D.T.

Summary of Impact Fees	Amount
Buy-In to Existing Excess Capacity	\$61.81
New Construction	\$105.80
Consultant Costs	\$13.67
Credit for Benefits to Existing Users	(\$7.02)
Total in 2021 Cost Per A.D.T.	\$174.25
Total in 2022 Cost Per A.D.T.	\$174.72
Total in 2023 Cost Per A.D.T.	\$175.17
Total in 2024 Cost Per A.D.T.	\$175.60

Total in 2025 Cost Per A.D.T.	\$176.02
Total in 2026 Cost Per A.D.T.	\$176.42
Total in 2027 Cost Per A.D.T.	\$176.81
Total in 2028 Cost Per A.D.T.	\$177.19
Total in 2029 Cost Per A.D.T.	\$177.55
Total in 2030 Cost Per A.D.T.	\$177.90
Total in 2031 Cost Per A.D.T.	\$178.25

Calculation of Transportation System Impact Fee. The Transportation Impact Fee is calculated by multiplying the total cost per Average Daily Trips (A.D.T.) listed above in a given year by the number of A.D.T. contained in the Transportation System – A.D.T. Schedule contained in Appendix B. The Transportation System – A.D.T. Schedule enumerates the number of average daily trips for common land uses, including single-family detached dwelling. For land uses not specified in the A.D.T. Schedule, the most appropriate member or members of the Development Review Committee shall use the Institute of Transportation Engineers (ITE) trip generation manual to determine the A.D.T. for the land use within the ITE trip generation manual, that is deemed to be most similar to the proposed use. For some land uses, the Institute of Transportation Engineers (ITE) trip generation manual types identify a reduction for trips based upon trips considered “pass-by” which is explained in greater detail in the Transportation IFFP contained in Ordinance 21-09. If the development plan approval or permit for the Development Activity or New Development indicates a mix of uses in the development, the Impact Fees shall be calculated separately for each use according to the A.D.T. Schedule, and the results aggregated. The more A.D.T. associated with a Development Activity or New Development, the greater its impact on the transportation system, and a greater impact fee is accessed.

APPENDIX B - E.R.C. Schedule and A.D.T. Schedule

Water System- E.R.C. Schedule. The following schedule enumerates the Equivalent Residential Connections for land uses other than single-family detached units for the Water System.

Water System - E.R.C. Schedule	
Land Use	Water E.R.C.
Banks	1 E.R.C.
Barber Shops	1 E.R.C.
Beauty Shops	1 E.R.C.
Bowling Alley w\Snack Bar	1 E.R.C.
Car Dealership	1 E.R.C.
Car Washes – Self Service	4.3 E.R.C.
Child Care Centers	1 E.R.C.
Dental Offices	1 E.R.C.
Department Stores	1 E.R.C.
Duplex/Condominium	1 E.R.C.
Drug Stores	1 E.R.C.
Dry Cleaners	1 E.R.C.
Funeral Homes	1 E.R.C.
Furniture Store	1 E.R.C.
Gasoline Service Station	1 E.R.C.
Gasoline Service Station w\fast food	1 E.R.C.
Hospitals	0.07 E.R.C. per bed
Kennels and Animal Hospitals	1 E.R.C..
Laundromats	1.5 E.R.C.
Medical Office Buildings	1 E.R.C.
Mobile Home	1 E.R.C.
Motels with Restaurants	0.08 E.R.C.
Multi-Family Dwellings	0.645 E.R.C.
Newspaper Office	1 E.R.C.
Nursing Home	0.07 E.R.C. per bed
Restaurants	4.3 E.R.C.
Retail Stores	1 E.R.C.
Retirement Homes	0.07 E.R.C. per bed
Schools-Public and Private	0.012 E.R.C. per student
Supermarkets	1.6 E.R.C.
Swimming Pools	0.005 E.R.C. per swimmer
Theaters	0.002 E.R.C. per seat
Warehouse	1 E.R.C.

Sanitary Sewer Collection System- E.R.C. Schedule. The following schedule enumerates the Equivalent Residential Unit for land uses other than single-family detached units for the Sanitary Sewer Collection System.

Sanitary Sewer Collection System- E.R.C. Schedule	
Land Use	Sanitary Sewer Collection E.R.C.
Banks	1 E.R.C.
Barber Shops	1 E.R.C.
Beauty Shops	1 E.R.C.
Bowling Alley with Snack Bar	2.5 E.R.C.
Car Dealership	1 E.R.C.
Car Washes – Self Service	21 E.R.C.
Child Care Centers	0.013 E.R.C.
Dental Offices	1 E.R.C.
Department Stores	1 E.R.C.
Duplex/Condominium	1 E.R.C. per unit
Drug Stores	1 E.R.C.
Dry Cleaners	2.5 E.R.C.
Funeral Homes	1 E.R.C.
Furniture Store	1 E.R.C.
Gasoline Service Station	1 E.R.C.
Gasoline Service Station with fast food	2.75 E.R.C.
Hospitals	0.34 E.R.C. per bed
Kennels and Animal Hospitals	5 E.R.C.
Laundromats	7 E.R.C.
Medical Office Buildings	1.3 E.R.C.
Mobile Home	1 E.R.C.
Motels with Restaurants	21.4 E.R.C.
Motels without Restaurant Unit	.039 E.R.C.
Multiple Family Residential	.0654 E.R.C. per unit
Newspaper Office	1 E.R.C.
Nursing Home	0.34 E.R.C. per bed
Restaurant – Fast Food	6.5 E.R.C.
Restaurants	21 E.R.C.
Retail Stores	1 E.R.C.
Retirement Homes	0.034 E.R.C. per bed
Schools-Public and Private	0.013 E.R.C. per student
Supermarkets	8 E.R.C.
Swimming Pools	0.02 E.R.C. per swimmer
Theaters	0.01 E.R.C. per seat
Warehouse	1 E.R.C.

Transportation System- A.D.T. Schedule

ITE Code	ITE Land Use	Unit	ITE Daily Trip Rate	Pass-By	Adjusted Trip Rate	Average Daily Trip (A.D.T.) ¹
130	Industrial Park 130	1000 Sq. Feet Gross Floor Area	3.37		3.37	3.37
140	General Manufacturing	1000 Sq. Feet Gross Floor Area	3.93		3.93	3.93
150	Warehousing	1000 Sq. Feet Gross Floor Area	1.74		1.74	1.74
151	Mini-Warehouse	1000 Sq. Feet Gross Floor Area	1.51		1.51	1.51
210	Single-Family Detached Housing	Dwelling Unit	9.44		9.44	9.44
220	Multi-Family (2 stories or less - typically townhomes)	Dwelling Unit	7.32		7.32	7.32
221	Multi-Family (3-9 stories)	Dwelling Unit	5.44		5.44	5.44
240	Mobile Home Park	Occupied Dwelling Unit	6.49		6.49	6.49
254	Assisted Living Center	Bed	2.60		2.60	2.60
310	Hotel	Room	8.36		8.36	8.36
444	Movie Theater	1000 Sq. Feet Gross Floor Area	78.09		78.09	78.09
520	Elementary School	Students	1.89		1.89	1.89
522	Middle School / Junior High School	Students	2.13		2.13	2.13
530	High School	Students	2.03		2.03	2.03
534	Private School (K-8)	Students	4.11		4.11	4.11
560	Church**	1000 Sq. Feet Gross Floor Area	27.63		27.63	27.63
565	Day Care Center	1000 Sq. Feet Gross Floor Area	47.62		47.62	47.62
590	Library	1000 Sq. Feet Gross Floor Area	72.05		72.05	72.05
610	Hospital	1000 Sq. Feet Gross Floor Area	10.72		10.72	10.72
710	General Office Building	1000 Sq. Feet Gross Floor Area	9.74		9.74	9.74
720	Medical-Dental Office Building	1000 Sq. Feet Gross Floor Area	34.80		34.80	34.80
770	Business Park	1000 Sq. Feet Gross Floor Area	12.44		12.44	12.44
812	Building Material and Lumber Store	1000 Sq. Feet Gross Floor Area	18.05		18.05	18.05
817	Nursery (Garden Center)	1000 Sq. Feet Gross Floor Area	68.10		68.10	68.10
820	Shopping Center / Strip Mall	1000 Sq. Feet Gross Leasable Area	37.75	34%	24.92	24.92
840	Automobile Sales (New)	1000 Sq. Feet Gross Floor Area	27.84		27.84	27.84
841	Automobile Sales (Used)	1000 Sq. Feet Gross Floor Area	27.06		27.06	27.06
848	Tire Store	1000 Sq. Feet Gross Floor Area	28.52	28%	20.53	20.53
850	Supermarket	1000 Sq. Feet Gross Floor Area	106.78	36%	68.34	68.34
851	Convenience Market	1000 Sq. Feet Gross Floor Area	762.28	51%	373.52	373.52
912	Drive-in Bank	1000 Sq. Feet Gross Floor Area	100.03	35%	65.02	65.02
932	Restaurant, Sit-Down (High Turnover)	1000 Sq. Feet Gross Floor Area	112.18	43%	63.94	63.94
933	Fast Food without Drive-Through Window	1000 Sq. Feet Gross Floor Area	346.23	43%	197.35	197.35
934	Restaurant with Drive Through Window	1000 Sq. Feet Gross Floor Area	470.95	50%	235.48	235.48

942	Auto Care Center***	1000 Sq. Feet Gross Leasable Area	23.72		23.72	23.72
944	Gasoline/Service Station	Fueling Position	172.01	42%	99.77	99.77
945	Gasoline/Service Station with Convenience Store	1000 Sq. Feet Gross Leasable Area	1440.02	56%	633.61	633.61
947	Self Service Car Wash	Wash Stall	108.00		108.00	108.00

Note 1: The Adjusted Trip Rate is the same as the Average Daily Trip (A.D.T.).

APPENDIX C- Impact Fee Analysis for the Water System

APPENDIX D –Impact Fee Analysis for the Sanitary Sewer Collection System

APPENDIX E – Impact Fee Analysis for the Storm Drain System

APPENDIX F – Impact Fee Analysis for the Transportation System

APPENDIX G – Notice of intent to prepare an Impact Fee Facilities Plan and Impact Fee Analysis & Notice to Adopt Impact Fee Enactment

PUBLIC NOTICE

Public Body: Tremonton City Council

Subject: Impact Fee Facilities Plan and Impact Fee Analysis

Notice Title: Notice of Intent

Notice Type: Notice of Intent to Prepare Impact Fee Facilities Plan and Impact Analysis

Notice Date: December 12, 2019

Description/Agenda:

Tremonton City Corporation, Utah in accordance with the requirements of Utah Code Annotated 11-36a-501 and 11-36a-503, posts a notice of its intent to prepare or amend an Impact Fee Facilities Plan and Impact Fee Analysis for culinary water impact fee, secondary water impact fee, sanitary sewer collection impact fee, storm drain impact fee, parks, trails, recreation and open space impact fee, transportation impact fee, and public safety impact fee for fire/EMS and law enforcement. The location(s) that will be included in the Impact Fee Facilities Plan and Impact Fee Analysis is/are all area within the legal Tremonton City limits and the declared annexation areas of Tremonton City.

Notice of Special Accommodations: If you need special accommodations to participate in a City Council Meeting, please call the City Recorder, Linsey Nessen, at 435-257-9506. Please provide at least 24 hours notice for adequate arrangements to be made.

Notice of Electronic or telephone participation: Tremonton City passed Ordinance No. 13-04 approving Electronic Meeting Procedures in accordance with Section 52-4-207 of Utah Code Annotated.

From: support@utah.gov
To: [Cynthia Nelson](#); [Linsey Nessen](#); [Shawn Warnke](#)
Subject: Public Notice for City Council/RDA
Date: Thursday, December 12, 2019 5:25:17 PM

Utah Public Notice

City Council/RDA

Public Notice - Impact Fee Facilities Plan & Analysis

Notice Date & Time: 12/12/19 1:00 AM

Description/Agenda:

PUBLIC NOTICE

Public Body: Tremonton City Council

Subject: Impact Fee Facilities Plan and Impact Fee Analysis

Notice Title: Notice of Intent

Notice Type: Notice of Intent to Prepare Impact Fee Facilities Plan and Impact Analysis

Notice Date: December 12, 2019

Description/Agenda:

Tremonton City Corporation, Utah in accordance with the requirements of Utah Code Annotated 11-36a-501 and 11-36a-503, posts a notice of its intent to prepare or amend an Impact Fee Facilities Plan and Impact Fee Analysis for culinary water impact fee, secondary water impact fee, sanitary sewer collection impact fee, storm drain impact fee, parks, trails, recreation and open space impact fee, transportation impact fee, and public safety impact fee for fire/EMS and law enforcement. The location(s) that will be included in the Impact Fee Facilities Plan and Impact Fee Analysis is/are all area within the legal Tremonton City limits and the declared annexation areas of Tremonton City.

Notice of Special Accommodations: If you need special accommodations to participate in a City Council Meeting, please call the City Recorder, Linsey Nessen, at 435-257-9506. Please provide at least 24 hours notice for adequate arrangements to be made.

Notice of Electronic or telephone participation: Tremonton City passed Ordinance No. 13-04 approving Electron Meeting Procedures in accordance with Section 52-4-207 of Utah Code Annotated.

Notice of Special Accommodations:

Persons with disabilities needing special assistance to participate in this meeting should

contact Linsey Nessen no later than 48 hours prior to the meeting.

Notice of Electronic or telephone participation:

Anchor location for Electronic Meeting by Telephone Device. With the adoption of Ordinance No. 13-04, the Board may participate per Electronic Meeting Rules. Those eligible to request participation by electronic means should contact Linsey Nessen, City Recorder no later than 48 hours prior to the meeting to make arrangements.

Other information:

Location:

102 S Tremont St, Tremonton, 84337

Contact information:

Linsey Nessen, City Recorder , lnessen@tremontoncity.com, (435)257-9506

PUBLIC NOTICE

Public Body: Tremonton City Council

Subject: Impact Fee Enactment

Notice Title: Notice to Adopt Impact Fee Enactment, including but not limited to the Impact Fee Ordinance and Impact Fee Analysis

Notice Type: Notice to Adopt Impact Fee Enactment

Notice Date: September 9, 2021

Description/Agenda:

Tremonton City Corporation, Utah in accordance with the requirements of Utah Code Annotated 11-36a-504 and 10-9a-205, gives public notice to adopt an Impact Fee Enactment including but not limited to Impact Fee Ordinance and Impact Fee Analysis for water system impact fee, sanitary sewer collection impact fee, storm drain impact fee, and transportation system impact fee. Impact fees are one-time fees imposed upon new development, typically as a condition of the City issuing a building permit to mitigate the impact of the new development on public infrastructure. The imposition and collection of the impact fees are necessary for the City to continue to provide infrastructure occasioned by the demands and needs of the new development at existing service levels. The impact fees are reasonably related to the costs of providing said public infrastructure necessitated by new development within the City and are consistent with the Utah Impact Fees Act requirements. The location(s) that will be included in the Impact Fee Enactment is the entire area of the incorporated limits of Tremonton City and any area outside of the Tremonton City, which may hereafter be annexed into Tremonton City or serviced by any Tremonton City Public Facility.

The City Council shall hold a public hearing on September 21, 2021, at 7:00 pm or soon thereafter in the Tremonton City Council Chambers, located at 102 S. Tremont Street, Tremonton, Utah 84337, to receive public comment on the adoption of the aforementioned Impact Fee Enactment. Draft copies of: 1) the Impact Fee Enactment Ordinance; 2) summaries of the Impact Fee Analysis for the aforementioned impact fees; and 3) complete drafts of the Impact Fee Analysis for the aforementioned impact fees will be available on or before September 9, 2021 at www.tremontonciv.com, at the Tremonton City Library located at 210 N. Tremont Street, Tremonton, Utah, and the Satellite Library Branch located in the Bear River Valley Senior Center located at 510 West 1000 North, Tremonton, Utah during regular business hours. Additionally, on or before September 9, 2021, copies of the aforementioned documents are available to the public at the Tremonton City Recorder's Office located at 102 S. Tremont Street, Tremonton, Utah, during regular business hours. The public may file written objections associated with the adoption of an Impact Fee Enactment, and each written objection filed will be provided to the City Council for their consideration.

Written objections, questions pertaining to this notice, or contents of the Impact Fee Enactment may be directed to Shawn Warnke, Tremonton City Manager (435) 257-9504, swarnke@tremontoncity.com , or mailed to Shawn Warnke, 102 S. Tremont St. Tremonton, UT 84337.

