

A RESOLUTION ADOPTING THE 2022 REGIONAL WATER IMPACT FEE FACILITIES PLAN AND IMPACT FEE ANALYSIS, ENACTING AN IMPACT FEE PURSUANT TO THE IMPACT FEE FACILITIES PLAN AND IMPACT FEE ANALYSIS, AND PRESCRIBING RELATED POLICY AND PROCEDURE

WHEREAS, the Washington County Water Conservancy District (District) is a political subdivision of the State of Utah, duly authorized and organized pursuant to Utah law;

WHEREAS, the District is authorized pursuant to Title 11, Chapter 36a, Utah Code Annotated, as amended (Impact Fees Act), to impose impact fees as a condition of development approval, which impact fees are used to mitigate the impact of new development on public infrastructure necessary for supplying water;

WHEREAS, the District desires to assess impact fees as a condition of development approval in order to appropriately assign the costs of public infrastructure necessitated by new development to the new development;

WHEREAS, the District currently assesses a regional water impact fee under the 2017 Regional Impact Fee Facilities Plan and Analysis adopted September 20, 2017 in the Regional District Service Area encompassed in **Exhibit 1: District Regional Service Area**;

WHEREAS, the District has directed Applied Analysis and Bowen Collins & Associates, Inc. (Consultants), to prepare an Impact Fee Facilities Plan (IFFP) and Impact Fee Analysis (IFA) consistent with the Impact Fees Act, which are included in **Exhibit 2: 2022 Regional Water Impact Fee Facilities Plan & Analysis**;

WHEREAS, the IFFP and IFA recommend updating the fees currently assessed in the Regional District Service Area;

NOW THEREFORE, the Board of Trustees of the Washington County Water Conservancy District RESOLVES and ENACTS as follows:

Section 1 PURPOSE

Pursuant to the requirements of the Impact Fees Act, this Impact Fee Resolution (Resolution) (i) adopts the 2022 Regional Water Impact Fee Facilities Plan and Analysis, (ii) modifies and enacts the District's regional water impact fee pursuant to the Plan and Analysis, and (iii) adopts related policy and procedure.

Section 2 DEFINITIONS AND EXHIBITS

Words and phrases that are defined in the Act have the same definition in this Resolution. The exhibits referenced are incorporated herein.

Section 3 NOTICE

1. Pursuant to sections 11-36a-501 and 503 of the Impact Fees Act, notice of intent to prepare the IFFP and IFA was published on the Utah Public Notice Website, as included in **Exhibit 3**.
2. Pursuant to and within the timeframes required by sections 11-36a-502 and 11-36a-504 of the Impact Fees Act and 17B-1-111 of the Utah Code Annotated, the District (see **Exhibit 4**):
 - a. Posted notice of the public hearing on the IFFP, IFA and this Resolution in at least three public places within the District.
 - b. Made a copy of this Resolution, the IFFP and IFA, and summaries of the IFFP and IFA designed to be understood by a lay person available to the public.
 - c. Placed a copy of the IFFP, IFA and the summaries thereof in each public library in the District.
 - d. Published notice of the District's intent to adopt the 2022 Regional Water Impact Fee Facilities Plan and Analysis and Impact Fee Enactment Modifying the Current Water Impact Fee and Notice of Public Hearing on the Same on the Utah Public Notice Website.
3. Additionally, the District (see **Exhibit 4**):
 - a. Placed a copy of this Resolution in each public library in the District.
 - b. Published this Resolution, the IFFP, IFA and the summaries thereof on the District website.
4. Before approving this Resolution, the District held a public hearing on September 27, 2022.

Section 4 ADOPTION OF THE 2022 REGIONAL WATER IMPACT FEE FACILITIES PLAN AND ANALYSIS

The IFFP identifies the existing level of service and establishes a proposed level of service; identifies excess capacity in existing water supply facilities that can partially accommodate future growth at the proposed level of service; identifies demands placed upon water supply facilities by new development activity at the proposed level of service; and identifies the means by which the District plans to meet those demands. See U.C.A. §11-36a-302. The IFA identifies the anticipated impact of development activity on system improvements consisting of existing water supply facilities with excess capacity, as well as the anticipated impact of development activity on system improvements consisting of future water supply facilities that will be required by development activity to maintain the established level of service; demonstrates how the anticipated impacts are reasonably related to the development activity; estimates the proportionate share of the costs for existing capacity that will be recouped and the costs of impacts on system improvements that are reasonably related to the new development activity; and identifies how the impact fee was calculated. See U.C.A. §11-36a-302.

The Board hereby adopts the 2022 Regional Water Impact Fee Facilities Plan and Analysis with the following edits:

- 1) Minor punctuation, font, spacing, capitalization, and language consistency corrections.
- 2) Revision of the last sentence of the second paragraph on page 2 to read: “As part of the impact fee, new development will pay its proportionate share of the original cost of these existing facilities based on the percentages as shown in Table 10.”
- 3) Update footnote 4 to reference final Regional Master Plan.
- 4) Add “from IFFP” to the second sentence on page 10, so that it reads: “The Consultants developed this IFA using information from the Master Plan, from the IFFP, and provided by the District as identified herein.”
- 5) Update project year for Cottam Well 3 to 2023 in Table 7.
- 6) Renumber footnotes to correct absence of footnote 18.
- 7) Revision of second sentence of the fourth paragraph on page 16 to include Sullivan Wells 1 MG Tank.

Section 5 IMPACT FEE ENACTMENT

1. Service Area. The service area for the Washington County Water Conservancy District 2022 Regional Water Impact Fee Facilities Plan and Analysis is the District Regional Service Area, which is any area shown in **Exhibit 1** (District Regional Service Area) that is served or capable of being served by the District’s regional system, as approved by the District. These areas consist of District retail customers and municipal wholesale partners under the Revised Regional Water Service Agreement (January 1, 2019), as amended (RWSA). Thus, the impact fee will be assessed to new development served by any party to the RWSA. See U.C.A. §11-36a-402(1)(a). The impact fees are imposed solely for water infrastructure system improvements for the District’s regional water system.¹

Schedule of Impact Fees. The impact fee is calculated based on one ERC which is served by a ¾-inch meter size or smaller. The IFA calculates the full impact fee permitted to be charged under the Impact Fees Act to be \$14,044 (in 2022 dollars) per ERC. The Board hereby adopts a reduction in the impact fee of \$544 per ERC so that the impact fee per ERC is \$13,500. The schedule shows the ERCs calculated for each meter size and development type starting with a ¾-inch residential meter size or smaller and the corresponding impact fee in 2022 dollars. See UCA § 11-36a-402(1)(b)(i). For standard residential and non-residential

¹ Pursuant to separate impact fee plans and enactments already enacted or to be enacted, additional impact fees related to retail costs including distribution, transmission, and storage for the District’s retail water system will be assessed to new development in the retail system, in addition to the impact fee enacted in this Resolution. These additional impact fees do not recover any portion of the costs or capacities included in the impact fee enacted in this Resolution.

development activity, the Board adopts the schedule of impact fees included in Table 13 (Standard Impact Fee Schedule) of the 2022 Regional Impact Fee Facilities Plan and Analysis with the corresponding reduction in the impact fee per ERC.

2. Impact Fee Calculation Formula. For non-standard residential and non-residential development activity, the Board adopts the formula included in the IFA under the section titled “UCA 11-36a-304(1)(e): Impact Fee Calculation” as the formula for calculating the impact fee. See U.C.A. § 11-36a-402(1)(b)(ii).

3. Adjustments.

- a. The District may adjust the standard impact fee at the time it is charged to respond to:
 - i. Unusual circumstances in specific cases; or
 - ii. A 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 for a public facility for which an impact fee has been or will be collected.

See U.C.A. § 11-36a-402(1)(c)(i).

- b. The District may adjust the standard impact fee at the time it is charged to ensure the impact fees are imposed fairly. To this end, the General Manager may, from time to time, adopt administrative practices for determining the number of ERCs a particular type of development will use and adjusting the standard impact fee according to that determination.

See U.C.A. § 11-36a-402(1)(c)(ii).

- c. The District may adjust an impact fee to be imposed on a particular development based on studies and data submitted by the developer. See U.C.A. § 11-36a-402(1)(d).

4. Developer Credits.

- a. A developer, including a school district or charter school, is permitted to receive a credit against or proportionate reimbursement of an impact fee if the developer:
 - i. dedicates land for a system improvement;
 - ii. builds and dedicates some or all of a system improvement; or
 - iii. dedicates a public facility that the District and the developer agree will reduce the need for a system improvement.

See U.C.A. § 11-36a-402(2).

- b. A developer will receive a credit 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:
 - i. are system improvements; or

- ii. are dedicated to the public and offset the need for an identified system improvement.
See § U.C.A. 11-36a-402(3).

