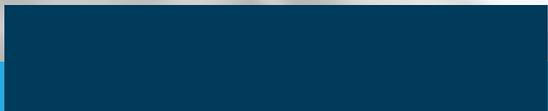




PREPARED FOR:



PREPARED BY:



NORTH SALT LAKE CITY

MAY 2023

IMPACT FEE FACILITIES PLAN (WATER)

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INTRODUCTION

The City of North Salt Lake (NSL or City) has retained Bowen Collins & Associates (BC&A) to prepare an Impact Fee Facilities Plan (IFFP). Requirements for the preparation of an IFFP are outlined in Title 11, Chapter 36a of the Utah Code (the Impact Fees Act). Under these requirements, an IFFP shall accomplish the following for each facility:

1. Identify the existing level of service
2. Establish a proposed level of service
3. Identify excess capacity to accommodate future growth at the proposed level of service
4. Identify demands placed upon existing public facilities by new development
5. Identify the means by which demands from new development will be met
6. Consider the following additional issues
 - a. revenue sources to finance required system improvements
 - b. necessity of improvements to maintain the proposed level of service
 - c. need for facilities relative to planned locations of schools

The following sections of this report have been organized to address each of these requirements. Much of the analysis forming the basis of this IFFP has been taken from the previous sections of the City's latest Water Master Plan. The reader should refer to the Water Master Plan for additional discussion of planning and evaluation methodology beyond what is contained here.

EXISTING LEVEL OF SERVICE - 11-36a-302(1)(a)(i)

Level of service is defined in the Impact Fees Act as: "the defined performance standard or unit of demand for each capital component of a public facility within a service area." This section discusses the level of service being currently provided to existing users.

Unit of Demand

The projected flow used to design and evaluate system components will vary depending on the nature of each component. For example, water rights are often evaluated based on average annual yields. Conversely, transmission pipelines must be designed based on peak hour flow. For the purposes of this analysis, it is useful to define these various demands in terms of Equivalent Residential Connections (ERCs). An ERC represents the demand that a typical single family residence places on the system. The basis of an ERC for historical flow rates is summarized in Table 1. Additional details regarding the calculation of values used in the definition of an ERC are contained in the City's Water Master Plan.

**Table 1
NSL Service Area Historic Flows**

Item	Value for Existing Conditions
Population	20,824
Equivalent Residential Connections (ERCs)	10,730
Average Day Flow (mgd)	6.11
Average Day, Indoor Flow (mgd)	2.84
Peak Day Flow (mgd)	13.8
Peak Hour Flow (mgd)	23.1
Flows per ERC	
Average Day Flow (gpd/ERC)	531
Average Day, Indoor Flow (gpd/ERC)	265
Peak Day Flow (gpd/ERC)	1,155
Peak Hour Flow (gpm/ERC)	1.50

Performance Standard

Performance standards are the standards used to design and evaluate the performance of facilities. While the Impact Fees Act includes “defined performance standard” as part of the level of service definition, this report will make a subtle distinction between performance standard, and level of service. The performance standard will be considered the desired minimum level of performance for each component, while the existing level of service will be the actual current performance of the component. Thus, if the existing level of service is less than the performance standard, it is a deficiency. If it is greater than the performance standard, it may indicate excess capacity. This section discusses the existing performance standards for the City. A subsequent section will consider existing level of service relative to these standards.

To improve the accuracy of the analysis, this impact fee facilities plan has divided the system into four different components (Production, Storage, Conveyance, and Administrative & Service). Each of these components has its own set of performance standards:

Production

Water production must be adequate to satisfy demands on both an annual and peak day basis. Production of supplies must consider seasonal limitations in supply availability and reductions in yield because of dry year conditions. Production capacity must be capable of satisfying all sources of demand including secondary demands where applicable.

Storage

Three major criteria are generally considered when sizing storage facilities for a water distribution system: operational or equalization storage, fire flow storage, and emergency or standby storage.