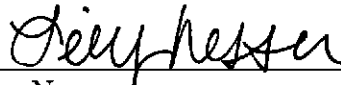
Notice of Special Accommodations: If you need special accommodations to participate in a City Council Meeting, please call the City Recorder, Linsey Nessen, at 435-257-9506. Please provide at least 24 hours notice for adequate arrangements to be made.

Notice of Electronic or telephone participation: Tremonton City passed Ordinance No. 13-04 approving Electronic Meeting Procedures in accordance with Section 52-4-207 of Utah Code Annotated.

STATE OF UTAH)
 : ss.
County of Box Elder)

I, LINSEY NESSEN, the City Recorder of Tremonton, Utah, do hereby certify that the above and foregoing is a full and correct copy of Ordinance No. 21-10, entitled “**ADOPTING AND ENACTING IMPACT FEES FOR WATER SYSTEM; SANITARY SEWER COLLECTION SYSTEM; STORM DRAIN SYSTEM; AND TRANSPORTATION SYSTEM**” adopted and passed by the City Council of Tremonton, Utah, at a regular meeting thereof on the 21st day of September, 2021, which appears of record in my office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the City this 30 day of September, 2021.



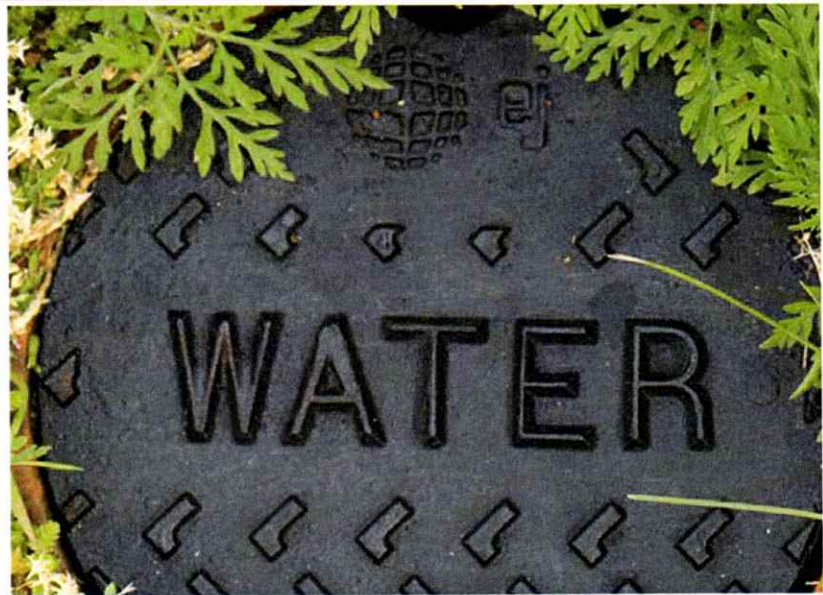
Linsey Nessen
City Recorder



Tremonton City



DRAFT Water System Impact Fee Analysis



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DRAFT

EXECUTIVE SUMMARY

An impact fee is a one-time fee imposed on new development activity to mitigate the impact of new development on capital facilities. In conjunction with this Impact Fee Analysis, Jones and Associates Consulting Engineers prepared the *Tremonton City Corporation Water System Impact Fee Facilities Plan Update* (IFFP) dated May 2021. The IFFP forms the basis for this impact fee analysis.

The recommended impact fee structure presented in this analysis has been prepared to satisfy the Impact Fees Act, Utah Code Ann. § 11-36a-101 et. seq., and represents the maximum impact fees that Tremonton (“City”) may assess. The City will be required to use revenue sources other than impact fees to fund any projects that constitute repair and replacement, cure any existing deficiencies, or increase the level of service for existing users.

Projections for equivalent residential connections (ERC) growth in the City are as follows:

TABLE 1: GROWTH IN DEMAND

Year	ERCs
2021	3,343
2022	3,423
2023	3,505
2024	3,589
2025	3,674
2026	3,762
2027	3,851
2028	3,943
2029	4,037
2030	4,133
2031	4,231
Growth in ERCs, 2021-2031	888

Source: Tremonton City Corporation; Jones & Associates, Water System Impact Fee Facilities Plan, May 2021

Water Service Levels

Level of service (LOS) defines the water capital facility demands that a typical Equivalent Residential Connection (ERC), will require and should pay for with impact fees. The IFFP defines existing and proposed service levels as follows per ERC based on Utah Code:

- 20 psi during conditions of fire flow and fire demand experienced during peak day demand
- 30 psi during peak instantaneous demand; and
- 40 psi during peak day demand.

The culinary water system currently meets all levels as outlined above.

“The secondary water system is designed to be able to provide similar levels of service. Both systems typically provide a minimum pressure of 50 to 60 psi under normal operating conditions. This is the level of service that the City has established for the water systems. Both systems have no deficiencies regarding this level of service” (IFFP, p. 3).

Water Service Area

There is one service area for water that encompasses the boundaries of Tremontion City. The City anticipates growing from 3,343 Equivalent Residential Connections (ERCs) in 2021 to 4,231 ERCs in 2031 – an increase of 888 ERCs over the 10-year period.

Water Capital Facilities

Existing facilities with excess capacity are also included in this study so that new development can buy into the existing, excess capacity. The actual cost of the excess capacity consumed in these facilities over the next 10 years is \$1,012,966.

TABLE 2: CONSUMPTION OF EXCESS CAPACITY

Date	Description	Project Cost	Total Capacity (ERCs)	Excess Capacity (ERUs)	% of Excess Capacity Consumed 10 Yrs	Cost to New Growth, 10 Yrs
1985	1000 North - 12" main. 300 East to pump house	\$47,830	1,676	582	100%	\$16,609
1991	Iowa String (Main Street to 1000 N) - 10" line	\$57,850	1,167	1,010	88%	\$44,020
1992	Northwest Annexation Water Project (1000 N; I-84 to 2300 West) - 8" line	\$125,910	748	434	100%	\$73,055
1997	Iowa String - 1200 S to Main St - 10" line	\$150,000	1,167	1,048	85%	\$114,139
2003	Secondary Water - Service Area 1 Phase 1 (Spring Acres)	\$172,220	1,364	1,364	9%	\$15,967
2006	Bear River Waterline Crossing - 16"	\$121,969	2,981	1,922	46%	\$36,333
2011	Cedar Ridge Well and Pipeline Project	\$893,429	476	-	0%	\$0
2012	2 Million Gallon Culinary Water Tank Project	\$1,101,530	3,509	2,505	35%	\$278,757
2019	I-84 Utility Line Extension at 2300 West - 18" line	\$112,220	3,771	3,588	9%	\$9,899
2018	Secondary Water - Service Area 1 and 2 expansion	\$1,283,449	2,474	2,474	9%	\$118,992

Date	Description	Project Cost	Total Capacity (ERCs)	Excess Capacity (ERUs)	% of Excess Capacity Consumed 10 Yrs	Cost to New Growth, 10 Yrs
2019	Secondary Water - Service Area 3 (749 new connections)	\$3,001,986	501	501	9%	\$194,825*
Varies	Secondary Water Shares - 508	\$1,190,463	1,651	1,651	9%	\$110,371
	SA1 - 42 shares					
	SA2 - 72 shares					
	SA3 - 115 shares					
	SA5 - 149 shares					
	SA4 - 53 shares					
	SA2 expansion - 23 shares					
	SA9 Ph2 - 17 shares					
	SA4 Ph2 - 37 existing shares used, 91 still needed					
	TOTAL	\$8,258,856	21,485	17,079		\$1,012,966

*Per Jones and Associates, 30% of this project was covered by bond proceeds and cannot be used. Therefore, this calculation is as follows:

$\$3,001,986 * .7 = \$2,101,390$

$\$2,101,390 * .0927124 = \$194,825$

Total new construction costs required by growth in new development over the next 10 years are projected to reach \$9,706,400 and are anticipated to serve 2,582 Equivalent Residential Connections (ERCs).

TABLE 3: NEW CONSTRUCTION PROJECTS

	Description	Additional ERCs Served	Impact Fee Eligible Cost
Culinary Water Projects			
19	Develop new water source at locations that will be determined at the time of construction. It is anticipated this will involve the drilling of new wells	714	\$1,574,400
Secondary Water Projects			
1	Service Area 5 - Construct pump station, pipe network, and service connections. 483 new connections (2021)	322	\$3,235,780
2	Service Area 4 - Construct pump station and pipe to service immediate area around the pump station. 383 new units (2021)	255	\$411,994
3	Service Area 2 - Expand to Tremont Center/Matheson Apartment Complex, JD Harris Subdivision, and other miscellaneous connections in the area (2021)	241	\$450,696
4	Service Area 9 - Construct Pump Station and upsize developer installed pipe. 650 new connections (2022)	436	\$399,720

	Description	Additional ERCs Served	Impact Fee Eligible Cost
5	Construct equalization basin (2023)	0	\$272,550
6	Service Area 9 - extend piping and services into Holmgren East Subdivision. 110 new connections. (2023)	74	\$457,800
7	Service Area 4 - Extend piping into neighborhoods north of pump station. 290 new connections. (2026)	194	\$2,238,420
8	Service Area 2 - Install additional pumps in pump station. Upsize and relocate filter station 516 new constructions. (2027)	346	\$665,040
	TOTAL	2,582	\$9,706,400

Source: Jones & Associates, Water System Impact Fee Facilities Plan, May 2021

Water System Impact Fee Calculation

The maximum impact fee allowed by law is \$4,701.80 per ERC.

TABLE 4: MAXIMUM IMPACT FEE PER ERC IN YEAR 2021

Summary	
Buy-In Cost	\$1,140.73
New Construction	\$3,759.26
Consultants	\$11.82
Credits	(\$210.00)
Total	\$4,701.80

CHAPTER 1: OVERVIEW OF THE WATER IMPACT FEES

Summary

An impact fee is intended to recover the City's costs of building water system capacity to serve new residential and non-residential development rather than passing these growth-related costs on to existing users through rates. The Utah Impact Fees Act allows only certain costs to be included in an impact fee so that only the fair cost of expansionary projects or existing unused capacity paid for by the City is assessed through an impact fee.

Costs to be Included in the Impact Fee

The impact fees proposed in this analysis are calculated based upon:

- Excess capacity in the City's culinary and PI water systems;
- New capital infrastructure for culinary water and PI that will serve new development; and
- Professional and planning expenses related to the construction of system improvements that will serve new development.

The costs that cannot be included in the impact fee are as follows:

- Costs for projects that cure system deficiencies;
- Costs for projects that increase the LOS above that which is currently provided;
- Operations and maintenance costs;
- Costs of facilities funded by grants or other funds that the City does not have to repay; and
- Costs of reconstruction of facilities that do not have capacity to serve new growth.

Utah Code Legal Requirements

Utah law requires that communities and special districts prepare an Impact Fee Analysis (IFA) before enacting an impact fee. Utah law also requires that communities/districts give notice of their intent to prepare and adopt an IFA. This IFA follows all legal requirements as outlined below. The City has retained Zions Public Finance, Inc. (ZPFI) to prepare this Impact Fee Analysis in accordance with legal requirements.

Notice of Intent to Prepare Impact Fee Analysis

A local political subdivision must provide written notice of its intent to prepare an IFA before preparing the Plan (Utah Code §11-36a-503). This notice must be posted on the Utah Public Notice website. The City has complied with this noticing requirement for the IFA by posting notice.

Preparation of Impact Fee Analysis

Utah Code requires that each local political subdivision, before imposing an impact fee, prepare an impact fee analysis. (Utah Code 11-36a-304).

Section 11-36a-304 of the Utah Code outlines the requirements of an impact fee analysis which is required to:

- (1) An impact fee analysis shall:
 - (a) identify the anticipated impact on or consumption of any existing capacity of a public facility by the anticipated development activity;

- (b) identify the anticipated impact on system improvements required by the anticipated development activity to maintain the established level of service for each public facility;
 - (c) demonstrate how the anticipated impacts described in Subsections (1)(a) and (b) are reasonably related to the anticipated development activity;
 - (d) estimate the proportionate share of:
 - (i) the costs for existing capacity that will be recouped; and
 - (ii) the costs of impacts on system improvements that are reasonably related to the new development activity; and
 - (e) identify how the impact fee was calculated.
- (2) In analyzing whether or not the proportionate share of the costs of public facilities are reasonably related to the new development activity, the local political subdivision or private entity, as the case may be, shall identify, if applicable:
- (a) the cost of each existing public facility that has excess capacity to serve the anticipated development resulting from the new development activity;
 - (b) the cost of system improvements for each public facility;
 - (c) other than impact fees, the manner of financing for each public facility, such as user charges, special assessments, bonded indebtedness, general taxes, or federal grants;
 - (d) the relative extent to which development activity will contribute to financing the excess capacity of and system improvements for each existing public facility, by such means as user charges, special assessments, or payment from the proceeds of general taxes;
 - (e) the relative extent to which development activity will contribute to the cost of existing public facilities and system improvements in the future;
 - (f) the extent to which the development activity is entitled to a credit against impact fees because the development activity will dedicate system improvements or public facilities that will offset the demand for system improvements, inside or outside the proposed development;
 - (g) extraordinary costs, if any, in servicing the newly-developed properties; and
 - (h) the time-price differential inherent in fair comparisons of amounts paid at different times.

Calculating Impact Fees

Utah Code states that for purposes of calculating an impact fee, a local political subdivision or private entity may include:

- (a) the construction contract price;
- (b) the cost of acquiring land, improvements, materials, and fixtures;

- (c) the cost for planning, surveying, and engineering fees for services provided for and directly related to the construction of the system improvements; and
- (d) for political subdivision, debt service charges, if the political subdivision might use impact fees as a revenue stream to pay the principal and interest on bonds, notes or other obligations issued to finance the costs of the system improvements.

Additionally, the Code states that each political subdivision or private entity shall base impact fee amounts on realistic estimates and the assumptions underlying those estimates shall be disclosed in the impact fee analysis.

Certification of Impact Fee Analysis

Utah Code states that an Impact Fee Analysis shall include a written certification from the person or entity that prepares the Impact Fee Analysis. This certification is included at the conclusion of this analysis.

Impact Fee Enactment

Utah Code states that a local political subdivision or private entity wishing to impose impact fees shall pass an impact fee enactment in accordance with Section 11-36a-402. Additionally, an impact fee imposed by an impact fee enactment may not exceed the highest fee justified by the impact fee analysts. An impact fee enactment may not take effect until 90 days after the day on which the impact fee enactment is approved.

CHAPTER 2: IMPACT FROM GROWTH UPON THE CITY'S FACILITIES AND LEVEL OF SERVICE

Utah Code 11-36a-304(1)(a)(c)

Projected Water Demands

The City has been experiencing steady growth and this is anticipated to continue in the long-term. The IFFP identifies that there has been a significant increase in development projects, but that there isn't enough data to deviate growth projections from the historical curve. Therefore, projected growth has been forecasted using the historical growth rate as shown in the IFFP.

The table below shows water growth projections. The City's water system currently (year 2021) serves 3,343 equivalent residential connections (ERCs) which will grow to an estimated 4,231 ERCs by 2031. The growth between 2021 and 2031 is expected to be 888 ERCs.

TABLE 5: GROWTH IN DEMAND

Year	ERCs
2021	3,343
2022	3,423
2023	3,505
2024	3,589
2025	3,674
2026	3,762
2027	3,851
2028	3,943
2029	4,037
2030	4,133
2031	4,231
Growth in ERCs, 2021-2031	888

Source: Tremonton City Corporation, Water System Impact Fee Facilities Plan

Water Service Area

Tremonton City has one water service area for culinary water and secondary water for the purpose of calculating water impact fees.

Existing and Proposed LOS Analysis

Level of service (LOS) defines the water system demands that a typical Equivalent Residential Connection (ERC), will require and should pay for with impact fees. The IFFP defines existing and proposed service levels as follows per ERC based on Utah Code:

- 20 psi during conditions of fire flow and fire demand experienced during peak day demand

- 30 psi during peak instantaneous demand; and
- 40 psi during peak day demand.

The culinary water system currently meets all levels of service as outlined above.