Section 6 ADOPTION OF RELATED POLICY AND PROCEDURE

1. Impact Fee Accounting. The District will follow the procedures set forth in Utah Code Annotated Section 11-36a-601.
2. Refunds. When a refund is required pursuant to Utah Code Annotated Section 11-36a-603, the District will follow the procedures therein for refunding impact fees. An impact that would preclude a developer from a refund may include any impact reasonably identified by the District, including, but not limited to, the District having sized facilities and/or paid for, installed and/or caused the installation of facilities based, in whole or in part, upon the Developer's planned development activity even though that capacity may, at some future time, be utilized by another development. Under circumstances not governed by Utah Code Annotated Section 11-36a-603 where the District determines a refund is appropriate, the District will refund the impact fee to the owner of the parcel, unless other arrangements are made in a signed writing by the owner and the party requesting the refund.
3. Other Impact Fees. To the extent allowed by law, the Board may negotiate or otherwise impose impact fees and other fees different from those currently charged. Those charges may, at the discretion of the Board, include, but not be limited to, reductions or increases in impact fees, all or part of which may be reimbursed to the developers who assist in funding growth-related water facilities.
4. Additional Fees and Costs. The impact fees authorized hereby are separate from and in addition to user fees and other charges lawfully imposed by the District.
5. Fees Effective at Time of Payment. Unless the District is otherwise bound by a contractual requirement, the impact fee will be determined from the impact fee schedule or formula in effect at the time of payment.
6. Imposition of Additional Fee or Refund After Development. Should any developer undertake development activities such that the ultimate density or other impact of the development activity is not revealed to the District, either through inadvertence, neglect, a change in plans, or any other cause whatsoever, and/or the impact fee is not initially charged against all impacts, units or the total density within the development, the District will be entitled to charge the appropriate impact fee to the developer or other appropriate person covering the portion for which an impact fee was not previously paid.
7. Waiver for "Public Purpose". The District Board may, on a project-by-project basis, authorize exceptions or adjustments to the then Impact Fee rate structure for those

projects the District Board determines to be of such benefit to the community as a whole to justify the exception or adjustment. Such projects may include facilities being funded by tax-supported agencies, affordable housing projects, or facilities of a temporary nature. See U.C.A. §11-36a-403. The District Board may elect to waive or adjust impact fees in consideration of economic benefits to be received from the developers' activity. Applications for exceptions or adjustments are to be filed with the District at the time the applicant first requests the extension of service to the applicant's development or property.

8. Appeal Procedure. Any person or entity that has paid an impact fee pursuant to this Resolution may challenge the impact fee by filing: (i) an appeal to the District pursuant to paragraph a, b and c of this subsection as authorized pursuant to Utah Code Annotated Section 11-36a-703(1); (ii) a request for arbitration as provided in Utah Code Annotated Section 11-36a-705; or (iii) an action in state district court as provided in Utah Code Annotated Section 11-36a-703(2)(c).
 - a. Application. Any person or entity that has paid an impact fee pursuant to this Resolution may challenge or appeal the impact fee by filing a written notice of appeal with the District within one year after the day on which the person or entity pays the impact fee.
 - b. Hearing. Upon receiving the written notice of appeal, the District will set a hearing date to consider the merits of the challenge or appeal. The person or entity challenging or appealing the fee may appear at the hearing and present any written or oral evidence deemed relevant to the challenge or appeal. Representatives of the District may also appear and present evidence to support the imposition of the fee.
 - c. Decision. The hearing panel, which shall consist of the District Board or such other body as the Board designates, will hold a hearing and make a decision within 30 days after the date the written notice of appeal is filed with the District.

Section 7 MISCELLANEOUS

1. Severability. If any section, subsection, paragraph, clause or phrase of this Resolution shall be declared invalid for any reason, such decision shall not affect the remaining portions of this Resolution, which shall remain in full force and effect, and for this purpose, the provisions of this Resolution are declared to be severable.
2. Interpretation. This Resolution has been divided into sections, subsections, paragraphs and clauses for convenience only and the interpretation of this Resolution shall not be affected by such division or by any heading contained herein.
3. Effective. This Resolution does not repeal, modify or affect any impact fee of the District not discussed herein. Pursuant to Utah Code Annotated Section 11-36a-401(2), the

impact fee for the District Regional Service Area discussed herein shall become effective on January 1, 2023 (which is at least 90 days after the approval of the impact fee enactment). Until such time, the current impact fee for this service area shall remain in effect.


Dated this the 27th day of September, 2022.

WASHINGTON COUNTY WATER CONSERVANCY DISTRICT



Ed Bowler, Chairman

Attest:



Mindy Mees, Secretary

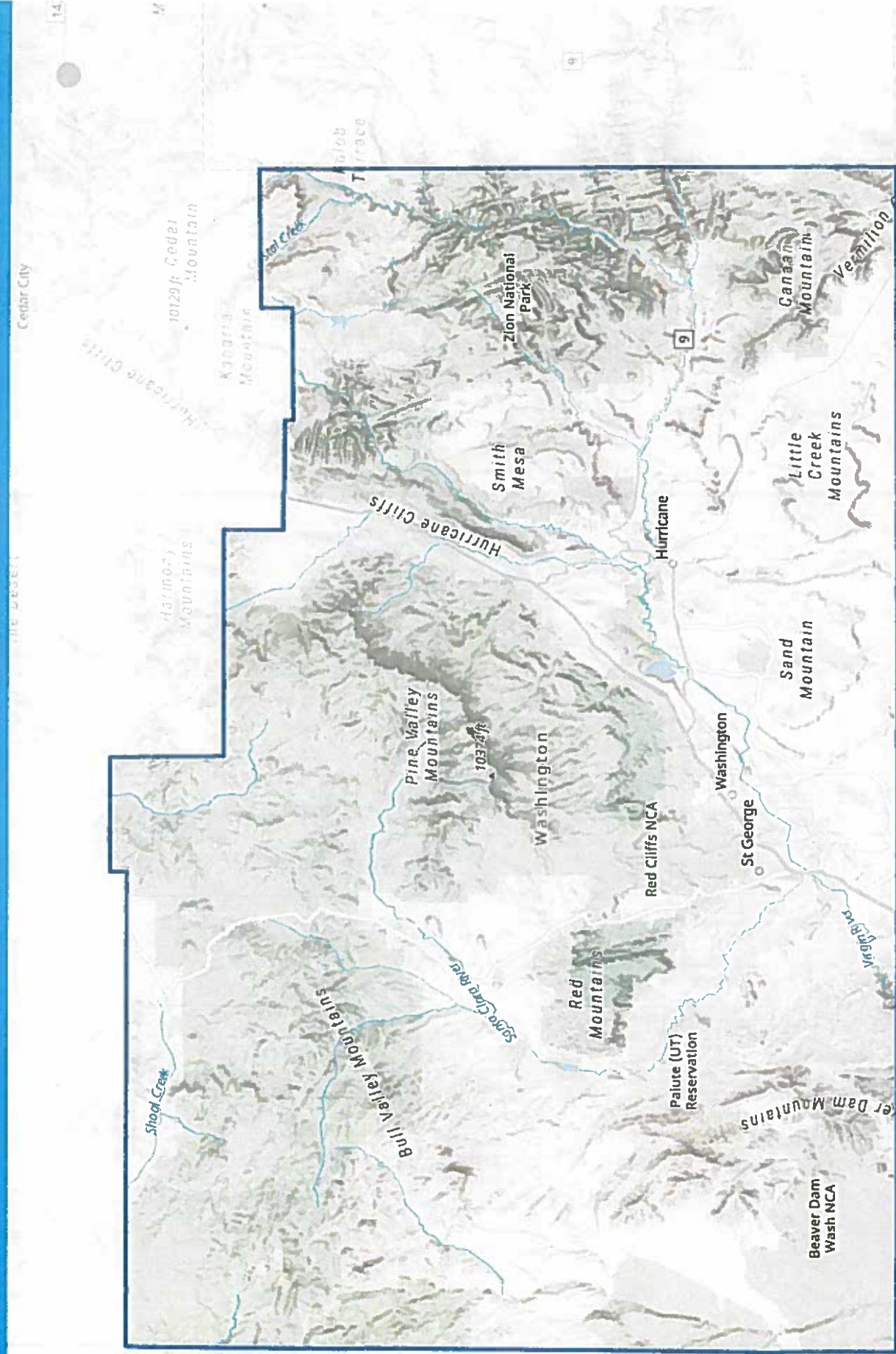
VOTING:

Ed Bowler	Yea <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Adam Bowler	Yea <input type="checkbox"/>	No <input type="checkbox"/>
Chris Hart	Yea <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Victor Iverson	Yea <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Michele Randall	Yea <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Kress Staheli	Yea <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Kevin Tervort	Yea <input checked="" type="checkbox"/>	No <input type="checkbox"/>

Exhibit 1:	District Regional Service Area
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Regional District Service Area

Washington County, Utah



WATER PLANT

Exhibit 2:	2022 Regional Water Impact Fee Facilities Plan and Analysis
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2022 REGIONAL WATER

IMPACT FEE FACILITIES PLAN & IMPACT FEE ANALYSIS

APPLIED
ANALYSIS



BOWEN COLLINS
& ASSOCIATES

DRAFT 9/13/2022



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EXECUTIVE SUMMARY¹

INTRODUCTION

In compliance with the Utah Impact Fees Act, Utah Code Ann. § 11-36a-101 *et seq.* (the Act), Washington County Water Conservancy District (District) commissioned Applied Analysis and Bowen Collins & Associates (Consultants) to prepare the following 2022 Regional Water Impact Fee Facilities Plan (IFFP) and Impact Fee Analysis (IFA) for the 10-year planning window spanning 2023 to 2032 to benefit new development served by the District's regional system.²

The District provides water to communities throughout Washington County through a network of regional facilities. These facilities deliver water to the District's retail water system customers and wholesale municipal customers, who in turn provide the water to individual homes, businesses and other institutions within their respective cities.

The District's system has some excess capacity that is not currently being used. This capacity can supply some water that will be needed by anticipated population growth and new development over the next 10 years. However, to supply the communities in Washington County with enough water to meet the demand created by population growth and the construction of additional homes, businesses and institutions, the District must build more facilities and expand its capacity.

These new facilities will enable the District to provide the water supply that will be used by new development as communities continue to grow. The Act allows the District to charge an impact fee as a condition of development approval to pay for facilities that new development requires. To charge the impact fee, the District must comply with the Act, which requires an IFFP and an IFA.

IMPACT FEE FACILITIES PLAN AND IMPACT FEE ANALYSIS

The 2022 IFFP describes the facilities needed to serve new development, and the 2022 IFA describes how the fee to pay for these facilities was calculated.