1. **Equalization Storage:** Equalization storage is the storage required to satisfy the difference between the maximum rate of supply and the rate of demand during peak conditions. Sources, major transmission pipelines, and pump stations are usually sized to convey peak day demands to optimize the capital costs of infrastructure. During peak hour demands, storage is needed to meet the difference in source/conveyance capacity and the increased peak instantaneous demands. Equalization storage was reviewed a few different ways for the City including reviewing the typical water use patterns of the City and comparing it to State of Utah minimum storage recommendations.
2. **Fire Flow Storage:** Fire flow storage is the amount of water needed to combat fires occurring in the distribution system. This storage is calculated based on the fire flow rate for structures in each area of the system multiplied by a specified duration as required by the fire authority. The City’s fire authority is the South Davis Metro Fire. Typical residential homes require a fire flow of 1,500 gpm for a duration of 2 hours (180,000 gallons). Typical commercial facilities require a fire flow of at least 2,000 gpm for a duration of 2 hours (240,000 gallons). For some buildings in the City, the fire authority requires even greater fire flow. The maximum fire flow possible with fire sprinkler protection (common for industrial) is 4,000 gpm for 4 hours (960,000 gallons). This is the assumed fire storage needed for the lowest tank service area in the City where the larger customers are located.
3. **Emergency Storage:** Emergency or standby storage is the storage needed to meet demands in the event of an emergency such as a failure at a production well, booster pump, or treatment plant, or a line break or other unexpected event. The State of Utah recommended sizing standard includes some buffer for emergency storage.

Storage requirements are calculated for the system as a whole and for each individual zone.

Conveyance (Transmission, Distribution, and Pumping)

Based on input from City staff, the following criteria were used as the performance standards for major conveyance facilities:

1. The system was evaluated for existing conditions and projected conditions at buildout. Each demand scenario included model runs at both peak day and peak hour demand.

2. NSL requires pumps to deliver water from wells and lower pressure zones to higher pressure zones. Pumping stations must be sized to deliver flow to destination storage reservoirs such that the level in the reservoirs at the end of a peak day of demand is the same as the level in the reservoir at the beginning of the day. In addition, each pressure zone should have sufficient redundant capacity such that it can experience a failure of one of the pumps in the zone and still meet the peak day demands as described above. In essence, pump stations must be sized to reliably satisfy peak day demands in their respective service areas.
3. Under peak hour demand, the system must be capable of limiting the maximum rate of draining in all system tanks and reservoirs to two times the tank or reservoir's size (e.g., - a 1-million-gallon tank will drain at a rate of two mgd or less during the peak hour). This criterion limits the fluctuation of all tanks and reservoirs to 50 percent of their total volume during a peak day and ensures operational storage is adequate.
4. The system should be capable of maintaining 40 psi during peak day demand and 30 psi during peak hour demand.
5. If any major source fails or is off-line, the system must be capable of conveying water from the remaining sources to all points of demand at a demand rate equal to the production rate of the remaining sources.
6. If any major transmission line fails or is off-line, the system must be capable of delivering water from other delivery points sufficient to satisfy average day demand conditions.
7. Per requirements of the State of Utah, the system must be able to meet fire flow demands and still maintain greater than 20-psi residual pressure in the distribution system under peak day demand conditions. Fire flow demands were set at 1,500 gpm for residential areas, with higher custom fire flows for a few other large structures as established by the fire authority.

Administrative and Service Buildings

In addition to the water system needs, NSL personnel need to be able to provide administrative and service functions for the City to satisfy NSL customers. Generally, the City considers its existing administrative and service buildings satisfactory for existing needs and believes they will be satisfactory for future needs as well.

Existing Level of Service

Existing level of service has been divided into the same five components as identified for the system performance standard (production capacity, storage, conveyance, and buildings). Existing level of service values are summarized in Table 2 below. For comparison purposes, Table 2 also includes a summary of the existing performance standards.