“The secondary water system is designed to be able to provide similar levels of service. Both systems typically provide a minimum pressure of 50 to 60 psi under normal operating conditions. This is the level of service that the City has established for the water systems. Both systems have no deficiencies regarding this level of service.”¹

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¹ Jones & Associates Consulting Engineers, Water System Impact Fee Facilities Plan, Section 6.3 Level of Service, pg. 3

CHAPTER 3: IMPACT ON CAPACITY FROM DEVELOPMENT ACTIVITY

Utah Code 11-36a-304(1)(a)

Excess Capacity and Deficiency

According to Jones & Associates, the City's water engineers, there is excess capacity in the culinary water and secondary water systems. New development can be charged a buy-in fee, as part of the overall impact fee, for the capacity it consumes. The actual cost of the system projects with excess capacity is estimated at \$8,258,856 as shown in the table below.

TABLE 6: EXCESS CAPACITY IN EXISTING SYSTEM

Date	Description	Project Cost	Total Capacity (ERCs)	Excess Capacity (ERCs)
1985	1000 North - 12" main. 300 East to pump house	\$47,830	1,676	582
1991	Iowa String (Main Street to 1000 N) - 10" line	\$57,850	1,167	1,010
1992	Northwest Annexation Water Project (1000 N; I-84 to 2300 West) - 8" line	\$125,910	748	434
1997	Iowa String - 1200 S to Main St - 10" line	\$150,000	1,167	1,048
2003	Secondary Water - Service Area 1 Phase 1 (Spring Acres)	\$172,220	1,364	1,364
2006	Bear River Waterline Crossing - 16"	\$121,969	2,981	1,922
2011	Cedar Ridge Well and Pipeline Project	\$893,429	476	-
2012	2 Million Gallon Culinary Water Tank Project	\$1,101,530	3,509	2,505
2019	I-84 Utility Line Extension at 2300 West - 18" line	\$112,220	3,771	3,588
2018	Secondary Water - Service Area 1 and 2 expansion	\$1,283,449	2,474	2,474
2019	Secondary Water - Service Area 3 (749 new connections)	\$3,001,986	501	501
Varies	Secondary Water Shares - 508	\$1,190,463	1,651	1,651
	SA1 - 42 shares			
	SA2 - 72 shares			
	SA3 - 115 shares			
	SA5 - 149 shares			

Date	Description	Project Cost	Total Capacity (ERCs)	Excess Capacity (ERCs)
	SA4 - 53 shares			
	SA2 expansion - 23 shares			
	SA9 Ph2 - 17 shares			
	SA4 Ph2 - 37 existing shares used, 91 still needed			
	TOTAL	\$8,258,856	21,485	17,079

New development will consume \$1,012,966 of excess capacity in the existing system within the next 10 years.

TABLE 7: CONSUMPTION OF EXCESS CAPACITY, 2021-2031

Date	Description	Project Cost	Total Capacity (ERCs)	Excess Capacity (ERUs)	% of Excess Capacity Consumed 10 Yrs	Cost to New Growth, 10 Yrs
1985	1000 North - 12" main. 300 East to pump house	\$47,830	1,676	582	100%	\$16,609
1991	Iowa String (Main Street to 1000 N) - 10" line	\$57,850	1,167	1,010	88%	\$44,020
1992	Northwest Annexation Water Project (1000 N; I-84 to 2300 West) - 8" line	\$125,910	748	434	100%	\$73,055
1997	Iowa String - 1200 S to Main St - 10" line	\$150,000	1,167	1,048	85%	\$114,139
2003	Secondary Water - Service Area 1 Phase 1 (Spring Acres)	\$172,220	1,364	1,364	9%	\$15,967
2006	Bear River Waterline Crossing - 16"	\$121,969	2,981	1,922	46%	\$36,333
2011	Cedar Ridge Well and Pipeline Project	\$893,429	476	-	0%	\$0
2012	2 Million Gallon Culinary Water Tank Project	\$1,101,530	3,509	2,505	35%	\$278,757
2019	I-84 Utility Line Extension at 2300 West - 18" line	\$112,220	3,771	3,588	9%	\$9,899
2018	Secondary Water - Service Area 1 and 2 expansion	\$1,283,449	2,474	2,474	9%	\$118,992
2019	Secondary Water - Service Area 3 (749 new connections)	\$3,001,986	501	501	9%	\$194,825*

Date	Description	Project Cost	Total Capacity (ERCs)	Excess Capacity (ERUs)	% of Excess Capacity Consumed 10 Yrs	Cost to New Growth, 10 Yrs
Varies	Secondary Water Shares - 508	\$1,190,463	1,651	1,651	9%	\$110,371
	SA1 - 42 shares					
	SA2 - 72 shares					
	SA3 - 115 shares					
	SA5 - 149 shares					
	SA4 - 53 shares					
	SA2 expansion - 23 shares					
	SA9 Ph2 - 17 shares					
	SA4 Ph2 - 37 existing shares used, 91 still needed					
	TOTAL	\$8,258,856	21,485	17,079		\$1,012,966

*Per Jones and Associates, 30% of this project was covered by bond proceeds and cannot be used. Therefore, this calculation is as follows:

\$3,001,986 * .7 = \$2,101,390

\$2,101,390 * .0927124 = \$194,825

CHAPTER 4: SYSTEM IMPROVEMENTS REQUIRED FROM DEVELOPMENT ACTIVITY

Utah Code 11-36a-304(1)(b)(c), (2)(b)

The City has determined to maintain its current level of water system service. Therefore, additional water system improvements will be required in order to maintain the established water system level of service. The means by which the City will meet growth demands include constructing the following projects as set forth in the Impact Fee Facilities Plan. This will occur through requiring new development to pay for its fair share of existing excess capacity consumed over the next 10 years as well as paying for its fair share of new construction projects.

New culinary water and secondary water construction projects over the next 10 years are shown in the table below:

TABLE 8: NEW CONSTRUCTION PROJECTS

	Description	Additional ERCs Served	Impact Fee Eligible Cost
Culinary Water Projects			
19	Develop new water source at locations that will be determined at the time of construction. It is anticipated this will involve the drilling of new wells	714	\$1,574,400
Secondary Water Projects			
1	Service Area 5 - Construct pump station, pipe network, and service connections. 483 new connections (2021)	322	\$3,235,780
2	Service Area 4 - Construct pump station and pipe to service immediate area around the pump station. 383 new units (2021)	255	\$411,994
3	Service Area 2 - Expand to Tremont Center/Matheson Apartment Complex, JD Harris Subdivision, and other miscellaneous connections in the area (2021)	241	\$450,696
4	Service Area 9 - Construct Pump Station and upsize developer installed pipe. 650 new connections (2022)	436	\$399,720
5	Construct equalization basin (2023)	0	\$272,550
6	Service Area 9 - extend piping and services into Holmgren East Subdivision. 110 new connections. (2023)	74	\$457,800
7	Service Area 4 - Extend piping into neighborhoods north of pump station. 290 new connections. (2026)	194	\$2,238,420
8	Service Area 2 - Install additional pumps in pump station. Upsize and relocate filter station 516 new constructions. (2027)	346	\$665,040
	TOTAL	2,582	\$9,706,400

Source: Jones & Associates, Water System Impact Fee Facilities Plan, May 2021

CHAPTER 5: PROPORTIONATE SHARE ANALYSIS

Utah Code 11-36a-304(1)(d)(e)

Maximum Legal Water Impact Fee per ERC

The Impact Fees Act requires the Impact Fee Analysis to estimate the proportionate share of the future and historic cost of existing system improvements that benefit new growth that can be recouped through impact fees. The impact fee for existing assets must be based on the historic costs while the fees for construction of new facilities must be based on reasonable future costs of the system.

Buy-In to Existing, Excess Capacity

There is existing, excess capacity in the culinary water and secondary water systems. New development should be required to pay a buy-in fee for its fair share of the excess capacity consumed over the next 10 years. Actual costs have been used in this analysis. Based on the ERCs served over the next 10 years, the buy-in cost is calculated at \$1,140.73 per ERC.

TABLE 9: PROPORTIONATE SHARE ANALYSIS, EXISTING EXCESS CAPACITY

Buy-In Calculation	Amount
Cost of Projects with Existing Capacity	\$8,258,856
Total ERCs Served	17,079
Excess Capacity ERC Consumption 2021-2031	888
Growth in ERCs in 10 Years as % of Excess Capacity	12%
Cost Allocable to New Development 2021-2031	\$1,012,966
Cost per ERC	\$1,140.73

New Construction – System Improvements Necessitated by New Development

Total new improvement costs attributable to new development over the next 10 years are \$3,338,220 divided by growth of 888 ERCs over the next 10 years resulting in a cost of \$3,759.26 per ERC.

TABLE 10: PROPORTIONATE SHARE ANALYSIS, NEW CONSTRUCTION NECESSITATED BY NEW DEVELOPMENT

New Construction Cost	Amount
New Construction Total Cost - Impact Fee Eligible	\$9,706,400
Total ERC Capacity of New Improvements	2,582
Growth in ERCs, 2021-2031	888
New Construction Cost Allocable to Next 10 Years	\$3,338,220
Cost per ERC	\$3,759.26

Consultant Costs

The Impact Fees Act allows for fees charged to include the reimbursement of consultant costs incurred in the preparation of the IFFP and IFA.

Consultant costs are estimated at \$10,500 in order to prepare the IFFP and IFA that were necessary in order to calculate defensible impact fees. The engineering and consultant studies are considered to serve development over the next 10 years. Based on the ERCs served over the next 10 years, the total cost per ERC is \$11.82.

TABLE 11: PROPORTIONATE SHARE ANALYSIS – CONSULTANT COSTS

	Amount
Jones & Associates	\$6,000
Zions Public Finance Inc.	\$4,500
Total Consultant Fees	\$10,500
Growth in ERCs, 2021-2031	888
Cost per ERC	\$11.82

Impact Fee Fund Balance

There is no impact fee fund balance and therefore no credits have been made for a fund balance.

Credits Against Impact Fees

Credits must also be calculated for the portion of future improvements that will benefit existing development and for any outstanding bonds. The IFFP states that there are no deficiencies in the current system and that therefore none of future construction projects will benefit existing development.

The City has two outstanding bonds, a 2019 water revenue bond for \$3.4 million and a 2021 water revenue bond for \$4.4 million. According to the City, the 2021 bond was used to fund projects that will only benefit new construction. Therefore, no credits have been made for the 2021 bond. The City has identified that there will need to be credits for the 2019 bond since it does benefit the existing system. The credit for each year is calculated by taking the NPV of the total outstanding annual cost per ERC using a discount rate of 3%. The credit slowly declines over the life of the bond as the total outstanding annual cost per ERC decreases with each annual principal payment. This is shown below in Table 12.

TABLE 12: SUMMARY OF CREDITS TO GROSS IMPACT FEE

Year	Principal Total	ERCs	Annual Cost per ERC	NPV*
2021	205,000.00	3,343	\$18.40	\$210.00
2022	211,000.00	3,423	\$18.49	\$197.91
2023	216,000.00	3,505	\$18.49	\$185.35
2024	221,000.00	3,589	\$18.47	\$172.42
2025	227,000.00	3,674	\$18.54	\$159.12
2026	233,000.00	3,762	\$18.58	\$145.36
2027	239,000.00	3,851	\$18.62	\$131.14
2028	245,000.00	3,943	\$18.64	\$116.46
2029	251,000.00	4,037	\$18.65	\$101.31
2030	257,000.00	4,133	\$18.65	\$85.70
2031	264,000.00	4,231	\$18.72	\$69.61
2032	270,000.00	4,332	\$18.70	\$52.98
2033	277,000.00	4,435	\$18.74	\$35.88
2034	284,000.00	4,541	\$18.76	\$18.22

NPV= net present value over the life of the bond using a discount rate of 3 percent

Summary of Maximum Impact Fees

The maximum impact fee allowed by law is \$4,701.80 per ERC.

TABLE 13: MAXIMUM IMPACT FEE PER ERC IN YEAR 2021

Summary	
Buy-In Cost	\$1,140.73
New Construction	\$3,759.26
Consultants	\$11.82
Credits	(\$210.00)
Total	\$4,701.80

Due to the bond credits outlined previously, the maximum impact fee per ERC will increase each year as the NPV of the bond credits lower each year. The table below shows how this will affect the maximum impact fee that can be charged. A full schedule of the maximum impact fees per year can be found in Appendix A.

TABLE 14: MAXIMUM IMPACT FEE PER ERC BY YEAR

	2021	2022	2023	2024	2025
Maximum Impact Fee per ERC	\$4,701.80	\$4,713.90	\$4,726.46	\$4,739.38	\$4,752.68

CHAPTER 6: MANNER OF FINANCING, CREDITS, ETC

Utah Code 11-36a-304(2)(c)(d)(e)(f)(g) and (h)

An impact fee is a one-time fee that is implemented by a local government on new development to fund and pay for the proportionate costs of public facilities (system improvements) that are needed to serve new development. As a matter of policy and legislative discretion, a City may choose to have new development pay the full cost of its proportionate share of new public facilities and existing facilities that have excess capacity to service new development through impact fees. Alternatively, local governments may elect to subsidize new development by using other sources of revenue (user charges, special assessments, bonds, taxes, grants) to pay for the new facilities required to service new development and use impact fees to recover the cost difference between the total cost of the new facilities and the other sources of revenue.

At the current time, no other sources of funding other than impact fees have been identified, but to the extent that any are identified and received in the future, then impact fees will be reduced accordingly. The City has found that it is necessary to charge an impact fee to maintain the existing level of service into the future.

Additional system improvements beyond those funded through impact fees that are desired to raise the level of service will be paid for by the community through other revenue sources such as user charges, special assessments, General Obligation bonds, general taxes, etc.

Impact Fee Credits

The Impact Fees Act requires that the IFA consider the relative extent to which new development activity will contribute to financing the excess capacity of and system improvements for new and public facilities, by such means as user charges, special assessments, or payment from the proceeds of general taxes so that new development is not charged twice. This IFA clearly identifies the amount of excess capacity to be paid for by new development. This portion of the impact fee calculation can be credited back to the General Fund as a repayment for prior investment in capital facilities.

In terms of new facilities, all impact fee amounts collected must be spent for the specific project improvements listed in the IFFP and incorporated into this IFA. No user fees, special assessments, etc., are contemplated to offset any of the costs associated with the new transportation facilities.

Credits may also be paid back to developers who have constructed or directly funded system improvements that are included in the IFFP or donated to the City in lieu of impact fees, including the dedication of land for system improvements. This situation does not apply to developer exactions for project improvements. Any item for which a developer receives credit should be included in the IFFP and must be agreed upon with the City before construction begins.

The standard impact fee can also be decreased to respond to unusual circumstances in specific cases in order to ensure that impact fees are imposed fairly. In certain cases, a developer may submit studies and data that clearly show a need for adjustment.

Extraordinary Costs and Time Price Differential

It is not anticipated that there will be any extraordinary costs in servicing newly developed properties. To account for the time-price differential inherent in fair comparisons of amounts paid at different times,

actual costs have been used to compute buy-in costs to public facilities with excess capacity and current costs have been used to compute impacts on system improvements required by anticipated development activity to maintain the established level of service for each public facility.

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CERTIFICATION

Zions Public Finance, Inc. certifies that the attached impact fee analysis:

1. includes only the costs of public facilities that are:
 - a. allowed under the Impact Fees Act; and
 - b. actually incurred; or
 - c. projected to be incurred or encumbered within six years after the day on which each impact fee is paid;
2. does not include:
 - a. costs of operation and maintenance of public facilities;
 - b. costs for qualifying public facilities that will raise the level of service for the facilities, through impact fees, above the level of service that is supported by existing residents;
3. offsets costs with grants or other alternate sources of payment; and
4. complies in each and every relevant respect with the Impact Fees Act.

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APPENDIX A: MAXIMUM IMPACT FEE PER ERC BY YEAR

	2021	2022	2023	2024	2025
Maximum Impact Fee per ERC	\$4,701.80	\$4,713.90	\$4,726.46	\$4,739.38	\$4,752.68
	2026	2027	2028	2029	2030
Maximum Impact Fee per ERC	\$4,766.45	\$4,780.67	\$4,795.35	\$4,810.50	\$4,826.11
	2031	2032	2033	2034	2035
Maximum Impact Fee per ERC	\$4,842.19	\$4,858.82	\$4,875.93	\$4,893.59	\$4,911.81

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Tremonton City



DRAFT Sanitary Sewer Collection Impact Fee Analysis



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EXECUTIVE SUMMARY

Tremonton City (the City) commissioned Zions Public Finance, Inc. (ZPFI) to calculate the City's sewer collection impact fees in accordance with Utah State Code 11-36a. An impact fee is a payment of money imposed upon new development activity as a condition of development approval to mitigate the impact of the new development on public infrastructure. In conjunction with this project, Jones & Associates Consulting Engineers prepared the Sanitary Sewer Collection System Impact Fee Facilities Plan (IFFP).