LEVEL OF SERVICE

The IFFP first addresses how much water the District's system must provide for each home, business or institution. This, along with the performance standard to treat and deliver the required water, is called the "level of service." Because homes, businesses and institutions all need different amounts of water, the level of service is presented in terms of the "equivalent residential connection" (ERC). The ERC is used to signify the amount of water provided to the average single-family residential home. A business or institutional connection may need more water than one ERC, but this is the basic starting unit for how to calculate the amount of water needed. The proposed level of service per ERC is 0.59 acre-feet per year.

¹ This executive summary provides a broad overview and has been prepared to be understood by a lay person. See Utah Code § 11-36A-303(2). Please refer to the Utah Impact Fee Act itself for the precise statutory language and technical requirements of impact fees. Utah Code § 11-36A-101 *et seq.*

² Section 11-36a-502 of the Act requires a summary of the IFFP, and Section 11-36a-303 requires a summary of the IFA.



EXCESS CAPACITY USED BY NEW DEVELOPMENT

The 2022 IFFP next addresses whether the District's system has leftover water after serving all the current users in the system. This is called "excess capacity." The District has determined that it has some limited excess capacity in its supply facilities (Table 3).

The IFA addresses how new development will consume the District's excess capacity, the cost of the existing facilities with excess capacity, and how new development will pay its proportional share of the cost of the excess capacity. New development will consume all available excess capacity in existing facilities. However, it is only charged its share of the original cost of each facility. As part of the impact fee, new development will pay its proportionate share of the original cost of these existing facilities based on these percentages as shown in Table 11.

BUILDING FACILITIES FOR NEW DEVELOPMENT

The 2022 IFFP identifies the demands that population growth and new development will impose on the District's existing facilities and how the District will meet those demands. New development over the next 10 years will utilize all of the excess capacity in existing supplies and still require additional water supply infrastructure. The 2022 IFFP identifies future facilities necessary to meet this additional demand.

FUNDING CONSTRUCTION OF FACILITIES USED BY NEW DEVELOPMENT

The 2022 IFFP and IFA both identify the revenue sources that will be used to pay for the excess capacity in existing facilities and the construction of new facilities (Table 5). Existing facilities are funded in part through current revenue bonds. The impact fee will help pay new development's portion of current revenue bonds that finance existing facilities. The District will pay for future facilities necessitated by development with impact fees³.

The 2022 IFA addresses new development's contributions to the costs and financing of existing facilities, as well as future facilities. New development will use all the existing excess capacity and a portion of the capacity of future facilities. The impact fee is calculated to finance the costs of existing excess capacity and the portion of the future facilities capacity consumed by new development. New development's proportionate shares of existing facility costs and future facility costs are shown in Table 10 and Table 11, respectively. Each home, business or institution constructed in the next 10 years will only pay its proportionate share of the future facility costs. The remaining cost for new facilities will be paid for by other new development over a longer timeframe.

The 2022 IFA also addresses whether other revenue sources have or will be used to fund excess capacity in existing facilities or the construction of facilities used by new development. The District actively pursues applicable grant funding opportunities, but because there is no guarantee of their availability or quantity and no current expectation for any specific funding, grant funding has not been included in the calculation of the impact fee. The District does not expect dedications of system improvements by development activity. Should grant funding or developer dedications be received, they will be credited appropriately toward the proposed impact fee total.

The monthly water rates paid by customers and the District's portion of property taxes pay for operation, maintenance, repair and replacement costs of facilities rather than the construction of new facilities to serve new development. However, the District's Board of Trustees may determine that a portion of the costs that could otherwise be paid for by

³ Only costs permitted by Utah Code Annotated Section 11-36a-305 were included in the impact fee calculation.

**IMPACT FEE FACILITIES PLAN
& IMPACT FEE ANALYSIS**

impact fees will be paid for by monthly water rates or property taxes. In such a case, the Board of Trustees may adopt an impact fee that is lower than the maximum allowable value identified in this IFA.

IMPACT FEE CALCULATION

To calculate the impact fee, the cost per acre-foot for facilities needed to supply water is determined. These costs are multiplied by 0.59 acre-foot—the amount of water to be supplied annually to one ERC—to arrive at the total impact fee for one ERC. This calculation is shown in detail on Table 12.



UCA 11-36A-301(1): IMPACT FEE FACILITIES PLAN

Section 11-36a-301(1) of the Utah Impact Fees Act (the Act) requires an Impact Fee Facilities Plan (IFFP) be prepared to determine the public facilities required to serve demand created by new development activity. Applied Analysis and Bowen Collins & Associates (Consultants) developed this 2022 IFFP based on information provided by the Washington County Water Conservancy District (District) and information contained in the District's Regional Water Master Plan⁴ (Master Plan).

The public facilities this IFFP identifies are system improvements designed to service areas within the community at large. They consist of existing public facilities with excess capacity and future public facilities that are planned to meet the demands of growth. The following sections address existing and proposed levels of service, growth of demands on existing supply, existing excess capacity, and additional supply from proposed future public facilities.

UCA 11-36A-302(1)(A)(I-II): EXISTING AND PROPOSED SERVICE LEVEL

The level of service defined under the 2017 Regional Water Impact Fee Facilities Plan and Analysis was 0.89 acre-feet per year for each equivalent residential connection (ERC). The ERC signifies the demand that a typical single-family residence places on the system. The Master Plan proposes a source-sizing standard of 0.59 acre-feet per ERC for new development that is lower than the source sizing standard proposed for existing customers and the existing level of service. In determining this source sizing standard, the Master Plan used administrative rules promulgated by the Utah Division of Drinking Water to identify average annual and peak day water demand for existing customers. Using this data, the Master Plan then applied an assumed reduction in water demand for future users based on the District's water conservation goals. If the District adopted a level of service based on recent historical water use, it would result in a level of service higher than 0.59 acre-feet per ERC. However, due to developments since 2017, including legislative enactments, changes in the administrative rules by the Division of Drinking Water, municipal adoption of more restrictive water conservation ordinances, and necessity driven by water scarcity, the District is proposing a policy decision to adopt a lower level of service. It is assumed that the anticipated reduction in water use for future users is achievable by measures the District and its regional partners intend to implement, including the enforcement of ordinances that promote water efficiency, penalties for excessive water use, advanced water metering, public outreach, and ongoing evaluation of water use data. Based upon the foregoing and as detailed in Table 1 and Table 2 below, this IFFP adopts the source-sizing standard for new development proposed in the Master Plan as the proposed level of service for new development.

TABLE 1: UNIT OF DEMAND – AVERAGE ANNUAL DEMAND

DEMAND PER ERC	ACRE-FEET PER YEAR
Existing	
Indoor	0.45
Outdoor	0.44
Total Existing	0.89
Proposed	
Indoor	0.25
Outdoor	0.34
Total Proposed	0.59

⁴ Bowen Collins & Associates. (2022, Sept 13). *Regional Water Master Plan – DRAFT*.



IMPACT FEE FACILITIES PLAN & IMPACT FEE ANALYSIS



TABLE 2: UNIT OF DEMAND – PEAK DAY DEMAND

DEMAND PER ERC	GALLONS PER DAY
Existing	
Total Existing Peak Day Demand	1,589
Proposed	
Total Proposed Peak Day Demand	1,079

UCA 11-36A-302(1)(A)(III): EXCESS CAPACITY

The District will use excess capacity in existing supply facilities to help meet the demands of new development during the planning window. To determine excess capacity, the Consultants used the information and analysis found in the Master Plan to determine the amount of water allocated to existing development. The Master Plan evaluated existing and future demand throughout the system, and demand was allocated to facilities based on the most efficient operation of the entire system. The allocated demand assigned to each facility was subtracted from total capacity to determine excess capacity in each facility. Using this methodology, existing supply facilities have an excess capacity of 661 acre-feet from the Sand Hollow Wells as summarized in Table 3.

TABLE 3: CAPACITY OF EXISTING WATER FACILITIES (ACRE-FEET PER YEAR)

EXISTING FACILITIES	CURRENTLY ALLOCATED CAPACITY	EXCESS CAPACITY	TOTAL CAPACITY ⁵
Cottam Wells	82	-	82
Crystal Creek Pipeline	1,819	-	1,819
Toquerville Springs	1,591	-	1,591
Quail Creek/Sand Hollow	24,920	-	24,920
Sand Hollow Wells	6,604	661	7,265
Regional City Resources	28,422	-	28,422
Total	63,438	661	64,099

UCA 11-36A-302(1)(A)(IV): DEMAND ON EXISTING FACILITIES

WASHINGTON COUNTY'S POPULATION IS PROJECTED TO GROW FROM 201,311 IN 2022 TO 272,293 IN 2032 AS ILLUSTRATED IN

Figure 1 below. To accommodate this projected development, the number of households in Washington County is projected to increase from 76,053 in 2022 to 105,598 in 2032 (see Figure 2 below). This growth, together with non-residential growth in the county, is projected to add 33,984 ERCs over the next 10 years. This is calculated by multiplying the current number of system ERCs by the projected annual household growth rate for the county through the year 2032. Note that the District does not currently provide water to all communities throughout Washington County; the 33,984 ERCs are those anticipated to be added within the District's regional service area. Additional information on growth assumptions can be found in the Master Plan.

⁵ Values taken from the Master Plan.