**Table 2
Existing Performance Standards and Level of Service
for Various System Requirements**

	Existing Performance Standard	Existing Level of Service¹
Production		
Production Capacity (gpd/ERC)	1,155	1,508
Storage		
Storage (gallons/ERC) ²	542	837 ³
Conveyance (Transmission, Pumping, and Distribution)		
Culinary Peak Day Demand Pressure (psi) / Percent of System that Meets the Standard	40 / 100%	99.86%
Culinary Peak Hour Demand Pressure (psi) / Percent of System that Meets the Standard	30 / 100%	99.50%
Minimum Available Fire Flow at 20 psi during Peak Day Demand (gpm) / Percent of System that Meets the Standard	1,500 ⁴ / 100%	95.45%
Maximum Pipe Velocity Peak Hour (feet per second) / Percent of System that Meets Standard	7.0 / 100%	97.24%
Pumping Capacity (gpd/ERC)	1,155	1,151 ⁵
Administrative & Service		
Administrative and Service Buildings	Satisfactory	Satisfactory

¹ Existing level of service represents level available, not necessarily level used. For example, the storage being used per ERC will be 542 gallons even though the amount available is 837 gallons.

² Does not include fire storage volumes in calculation.

³ Provided for storage in the system as a whole. Deficiencies may exist in individual pressure zones.

⁴ Required fire flow indicated is for newer residential neighborhood. Fire flow may be lower or higher based on fire authority requirements.

⁵ Existing level of service shown for only worst case pump station. Existing level of service is adequate for most pump stations, but there is a small reliable pumping capacity deficiency in the lowest pump station. However, that pump delivers flow to all of the upper pressure zones.

In some cases, the City’s performance standard is higher than the existing level of service and indicates there is some deficiency in the existing system. In most cases, this is associated with limited locations in the existing system and excess capacity still may exist in other parts of the system. Excess capacity and curing of deficiencies will be discussed in subsequent sections of

this report. Costs for projects to correct deficiencies that do not meet the required level of service will not be included as part of the impact fee as required by the Impact Fee Act.

PROPOSED LEVEL OF SERVICE - 11-36a-302(1)(a)(ii)

The proposed level of service is the performance standard used to evaluate system needs in the future. The Impact Fees Act indicates that the proposed level of service may:

1. diminish or equal the existing level of service; or
2. exceed the existing level of service if, independent of the use of impact fees, the City implements and maintains the means to increase the level of service for existing demand within six years of the date on which new growth is charged for the proposed level of service.

By definition, the proposed level of service will be equal to the performance standard and will not change.

**Table 3
Proposed Performance Standards and Level of Service
for Various System Requirements**

	Proposed Performance Standard	Proposed Level of Service
Production		
Production Capacity (gpd/ERC)	1,155	1,155
Storage		
Storage (gallons/ERC) ¹	542	542
Conveyance (Transmission, Pumping, and Distribution)		
Culinary Peak Day Demand Pressure (psi) / Percent of System that Meets the Standard	40 / 100%	100%
Culinary Peak Hour Demand Pressure (psi) / Percent of System that Meets the Standard	30 / 100%	100%
Minimum Available Fire Flow at 20 psi during Peak Day Demand (gpm) / Percent of System that Meets the Standard	1,500 ² / 100%	100%
Maximum Pipe Velocity Peak Hour (feet per second) / Percent of System that Meets Standard	7.0 / 100%	100%
Pumping Capacity (gpd/ERC)	1,155	1,155
Administrative & Service		
Administrative and Service Buildings	Satisfactory	Satisfactory

¹ Does not include fire storage volumes in calculation.

² Required fire flow indicated is for newer residential neighborhood. Fire flow may be lower or higher based on Fire Authority requirements.

EXCESS CAPACITY TO ACCOMMODATE FUTURE GROWTH (11-36A-302(1)(A)(III))

Projected future growth will be met through a combination of available excess capacity in existing facilities and construction of additional capacity in new facilities. Defining existing system capacity in terms of a single number is difficult. To improve the accuracy of the analysis, we have divided the system into four different components (Production, Storage, Conveyance, and Administrative & Service). The purpose of this breakdown is to consider the available capacity for each component individually. Excess capacity in each component of the system is as follows:

Production

The Water Master Plan includes an analysis of available supply to service existing and projected demands. This analysis includes consideration of annual supply and peak production capacity. Existing sources within the City, which includes groundwater wells will be utilized proportionally by existing and future users to reduce overall treated water purchase costs from Weber Basin Water Conservancy District (WBWCD). Table 4 summarizes how excess source capacity in the City will be divided based on source type.