Projections for equivalent residential unit (ERU) growth in the City are as follows:

TABLE 1: PROJECTED ERU GROWTH, 2021-2031

Year	ERUs
2021	3,573
2022	3,658
2023	3,746
2024	3,835
2025	3,926
2026	4,020
2027	4,116
2028	4,214
2029	4,314
2030	4,417
2031	4,522
Growth in ERUs, 2021-2031	949

Source: Jones & Associates Consulting Engineers, Sanitary Sewer Collection IFFP, April 2021

This IFA is organized based on the legal requirements of Utah Code 11-36a-304.

Sewer Service Area

There is one service area that covers the entire City for the purpose of calculating sewer collection impact fees.

Level of Service

According to the IFFP, "As with any sanitary sewer collection system, the reasonable expectation of the residents is that they can use the sewer system under normal operating conditions, including peak use times, without the connection backing up."¹

The IFFP also clarifies that, "the existing collection system was analyzed . . . the level of service that was decided as a minimum level is that all pipes will serve the city during peak hours with no more than 75% depth of flow in the pipe. Any pipe flowing over 75% during those times was considered to be deficient and does not meet the City's established level of service."²

The City's proposed level of service during the IFFP period is to equal the existing level of service.

¹ Jones & Associates Consulting Engineers, Sanitary Sewer Collection System Impact Fee Facilities Plan, Section 4.3 Level of Service, pg. 4

² Jones & Associates Consulting Engineers, Sanitary Sewer Collection System Impact Fee Facilities Plan, Section 4.3 Level of Service, pg. 4-5

Sewer Capital Facilities

The IFFP identifies excess capacity in the existing system. Based on expected growth in the next 10 years, only \$381,670.30 of the excess capacity in the current system will be consumed by new development.

TABLE 2: EXCESS CAPACITY IN EXISTING SYSTEM

Date	Description	Project Cost	Total Capacity (ERUs)	Excess Capacity (ERUs)	Growth in ERUs, 10 Years	% of Excess Capacity Consumed 10 Yrs	Cost to New Growth, 10 Yrs
1987	Southwest sewer trunk line	\$84,920	1,604	1,137	949	83.47%	\$50,242.57
1991	Iowa String (Main Street to 1000 North)	\$115,121	1,466	1,120	949	84.73%	\$74,522.39
2006	2000 West sewer line	\$322,924	2,051	2,001	949	47.43%	\$149,417.30
2007	1200 South sewer line upsizing	\$900,000	7,946	6,230	949	15.23%	\$107,488.04
TOTAL		\$1,422,965					\$381,670.30

Source: Jones & Associates Consulting Engineers, Sanitary Sewer Collection IFFP, April 2021

The total cost of new system improvements attributable to new development within the next 10 years is \$1,734,214.75 based on 4 new system projects.

TABLE 3: NEW SYSTEM IMPROVEMENTS

Project	Description	New ERUs Served	Current Deficiency	Developer Participation	Impact Fee Improvements	Total
3	Upsize Existing line along Main Street	794	\$0.00	\$0.00	\$970,620.75	\$970,620.75
7	Upsize trunk line along I-84 from the Harmony Heights development to the intersection of Main Street and 2300 West.	1,002	\$0.00	\$541,710.00	\$486,694.00	\$1,028,404.00
8	Construct sewer lift station	400	\$0.00	\$0.00	\$260,000.00	\$260,000.00
9	Upsize developer installed 8" line to 10" located in the area between 600 North and 1000 North in the area of the future 950 East (River's Edge Subdivision)	418	\$0.00	\$0.00	\$16,900.00	\$16,900.00
TOTAL		2,614	\$0.00	\$541,710.00	\$1,734,214.75	\$2,275,924.75

Source: Jones & Associates Consulting Engineers, Sanitary Sewer Collection IFFP, April 2021

Sewer System Impact Fee Calculation

The impact fee calculation is shown in the table below.

TABLE 4: PROPORTIONATE SHARE ANALYSIS – MAXIMUM IMPACT FEE

Summary	Amount
Excess Capacity	\$402.18
New Improvements	\$663.43
Consultant Costs	\$7.90
Impact Fee Fund Balance	(\$141.09)
Total Maximum Impact Fee	\$932.43

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CHAPTER 1: OVERVIEW OF THE SEWER IMPACT FEES

Summary

An impact fee is intended to recover the City's costs of building sewer collection system capacity to serve new residential and non-residential development rather than passing all of these growth-related costs on to existing users through rates. The Utah Impact Fees Act allows only certain costs to be included in an impact fee so that only the fair cost of expansionary projects or existing unused capacity paid for by the City is assessed through an impact fee.

Costs to be Included in the Impact Fee

The impact fees proposed in this analysis are calculated based upon:

- Excess capacity in the City's sewer collection system;
- New capital infrastructure for collection systems that will serve new development; and
- Professional and planning expenses related to the construction of system improvements that will serve new development.

The costs that cannot be included in the impact fee are as follows:

- Costs for projects that cure system deficiencies;
- Costs for projects that increase the Level of Service (LOS) above that which is currently provided;
- Operations and maintenance costs;
- Costs of facilities funded by grants or other funds that the City does not have to repay; and
- Costs of reconstruction of facilities that do not have capacity to serve new growth.

Utah Code Legal Requirements

Utah law requires that communities and special districts prepare an Impact Fee Analysis (IFA) before enacting an impact fee. Utah law also requires that communities/districts give notice of their intent to prepare and adopt an IFA. This IFA follows all legal requirements as outlined below. The City has retained ZPFI to prepare this Impact Fee Analysis in accordance with legal requirements.

Notice of Intent to Prepare Impact Fee Analysis

A local political subdivision must provide written notice of its intent to prepare an IFA before preparing the Plan (Utah Code §11-36a-503). This notice must be posted on the Utah Public Notice website. The City has complied with this noticing requirement for the IFA by posting notice.

Preparation of Impact Fee Analysis

Utah Code requires that each local political subdivision, before imposing an impact fee, prepare an impact fee analysis. (Utah Code 11-36a-304).

This IFA conforms with Section 11-36a-304 of the Utah Code outlines the requirements of an impact fee analysis which is required to:

- (1) An impact fee analysis shall:
 - (a) identify the anticipated impact on or consumption of any existing capacity of a public facility by the anticipated development activity;

- (b) identify the anticipated impact on system improvements required by the anticipated development activity to maintain the established level of service for each public facility;
 - (c) demonstrate how the anticipated impacts described in Subsections (1)(a) and (b) are reasonably related to the anticipated development activity;
 - (d) estimate the proportionate share of:
 - (i) the costs for existing capacity that will be recouped; and
 - (ii) the costs of impacts on system improvements that are reasonably related to the new development activity; and
 - (e) identify how the impact fee was calculated.
- (2) In analyzing whether or not the proportionate share of the costs of public facilities are reasonably related to the new development activity, the local political subdivision or private entity, as the case may be, shall identify, if applicable:
- (a) the cost of each existing public facility that has excess capacity to serve the anticipated development resulting from the new development activity;
 - (b) the cost of system improvements for each public facility;
 - (c) other than impact fees, the manner of financing for each public facility, such as user charges, special assessments, bonded indebtedness, general taxes, or federal grants;
 - (d) the relative extent to which development activity will contribute to financing the excess capacity of and system improvements for each existing public facility, by such means as user charges, special assessments, or payment from the proceeds of general taxes;
 - (e) the relative extent to which development activity will contribute to the cost of existing public facilities and system improvements in the future;
 - (f) the extent to which the development activity is entitled to a credit against impact fees because the development activity will dedicate system improvements or public facilities that will offset the demand for system improvements, inside or outside the proposed development;
 - (g) extraordinary costs, if any, in servicing the newly-developed properties; and
 - (h) the time-price differential inherent in fair comparisons of amounts paid at different times.

Calculating Impact Fees

Utah Code states that for purposes of calculating an impact fee, a local political subdivision or private entity may include:

- (a) the construction contract price;
- (b) the cost of acquiring land, improvements, materials, and fixtures;

- (c) the cost for planning, surveying, and engineering fees for services provided for and directly related to the construction of the system improvements; and
- (d) for political subdivision, debt service charges, if the political subdivision might use impact fees as a revenue stream to pay the principal and interest on bonds, notes or other obligations issued to finance the costs of the system improvements.

Additionally, the Code states that each political subdivision or private entity shall base impact fee amounts on realistic estimates and the assumptions underlying those estimates shall be disclosed in the impact fee analysis.

Certification of Impact Fee Analysis

Utah Code states that an Impact Fee Analysis shall include a written certification from the person or entity that prepares the Impact Fee Analysis. This certification is included at the conclusion of this analysis.

Impact Fee Enactment

Utah Code states that a local political subdivision or private entity wishing to impose impact fees shall pass an impact fee enactment in accordance with Section 11-36a-402. Additionally, an impact fee imposed by an impact fee enactment may not exceed the highest fee justified by the impact fee analysts. An impact fee enactment may not take effect until 90 days after the day on which the impact fee enactment is approved.

CHAPTER 2: IMPACT FROM GROWTH UPON THE CITY'S FACILITIES AND LEVEL OF SERVICE

Utah Code 11-36a-304(1)(a)(c)

Sewer Service Area

Tremonton City has one service area for the purpose of calculating sewer collection impact fees.

Proposed Sewer Demands

The table below shows sewer collection growth projections. The City's sewer collection system currently (year 2021) serves 3,573 ERUs which will grow to an estimated 4,522 ERUs by 2031. The growth between 2021 and 2031, as used in the IFFP, is expected to be 949 ERUs.

The City has been experiencing steady growth and this is anticipated to continue in the long-term. The IFFP identifies that there has been a significant increase in development projects, but that there isn't enough data to deviate growth projections from the historical curve. Therefore, projected growth has been forecasted using the historical growth rate as defined in the IFFP

TABLE 5: GROWTH IN SEWER DEMAND

Year	ERUs
2021	3,573
2022	3,658
2023	3,746
2024	3,835
2025	3,926
2026	4,020
2027	4,116
2028	4,214
2029	4,314
2030	4,417
2031	4,522
Growth in ERUs, 2021-2031	949

Source: Jones & Associates Consulting Engineers, Sanitary Sewer Collection IFFP, April 2021

Existing and Proposed LOS Analysis

The IFFP defines existing and proposed levels of service per ERU as follows; "As with any sanitary sewer collection system, the reasonable expectation of the residents is that they can use the sewer system under normal operating conditions, including peak use times, without the connection backing up."³

The IFFP also clarifies that, "the existing collection system was analyzed . . . the level of service that was decided as a minimum level is that all pipes will serve the city during peak hours with no more than 75%

³ Jones & Associates Consulting Engineers, Sanitary Sewer Collection System Impact Fee Facilities Plan, Section 4.3 Level of Service, pg. 4

depth of flow in the pipe. Any pipe flowing over 75% during those times was considered to be deficient and does not meet the City's established level of service."⁴

The City's proposed level of service during the IFFP period is to equal the existing level of service.

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⁴ Jones & Associates Consulting Engineers, Sanitary Sewer Collection System Impact Fee Facilities Plan, Section 4.3 Level of Service, pg. 4-5

CHAPTER 3: IMPACT ON CAPACITY FROM DEVELOPMENT ACTIVITY

Utah Code 11-36a-304(1)(a)

Excess Capacity and Deficiency

According to Jones & Associates, the City's sewer collection engineers, there is excess capacity in the current sewer collection system. New development can be charged a buy-in fee, as part of the overall impact fee, for the capacity it consumes. The actual value of the system projects with excess capacity is estimated at \$1,422,965 as shown in the table below.

TABLE 6: EXCESS CAPACITY IN EXISTING SYSTEM

Date	Description	Project Cost	Total Capacity (ERUs)	Existing ERUs	Excess Capacity (ERUs)
1987	Southwest sewer trunk line	\$84,920	1,604	467	1,137
1991	Iowa String (Main Street to 1000 North)	\$115,121	1,466	346	1,120
2006	2000 West sewer line	\$322,924	2,051	50	2,001
2007	1200 South sewer line upsizing	\$900,000	7,946	1,716	6,230
TOTAL		\$1,422,965			

Source: Jones & Associates Consulting Engineers, Sanitary Sewer Collection IFFP, April 2021

New development will consume \$381,670.30 of excess capacity in the existing system within the next 10 years.

TABLE 7: CONSUMPTION OF EXCESS CAPACITY, 2021-2031

Date	Description	Project Cost	Total Capacity (ERUs)	Excess Capacity (ERUs)	Growth in ERUs, 10 Years	% of Excess Capacity Consumed 10 Yrs	Cost to New Growth, 10 Yrs
1987	Southwest sewer trunk line	\$84,920	1,604	1,137	949	83.47%	\$50,242.57
1991	Iowa String (Main Street to 1000 North)	\$115,121	1,466	1,120	949	84.73%	\$74,522.39
2006	2000 West sewer line	\$322,924	2,051	2,001	949	47.43%	\$149,417.30
2007	1200 South sewer line upsizing	\$900,000	7,946	6,230	949	15.23%	\$107,488.04
TOTAL		\$1,422,965					\$381,670.30

Source: Jones & Associates Consulting Engineers, Sanitary Sewer Collection IFFP, April 2021

CHAPTER 4: SYSTEM IMPROVEMENTS REQUIRED FROM DEVELOPMENT ACTIVITY

Utah Code 11-36a-304(1)(b)(c), (2)(b)

Additional sewer collection improvements will be required in order to maintain established sewer collection level of service. The means by which the City will meet growth demands include constructing the following projects as set forth in the Impact Fee Facilities Plan. This will occur through requiring new development to pay for its fair share of existing excess capacity consumed over the next 10 years as well as paying for its fair share of new construction projects.

New construction projects necessitated by new development over the next 10 years will reach \$1,734,214.75 based on calculations shown in the following table.

TABLE 8: NEW CONSTRUCTION OF SYSTEM IMPROVEMENTS NECESSITATED BY NEW DEVELOPMENT

Project	Description	New ERUs Served	Current Deficiency	Developer Participation	Impact Fee Improvements	Total
3	Upsize Existing line along Main Street	794	\$0.00	\$0.00	\$970,620.75	\$970,620.75
7	Upsize trunk line along I-84 from the Harmony Heights development to the intersection of Main Street and 2300 West.	1,002	\$0.00	\$541,710.00	\$486,694.00	\$1,028,404.00
8	Construct sewer lift station	400	\$0.00	\$0.00	\$260,000.00	\$260,000.00
9	Upsize developer installed 8" line to 10" located in the area between 600 North and 1000 North in the area of the future 950 East (River's Edge Subdivision)	418	\$0.00	\$0.00	\$16,900.00	\$16,900.00
TOTAL		2,614	\$0.00	\$541,710.00	\$1,734,214.75	\$2,275,924.75

Source: Jones & Associates Consulting Engineers, Sanitary Sewer Collection IFFP, April 2021

CHAPTER 5: PROPORTIONATE SHARE ANALYSIS

Utah Code 11-36a-304(1)(d)(e)

Maximum Legal Sewer Collection Impact Fee per ERU

The Impact Fees Act requires the Impact Fee Analysis to estimate the proportionate share of the future costs for system improvements and historic cost of existing system improvements that benefit new growth that can be recouped through impact fees. The impact fee for existing assets must be based on the historic costs while the fees for construction of new facilities must be based on reasonable future costs of the system.

The maximum impact fee permitted by law for the collection systems includes buy-in costs for existing, excess capacity as well as the cost of construction of new facilities.

Buy-In to Existing, Excess Capacity

There is existing, excess capacity in the City's sewer collection system. New development should be required to pay a buy-in fee for its fair share of the excess capacity consumed over the next 10 years. Total costs attributable to new development are estimated at \$381,670.30. Based on the ERUs served over the next 10 years, the total cost per ERU is calculated at \$402.18.