FIGURE 1: POPULATION GROWTH PROJECTION⁶

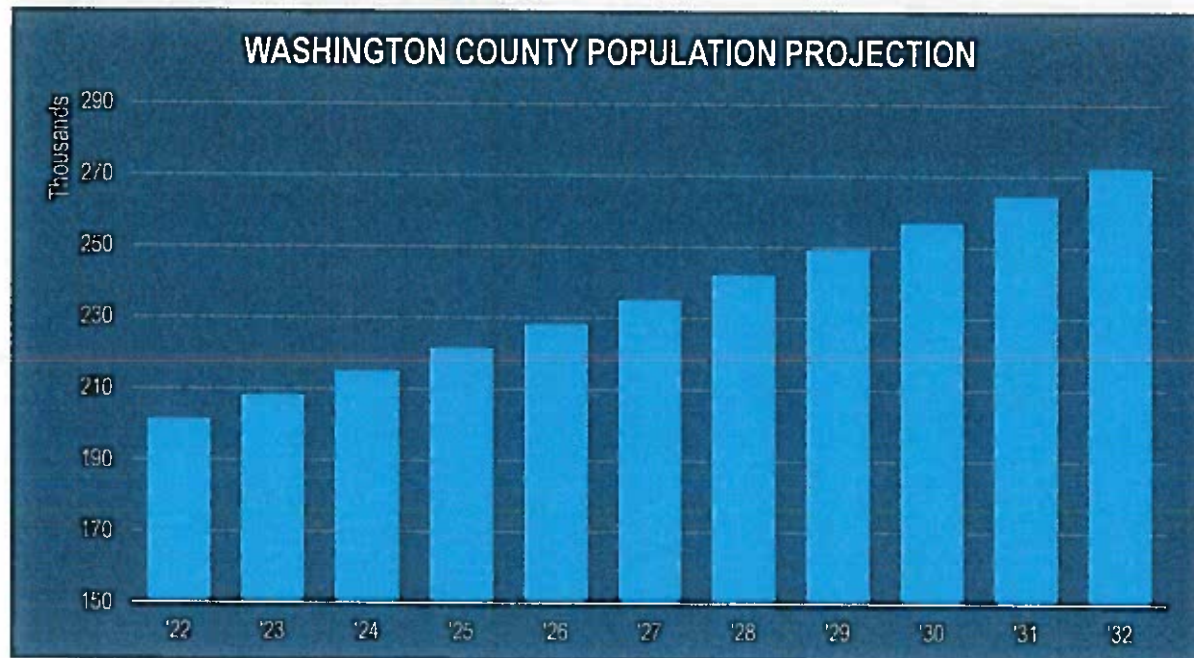
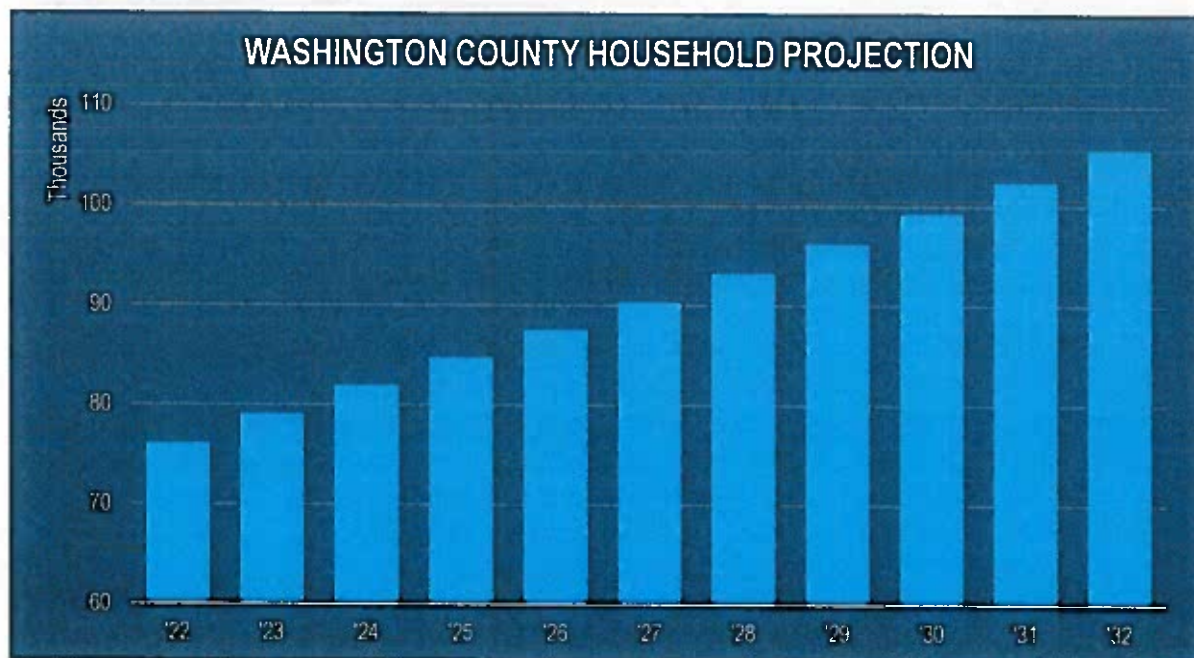


FIGURE 2: HOUSEHOLD GROWTH PROJECTION⁷



⁶ Kem C. Gardner Policy Institute.

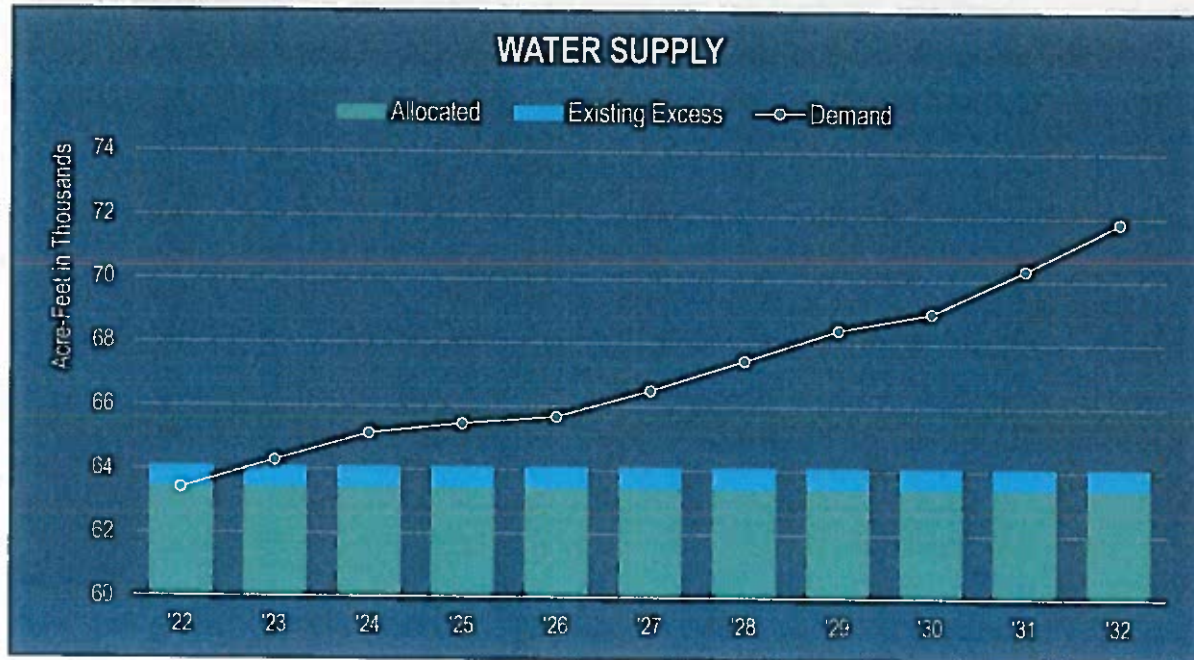
⁷ Kem C. Gardner Policy Institute.

IMPACT FEE FACILITIES PLAN & IMPACT FEE ANALYSIS



The supply currently allocated and existing excess water supply amounts are compared to projected water demand in Figure 3 below. With no additional supply, existing sources will fall short of demand around 2023, even at the proposed reduction in the level of service for new users.

FIGURE 3: WATER SUPPLY



UCA 11-36A-302(1)(A)(V): MEETING GROWTH DEMANDS

The Master Plan uses the population and household growth projections developed by the Kern C. Gardner Policy Institute⁸ to calculate the water supply needed to meet the demands of growth and identifies projects capable of meeting those demands over a 50-year planning window. To meet growth demands within the 10-year planning window, the District evaluated these projects and the anticipated timing of each to determine the facilities needed within the relevant IFFP planning period. The size and timing of each facility were determined by evaluating the anticipated water demands of the various regions of Washington County serviced by the District.

Table 4 below outlines the additional supply provided by each planned project, as well as the anticipated year of completion. As shown, the Lake Powell Pipeline is not anticipated to be completed until the year 2035. However, water from the Lake Powell Pipeline project will function as the long-term water supply for growth that will occur within the 10-year planning window, and the District is incurring costs actively working on the permitting steps needed for project approval to avoid the need for undertaking other less feasible and more costly projects. As discussed in the Master Plan, the planned future water supplies excluding Lake Powell Pipeline, if constructed in that timeframe, are expected to provide enough capacity to meet demand through the year 2028. At that point in the time, without the Lake Powell Pipeline, the District would need to determine whether to utilize emergency storage⁹ to bridge the supply gap until Lake

⁸ Technical Memorandum. "Washington County Long-Term Projection Scenarios." January 30, 2018.

⁹ The use of emergency storage to bridge a potential future water supply gap would not amount to additional long-term water supply for the system. It would represent a temporary measure to bridge the supply gap and does not represent excess capacity in the system that can be permanently allocated to future development.