**Table 4
Excess Capacity in City Sources**

Facilities	Percent to Existing	Percent to 10-Year	Percent to Growth Beyond 10-Year
Wells & Secondary	82.5%	6.1%	11.4%

Storage

The City owns and operates many storage reservoirs. There are currently no existing storage deficiencies in the City’s water system because of new storage reservoirs that have been constructed. Several of the newly constructed reservoirs have excess capacity to support impending growth. In addition, the City is in the process of constructing additional secondary facilities to convert some of its existing culinary demand to secondary. As a result, for the purpose of this analysis; culinary and secondary storage requirements have been added together for evaluation.

The projected use of excess capacity in the existing storage reservoirs is summarized in Table 5. For the purposes of this calculation, only equalization storage is shown. Since both existing and future users will benefit from fire flow and emergency storage, using the percentages shown in the table divides these components proportionally based on demands as summarized in the table.

**Table 5
Excess Storage Capacity**

Storage Facilities	Existing Equalization Storage Requirement (MG)	10-Year Storage Requirement (MG)	Buildout Storage Requirement (MG)	Percent to 10-Year
5480 #1 and #2	1,621,600	1,700,000	1,700,000	4.6%
5200 #1 and #2 (2.0), Gary Way Tank (0.35)	1,512,000	1,512,000	1,620,000	0.0%
Alger Tank	230,400	230,400	270,000	0.0%
Steel Tank	144,000	144,000	160,000	0.0%
Eaglewood Tank	66,000	66,000	66,000	0.0%
Morton (2.0), Donut (2.5), 350 E (0.5)	2,100,000	3,218,526	3,920,000	28.5%
Total	5,674,000	6,870,926	7,736,000	15.5%

Conveyance (Transmission, Distribution, and Pumping)

To calculate the percentage of existing capacity to be used by future growth in existing facilities, existing and future flows were examined in system modeling. Because pipelines and pump stations are closely related within the operation of the system, these two components were grouped for the purposes of this analysis. The method used to calculate excess capacity available for use by future flows is as follows:

1. **Calculate Flows** – The peak flow in each facility was calculated in the model for both existing and future flows. The maximum capacity of each facility was also calculated. Defining an absolute maximum capacity in water system facility is difficult because capacity is a function of both pipeline size (with corresponding velocity) and required delivery pressure. In water distribution systems, however, a common design guideline is to limit velocities to less than 7 ft/sec. This has been used as the definition for maximum capacity of pipelines in this analysis.
2. **Identify Available Capacity** – Where a facility has capacity more than projected flows at buildout, the available capacity in the facility was defined as the difference between existing flows and buildout flows. Where the facility has capacity less than projected flows at buildout, the available capacity in the facility was defined as the difference between existing flows and the facility’s maximum capacity.
3. **Eliminate Facilities without Excess Capacity** – For the planning window period (in

this case, 10 years), the projected growth in flow during the planning window was compared against the facility’s available capacity. Where the future flow exceeded the capacity of the facility, the available excess capacity is zero. By definition, this corresponds to those facilities with deficiencies that are identified in the facilities plan. By assigning a capacity of zero, this eliminated double counting those facilities against new users.

4. **Calculate Percent of Excess Capacity Used in Remaining Facilities** – Where the future flow was less than the capacity of the facility, the percent of excess capacity being used in each facility was calculated by dividing the growth in flow in the facility (future flow less existing flow) by the total capacity (existing flow plus available capacity).
5. **Calculate Excess Capacity for the System as a Whole** – Each pipeline in the system has a different quantity of excess capacity to be used by future growth. To develop an estimate of excess capacity on a system wide basis, the capacities of each of these pipelines and their contribution to the system as a whole must be considered. To do this, each pipeline must first be weighted based on its estimated cost. For this purpose, each pipeline has been weighted based on the product of its diameter and length (which increase linearly with cost). For example, a pipe that is 16 inches in diameter and is 4,000 ft. long will cost proportionally more than a pipe that is 10 inches in diameter and 300 ft. long. The excess capacity in the system as a whole can then be calculated as the sum of the weighted capacity used by future growth divided by the sum of total weighted capacity in the system.