TABLE 9: PROPORTIONATE SHARE ANALYSIS, EXISTING EXCESS CAPACITY

Project Location/Description	Growth in ERUs, 10 Years	Cost to New Growth, 10 Yrs	Cost per ERU
Southwest sewer trunk line	949	\$50,242.57	\$52.94
Iowa String (Main Street to 1000 North)	949	\$74,522.39	\$78.53
2000 West sewer line	949	\$149,417.30	\$157.45
1200 South sewer line upsizing	949	\$107,488.04	\$113.26
TOTAL – Buy-In to Excess Capacity		\$381,670.30	\$402.18

New System Improvements Necessitated by New Development

The City intends to maintain its existing LOS for sewer collection services through constructing new system improvements described in the IFFP and previously in this IFA. Total new improvement costs attributable to new development over the next 10 years will reach \$629,598. Divided by growth of 949 ERUs over the next 10 years results in a cost of \$663.43 per ERU

TABLE 10: PROPORTIONATE SHARE ANALYSIS, NEW CONSTRUCTION NECESSITATED BY NEW DEVELOPMENT

Description	Amount
Cost of New Construction	\$1,734,215
Capacity of New Construction	2,614
Growth in ERUs, 2021-2031	949
% to New Growth by 2031	36.30%
Cost to New Growth by 2031	\$629,598
Cost per ERU	\$663.43

Consultant Costs

The Impact Fees Act allows for fees charged to include the reimbursement of consultant costs incurred in the preparation of the IFFP and IFA.

Consultant costs are estimated at \$7,500 to prepare the IFFP and IFA that were necessary in order to calculate defensible impact fees. The engineering and consultant studies are considered to serve development over the next 10 years. Based on the ERUs served over the next 10 years, the total cost per ERU is \$7.90.

TABLE 11: PROPORTIONATE SHARE ANALYSIS, CONSULTANT COSTS

	Amount
Jones & Associate Consulting Engineers	\$4,000
ZPFI	\$3,500
Growth in ERUs, 2021-2031	949
Cost per ERU	\$7.90

Impact Fee Fund Balance

The City has a balance of \$133,891 in its sewer impact fee fund. Therefore, the following credit needs to be made against the impact fee fund balance.

TABLE 12: IMPACT FEE FUND CREDIT

	Amount
Impact Fee Fund Balance	\$133,891
Growth in ERUs, 2021-2031	949
Credit per ERU	(\$141.09)

Source: Tremonton City

Summary of Gross Impact Fee

The maximum impact fee per ERU is \$932.43, calculated by adding together the costs for buy-in to excess capacity, new improvements and consultant costs. Credits for the current impact fee fund balance have also been made.

TABLE 13: PROPORTIONATE SHARE ANALYSIS – MAXIMUM FEE

Summary	Amount
Excess Capacity	\$402.18
New Improvements	\$663.43
Consultant Costs	\$7.90
Impact Fee Fund Balance	(\$141.09)
Total Maximum Impact Fee	\$932.43

The maximum impact fee that can be charged is \$932.43 per ERU. No credits need to be made for outstanding bonds or for current deficiencies.

CHAPTER 6: MANNER OF FINANCING, CREDITS, ETC

Utah Code 11-36a-304(2)(c)(d)(e)(f)(g) and (h)

An impact fee is a one-time fee that is implemented by a local government on new development to fund and pay for the proportionate costs of public facilities (system improvements) that are needed to serve new development. As a matter of policy and legislative discretion, a City may choose to have new development pay the full cost of its proportionate share of new public facilities and existing facilities that have excess capacity to service new development through impact fees. Alternatively, local governments may elect to subsidize new development by using other sources of revenue (user charges, special assessments, bonds, taxes, grants) to pay for the new facilities required to service new development and use impact fees to recover the cost difference between the total cost of the new facilities and the other sources of revenue.

At the current time, no other sources of funding other than impact fees have been identified, but to the extent that any are identified and received in the future, then impact fees will be reduced accordingly. The City has found that it is necessary to charge an impact fee to maintain the existing level of service into the future.

Additional system improvements beyond those funded through impact fees that are desired to raise the level of service will be paid for by the community through other revenue sources such as user charges, special assessments, General Obligation bonds, general taxes, etc.

Impact Fee Credits

The Impact Fees Act requires that the IFA consider the relative extent to which new development activity will contribute to financing the excess capacity of and system improvements for new and public facilities, by such means as user charges, special assessments, or payment from the proceeds of general taxes so that new development is not charged twice. This IFA clearly identifies the amount of excess capacity to be paid for by new development. This portion of the impact fee calculation can be credited back to the General Fund as a repayment for prior investment in capital facilities.

In terms of new facilities, all impact fee amounts collected must be spent for the specific project improvements listed in the IFFP and incorporated into this IFA. No user fees, special assessments, etc., are contemplated to offset any of the costs associated with the new transportation facilities.

Credits may also be paid back to developers who have constructed or directly funded system improvements that are included in the IFFP or donated to the City in lieu of impact fees, including the dedication of land for system improvements. This situation does not apply to developer exactions for project improvements. Any item for which a developer receives credit should be included in the IFFP and must be agreed upon with the City before construction begins.

The standard impact fee can also be decreased to respond to unusual circumstances in specific cases in order to ensure that impact fees are imposed fairly. In certain cases, a developer may submit studies and data that clearly show a need for adjustment.

Extraordinary Costs and Time Price Differential

It is not anticipated that there will be any extraordinary costs in servicing newly developed properties. To account for the time-price differential inherent in fair comparisons of amounts paid at different times, actual costs have been used to compute buy-in costs to public facilities with excess capacity and current costs have been used to compute impacts on system improvements required by anticipated development activity to maintain the established level of service for each public facility.

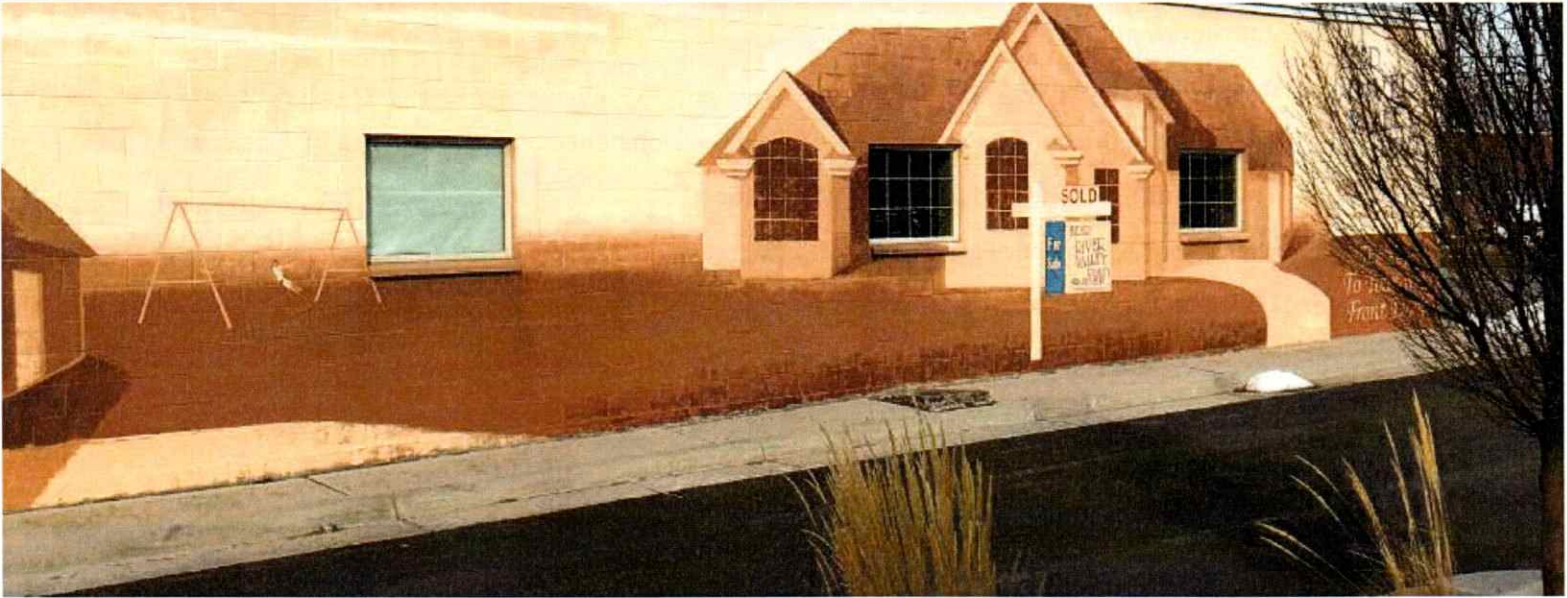
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CERTIFICATION

Zions Public Finance, Inc. certifies that the attached impact fee analysis:

1. includes only the costs of public facilities that are:
 - a. allowed under the Impact Fees Act; and
 - b. actually incurred; or
 - c. projected to be incurred or encumbered within six years after the day on which each impact fee is paid;
2. does not include:
 - a. costs of operation and maintenance of public facilities;
 - b. costs for qualifying public facilities that will raise the level of service for the facilities, through impact fees, above the level of service that is supported by existing residents;
3. offsets costs with grants or other alternate sources of payment; and
4. complies in each and every relevant respect with the Impact Fees Act.

Tremonton City



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DRAFT Storm Drain System Impact Fee Analysis



Zions Public Finance, Inc.
August 2021

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EXECUTIVE SUMMARY

Background Information

Tremontion City ("City") retained Jones & Associates to prepare an Impact Fee Facilities Plan (IFFP) for storm water, and retained Zions Public Finance, Inc. (ZPFI) to prepare this Impact Fee Analysis (IFA) for the calculation of appropriate storm water impact fees. This IFA relies on the information provided in the IFFP regarding current system capacity and future storm water capital facility needs, cost and timing.

Service Area. There is one service area in the City for the purpose of calculating storm water impact fees.

Level of Service. According to the IFFP, "Tremontion City's General Public Works Construction Standards and Specifications states that the piping system shall control the 10-year storm, and the streets and detention basins shall control the 100-year storm. The detention basins are allowed to release storm water into the storm drain system (where possible) at a rate of 0.1 cfs per acre for the Malad River drainage and .05 cfs per acre for the Salt Creek and Mill Ditch drainage. . . . Any part of the existing storm drainage system that is not able to handle the flow under these parameters does not meet the City's established level of service and is considered a deficiency."¹

Growth Projections. By 2031, Tremontion is expected to grow by 751 storm water equivalent residential units (ERUs).

TABLE 1: STORM WATER ERU GROWTH PROJECTIONS

Year	ERUs
2021	2,829
2022	2,896
2023	2,965
2024	3,037
2025	3,109
2026	3,183
2027	3,259
2028	3,337
2029	3,416
2030	3,497
2031	3,580
Growth in ERUs 2021-2031	751

Source: Jones & Associates, Storm Drain System Impact Fee Facilities Plan, April 2021

¹ Jones & Associates Consulting Engineers, Storm Drain System Impact Fee Facilities Plan, Section 5.3 Level of Service, pg. 2-3

Impact on Consumption of Existing Capacity

Utah Code 11-36a-304(1)(a)

The IFFP identifies excess capacity in the storm water system. It is anticipated that new development will consume \$350,235 of this excess capacity in the next 10 years as shown in the table below.

TABLE 2: EXCESS CAPACITY IN EXISTING SYSTEM

Date	Description	Project Cost	Acres Served	Acres Remaining to be Served	ERUs Remaining to be Served	Growth in ERU's, 10 Years	Cost to New Growth, 10 Years
2005	River Valley west piping and detention pond	\$134,208	257	195	474	751	\$101,831
2011	River Valley east piping and detention pond	\$92,602	67	25	62	751	\$34,553
2018	300 S. 1600 W. regional detention basin and piping	\$549,580	229	34	102	751	\$81,597
2018	100 East at I-15 regional detention basin and piping	\$181,237	37	27	75	751	\$132,254
TOTAL		\$957,627					\$350,235

Source: Jones & Associates, Storm Drain System Impact Fee Facilities Plan, April 2021

Impact on System Improvements by Anticipated New Development

Utah Code 11-36a-304(1)(b)

The City has determined to maintain its current level of storm water service which is that additional storm water improvements will be required in order to maintain the established storm water level of service as new development occurs. The new system improvements needed to serve the needs of new development over the next 10 years have been identified by Jones & Associates at a total cost of \$5,007,489.50.

TABLE 3: NEW SYSTEM IMPROVEMENTS

Project	Description	New ERUs Served	Current Deficiency	Developer Participation	Impact Fee Improvements	Total
11	River Valley west piping and detention pond	543	\$0.00	\$251,004.00	\$970,775.00	\$1,221,779.00
12	River Valley east piping and detention pond	202	\$0.00	\$338,208.00	\$549,666.00	\$887,874.00
20	300 S. 1600 W. regional detention basin and piping	168	\$0.00	\$140,556.00	\$494,136.50	\$634,692.50
27	100 East at I-15 regional detention basin and piping	282	\$0.00	\$301,041.00	\$834,860.00	\$1,135,901.00
32	600 North from 900 west to Malad River (Modified from CFP)	132	\$0.00	\$91,065.00	\$1,158,300.00	\$1,249,365.00

Project	Description	New ERUs Served	Current Deficiency	Developer Participation	Impact Fee Improvements	Total
35 & 36	River's Edge/Holmgren East regional park and detention pond	291	\$0.00	\$185,983.20	\$999,752.00	\$1,185,735.20
Total		1,618	\$0.00	\$1,307,857.20	\$5,007,489.50	\$6,315,346.70

Source: Jones & Associates, Storm Drain System Impact Fee Facilities Plan, April 2021

Proportionate Share Analysis and Impact Fee Calculation

Utah Code 11-36a-304(1)(d) and (e) and (2)(a) and (b)

New development will be required to buy-in to existing system capacity and pay for its fair share of the construction of new system improvements necessitated by new development, as well as consultant costs.

TABLE 4: SUMMARY OF IMPACT FEE COSTS

Summary of Impact Fees	
Buy-In Excess Capacity	\$466.36
New Construction	\$3,094.86
Consultant Costs	\$9.32
Impact Fee Fund Balance	(\$0.00)
Total Maximum Impact Fee per ERU	\$3,570.54
Fee per Developed Acre	\$10,501.60

The maximum allowable impact fee per ERU is \$3,570.54. The maximum allowable impact fee per acre of \$10,501.60.

Manner of Financing for Public Facilities

There is no outstanding debt on the City's storm drain system and the City does not anticipate issuing debt in the near term to finance new facilities. Therefore, no credits need to be made for existing or future financing.

CHAPTER 1: OVERVIEW OF THE STORM WATER IMPACT FEES

Summary

An impact fee is intended to recover the City's costs of building storm water system capacity to serve new residential and non-residential development rather than passing all of these growth-related costs on to existing users through rates. The Utah Impact Fees Act allows only certain costs to be included in an impact fee so that only the fair cost of expansionary projects or existing unused capacity paid for by the City is assessed through an impact fee.

Costs to be Included in the Impact Fee

The impact fees proposed in this analysis are calculated based upon:

- Excess capacity in the City's storm water system;
- New capital infrastructure for storm water systems that will serve new development; and
- Professional and planning expenses related to the construction of system improvements that will serve new development.

The costs that cannot be included in the impact fee are as follows:

- Costs for projects that cure system deficiencies;
- Costs for projects that increase the Level of Service (LOS) above that which is currently provided;
- Operations and maintenance costs;
- Costs of facilities funded by grants or other funds that the City does not have to repay; and
- Costs of reconstruction of facilities that do not have capacity to serve new growth.

Utah Code Legal Requirements

Utah law requires that communities and special districts prepare an Impact Fee Analysis (IFA) before enacting an impact fee. Utah law also requires that communities/districts give notice of their intent to prepare and adopt an IFA. This IFA follows all legal requirements as outlined below. The City has retained ZPFI to prepare this Impact Fee Analysis in accordance with legal requirements.

Notice of Intent to Prepare Impact Fee Analysis

A local political subdivision must provide written notice of its intent to prepare an IFA before preparing the Analysis (Utah Code 11-36a-503(1)). This notice must be posted on the Utah Public Notice website. The City has complied with this noticing requirement for the IFA by posting notice.

Preparation of Impact Fee Analysis

Utah Code requires that "each local political subdivision . . . intending to impose an impact fee shall prepare a written analysis of each impact fee" (Utah Code 11-36a-303).