IMPACT FEE FACILITIES PLAN & IMPACT FEE ANALYSIS



Powell Pipeline is operational, at which point any emergency storage used would need to be recharged and returned to its intended function as an emergency supply. Thus, any growth that temporarily utilizes any emergency supply will ultimately be supplied with water from the Lake Powell Pipeline Project.¹⁰

TABLE 4: PLANNED WATER SYSTEM FACILITIES

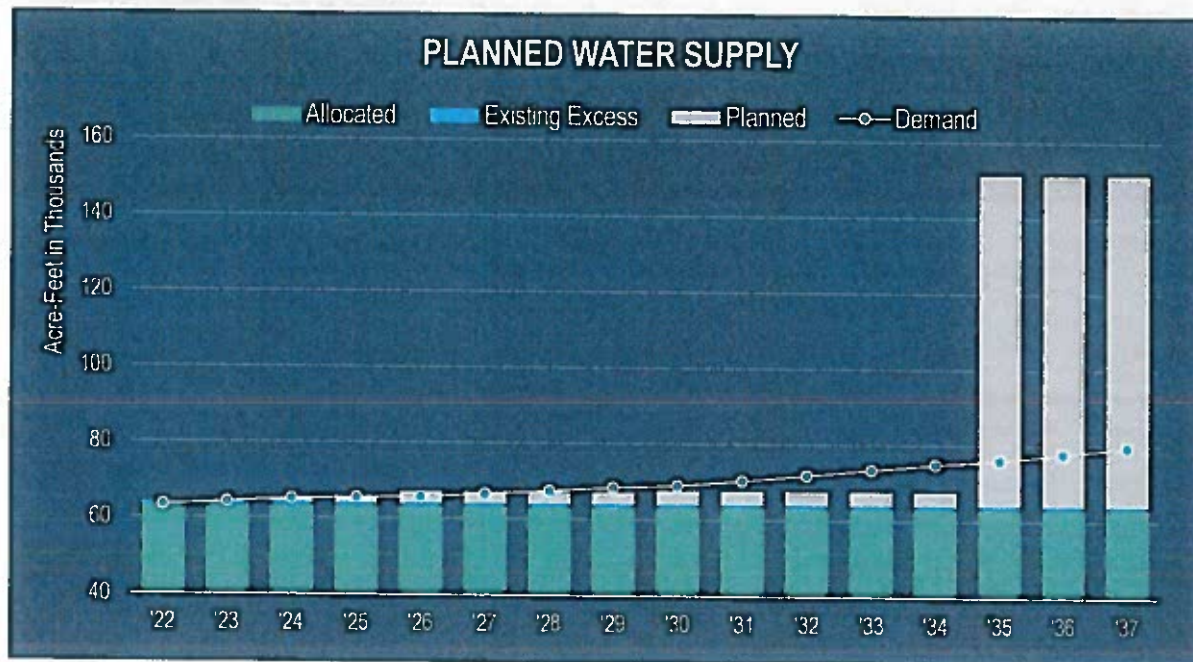
PLANNED WATER SYSTEM FACILITIES	PROJECT YEAR	ADDITIONAL SUPPLY ¹¹ (ACRE-FEET)
Cottam Well 3	2022	N/A
Sand Hollow Well 7	2023	N/A
Cottam Wells 3 MG Tank	2023	N/A
Sand Hollow North Dam to West Dam Pipeline	2023	N/A
Sand Hollow Well 15	2024	N/A
Sand Hollow 2 MG Tank B	2024	N/A
Quail Creek to Cottam Pipeline and Pump Stations, Phase 1	2024	N/A
Ash Creek Pipeline/Toquer Reservoir	2025	1,582
Quail Creek WTP 80 MGD Expansion	2025	N/A
Quail Creek WTP Ozone Project	2025	N/A
Quail Creek 10 MG Tank B	2025	N/A
Regional Pipeline to Sand Hollow Pump Station	2025	N/A
Additional Water Rights Useable in Existing Supplies	2025	100
Sullivan Wells Project (Wells, Pipelines)	2026	1,405
Sullivan Wells 1 MG Tank	2026	N/A
Quail Creek to Cottam Pipeline and Pump Stations, Phase 2	2028	N/A
Toquerville Springs to Cottam Pipeline Pump Station	2028	N/A
Lake Powell Pipeline	2035	83,756
Total		86,843

The District anticipates that new water system projects will contribute up to 86,843 acre-feet of additional supply to service future growth as depicted in Figure 4 below. The District is considering other water supply project alternatives to meet the growing needs of Washington County that are not included in this IFFP. To date, due to factors such as overall feasibility and cost, all other identified alternatives are less preferred than those currently identified in the list of improvements. If new feasible water projects are identified in the future, updates will be made in future IFFP/IFAs.

¹⁰ As part of the preparation of this IFFP and IFA, the Consultants evaluated an alternative approach to estimate the impact fee that excluded the cost of Lake Powell Pipeline under a 6-year time window (the estimated growth window that could be supported by existing supplies and planning future supplies without Lake Powell Pipeline). Under this alternative approach, the resulting impact fee would be more than double the value calculated under the alternative presented herein that includes Lake Powell Pipeline. New local water supplies in Washington County are extremely scarce, and those that are available are expensive to develop. The District is continuing its efforts to prudently develop new supplies of water but recognizes that Lake Powell Pipeline is necessary to meet the short and long-term water needs of the county.

¹¹ Not all system improvements listed in the table increase the annual supply within the system. These projects provide a different function that is necessary for system operation, including water treatment, storage of potable water, and facilities to convey water to customers.

IMPACT FEE FACILITIES PLAN & IMPACT FEE ANALYSIS

FIGURE 4: PLANNED WATER SUPPLY¹²

UCA 11-36A-302(2): FUNDING SOURCES FOR SYSTEM IMPROVEMENTS

The funding sources for system improvements¹³ that will be used to meet the demands of new development must be considered. Table 5 shows these system improvements and the funding sources of each. Applicable grant funding opportunities will be pursued, but since they are not guaranteed and no current opportunities have been secured, this analysis does not assume that such revenue sources will be available to help finance the impact on system improvements. Other funding sources, such as dedications of system improvements, are not anticipated. Interfund loans may be necessary for cash flow purposes but are not anticipated as a permanent source of funding. Given the absence of other dependable funding sources and the foregoing, impact fees are necessary to maintain the proposed level of service.

¹²Although the full capacity of Lake Powell Pipeline will be available once constructed, it is not anticipated to operate at full capacity based on water demands within the 10-year planning window, so only the costs associated with growth in that window were included in the impact fee calculation.

¹³System improvements consist of future facilities and existing facilities with excess capacity, including acquisition of water rights necessary to meet growth demands.

IMPACT FEE FACILITIES PLAN & IMPACT FEE ANALYSIS



TABLE 5: SYSTEM IMPROVEMENTS FUNDING SOURCES

EXISTING FACILITIES	BONDS	GRANTS	DEDICATIONS	PROPOSED IMPACT FEE
Sand Hollow Groundwater Treatment Plant	None	None	None	Yes
Sand Hollow Regional Pipeline	2017 Bonds	None	None	Yes
Sand Hollow Wells 11 & 13	None	None	None	Yes
FUTURE FACILITIES	BOND FINANCING	GRANTS	DEDICATIONS	PROPOSED IMPACT FEE
Cottam Well 3	-	None	None	Yes
Sand Hollow Well 7	-	None	None	Yes
Cottam Wells 3 MG Tank	-	None	None	Yes (91.9%)
Sand Hollow North Dam to West Dam Pipeline	-	None	None	Yes
Sand Hollow Well 15	-	None	None	Yes
Sand Hollow 2 MG Tank B	-	None	None	Yes (91.9%)
Quail Creek to Cottam Pipeline and Pump Stations, Phase 1	Yes (\$6,000,000)	None	None	Yes (98.8%)
Ash Creek Pipeline/Toquer Reservoir	Yes (\$17,307,300)	None	None	Yes
Quail Creek WTP Expansion (80 MGD)	Yes (\$75,000,000)	None	None	Yes
Quail Creek WTP Ozone Addition	Yes (\$25,000,000)	None	None	Yes (25%)
Quail Creek 10 MG Tank B	Yes (\$13,500,000)	None	None	Yes (91.9%)
Regional Pipeline to Sand Hollow Pump Station	-	None	None	Yes
Additional Water Rights Useable in Existing Facilities	-	None	None	Yes
Sullivan Wells (Wells, Pipelines)	Yes (\$6,000,000)	None	None	Yes
Sullivan Wells 1 MG Tank	-	None	None	Yes (91.9%)
Quail Creek to Cottam Pipeline and Pump Stations, Phase 2	-	None	None	Yes (87.8%)
Toquerville Springs to Cottam Pump Station	-	None	None	Yes
Lake Powell Pipeline	-	None	None	Yes

UCA 11-36A-303(1): IMPACT FEE ANALYSIS

Section 11-36a-303(1) of the Act requires that an Impact Fee Analysis (IFA) be prepared for any proposed impact fee. The Consultants developed this IFA using information from the Master Plan and provided by the District as identified herein. The following sections address the impact of new development on excess capacity and new capacity of system improvements¹⁴ with regard to usage and financing.

UCA 11-36A-304(1)(A): EXCESS CAPACITY AND NEW DEVELOPMENT

Existing water supply and treatment facilities with excess capacity are identified in Table 6. Figure 5 shows that demand driven by anticipated new development will exhaust existing excess capacity as early as 2023. Existing excess supply capacity is made available by a number of system components within the Sand Hollow Well System, including wells, a treatment plant and transmission line. The portion of these existing facilities with excess capacity that will be used by future growth is shown in Table 6.

¹⁴The public facilities identified in this IFA are system improvements designed to provide service to the community at large. They consist of existing public facilities with excess capacity and future public facilities that are planned to meet the demands of growth.