Based on the method described above, the amount of excess capacity in existing facilities available to accommodate future growth and the demands placed on the existing facilities by new development activity has been calculated for each element in the system by BC&A. Table 6 summarizes the percentage of system pipes used by existing, growth in the 10-year planning window, and for demands associated with growth beyond the 10-year planning window.

**Table 6
Excess Capacity in Existing Transmission / Pumping Facilities**

Transmission & Pumping Projects	Percent to Existing	Percent to 10-Year	Percent to Growth Beyond 10-Year
Deer Hollow Secondary ¹	68.6%	22.8%	8.6%
All other areas	79.7%	5.2%	15.1%
Weighted Average for All Areas	78.6%	6.9%	14.5%

¹ The Deer Hollow secondary service area includes areas where secondary water is being expanded to free up culinary capacity. As a result, the secondary facilities for this area will be treated separately from the rest of the City.

Administrative & Service

Use of the City’s administrative and service buildings will be based on proportional growth in ERCs because the City believes the existing facilities will meet the needs of future growth through buildout. Based on the 10-year growth in ERCs, percent used by future growth is listed in Table 7.

**Table 7
Excess Admin / Building Capacity**

Administration Facilities	Percent to Existing	Percent to 10-Year	Percent to Growth Beyond 10-Year
Admin & Maintenance Facilities	82.5%	6.1%	11.4%

DEMANDS PLACED ON FACILITIES BY NEW DEVELOPMENT - 11-36A-302(1)(A)(IV)

Growth and new development in the City are discussed in the City’s Water Master Plan. These growth projections are based on development plans submitted to the City, and planning guidance provided by North Salt Lake personnel. These projections include consideration of developable area, zoning, the nature of surrounding development, designated open space and other factors. Additional information on growth projections is included in the Water Master Plan. Future growth as projected in the Water Master Plan is shown in Table 8.

**Table 8
Projected NSL Water System Growth**

Year	Total ERCs	Average Day (gpm)	Peak Day (gpm)
2020	10,635	4,206	9,404
2022	10,730	4,241	9,553
2025	10,976	4,332	9,943
2030	11,363	4,474	10,594
2032	11,517	4,531	10,854
2035	11,754	4,618	11,245
2040	12,222	4,791	12,013
2045	12,466	4,880	12,335
2050	12,630	4,941	12,544
2055	12,763	4,990	12,753
2060	12,881	5,033	12,963
2065	12,999	5,077	13,172

INFRASTRUCTURE REQUIRED TO MEET DEMANDS OF NEW DEVELOPMENT - 11-36a-302(1)(a)(v)

To satisfy the requirements of state law, the effect of demand placed upon existing system facilities by future development was evaluated using the process outlined below. Each of the steps was completed as part of this plan's development. More description of the methodology used in the process outlined below can be found in the Water Master Plan.

1. **Existing Demand** – The demand existing development places on the City's system was estimated based on historic water use and flow records.
2. **Existing Capacity** – The capacities of existing system collection facilities were estimated using size data provided by the City and a hydraulic computer model. The capacities of existing production and pumping facilities were taken from the City's water system model.
3. **Existing Deficiencies** – Existing deficiencies in the system were looked for by comparing defined levels of service against calculated capacities.
4. **Future Demand** – The demand future development will place on the system was estimated based on development projections as discussed in a previous section.
5. **Future Deficiencies** – Future deficiencies in the collection system were identified using defined level of service and results from the computer model.
6. **Recommended Improvements** – Needed system improvements were identified to remedy existing deficiencies and meet demands associated with future development.

The steps listed above “identify demands placed upon existing public facilities by new development activity at the proposed level of service; and... the means by which the political subdivision or private entity will meet those growth demands” (Section 11-36a-302(1)(a) of the Utah Code).

10-Year Improvement Plan

In the City's Water Master Plan, capital facility projects needed to provide service to various parts of the City at projected ten-year and buildout scenarios were identified. Most of these projects will need to be constructed in phases as development occurs. Only infrastructure to be constructed within a ten-year horizon will be considered in the calculation of these impact fees to avoid uncertainty surrounding improvements further into the future. Table 9 summarizes the components of projects identified in the Water Master Plan that will need to be constructed within the next ten years. Details associated with the costs used for each project are contained in the Water Master Plan. Projects that exclusively resolve existing deficiencies or maintenance needs have been excluded from the list of projects.