Section 11-36a-304 of the Utah Code outlines the requirements of an impact fee analysis which is required to identify the following:

- (1) An impact fee analysis shall:
 - (a) identify the anticipated impact on or consumption of any existing capacity of a public facility by the anticipated development activity;

- (b) identify the anticipated impact on system improvements required by the anticipated development activity to maintain the established level of service for each public facility;
 - (c) demonstrate how the anticipated impacts described in Subsections (1)(a) and (b) are reasonably related to the anticipated development activity;
 - (d) estimate the proportionate share of:
 - (i) the costs for existing capacity that will be recouped; and
 - (ii) the costs of impacts on system improvements that are reasonably related to the new development activity; and
 - (e) identify how the impact fee was calculated.
- (2) In analyzing whether or not the proportionate share of the costs of public facilities are reasonably related to the new development activity, the local political subdivision or private entity, as the case may be, shall identify, if applicable:
- (a) the cost of each existing public facility that has excess capacity to serve the anticipated development resulting from the new development activity;
 - (b) the cost of system improvements for each public facility;
 - (c) other than impact fees, the manner of financing for each public facility, such as user charges, special assessments, bonded indebtedness, general taxes, or federal grants;
 - (d) the relative extent to which development activity will contribute to financing the excess capacity of and system improvements for each existing public facility, by such means as user charges, special assessments, or payment from the proceeds of general taxes;
 - (e) the relative extent to which development activity will contribute to the cost of existing public facilities and system improvements in the future;
 - (f) the extent to which the development activity is entitled to a credit against impact fees because the development activity will dedicate system improvements or public facilities that will offset the demand for system improvements, inside or outside the proposed development;
 - (g) extraordinary costs, if any, in servicing the newly-developed properties; and
 - (h) the time-price differential inherent in fair comparisons of amounts paid at different times.

Calculating Impact Fees

Utah Code states that for purposes of calculating an impact fee, a local political subdivision or private entity may include:

- (a) the construction contract price;
- (b) the cost of acquiring land, improvements, materials, and fixtures;

- (c) the cost for planning, surveying, and engineering fees for services provided for and directly related to the construction of the system improvements; and
- (d) for political subdivision, debt service charges, if the political subdivision might use impact fees as a revenue stream to pay the principal and interest on bonds, notes or other obligations issued to finance the costs of the system improvements.

Additionally, the Code states that each political subdivision or private entity shall base impact fee amounts on realistic estimates and the assumptions underlying those estimates shall be disclosed in the impact fee analysis.

Certification of Impact Fee Analysis

Utah Code states that an impact fee analysis shall include a written certification from the person or entity that prepares the impact fee analysis. This certification is included as part of this Impact Fees Analysis.

Impact Fee Enactment

Utah Code states that a local political subdivision or private entity wishing to impose impact fees shall pass an impact fee enactment in accordance with Section 11-36a-402. Additionally, an impact fee imposed by an impact fee enactment may not exceed the highest fee justified by the impact fee analysts. An impact fee enactment may not take effect until 90 days after the day on which the impact fee enactment is approved.

CHAPTER 2: IMPACT FROM GROWTH UPON THE CITY'S FACILITIES AND LEVEL OF SERVICE

Utah Code 11-36a-304(1)(a)(c)

Storm Drain Service Area

Tremonton City has one service area for the purpose of calculating storm drain impact fees.

Growth in Demand

The City has been experiencing steady growth. The IFFP identifies that there has been a significant increase in development projects, but that there isn't enough data to deviate growth projections from the historical curve. Therefore, projected growth has been forecasted using the historical growth rate as identified in the IFFP.

The table below shows storm drain growth projections. The City's storm drain system currently (year 2021) serves 2,829 ERUs which will grow to an estimated 3,580 ERUs by 2031. The growth between 2021 and 2031, as used in the IFFP, is expected to be 751 ERUs.

TABLE 5: PROJECTED ERU GROWTH THROUGH 2031

Year	ERUs
2021	2,829
2022	2,896
2023	2,965
2024	3,037
2025	3,109
2026	3,183
2027	3,259
2028	3,337
2029	3,416
2030	3,497
2031	3,580
Growth in ERUs 2021-2031	751

Source: Jones & Associates, Storm Drain System Impact Fee Facilities Plan, April 2021

Existing and Proposed LOS Analysis

According to the IFFP, "Tremonton City's General Public Works Construction Standards and Specifications states that the piping system shall control the 10-year storm, and the streets and detention basins shall control the 100-year storm. The detention basins are allowed to release storm water into the storm drain system (where possible) at a rate of 0.1 cfs per acre for the Malad River drainage and .05 cfs per acre for the Salt Creek and Mill Ditch drainage. . . . Any part of the existing storm drainage system that is not able

to handle the flow under these parameters does not meet the City's established level of service and is considered a deficiency."²

The City's proposed level of service during the IFFP period is to equal the existing level of service.

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² Jones & Associates Consulting Engineers, Storm Drain System Impact Fee Facilities Plan, Section 5.3 Level of Service, pg. 2-3

CHAPTER 3: IMPACT ON CAPACITY FROM DEVELOPMENT ACTIVITY

Utah Code 11-36a-304(1)(a)

Existing Capacity and Deficiency

According to Jones & Associates, the City's storm water engineers, the existing storm water system currently has excess capacity. New development can be charged a buy-in fee, as part of the overall impact fee, for the capacity it consumes. The actual value of the system projects with excess capacity is estimated at \$957,627 as shown in the table below.

TABLE 6: EXCESS CAPACITY IN EXISTING SYSTEM

Date	Description	Project Cost	Acres Served	Acres Remaining to be Served	ERUs Remaining to be Served	Growth in ERUs, 10 Years
2005	River Valley west piping and detention pond	\$134,208	257	195	474	751
2011	River Valley east piping and detention pond	\$92,602	67	25	62	751
2018	300 S. 1600 W. regional detention basin and piping	\$549,580	229	34	102	751
2018	100 East at I-15 regional detention basin and piping	\$181,237	37	27	75	751
TOTAL		\$957,627				

Source: Jones & Associates, Storm Drain System Impact Fee Facilities Plan, April 2021

New development will consume \$350,235 of excess capacity in the existing system within the next 10 years.

TABLE 7: CONSUMPTION OF EXCESS CAPACITY, 2021-2031

Description	Project Cost	Acres Served	Acres Remaining to be Served	Excess Capacity	Cost to New Growth, 10 Years
River Valley west piping and detention pond	\$134,208	257	195	75.88%	\$101,831
River Valley east piping and detention pond	\$92,602	67	25	37.31%	\$34,553
300 S. 1600 W. regional detention basin and piping	\$549,580	229	34	14.85%	\$81,597
100 East at I-15 regional detention basin and piping	\$181,237	37	27	72.97%	\$132,254
TOTAL	\$957,627				\$350,235

CHAPTER 4: SYSTEM IMPROVEMENTS REQUIRED FROM DEVELOPMENT ACTIVITY

Utah Code 11-36a-304(1)(b)(c), (2)(b)

Impact on System Improvements by Anticipated New Development

The City has determined to maintain its current level of storm water service. Therefore, additional storm water improvements will be required in order to maintain the established storm drain level of service. The means by which the City will meet growth demands include constructing the following projects as set forth in the Impact Fee Facilities Plan. This will occur through requiring new development to pay for its fair share of existing excess capacity consumed over the next 10 years as well as paying for its fair share of new construction projects.

New construction projects necessitated by new development over the next 10 years will reach \$5,007,489.50 based on calculations shown in the following table.

TABLE 8: NEW SYSTEM IMPROVEMENTS NECESSITATED BY NEW DEVELOPMENT

Project	Description	New ERUs Served	Current Deficiency	Developer Participation	Impact Fee Improvements	Total
11	River Valley west piping and detention pond	543	\$0.00	\$251,004.00	\$970,775.00	\$1,221,779.00
12	River Valley east piping and detention pond	202	\$0.00	\$338,208.00	\$549,666.00	\$887,874.00
20	300 S. 1600 W. regional detention basin and piping	168	\$0.00	\$140,556.00	\$494,136.50	\$634,692.50
27	100 East at I-15 regional detention basin and piping	282	\$0.00	\$301,041.00	\$834,860.00	\$1,135,901.00
32	600 North from 900 west to Malad River (Modified from CFP)	132	\$0.00	\$91,065.00	\$1,158,300.00	\$1,249,365.00
35 & 36	River's Edge/Holmgren East regional park and detention pond	291	\$0.00	\$185,983.20	\$999,752.00	\$1,185,735.20
	Total	1,618	\$0.00	\$1,307,857.20	\$5,007,489.50	\$6,315,346.70

Source: Jones & Associates, Storm Drain System Impact Fee Facilities Plan, April 2021

Relation of Anticipated Development Activity to Impacts on Existing Capacity and System Improvements

The demand placed on existing storm water improvements by new development activity is attributed to the increased developed acres and ERUs related to both residential and nonresidential growth.

CHAPTER 5: PROPORTIONATE SHARE ANALYSIS

Utah Code 11-36a-304(1)(d)(e)

Maximum Legal Storm Water Impact Fee per ERU

The Impact Fees Act requires the Impact Fee Analysis to estimate the proportionate share of the future costs for system improvements and historic cost of existing system improvements that benefit new growth that can be recouped through impact fees. The impact fee for existing assets must be based on the historic costs while the fees for construction of new facilities must be based on reasonable future costs of the system.

The maximum impact fee permitted by law for the storm water system includes buy-in costs for existing, excess capacity as well as the cost of construction of new facilities.

Buy-in to Existing, Excess Capacity

The existing storm water system has excess capacity. New development should be required to pay a buy-in fee for its fair share of the excess capacity consumed over the next 10 years. Total costs attributable to new development are estimated at \$350,235.02 resulting in a cost of \$466.36 per ERU.

TABLE 9: PROPORTIONATE SHARE ANALYSIS, EXISTING EXCESS CAPACITY

	Amount
Cost of Existing Capacity	\$350,235.02
Existing Excess ERU Capacity	713
Growth in ERUs, 2021-2031	751
% to New Growth by 2031	100.00%
Cost to New Growth	\$350,235.02
Cost per ERU	\$466.36

New Construction

The City intends to maintain its existing level of service for storm water services through constructing new system improvements described in the IFFP and previously in this IFA. Total impact-fee eligible costs for new construction, attributable to new development over the next 10 years, are \$5,007,490. Based on the ERUs served over the next 10 years, the total cost per ERU is calculated at \$3,094.86.

TABLE 10: PROPORTIONATE SHARE ANALYSIS, NEW CONSTRUCTION NECESSITATED BY NEW DEVELOPMENT

	Amount
Cost of New Construction	\$5,007,490
Capacity of New Construction	1,618
Growth in ERUs, 2021-2031	751
% to New Growth by 2031	46%
Cost to New Growth	\$2,324,243
Cost per ERU	\$3,094.86

Consultant Costs

The Impact Fees Act allows for fees charged to include the reimbursement of consultant costs incurred in the preparation of the IFFP and IFA.

Consultant costs are estimated at \$7,000 in order to prepare the IFFP and IFA that were necessary in order to calculate defensible impact fees. The engineering and consultant studies are considered to serve development over the next 10 years. Based on the ERUs served over the next 10 years, the total cost per ERU is \$9.32.

TABLE 11: PROPORTIONATE SHARE ANALYSIS, CONSULTANT COST

	Amount
Jones & Associates Consulting Engineers	\$3,000
ZPFI	\$4,000
Growth in ERUs, 2021-2031	751
Cost per ERU	\$9.32

Impact Fee Fund Balance

The City does not currently have a balance in its storm water impact fee fund. Therefore, there are no credits made against the impact fee fund balance.

Summary of Maximum Impact Fee Calculation

The maximum impact fee allowed by law includes a buy-in fee of \$466.36 per ERU, new system improvement costs of \$3,094.86 per ERU, plus consultant costs of \$9.32 per ERU. This results in total maximum impact fees of \$3,570.54 per ERU and total maximum impact fees of \$10,501.60 per developed acre.

TABLE 12: PROPORTIONATE SHARE IMPACT FEE CALCULATION

Summary of Impact Fees	
Buy-In Excess Capacity	\$466.36
New Construction	\$3,094.86
Consultant Costs	\$9.32
Impact Fee Fund Balance	(\$0.00)
Total Maximum Impact Fee per ERU	\$3,570.54
Fee per Developed Acre	\$10,501.60

CHAPTER 6: MANNER OF FINANCING, CREDITS, ETC

Utah Code 11-36a-304(2)(c)(d)(e)(f)(g) and (h)

An impact fee is a one-time fee that is implemented by a local government on new development to fund and pay for the proportionate costs of public facilities (system improvements) that are needed to serve new development. As a matter of policy and legislative discretion, a City may choose to have new development pay the full cost of its proportionate share of new public facilities and existing facilities that have excess capacity to service new development through impact fees. Alternatively, local governments may elect to subsidize new development by using other sources of revenue (user charges, special assessments, bonds, taxes, grants) to pay for the new facilities required to service new development and use impact fees to recover the cost difference between the total cost of the new facilities and the other sources of revenue.

At the current time, no other sources of funding other than impact fees have been identified, but to the extent that any are identified and received in the future, then impact fees will be reduced accordingly. The City has found that it is necessary to charge an impact fee to maintain the existing level of service into the future.

Additional system improvements beyond those funded through impact fees that are desired to raise the level of service will be paid for by the community through other revenue sources such as user charges, special assessments, General Obligation bonds, general taxes, etc.

Impact Fee Credits

The Impact Fees Act requires that the IFA consider the relative extent to which new development activity will contribute to financing the excess capacity of and system improvements for new and public facilities, by such means as user charges, special assessments, or payment from the proceeds of general taxes so that new development is not charged twice. This IFA clearly identifies the amount of excess capacity to be paid for by new development. This portion of the impact fee calculation can be credited back to the General Fund as a repayment for prior investment in capital facilities.

In terms of new facilities, all impact fee amounts collected must be spent for the specific project improvements listed in the IFFP and incorporated into this IFA. No user fees, special assessments, etc., are contemplated to offset any of the costs associated with the new transportation facilities.

Credits may also be paid back to developers who have constructed or directly funded system improvements that are included in the IFFP or donated to the City in lieu of impact fees, including the dedication of land for system improvements. This situation does not apply to developer exactions for project improvements. Any item for which a developer receives credit should be included in the IFFP and must be agreed upon with the City before construction begins.

The standard impact fee can also be decreased to respond to unusual circumstances in specific cases in order to ensure that impact fees are imposed fairly. In certain cases, a developer may submit studies and data that clearly show a need for adjustment.

Extraordinary Costs and Time Price Differential

It is not anticipated that there will be any extraordinary costs in servicing newly developed properties. To account for the time-price differential inherent in fair comparisons of amounts paid at different times,

actual costs have been used to compute buy-in costs to public facilities with excess capacity and current costs have been used to compute impacts on system improvements required by anticipated development activity to maintain the established level of service for each public facility.

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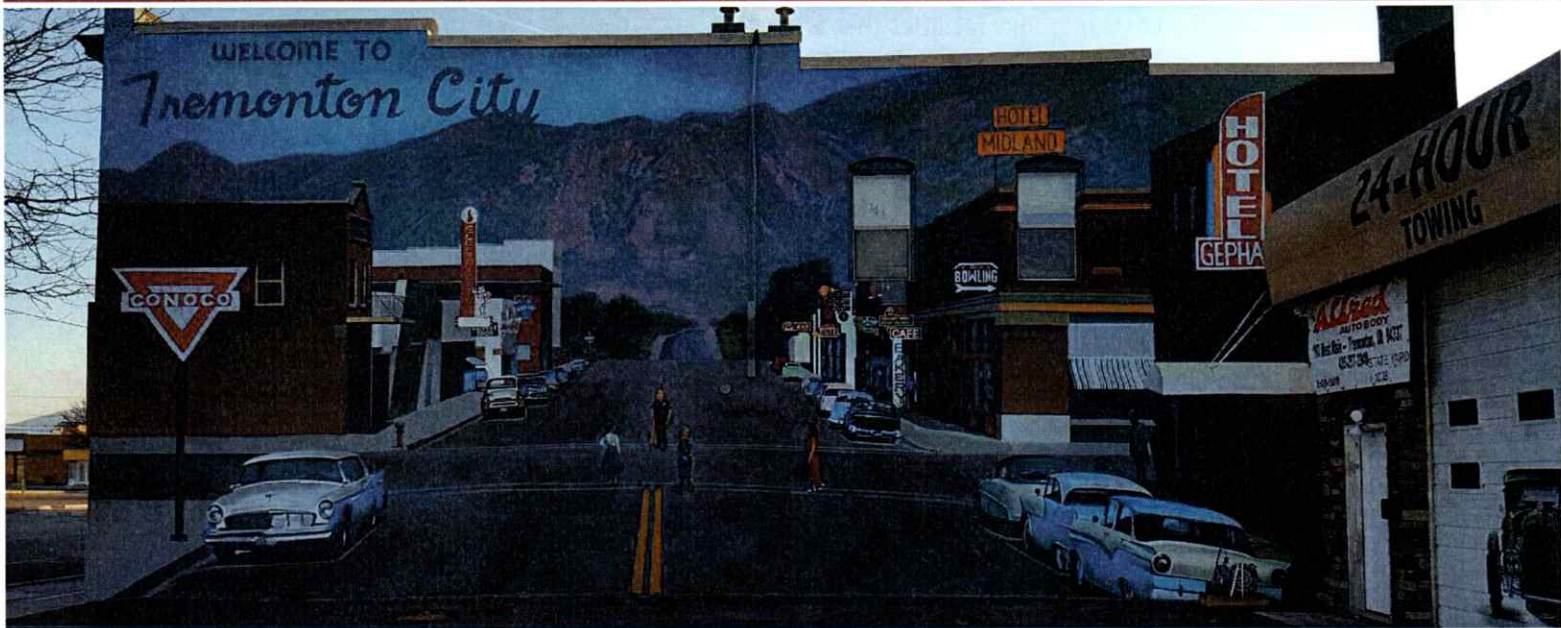
CERTIFICATION

Zions Bank Public Finance certifies that the attached impact fee analysis:

1. Includes only the costs of public facilities that are:
 - a. allowed under the Impact Fees Act; and
 - b. actually incurred; or
 - c. projected to be incurred or encumbered within six years after the day on which each impact fee is paid;
2. Does not include:
 - a. costs of operation and maintenance of public facilities;
 - b. costs for qualifying public facilities that will raise the level of service for the facilities, through impact fees, above the level of service that is supported by existing residents;
3. Offsets costs with grants or other alternate sources of payment; and
4. Complies in each and every relevant respect with the Impact Fees Act.