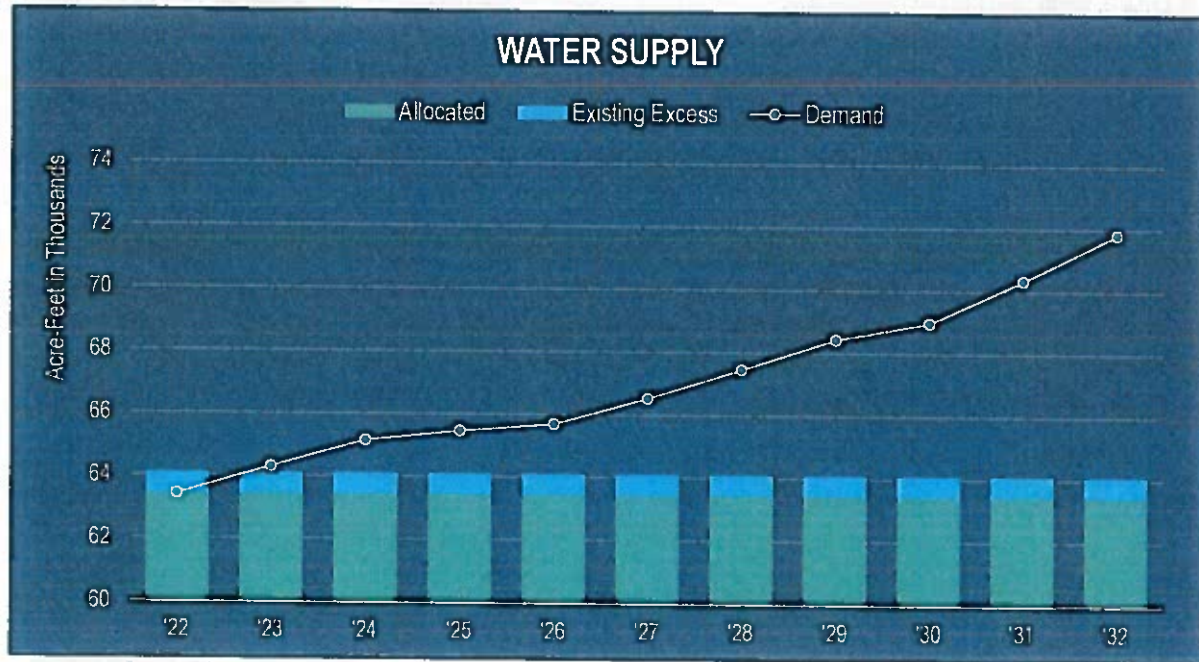
IMPACT FEE FACILITIES PLAN & IMPACT FEE ANALYSIS



TABLE 6: EXCESS SUPPLY CAPACITY (GALLONS PER MINUTE)

EXISTING FACILITIES	EXCESS CAPACITY (GPM)	TOTAL CAPACITY (GPM)	EXCESS CAPACITY AVAILABLE FOR FUTURE GROWTH
Sand Hollow Wells 11 & 13	542	1,750	31.0%
Sand Hollow Groundwater Treatment Plant ¹⁵	2,292	10,000	22.9%
Sand Hollow Regional Pipeline ¹⁶	11,863	15,863	74.7%

FIGURE 5: WATER SUPPLY



¹⁵ The maximum estimated sustained pumping rate from the Sand Hollow Well System is 10,000 GPM. The Sand Hollow Groundwater Treatment Plant has an existing capacity of 3 million gallons per day, or 2,083 GPM. However, the treatment plant is what will allow the system to operate at its full capacity of 10,000 GPM. The percentage shown represents the remaining production capacity available within the system.

¹⁶ The Sand Hollow Regional Pipeline has capacity to serve development beyond the 10-year planning window. Only the proportionate share of the cost attributable to growth in the 10-year window is included in the impact fee calculation. Total capacity is calculated assuming a maximum design velocity of 5 feet per second.

IMPACT FEE FACILITIES PLAN & IMPACT FEE ANALYSIS



UCA 11-36A-304(1)(B): SYSTEM IMPROVEMENTS AND NEW DEVELOPMENT

To maintain the proposed level of service shown in

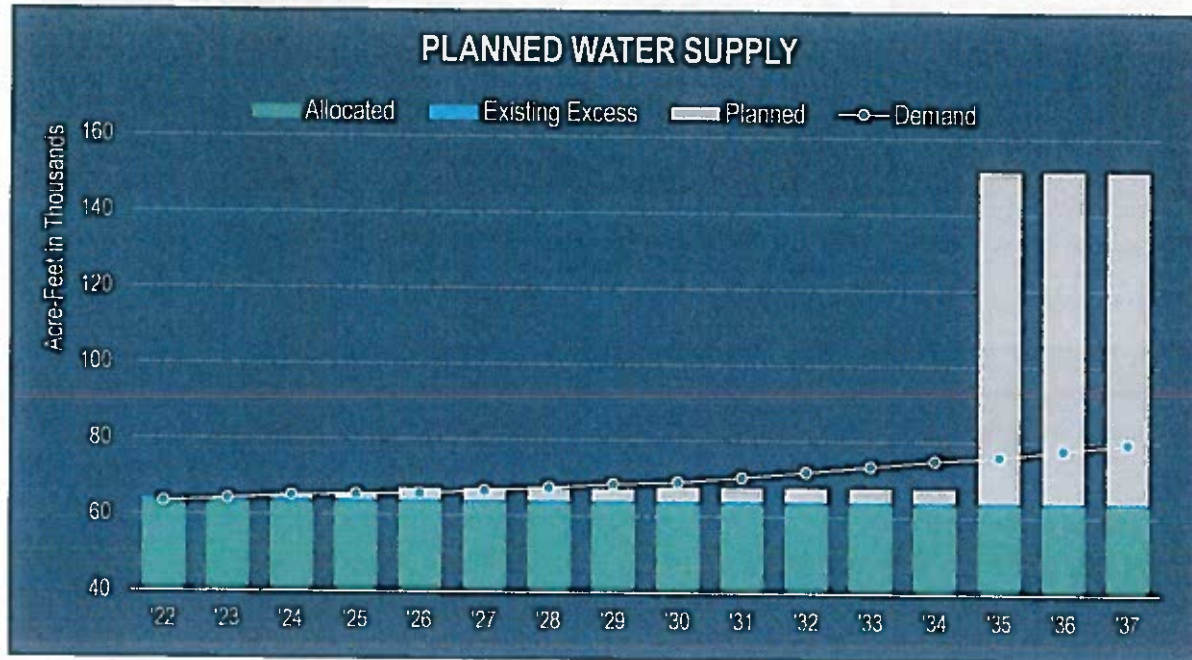
Table 1, the District plans to develop and construct the future supply, conveyance, storage and treatment system improvements as shown in Table 7. Figure 6 shows that demand driven by anticipated new development will require additional system improvements to maintain the proposed level of service. The portion of the future system improvements attributable to new development is shown in Table 7. The proposed projects address future needs for both average annual demand and peak day demand at the proposed level of service.

TABLE 7: PLANNED WATER SYSTEM FACILITIES

PLANNED WATER SYSTEM FACILITIES	PROJECT YEAR	ADDITIONAL SUPPLY ¹⁷ (ACRE-FEET)	SHARE ATTRIBUTABLE TO NEW GROWTH
Cottam Well 3	2022	N/A	100%
Sand Hollow Well 7	2023	N/A	100%
Cottam Wells 3 MG Tank	2023	N/A	91.9%
Sand Hollow North Dam to West Dam Pipeline	2023	N/A	100%
Sand Hollow Well 15	2024	N/A	100%
Sand Hollow 2 MG Tank B	2024	N/A	91.9%
Quail Creek to Cottam Pipeline and Pump Stations, Phase 1	2024	N/A	98.8%
Ash Creek Pipeline/Toquer Reservoir	2025	1,582	100%
Quail Creek WTP Expansion (80 MGD)	2025	N/A	100%
Quail Creek WTP Ozone Addition	2025	N/A	25%
Quail Creek 10 MG Storage Tank B	2025	N/A	91.9%
Regional Pipeline to Sand Hollow Pump Station	2025	N/A	100%
Additional Water Rights Useable in Existing Supplies	2025	100	100%
Sullivan Wells Project (Wells, Pipelines)	2026	1,405	100%
Sullivan Wells 1 MG Tank	2026	N/A	91.9%
Quail Creek to Cottam Pipeline and Pump Stations, Phase 2	2028	N/A	87.8%
Toquerville Springs to Cottam Pipeline Pump Station	2028	N/A	100%
Lake Powell Pipeline	2035	83,756	100%
Total		86,843	

¹⁷ Not all projects listed in the table increase the annual supply within the system. These projects provide a different function that is necessary for system operation, including water treatment, storage of potable water, and facilities to convey water to customers. All of the listed facilities qualify as system improvements under the Act.

IMPACT FEE FACILITIES PLAN & IMPACT FEE ANALYSIS

FIGURE 6: PLANNED WATER SUPPLY¹⁸

UCA 11-36A-304(1)(C): RELATION OF ANTICIPATED IMPACTS TO ANTICIPATED DEVELOPMENT ACTIVITY

The following and preceding sections demonstrate that the anticipated impacts to the District's system are reasonably related to growth and development activity.

UCA 11-36A-304(2)(A): COST OF EXISTING FACILITIES WITH EXCESS CAPACITY

To calculate the cost of existing excess capacity, the original construction costs of each project with excess capacity were obtained, as shown in Table 8 below.

TABLE 8: COST OF EXISTING FACILITIES WITH EXCESS CAPACITY¹⁹

EXISTING FACILITIES	ORIGINAL CAPITAL EXPENSE
Sand Hollow Well 11	\$971,077
Sand Hollow Well 13	\$1,154,985
Sand Hollow Groundwater Treatment Plant	\$11,219,320
Sand Hollow Regional Pipeline	\$11,734,991
Total	\$25,080,373

¹⁹ Washington County Water Conservancy District 2022 Book Asset Detail. Capital expenses include financing costs from bonds used to fund projects.