Table 9
Project Costs Allocated to Projected Development, 10-year Planning Window¹

Capital Project	Project Cost	Existing	10-Year	Buildout	Existing Cost	10-Year Cost	Cost to Growth Beyond 10-years
New Well / Honey Well - Replacement & Repair Designs	\$55,000	82.5%	6.1%	11.4%	\$45,400	\$3,329	\$6,272
Honey Well Building Repair	\$328,000	82.5%	6.1%	11.4%	\$270,747	\$19,851	\$37,402
New Well Replacement - Well Drilling	\$1,126,000	82.5%	6.1%	11.4%	\$929,454	\$68,147	\$128,399
New Well Replacement - Equipping and Backup Power	\$2,438,000	82.5%	6.1%	11.4%	\$2,012,441	\$147,552	\$278,007
Hughes Well - Equipping	\$1,710,000	82.5%	6.1%	11.4%	\$1,411,515	\$103,492	\$194,993
W1 - WBWCD Orchard Bypass to Zone 3	\$258,000	82.5%	6.1%	11.4%	\$212,965	\$15,615	\$29,420
Subtotal - Production	\$5,915,000				\$4,882,521	\$357,986	\$674,492
Sec Water - Mtn View, Skyview, Wildflower, Segó Lily	\$562,000	0.0%	60.7%	39.3%	\$0	\$340,916	\$221,084
Secondary Water - Elk Hollow, Rosewood, Elk Hol Cir.	\$921,000	0.0%	60.7%	39.3%	\$0	\$558,689	\$362,311
Sec Water - Woodcrest, Tanglewood N, Sunflower Cir	\$658,000	0.0%	60.7%	39.3%	\$0	\$399,150	\$258,850
Subtotal - Conveyance	\$2,141,000				\$0	\$1,298,756	\$842,244
Total	\$8,056,000				\$4,882,521	\$1,656,742	\$1,516,737

¹ Costs have been adjusted for inflation (3% per year)

Project Cost Attributable to Future Growth

To satisfy the requirements of state law, Table 9 provides a breakdown of the capital facility projects and the percentage of the project costs attributed to existing and future users. As defined in Section 11-36a-102(15), the impact fee facilities plan should only include the proportionate share of “the cost of public facilities that are roughly proportionate and reasonably related to the service demands and needs of any development activity.” While several of the projects identified in the table are required solely to meet future growth, some projects also provide a benefit to existing users. Projects that benefit existing users include those projects addressing existing capacity needs and maintenance related projects.

For some projects, the division of costs between existing and future users is easy because 100 percent of the project costs can be attributed to one category or the other (e.g., infrastructure needed solely to serve new development can be 100 percent attributed to new growth, while projects related to existing condition or capacity deficiencies can be 100 percent attributed to existing user needs). For projects needed to address both existing deficiencies and new growth or where a higher level of service is being proposed, costs have been divided proportionally between existing and future users based on their needs in the facility. These percentages have been calculated based on flows in each facility as calculated in the hydraulic model. A few additional notes regarding specific projects are as follows:

- **Water Supply Projects** – Many of the projects included in Table 9 consist of source reliability and redundancy projects intended to improve the level of service of existing sources. Several well projects are included to improve redundancy of groundwater sources. In addition, a new bypass project to use WBWCD is included that will increase available capacity from WBWCD and reduce pumping costs for the City. These costs are shared by existing and future users proportionally.
- **Culinary to Secondary Conversion Project** – The primary reason the City is converting existing culinary water users to secondary water for outdoor irrigation is because the City has no excess culinary groundwater supply to support future growth. In addition, existing culinary pump stations have exceeded their reliable capacity (all pumps are required for operation rather than maintaining one backup pump). Therefore, the secondary water system for the Deer Hollow service area is needed both to support outdoor irrigation for developing growth in the upper pressure zones of the City and to free up culinary water for their use. By converting existing culinary users to secondary outdoor irrigation, the City frees up available groundwater and culinary pumping capacity for use by future users and reduces reliance on more expensive WBWCD treated water.