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Tremonton City



DRAFT Transportation Impact Fee Analysis



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EXECUTIVE SUMMARY

Tremonton City (the City) commissioned Zions Public Finance, Inc. (ZPFI) to calculate the City's transportation impact fees in accordance with Utah State Code 11-36a. An impact fee is a payment of money imposed upon new development activity as a condition of development approval to mitigate the impact of the new development on public infrastructure. This Impact Fee Analysis (IFA) is based on the information provided in Tremonton City's ("City") Transportation Impact Fee Facilities Plan ("IFFP") dated July 2021 and prepared by Horrocks Engineers.

Projected Growth.

The IFFP projects that new development in the City is projected to grow by an estimated 1,866 average daily trips (ADTs) between 2021 and 2031. This growth will use up excess capacity on existing roads and will require the expansion of existing roads or development of new roads in order to maintain the existing levels of service (LOS).

Service Levels.

The IFFP prepared by Horrocks Engineers states that the current level of service (LOS) is LOS D or better and that LOS D or better should be maintained in the future.

Service Areas.

The City includes one transportation service area as recommended by Horrocks Engineers in the IFFP.

Excess Capacity.

The IFFP identifies four projects with existing excess capacity with an actual cost of \$853,414.51. Based on information provided in the IFFP, we have calculated that \$115,330.49 of this excess capacity will be consumed over the next 10 years.

New Construction.

The IFFP identifies a total of eight projects necessitated by new development at a total cost of \$4,986,500. However, Tremonton is only responsible for \$4,113,680 of the total costs. The IFFP has adjusted this cost to reflect the fact that new development over the next 10 years is not responsible for pass-through traffic and for the excess capacity remaining in these new projects after 2030. Therefore, based on the information provided by Horrocks Engineers, the total cost attributable to new development over the next ten years is \$197,420.

In addition, a credit must be made for the portion of new construction projects that will benefit existing users and to which new development will contribute over time, as General Fund monies are used for road construction. This credit is shown in the table below.

Proportionate Share Analysis.

A summary of the proportionate share analysis is as follows:

TABLE 1: PROPORTIONATE SHARE ANALYSIS

Summary of Cost per Trip	Amount per ADT
Buy-In to Excess Capacity	\$61.81

Summary of Cost per Trip	Amount per ADT
New Construction	\$105.80
Consultant Cost	\$13.67
Credit for Benefits to Existing Users	(\$7.02)
Cost per Average Daily Trip (ADT)	\$174.25

The cost per Average Daily Trip (ADT) is \$174.25.

The cost of \$174.25 per ADT is then multiplied by the average daily trips set by the Institute of Transportation Engineers (ITE) trip generation manual for each development type. For some development types there is a reduction for trips based upon trips that are considered “pass-by” which is explained in greater detail in the Transportation IFFP.

The City may choose to combine many of the categories listed by ITE in order to avoid large differences in fees charged to retail developments of different types.

The City may choose to enact any fee up to the maximum fees shown below.

TABLE 2: MAXIMUM TRANSPORTATION IMPACT FEES

ITE Code	ITE Land Use	Unit	ITE Daily Trip Rate	Pass-By	Adjusted Trip Rate	Impact Fee
130	Industrial Park 130	1000 Sq. Feet Gross Floor Area	3.37		3.37	\$587.23
140	General Manufacturing	1000 Sq. Feet Gross Floor Area	3.93		3.93	\$684.82
150	Warehousing	1000 Sq. Feet Gross Floor Area	1.74		1.74	\$303.20
151	Mini-Warehouse	1000 Sq. Feet Gross Floor Area	1.51		1.51	\$263.12
210	Single-Family Detached Housing	Dwelling Unit	9.44		9.44	\$1,644.95
220	Multi-Family (2 stories or less - typically townhomes)	Dwelling Unit	7.32		7.32	\$1,275.53
221	Multi-Family (3-9 stories)	Dwelling Unit	5.44		5.44	\$947.94
240	Mobile Home Park	Occupied Dwelling Unit	6.49		6.49	\$1,130.90
254	Assisted Living Center	Bed	2.60		2.60	\$453.06
310	Hotel	Room	8.36		8.36	\$1,456.76
444	Movie Theater	1000 Sq. Feet Gross Floor Area	78.09		78.09	\$13,607.44
520	Elementary School	Students	1.89		1.89	\$329.34
522	Middle School / Junior High School	Students	2.13		2.13	\$371.16
530	High School	Students	2.03		2.03	\$353.73
534	Private School (K-8)	Students	4.11		4.11	\$716.18
560	Church**	1000 Sq. Feet Gross Floor Area	27.63		27.63	\$4,814.62
565	Day Care Center	1000 Sq. Feet Gross Floor Area	47.62		47.62	\$8,297.94

ITE Code	ITE Land Use	Unit	ITE Daily Trip Rate	Pass-By	Adjusted Trip Rate	Impact Fee
590	Library	1000 Sq. Feet Gross Floor Area	72.05		72.05	\$12,554.95
610	Hospital	1000 Sq. Feet Gross Floor Area	10.72		10.72	\$1,868.00
710	General Office Building	1000 Sq. Feet Gross Floor Area	9.74		9.74	\$1,697.23
720	Medical-Dental Office Building	1000 Sq. Feet Gross Floor Area	34.80		34.80	\$6,064.02
770	Business Park	1000 Sq. Feet Gross Floor Area	12.44		12.44	\$2,167.71
812	Building Material and Lumber Store	1000 Sq. Feet Gross Floor Area	18.05		18.05	\$3,145.27
817	Nursery (Garden Center)	1000 Sq. Feet Gross Floor Area	68.10		68.10	\$11,866.65
820	Shopping Center / Strip Mall	1000 Sq. Feet Gross Leasable Area	37.75	34%	24.92	\$4,341.52
840	Automobile Sales (New)	1000 Sq. Feet Gross Floor Area	27.84		27.84	\$4,851.21
841	Automobile Sales (Used)	1000 Sq. Feet Gross Floor Area	27.06		27.06	\$4,715.29
848	Tire Store	1000 Sq. Feet Gross Floor Area	28.52	28%	20.53	\$3,578.19
850	Supermarket	1000 Sq. Feet Gross Floor Area	106.78	36%	68.34	\$11,908.33
851	Convenience Market	1000 Sq. Feet Gross Floor Area	762.28	51%	373.52	\$65,086.61
912	Drive-in Bank	1000 Sq. Feet Gross Floor Area	100.03	35%	65.02	\$11,329.86
932	Restaurant, Sit-Down (High Turnover)	1000 Sq. Feet Gross Floor Area	112.18	43%	63.94	\$11,142.21
933	Fast Food without Drive-Through Window	1000 Sq. Feet Gross Floor Area	346.23	43%	197.35	\$34,389.08
934	Restaurant with Drive Through Window	1000 Sq. Feet Gross Floor Area	470.95	50%	235.48	\$41,032.30
942	Auto Care Center***	1000 Sq. Feet Gross Leasable Area	23.72		23.72	\$4,133.29
944	Gasoline/Service Station	Fueling Position	172.01	42%	99.77	\$17,384.52
945	Gasoline/Service Station with Convenience Store	1000 Sq. Feet Gross Leasable Area	1440.02	56%	633.61	\$110,408.43
947	Self Service Car Wash	Wash Stall	108.00		108.00	\$18,819.36

CHAPTER 1: OVERVIEW OF THE TRANSPORTATION IMPACT FEES

Summary

An impact fee is intended to recover the City's costs of building transportation capacity to serve new residential and non-residential development. The Utah Impact Fees Act allows only certain costs to be included in an impact fee so that only the fair cost of expansionary projects or existing unused capacity paid for by the City is assessed through an impact fee.

Costs to be Included in the Impact Fee

The impact fees proposed in this analysis are calculated based upon:

- Excess capacity in the City's transportation system;
- New capital infrastructure for transportation infrastructure that will serve new development; and
- Professional and planning expenses related to the construction of transportation system improvements that will serve new development.

The costs that cannot be included in the impact fee are as follows:

- Costs for projects that cure system deficiencies;
- Costs for projects that increase the LOS above that which is currently provided;
- Operations and maintenance costs;
- Costs of facilities funded by grants or other funds that the City does not have to repay; and
- Costs of reconstruction of facilities that do not have capacity to serve new growth.

Utah Code Legal Requirements

Utah law requires that communities prepare an Impact Fee Analysis (IFA) before enacting an impact fee. Utah law also requires that communities give notice of their intent to prepare and adopt an IFA. This IFA follows all legal requirements as outlined below. The City has retained Zions Public Finance Inc., to prepare this Impact Fee Analysis in accordance with legal requirements.

Notice of Intent to Prepare Impact Fee Analysis

A local political subdivision must provide written notice of its intent to prepare an IFA before preparing the Plan (Utah Code §11-36a-503). This notice must be posted on the Utah Public Notice website. The City has complied with this noticing requirement for the IFA.

Preparation of Impact Fee Analysis

Utah Code requires that each local political subdivision, before imposing an impact fee, prepare an impact fee analysis. (Utah Code 11-36a-304).

Section 11-36a-304 of the Utah Code outlines the requirements of an impact fee analysis as follows:

- (1) An impact fee analysis shall:
 - (a) identify the anticipated impact on or consumption of any existing capacity of a public facility by the anticipated development activity;

- (b) identify the anticipated impact on system improvements required by the anticipated development activity to maintain the established level of service for each public facility;
 - (c) demonstrate how the anticipated impacts described in Subsections (1)(a) and (b) are reasonably related to the anticipated development activity;
 - (d) estimate the proportionate share of:
 - (i) the costs for existing capacity that will be recouped; and
 - (ii) the costs of impacts on system improvements that are reasonably related to the new development activity; and
 - (e) identify how the impact fee was calculated.
- (2) In analyzing whether or not the proportionate share of the costs of public facilities are reasonably related to the new development activity, the local political subdivision or private entity, as the case may be, shall identify, if applicable:
- (a) the cost of each existing public facility that has excess capacity to serve the anticipated development resulting from the new development activity;
 - (b) the cost of system improvements for each public facility;
 - (c) other than impact fees, the manner of financing for each public facility, such as user charges, special assessments, bonded indebtedness, general taxes, or federal grants;
 - (d) the relative extent to which development activity will contribute to financing the excess capacity of and system improvements for each existing public facility, by such means as user charges, special assessments, or payment from the proceeds of general taxes;
 - (e) the relative extent to which development activity will contribute to the cost of existing public facilities and system improvements in the future;
 - (f) the extent to which the development activity is entitled to a credit against impact fees because the development activity will dedicate system improvements or public facilities that will offset the demand for system improvements, inside or outside the proposed development;
 - (g) extraordinary costs, if any, in servicing the newly-developed properties; and
 - (h) the time-price differential inherent in fair comparisons of amounts paid at different times.

Calculating Impact Fees

Utah Code states that for purposes of calculating an impact fee, a local political subdivision or private entity may include:

- (a) the construction contract price;
- (b) the cost of acquiring land, improvements, materials, and fixtures;

- (c) the cost for planning, surveying, and engineering fees for services provided for and directly related to the construction of the system improvements; and
- (d) for political subdivision, debt service charges, if the political subdivision might use impact fees as a revenue stream to pay the principal and interest on bonds, notes or other obligations issued to finance the costs of the system improvements.

Additionally, the Code states that each political subdivision or private entity shall base impact fee amounts on realistic estimates and the assumptions underlying those estimates shall be disclosed in the impact fee analysis.

Certification of Impact Fee Analysis

Utah Code states that an Impact Fee Analysis shall include a written certification from the person or entity that prepares the Impact Fee Analysis. This certification is included at the conclusion of this analysis.

Impact Fee Enactment

Utah Code states that a local political subdivision or private entity wishing to impose impact fees shall pass an impact fee enactment in accordance with Section 11-36a-402. Additionally, an impact fee imposed by an impact fee enactment may not exceed the highest fee justified by the impact fee analysts. An impact fee enactment may not take effect until 90 days after the day on which the impact fee enactment is approved.

CHAPTER 2: IMPACT FROM GROWTH UPON THE CITY'S FACILITIES AND LEVEL OF SERVICE

Utah Code 11-36a-304(1)(a)(c)

Transportation Service Area

The City includes one transportation service area.

Proposed Transportation Demands

The IFFP projects that new development in the City is projected to grow by an estimated 1,866 average daily trips (ADTs) between 2021 and 2031 as stated in the IFFP. This growth will use up excess capacity on existing roads and will require the expansion of existing roads or development of new roads in order to maintain the existing levels of service.

Existing and Proposed LOS Analysis

The IFFP states that the current level of service (LOS) is LOS D or better and that LOS D or better should be maintained in the future.

CHAPTER 3: IMPACT ON CAPACITY FROM DEVELOPMENT ACTIVITY

Utah Code 11-36a-304(1)(a)

Consumption of Existing Capacity

Development activity in Tremonton is based on both residential and nonresidential growth which generate increased demand on existing roads. According to Horrocks Engineers, the City's transportation engineers, there is excess capacity in the current transportation system. New development can be charged a buy-in fee, as part of the overall impact fee, for the capacity it consumes.

TABLE 3: CONSUMPTION OF EXISTING, EXCESS CAPACITY

Existing Projects	2021 Capacity	2021 Volume	2021 Excess Capacity	2030 Capacity	2030 Volume	2030 Excess Capacity
BR Mountain Road	13,000	10	12,990	13,000	2,000	11,000
1000 North	13,000	2,600	10,400	15,100	5,200	9,900
Main Street (Iowa String)	13,000	9,800	3,200	15,100	13,500	1,600
Main Street (650 West)	32,800	9,800	23,000	32,800	13,500	19,300

The actual cost of the excess capacity is \$853,414.51. Over the next 10 years, new development is projected to consume \$115,330.49 of this capacity. This is based on the additional ADTs generated by new development and the roadway capacity that will be used by these ADTs.

TABLE 4: COST OF EXCESS CAPACITY

Existing Projects	2030 Excess Capacity	2030 Excess Capacity	Actual Cost	Capacity Consumed 10 Yrs	Amount to 2021-2030
BR Mountain Road	11,000	85%	\$568,866	14.00%	\$79,641.19
1000 North	9,900	66%	\$81,756	14.00%	\$11,445.87
Main Street (Iowa String)	1,600	11%	\$64,541	14.00%	\$9,035.77
Main Street (650 West)	19,300	59%	\$138,251	11.00%	\$15,207.66
TOTAL			\$853,414.51		\$115,330.49

CHAPTER 4: SYSTEM IMPROVEMENTS REQUIRED FROM DEVELOPMENT ACTIVITY

Utah Code 11-36a-304(1)(b)(c), (2)(b)

Additional transportation improvements will be required in order to maintain established level of service of D or better. The means by which the City will meet growth demands include constructing a total of 8 projects necessitated by new development at a total cost of \$4,986,500. However, the City will only be responsible for \$4,113,680 of total costs. The IFFP further identifies \$197,420 of costs attributable to new development over the next 10 years.