IMPACT FEE FACILITIES PLAN & IMPACT FEE ANALYSIS



UCA 11-36A-304(2)(B): COST OF FUTURE SYSTEM IMPROVEMENTS

The future system improvements listed below are anticipated to serve growth within the 10-year planning window. These system improvements include future facilities and expansions to current facilities necessitated by growth, as well as the acquisition of additional water rights that can be used within the existing system. The projected capital expense estimates for each are listed in Table 9.

Some of the future system improvements are planned to be funded by issuing new bonds which were modeled during the impact fee calculation. The calculations assume that new bonds will be issued in the project year of each project and have 30-year terms, with 1.0 percent of the bond principal charged as issuance costs. The calculations also assume that the interest rate for new bonds will average 4.035 percent. This is typical for the type of municipal infrastructure bonds that will be issued. All future system improvement costs and financing costs have been presented in today's dollars with no increases to account for future inflation or increased construction costs. In the event that inflation and/or other issues result in higher project costs in the coming years, these increased costs will be captured in future IFFP/IFA updates.

TABLE 9: COST OF FUTURE SYSTEM IMPROVEMENTS²⁰

FUTURE SYSTEM IMPROVEMENTS	ESTIMATED CAPITAL COST	ANTICIPATED FINANCING COSTS	ESTIMATED TOTAL PROJECT COST
Cottam Well 3	\$1,977,000	-	\$1,977,000
Sand Hollow Well 7	\$1,815,000	-	\$1,815,000
Cottam Wells 3 MG Tank	\$6,330,000	-	\$6,330,000
Sand Hollow North Dam to West Dam Pipeline	\$3,660,000	-	\$3,660,000
Sand Hollow Well 15	\$1,815,000	-	\$1,815,000
Sand Hollow 2 MG Tank B	\$6,050,000	-	\$6,050,000
Quail Creek to Cottam Pipeline and Pump Stations, Phase 1	\$10,610,000	\$4,280,250	\$14,890,250
Ash Creek Pipeline/Toquer Reservoir	\$85,816,000	\$11,518,371 ²¹	\$97,334,371
Quail Creek WTP Expansion (80 MGD)	\$97,500,000	\$53,635,312	\$151,135,312
Quail Creek WTP Ozone Addition	\$32,500,000	\$17,878,438	\$50,378,438
Quail Creek 10 MG Storage Tank B	\$25,988,000	\$9,657,125	\$35,645,125
Regional Pipeline to Sand Hollow Pump Station	\$2,904,000	-	\$2,904,000
Additional Water Rights in Quail Pipeline	\$200,000	-	\$200,000
Sullivan Wells Project (Wells, Pipelines)	\$14,663,000	\$4,280,250	\$18,943,250
Sullivan Wells 1 MG Tank	\$3,307,000	-	\$3,307,000
Quail Creek to Cottam Pipeline and Pump Stations, Phase 2	\$11,922,000	-	\$11,922,000
Toquerville Springs to Cottam Pipeline Pump Station	\$925,000	-	\$925,000
Lake Powell Pipeline	\$1,705,200,000	-	\$1,705,200,000
Total	\$2,013,182,000	\$101,249,746	\$2,114,431,746

UCA 11-36A-304(2)(C): FINANCING SOURCES FOR SYSTEM IMPROVEMENTS

Table 5 above outlines the financing sources, including impact fees and current revenue bonds, of planned system improvements consisting of existing facilities with excess capacity and future facilities to meet the demands of growth.

²⁰Costs taken from Regional Water Master Plan.

²¹The District secured a bond in 2017 to cover a portion of the costs of the Ash Creek Pipeline/Toquer Reservoir Project and the Sand Hollow Regional Pipeline Project. The financing costs shown correspond to the amount allocated to the Ash Creek Pipeline/Toquer Reservoir Project.



The proportionate share of original construction costs that corresponds to the existing facilities with excess capacity that will serve new development will be paid for by impact fees, as indicated in Table 10.

User charges and general taxes finance operation, maintenance, repair and replacement costs of facilities. However, the District's Board of Trustees may determine that a portion of the costs for system improvements required to serve new development be paid by user charges and general taxes rather than by the full impact fee calculated in this analysis. If the District's Board of Trustees makes such a determination, the impact fee will be reduced accordingly.

The District does not anticipate special assessments, state or federal grants.

UCA 11-36A-304(2)(D)-(E): NEW DEVELOPMENT'S CONTRIBUTION TO FINANCING AND COSTS OF SYSTEM IMPROVEMENTS

The District's current facilities provide sufficient water to existing customers to meet existing demand. Some existing facilities with excess capacity have been funded by bonds. Demand from new development will consume 100 percent of existing excess capacity and therefore new development will be expected to share the original costs of existing facilities proportionate to its relative use of existing excess capacity of those facilities.

Demand from new development within the 10-year planning window is anticipated to consume all additional capacity provided by future system improvements other than the Lake Powell Pipeline. Development costs of the Lake Powell Pipeline factor proportionately into the impact fee for the 10-year planning window. Due in part to the extraordinary scale of the Lake Powell Pipeline, not all capacity from this project and other associated projects will be utilized by development occurring within the ten-year planning window. However, this analysis takes care to ensure that development within the ten-year planning window would only be charged its proportionate share by utilizing a calculation based upon the unit price per acre foot supplied. New development beyond the 10-year planning window is expected to finance the remaining portion from which it will benefit.

Because new development is expected to consume 100 percent of existing excess capacity and the vast majority of the capacity of future facilities, the impact fee is intended to finance the costs of all existing excess capacity and the portion of the future facilities' capacity that will be consumed by new development in the 10-year planning window.

As noted in the preceding section, the District does not anticipate special assessments or federal grants that will contribute to the costs of system improvements. User charges and general taxes finance the operation, maintenance, repair and replacement costs of facilities rather than the construction of system improvements necessitated by growth. However, the District's Board of Trustees may determine that a set portion of the system improvement costs required to serve new development be paid by user charges and general taxes rather than by the full impact fee calculated in this analysis.

UCA 11-36A-304(2)(F): DEVELOPMENT CREDIT TO OFFSET IMPACT FEE

The District does not anticipate dedications of system improvements, including public facilities, by development activity. Should any dedication occur, it would be entitled to a credit against impact fees calculated on an individual basis, taking into account the demands for system improvements that would be relieved inside or outside the proposed development.



UCA 11-36A-304(2)(G): EXTRAORDINARY COSTS OF SERVING DEVELOPMENT

The District does not anticipate incurring extraordinary costs to serve any of the newly developing properties under this Regional IFFP and IFA.

UCA 11-36A-304(2)(H): TIME-PRICE COMPARISON

This analysis states the costs of future facilities in 2022 U.S. dollars, while using original construction costs for existing facilities with excess capacity. The consultants recognize that future project costs may increase relative to 2022 estimates. However, due to uncertainty regarding future inflation costs, no adjustments for inflation have been applied to estimated project costs in the future.

UCA 11-36A-304(1)(D)(I): PROPORTIONATE SHARE OF EXISTING FACILITIES COSTS

New development is expected to completely consume excess capacity at existing facilities well within the 10-year planning window. The proportionate share of costs, based on the proportion of excess to total capacity, is outlined in Table 10 below.

TABLE 10: PROPORTIONATE SHARE OF EXISTING FACILITIES

EXISTING FACILITIES	ORIGINAL COST	EXCESS SHARE TO FUTURE GROWTH	COST OF EXCESS CAPACITY
Sand Hollow Well 11	\$971,077	31.0%	\$301,034
Sand Hollow Well 13	\$1,154,985	31.0%	\$358,045
Sand Hollow Groundwater Treatment Plant	\$11,219,320	22.9%	\$2,569,224
Sand Hollow Regional Pipeline	\$11,734,991	74.7%	\$8,766,038
Total			\$11,994,342

UCA 11-36A-304(1)(D)(II): PROPORTIONATE SHARE OF COSTS OF IMPACTS ON FUTURE SYSTEM IMPROVEMENTS

New development necessitates the vast majority of future system improvements planned in the next 10 years. The only future system improvements that are not necessitated entirely by new development are the Quail Creek Ozone Addition, Cottam Wells 3 MG Tank, Sand Hollow 2 MG Tank B, Quail Creek 10 MG Tank B, and the Quail Creek to Cottam Pipeline and Pump Stations Project. New development will only pay its proportionate share of these projects. The proportionate share of projected capital expenses for future system improvements is outlined in Table 11 below.

Future system improvements identified in Table 11 will need to be built to serve the population growth projected within the 10-year planning window. However, the total cost for new system improvements outlined below will not be paid for solely by new development within the planning window. New development within the planning window will only pay its proportionate share of the cost of these future system improvements as determined by the impact fee calculation per ERC. The remainder of the cost will be paid for by new development that occurs beyond the 10-year planning window, which will also benefit from some of these facilities and be expected to bear its proportionate share.