Table 9 does not include bond costs related to paying for impact fee eligible improvements. These costs, if any, will be considered as part of the impact fee analysis.

Project Cost Attributable to 10-Year Growth

Included in Table 9 is a breakdown of capacity associated with growth both at full build-out and through the next 10-years. This is necessary because many of the projects identified in the table will be built with capacity to accommodate flows or service beyond the 10-year growth window.

This has been done following the same general process as described above.

Basis of Construction Cost Estimates

The costs of construction for projects to be completed within ten years have been estimated based on past experience with projects of a similar nature both inside and outside of the City. Additional details are provided in the Water Master Plan.

ADDITIONAL CONSIDERATIONS

MANNER OF FINANCING - 11-36a-302(2)

The City may fund the infrastructure identified in this IFFP through a combination of different revenue sources.

Federal and State Grants and Donations

Impact fees cannot reimburse costs funded or expected to be funded through federal grants and other funds that the City has received for capital improvements without an obligation to repay. Grants and donations are not currently contemplated in this analysis. If grants become available for constructing facilities, impact fees will need to be recalculated and an appropriate credit given. Any existing infrastructure funded through past grants will be removed from the system value during the impact fee analysis.

Bonds

None of the costs contained in this IFFP include the cost of bonding. The cost of bonding required to finance impact fee eligible improvements identified in the IFPP may be added to the calculation of the impact fee. This will be considered in the impact fee analysis.

Interfund Loans

Because infrastructure must be built ahead of growth, there often arise situations in which projects must be funded ahead of expected impact fee revenues. In some cases, the solution to this issue will be bonding. In others, funds from existing user rate revenue will be loaned to the impact fee fund to complete initial construction of the project and will be reimbursed later as impact fees are received. Consideration of potential interfund loans will be included in the impact fee analysis and should be considered in subsequent accounting of impact fee expenditures.

Impact Fees

It is recommended that impact fees be used to fund growth-related capital projects as they help to maintain the proposed level of service and prevent existing users from subsidizing the capital needs for new growth. Based on this IFFP, an impact fee analysis will be able to calculate a fair and legal fee that new growth should pay to fund the portion of the existing and new facilities that will benefit new development.

Developer Dedications and Exactions

Developer exactions are different from grants. If a developer constructs a system improvement or dedicates land for a system improvement identified in this IFFP or dedicates a public facility that is recognized to reduce the need for a system improvement, the developer will be entitled to an appropriate credit against that particular developer's impact fee liability or a proportionate reimbursement.

If the value of the credit is less than the development's impact fee liability, the developer will owe the balance of the liability to the City. If the recognized value of the improvements/land dedicated is more than the development's impact fee liability, the City must reimburse the difference to the developer from impact fee revenues collected from other developments.

It should be emphasized that the concept of impact fee credits pertains to system level improvements only. Developers will be responsible for the construction of project improvements (i.e., improvements not identified in the impact fee facilities plan) without credit against the impact fee.

NECESSITY OF IMPROVEMENTS TO MAINTAIN LEVEL OF SERVICE - 11-36a-302(3)

According to State statute, impact fees cannot be used to correct deficiencies in the City's system and must be necessary to maintain the proposed level of service established for all users. Only those facilities or portions of facilities that are required to maintain the proposed level of service for future growth have been included in this IFFP. Additionally, any portion of projects being used to cure existing deficiencies that will be paid for through future user rates will be accounted for through an impact fee credit to be calculated as part of the impact fee analysis. This will result in an equitable fee as future users will not be expected to fund any portion of the facilities that will benefit existing residents.

IMPACT FEE CERTIFICATION 11-36A-306(1)

This IFFP has been prepared in accordance with Utah Code Title 11 Chapter 36a (the “Impact Fees Act”), which prescribes the laws pertaining to the imposition of impact fees in Utah. The accuracy of this IFFP relies in part upon planning, engineering, and other source data, provided by the City and its designees.

In accordance with Utah Code Annotated, 11-36a-306(1), Bowen Collins & Associates makes the following certification:

I certify that the attached impact fee facilities plan:

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; or
 - 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; and
3. Complies in each relevant respect with the Impact Fees Act.



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