TABLE 5: TREMONTON CITY PORTION OF NEW CONSTRUCTION COSTS

Project #	Location	Total Cost	Tremonton Cost	Growth in 10 Yrs	Cost Allocation, 2021-2030
4	BR Mountain Road 2650 West to west border	\$385,000	\$385,000	10%	\$39,000
5	BR Mountain Road 2300 West to Main Street	\$1,119,000	\$246,180	13%	\$32,000
10	2000 West Realignment to Project 4	\$344,000	\$344,000	0%	\$0
23a	1000 North: 2300 West to 2650 West	\$650,000	\$650,000	0%	\$0
23b	1000 North: 3100 West/Country View Drive to 2650 West	\$100,500	\$100,500	0%	\$0
26	1000 North: 1500 West to Iowa String Road	\$667,000	\$667,000	0%	\$0
67	Main Street Widening: Install Turn Lane at 1650 West	\$129,000	\$129,000	0%	\$126,420
74	1200 South Widening: 100 East to Railroad Tracks	\$1,592,000	\$1,592,000	98%	\$0
	TOTAL	\$4,986,500	\$4,113,680	0%	\$197,420

CHAPTER 5: PROPORTIONATE SHARE ANALYSIS

Utah Code 11-36a-304(1)(d)(e)

Maximum Legal Impact Fee per ADT

The Impact Fees Act requires the Impact Fee Analysis to estimate the proportionate share of the future costs for system improvements and historic cost of existing system improvements that benefit new growth that can be recouped through impact fees. The impact fee for existing assets must be based on the historic costs while the fees for construction of new facilities must be based on reasonable future costs of the system.

Buy-In Calculation for Excess Capacity

The proportionate share analysis can legally include the proportionate share of any buy-in costs associated with the excess capacity in the existing system that will be consumed as a result of new development activity, as well as the proportionate share of new construction costs necessitated by new development.

The IFFP identifies four roads with excess capacity. Based on the information provided in the IFFP, the actual cost of these roads is \$853,414.51. As shown previously in this IFFP, over the next 10 years, new development will consume \$115,330 of the cost of the total capacity of these existing roads.

TABLE 6: PROPORTIONATE SHARE CALCULATION – EXISTING EXCESS CAPACITY

Excess Capacity	Amount
Actual Cost Consumed, 2021-2030	\$115,330
Growth in ADTs, 2021-2030	1,866
Cost per ADT	\$61.81

New Construction Cost Calculation Necessitated by New Development

In order to maintain its LOS D or better, the City will need to construct additional facilities, as identified previously. New construction costs are calculated by dividing the 1,866 (ADTs) that is projected to occur during the next 10 years by \$197,420, which is the costs attributable to new development over the next 10 years to arrive at a cost per ADT of \$105.80.

TABLE 7: PROPORTIONATE SHARE CALCULATION – NEW CONSTRUCTION COSTS

Cost of New Construction	Amount
10-Year Impact-Fee Eligible New Construction Costs	\$197,420
Growth in ADTs, 2021-2030	1,866
Cost per ADT	\$105.80

Other Cost Calculations

Utah law allows for the cost of developing the Impact Fee Facility Plan and Impact Fee Analysis to be included in the calculation of impact fees. These costs are then shared proportionately among the additional trips generated between 2021 and 2030. Based on the ADT served over the next 10 years, the total cost per ADT is \$13.67.

TABLE 8: PROPORTIONATE SHARE CALCULATION – CONSULTING COSTS

Consultant Costs	Amount
Horrocks	\$20,500
ZPFI	\$5,000
Growth in ADT, 2021-2030	1,866
Cost per ADT	\$13.67

Impact Fee Fund Balance

The City does not currently charge a transportation impact fee. Therefore, there is no transportation impact fee fund balance for which a credit must be made.

Calculation of Credits

The City does not have any outstanding transportation bonds for which credits need to be made against the impact fees.

A credit must be made, however, for the portion of new construction projects that will benefit existing development. Based on input provided by Horrocks' Engineers, the following portions of the new construction projects are anticipated to benefit existing development.

TABLE 9: NEW CONSTRUCTION CREDIT AMOUNT

Project #	% to Existing	Total Cost	Cost to Existing Development
4	1.0%	\$385,000	\$3,850
5	1.0%	\$1,119,000	\$11,190
10	1.0%	\$344,000	\$3,440
23a	1.0%	\$650,000	\$6,500
23b	1.0%	\$100,500	\$1,005
26	1.0%	\$667,000	\$6,670
67	1.0%	\$129,000	\$1,290
74	1.0%	\$1,592,000	\$15,920
TOTAL		\$4,986,500	\$49,865

Therefore, a credit must be made for the \$49,865 that will benefit existing development. This credit has been calculated by dividing the cost of \$49,865 over 20 years, for a cost of \$2,493 per year. The cost attributed to each year is then divided by the estimated number of ADTs each year to arrive at a payment per ADT. This represents the average amount that will be needed, per ADT, through a source such as the General Fund. Therefore, if new development pays the entire impact fee, plus contributes through property taxes, municipal energy taxes, etc., it will pay for more than its fair share of transportation capital costs. The last step in calculating the credit is to calculate the net present value (NPV) of the annual payments and to subtract this amount from the gross impact fee.

TABLE 10: PROPORTIONATE SHARE CALCULATION – CREDITS

Year	Payment per Year	ADTs	Payment per ADT	NPV*
1	\$2,493	3,335	\$0.75	\$7.02
2	\$2,493	3,505	\$0.71	\$6.55
3	\$2,493	3,684	\$0.68	\$6.10
4	\$2,493	3,872	\$0.64	\$5.67

Year	Payment per Year	ADTs	Payment per ADT	NPV*
5	\$2,493	4,070	\$0.61	\$5.25
6	\$2,493	4,278	\$0.58	\$4.85
7	\$2,493	4,496	\$0.55	\$4.46
8	\$2,493	4,726	\$0.53	\$4.08
9	\$2,493	4,967	\$0.50	\$3.72
10	\$2,493	5,221	\$0.48	\$3.37
11	\$2,493	5,488	\$0.45	\$3.02
12	\$2,493	5,768	\$0.43	\$2.69
13	\$2,493	6,062	\$0.41	\$2.37
14	\$2,493	6,372	\$0.39	\$2.05
15	\$2,493	6,697	\$0.37	\$1.74
16	\$2,493	7,039	\$0.35	\$1.44
17	\$2,493	7,399	\$0.34	\$1.14
18	\$2,493	7,776	\$0.32	\$0.85
19	\$2,493	8,174	\$0.31	\$0.56
20	\$2,493	8,591	\$0.29	\$0.28

*NPV = net present value discounted at 4.0 percent

Summary of Impact Fees

The maximum impact fee per ADT is \$174.25, calculated by adding together the costs for buy-in to excess capacity, new construction and consultant costs and deducting a credit for benefits to existing users.

TABLE 11: SUMMARY OF COST PER ADT

	Amount
Buy-In to Existing Excess Capacity	\$61.81
New Construction	\$105.80
Consultant Costs	\$13.67
Credit for Benefits to Existing Users	(\$7.02)
TOTAL Cost per ADT	\$174.25

Due to the credits outlined previously, the maximum impact fee per ERC will increase each year as the NPV of the credits lower each year. The table below shows how this will affect the maximum impact fee that can be charged. A full schedule of the maximum impact fees per year can be found in Appendix A.

TABLE 12: MAXIMUM IMPACT FEE PER **ERC-ADT** BY YEAR

	2021	2022	2023	2024	2025
Maximum Impact Fee per ADT	\$174.25	\$174.72	\$175.17	\$175.60	\$176.02

The total cost per ADT of \$174.25 is then multiplied by the ADTs generated by various land use types according to the Institute of Traffic Engineer's Trip Generation Manual, with an adjustment for land uses that are prone to pass by trips. The more trips that are associated with a particular land use or development, the greater its impact on the transportation system.

TABLE 13: SUMMARY OF MAXIMUM IMPACT FEES

ITE Code	ITE Land Use	Unit	ITE Daily Trip Rate	Pass-By	Adjusted Trip Rate	Impact Fee
130	Industrial Park 130	1000 Sq. Feet Gross Floor Area	3.37		3.37	\$587.23
140	General Manufacturing	1000 Sq. Feet Gross Floor Area	3.93		3.93	\$684.82
150	Warehousing	1000 Sq. Feet Gross Floor Area	1.74		1.74	\$303.20
151	Mini-Warehouse	1000 Sq. Feet Gross Floor Area	1.51		1.51	\$263.12
210	Single-Family Detached Housing	Dwelling Unit	9.44		9.44	\$1,644.95
220	Multi-Family (2 stories or less - typically townhomes)	Dwelling Unit	7.32		7.32	\$1,275.53
221	Multi-Family (3-9 stories)	Dwelling Unit	5.44		5.44	\$947.94
240	Mobile Home Park	Occupied Dwelling Unit	6.49		6.49	\$1,130.90
254	Assisted Living Center	Bed	2.60		2.60	\$453.06
310	Hotel	Room	8.36		8.36	\$1,456.76
444	Movie Theater	1000 Sq. Feet Gross Floor Area	78.09		78.09	\$13,607.44
520	Elementary School	Students	1.89		1.89	\$329.34
522	Middle School / Junior High School	Students	2.13		2.13	\$371.16
530	High School	Students	2.03		2.03	\$353.73
534	Private School (K-8)	Students	4.11		4.11	\$716.18
560	Church**	1000 Sq. Feet Gross Floor Area	27.63		27.63	\$4,814.62
565	Day Care Center	1000 Sq. Feet Gross Floor Area	47.62		47.62	\$8,297.94
590	Library	1000 Sq. Feet Gross Floor Area	72.05		72.05	\$12,554.95
610	Hospital	1000 Sq. Feet Gross Floor Area	10.72		10.72	\$1,868.00
710	General Office Building	1000 Sq. Feet Gross Floor Area	9.74		9.74	\$1,697.23
720	Medical-Dental Office Building	1000 Sq. Feet Gross Floor Area	34.80		34.80	\$6,064.02
770	Business Park	1000 Sq. Feet Gross Floor Area	12.44		12.44	\$2,167.71
812	Building Material and Lumber Store	1000 Sq. Feet Gross Floor Area	18.05		18.05	\$3,145.27
817	Nursery (Garden Center)	1000 Sq. Feet Gross Floor Area	68.10		68.10	\$11,866.65
820	Shopping Center / Strip Mall	1000 Sq. Feet Gross Leasable Area	37.75	34%	24.92	\$4,341.52
840	Automobile Sales (New)	1000 Sq. Feet Gross Floor Area	27.84		27.84	\$4,851.21
841	Automobile Sales (Used)	1000 Sq. Feet Gross Floor Area	27.06		27.06	\$4,715.29
848	Tire Store	1000 Sq. Feet Gross Floor Area	28.52	28%	20.53	\$3,578.19
850	Supermarket	1000 Sq. Feet Gross Floor Area	106.78	36%	68.34	\$11,908.33

ITE Code	ITE Land Use	Unit	ITE Daily Trip Rate	Pass-By	Adjusted Trip Rate	Impact Fee
851	Convenience Market	1000 Sq. Feet Gross Floor Area	762.28	51%	373.52	\$65,086.61
912	Drive-in Bank	1000 Sq. Feet Gross Floor Area	100.03	35%	65.02	\$11,329.86
932	Restaurant, Sit-Down (High Turnover)	1000 Sq. Feet Gross Floor Area	112.18	43%	63.94	\$11,142.21
933	Fast Food without Drive-Through Window	1000 Sq. Feet Gross Floor Area	346.23	43%	197.35	\$34,389.08
934	Restaurant with Drive Through Window	1000 Sq. Feet Gross Floor Area	470.95	50%	235.48	\$41,032.30
942	Auto Care Center***	1000 Sq. Feet Gross Leasable Area	23.72		23.72	\$4,133.29
944	Gasoline/Service Station	Fueling Position	172.01	42%	99.77	\$17,384.52
945	Gasoline/Service Station with Convenience Store	1000 Sq. Feet Gross Leasable Area	1440.02	56%	633.61	\$110,408.43
947	Self Service Car Wash	Wash Stall	108.00		108.00	\$18,819.36

CHAPTER 6: MANNER OF FINANCING, CREDITS, ETC

Utah Code 11-36a-304(2)(c)(d)(e)(f)(g) and (h)

An impact fee is a one-time fee that is implemented by a local government on new development to fund and pay for the proportionate costs of public facilities (system improvements) that are needed to serve new development. As a matter of policy and legislative discretion, a City may choose to have new development pay the full cost of its proportionate share of new public facilities and existing facilities that have excess capacity to service new development through impact fees. Alternatively, local governments may elect to subsidize new development by using other sources of revenue (user charges, special assessments, bonds, taxes, grants) to pay for the new facilities required to service new development and use impact fees to recover the cost difference between the total cost of the new facilities and the other sources of revenue.

At the current time, no other sources of funding other than impact fees have been identified, but to the extent that any are identified and received in the future, then impact fees will be reduced accordingly. The City has found that it is necessary to charge an impact fee to maintain the existing level of service into the future.

Additional system improvements beyond those funded through impact fees that are desired to raise the level of service will be paid for by the community through other revenue sources such as user charges, special assessments, General Obligation bonds, general taxes, etc.

Impact Fee Credits

The Impact Fees Act requires that the IFA consider the relative extent to which new development activity will contribute to financing the excess capacity of and system improvements for new and public facilities, by such means as user charges, special assessments, or payment from the proceeds of general taxes so that new development is not charged twice. This IFA clearly identifies the amount of excess capacity to be paid for by new development. This portion of the impact fee calculation can be credited back to the General Fund as a repayment for prior investment in capital facilities.

In terms of new facilities, all impact fee amounts collected must be spent for the specific project improvements listed in the IFFP and incorporated into this IFA. No user fees, tolls, special assessments, etc., are contemplated to offset any of the costs associated with the new transportation facilities. Further, this study makes a credit for the \$49,865 of new system improvements that will benefit existing users.

Credits may also be paid back to developers who have constructed or directly funded system improvements that are included in the IFFP or donated to the City in lieu of impact fees, including the dedication of land for system improvements. This situation does not apply to developer exactions for project improvements. Any item for which a developer receives credit should be included in the IFFP and must be agreed upon with the City before construction begins.

The standard impact fee can also be decreased to respond to unusual circumstances in specific cases in order to ensure that impact fees are imposed fairly. In certain cases, a developer may submit studies and data that clearly show a need for adjustment.

Extraordinary Costs and Time Price Differential

It is not anticipated that there will be any extraordinary costs in servicing newly developed properties. To account for the time-price differential inherent in fair comparisons of amounts paid at different times, actual costs have been used to compute buy-in costs to public facilities with excess capacity and current costs have been used to compute impacts on system improvements required by anticipated development activity to maintain the established level of service for each public facility.

CERTIFICATION

Zions Public Finance, Inc. certifies that the attached impact fee analysis:

1. Includes only the costs of public facilities that are:
 - a. allowed under the Impact Fees Act; and
 - b. actually incurred; or
 - c. projected to be incurred or encumbered within six years after the day on which each impact fee is paid;

2. Does not include:
 - a. costs of operation and maintenance of public facilities;
 - b. costs for qualifying public facilities that will raise the level of service for the facilities, through impact fees, above the level of service that is supported by existing residents; or
 - c. an expense for overhead, unless the expense is calculated pursuant to a methodology that is consistent with generally accepted cost accounting practices and the methodological standards set forth by the federal Office of Management and Budget for federal grant reimbursement;

3. Offsets costs with grants or other alternate sources of payment; and

4. Complies in each and every relevant respect with the Impact Fees Act.

APPENDIX A: MAXIMUM IMPACT FEE PER ADT BY YEAR

	2021	2022	2023	2024	2025
Maximum Impact Fee per ADT	\$174.25	\$174.72	\$175.17	\$175.60	\$176.02
	2026	2027	2028	2029	2030
Maximum Impact Fee per ADT	\$176.42	\$176.81	\$177.19	\$177.55	\$177.90
	2031	2032	2033	2034	2035
Maximum Impact Fee per ADT	\$178.25	\$178.58	\$178.91	\$179.22	\$179.53
	2036	2037	2038	2039	2040
Maximum Impact Fee per ADT	\$179.83	\$180.13	\$180.42	\$180.71	\$180.99