IMPACT FEE FACILITIES PLAN & IMPACT FEE ANALYSIS



TABLE 11: PROPORTIONATE SHARE OF FUTURE SYSTEM IMPROVEMENTS

PLANNED WATER SYSTEM FACILITIES	SHARE ATTRIBUTABLE TO NEW DEVELOPMENT ²²	PROJECTED CAPITAL EXPENSE	IMPACT FEE ELIGIBLE EXPENSE
Cottam Well 3	100.0%	\$1,977,000	\$1,977,000
Sand Hollow Well 7	100.0%	\$1,815,000	\$1,815,000
Cottam Wells 3 MG Tank	91.9%	\$6,330,000	\$5,817,270
Sand Hollow North Dam to West Dam Pipeline	100.0%	\$3,660,000	\$3,660,000
Sand Hollow Well 15	100.0%	\$1,815,000	\$1,815,000
Sand Hollow 2 MG Tank B	91.9%	\$6,050,000	\$5,559,950
Quail Creek to Cottam Pipeline and Pump Stations, Phase 1	98.8%	\$14,890,250	\$14,711,567
Ash Creek Pipeline/Toquer Reservoir Project	100.0%	\$97,334,371	\$97,334,371
Quail Creek WTP Expansion (80 MGD)	100.0%	\$151,135,312	\$151,135,312
Quail Creek WTP Ozone Addition	25.0%	\$50,378,438	\$12,594,609
Quail Creek 10 MG Tank B	91.9%	\$35,645,125	\$32,757,870
Regional Pipeline to Sand Hollow Pump Station	100.0%	\$2,904,000	\$2,904,000
Additional Water Rights Useable in Existing Facilities	100.0%	\$200,000	\$200,000
Sullivan Wells Project (Wells, Pipelines)	100.0%	\$18,943,250	\$18,943,250
Sullivan Wells 1 MG Tank	91.9%	\$3,307,000	\$3,039,133
Quail Creek to Cottam Pipeline and Pump Stations, Phase 2	87.8%	\$11,922,000	\$10,467,516
Toquerville Springs to Cottam Pipeline Pump Station	100.0%	\$925,000	\$925,000
Lake Powell Pipeline	100.0%	\$1,705,200,000	\$1,705,200,000
Total		\$2,114,431,746	\$2,070,856,848

UCA 11-36A-304(1)(E): IMPACT FEE CALCULATION

To calculate the impact fee, the proportionate share of the cost of existing facilities with excess capacity is added to the proportionate share of the cost of future facilities necessary to meet the demands of growth to determine the total cost of facilities. The total cost of facilities is then divided by the yield (in acre-feet) of the total facilities to determine the cost of facilities per acre-foot of yield. This cost per acre-foot is multiplied by the level of service (0.59 acre-feet per ERC) to determine the impact fee for one ERC. The calculation is shown in Table 12 below²³.

²² The values shown represent the total portion of the project attributable to new growth, including growth within the 10-year planning window and growth outside of the 10-year planning window. New development within the 10-year planning window will only pay its proportionate share of total project costs attributed to their impact on the system.

²³ In some cases, an impact fee credit is included when bonds used to fund projects that provide capacity to existing users are being paid off through the collection of user fees. The District holds sufficient cash reserves to cover the payments for its existing debt service and the portion of future debt service that would be used to address existing system deficiencies. User rates from new users are not needed to cover debt service for bonds used to fund projects that service existing users. Therefore, no impact fee credit for user fees is included in the impact fee calculation.

IMPACT FEE FACILITIES PLAN & IMPACT FEE ANALYSIS



TABLE 12: CALCULATION OF IMPACT FEE

	IMPACT FEE QUALIFYING COSTS	YIELD (ACRE-FOOT)
Total Cost of Supply Facilities	\$2,082,851,190	87,504
Cost of Existing Excess Capacity in Supply Facilities	\$11,994,342	661
Cost of New Supply Facilities	\$2,070,856,848	86,843
Cost of Supply Facilities per Acre-Foot		\$23,803
Acre-Foot per ERC		0.59
Cost of Supply Facilities per ERC		\$14,044

For standard residential and non-residential connections, impact fees will be assessed based on meter size of the connection as shown in Table 13. Standard residential connections are typically served by a ¾-inch meter or smaller and represent one ERC. Standard non-residential connections are any non-residential meter connection of 2-inch or smaller.

TABLE 13: STANDARD IMPACT FEE SCHEDULE

METER SIZE (INCHES)	ERCS ²⁴	IMPACT FEE
¾-inch Residential	1.0	\$14,044
¾-inch Non-Residential	1.3	\$18,257
1-inch Non-Residential	3.3	\$46,344
1 ½-inch Non-Residential	8.2	\$115,159
2-inch Non-Residential	13.6	\$190,995

For non-standard residential connections or for non-residential meter connections larger than 2-inch, the impact fee will be assessed by determining the total ERCs for the connection. The equation shown below is the basis for calculating the impact fee for a non-standard connection.

$$\frac{\text{Total Water Supply Need}}{0.59 \text{ acre foot per year}} \times \text{Impact Fee per ERC} = \text{Impact Fee}$$

²⁴ The multipliers used to establish ERCs per meter are based on recent historical water use data for different meter sizes from customers within the District's service area. Data used to calculate these ratios is summarized in the Appendix.

**IMPACT FEE FACILITIES PLAN
& IMPACT FEE ANALYSIS****UCA 11-36A-306: CERTIFICATION OF IMPACT FEE ANALYSIS**

The Act requires that the Consultants preparing the IFFP and IFA certify their analysis. The Consultants provide the required certification with the understanding that it is the District's intent to construct the projects proposed in the IFFP. If all or a portion of the IFFP or IFA are modified or amended, or if the assumptions utilized in this analysis change substantially, the IFFP and IFA should be reviewed and updated to reflect these changes.

UCA-36A-306(1): CERTIFICATION OF IMPACT FEE FACILITIES PLAN

Applied Analysis and Bowen Collins & Associates certify that the foregoing IFFP:

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. cost 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 and every relevant respect with the Impact Fees Act.

Applied Analysis

By: Brian Gordon, Principal

Bowen Collins & Associates

By: Aaron Anderson, P.E., Associate

IMPACT FEE FACILITIES PLAN & IMPACT FEE ANALYSIS



UCA 36A-306(2): CERTIFICATION OF IMPACT FEE ANALYSIS

Applied Analysis and Bowen Collins & Associates certify that the foregoing IFA:

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. cost 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

Applied Analysis

By: Brian Gordon, Principal

Bowen Collins & Associates

By: Aaron Anderson, P.E., Associate



APPENDIX

Recent Historical Water Use Data for Different Non-Residential Meter Sizes

2016			
Meter Size	Average Use Per Connection	Average Historical Use Per Single Family Connection	Demand Ratio
0.75	210,628	198,735	1.06
1	486,607	198,735	2.45
1.5	1,179,892	198,735	5.94
2	1,924,057	198,735	9.68
2017			
Meter Size	Average Use Per Connection	Average Historical Use Per Single Family Connection	Demand Ratio
0.75	242,675	202,801	1.20
1	466,127	202,801	2.30
1.5	1,244,264	202,801	6.14
2	2,001,009	202,801	9.87
2018			
Meter Size	Average Use Per Connection	Average Historical Use Per Single Family Connection	Demand Ratio
0.75	206,234	193,828	1.06
1	491,591	193,828	2.54
1.5	1,192,612	193,828	6.15
2	1,919,951	193,828	9.91
2019			
Meter Size	Average Use Per Connection	Average Historical Use Per Single Family Connection	Demand Ratio
0.75	194,653	179,179	1.09
1	465,515	179,179	2.60
1.5	1,146,432	179,179	6.40
2	2,225,561	179,179	12.42
2020			
Meter Size	Average Use Per Connection	Average Historical Use Per Single Family Connection	Demand Ratio
0.75	197,679	198,568	1.00
1	486,117	198,568	2.45
1.5	1,199,734	198,568	6.04
2	1,868,869	198,568	9.41
Overall Average			
Meter Size			Demand Ratio
0.75			1.08
1			2.47
1.5			6.13
2			10.26

Values Use in Master Plan	
Meter Size	Ratio
0.75	1.0
1	2.5
1.5	6.2
2	10.3

Source Sizing Standard for Existing Users per Master Plan	0.78 AFY
Target Level of Service for New Development	0.59 AFY
Ratio	1.3

Adjusted Meter Ratios Relative to 0.59 AFY LoS	
Meter Size	Proposed Ratios
0.75	1.3
1	3.3
1.5	8.2
2	13.6

Exhibit 3: Notice of Intent to Prepare Regional Water Impact Fee Facilities Plan and Analysis

**NOTICE OF INTENT TO PREPARE AN IMPACT FEE FACILITIES PLAN AND IMPACT FEE ANALYSIS FOR
WASHINGTON COUNTY WATER CONSERVANCY'S REGIONAL WATER SYSTEM**

Pursuant to the provisions of sections 11-36a-501 and 503 of the Utah Code (2011), as amended, notice is hereby given that the Washington County Water Conservancy District intends prepare an Impact Fee Facilities Plan and Impact Fee Analysis for the District's regional water system. Most proposed impact fee facilities will be within the boundaries of the Washington County Water Conservancy District which includes all of Washington County. In addition, proposed impact fee facilities related to the Lake Powell Pipeline Project will also be located in southern Kane County and northern Mohave and Coconino Counties (Arizona), and facilities related to Cove Reservoir will be located in eastern Kane County.

**Exhibit 4: Notice of Intent to Adopt 2022 Regional Water Impact Fee
Facilities Plan and Analysis and Impact Fee Enactment**

NOTICE OF INTENT TO ADOPT A REGIONAL WATER IMPACT FEE FACILITIES PLAN AND ANALYSIS AND IMPACT FEE ENACTMENT MODIFYING THE CURRENT WATER IMPACT FEE AND NOTICE OF PUBLIC HEARING ON THE SAME.

The Washington County Water Conservancy District will hold a Public Hearing on Tuesday, September 27, 2022, at 6:00 pm in the district office located at 533 E. Waterworks Drive, St. George, Utah.

The purposes of the Public Hearing are for the Board of Trustees to receive public comment on and consider adoption of:

1. The proposed 2022 Regional Water Impact Fee Facilities Plan and Analysis (IFFP and IFA) which is the basis for the proposed modified impact fee for future water users in the District Regional Service Area in Washington County; and
2. The proposed Impact Fee Enactment (IFE) which would modify the current impact fee.

Copies of the IFFP, IFA and IFE are available for public review in the district office, in each branch of the Washington County Library System, and on the district's website at <https://www.wcwcd.org/about-us/management/board-of-trustees-meeting-schedule/>.