



South Weber City

Culinary Water Impact Fees Analysis

February 27, 2017

Impact Fee Analysis for Culinary Water

Summary

This Impact Fees Analysis (“IFA”) uses the information provided in South Weber City’s (“City”) recently-completed Impact Fee Facilities Plan (“IFFP”)¹ to calculate the proportionate share for culinary water impact fees that the City can charge to new development.

Growth Projections

South Weber City is projected to grow at an average annual rate of 2.82 percent between 2015 and 2025, or by a total of 721 equivalent residential connections (“ERCs”).

Table 1: South Weber City Growth Projections

Year	Population	ERCs	Increase in ERCs from 2015 to 2025
2015	7,046	2,252	
2016	7,257	2,319	67
2017	7,471	2,388	136
2018	7,689	2,457	205
2019	7,909	2,528	276
2020	8,133	2,599	347
2021	8,360	2,672	420
2022	8,591	2,746	494
2023	8,824	2,820	568
2024	9,061	2,896	644
2025	9,301	2,973	721

Source: Jones and Associates, South Weber City Culinary Water Impact Fee Facilities Plan, p.2.

Service Areas

South Weber City has two geographic service areas that provide culinary water utility services to properties in the City. These two service areas are as follows:

Main Service Area. South Weber City is bounded by Layton City to the south, US-Forest Service to the east, the Weber River to the north, and Hill Air Force Base and Riverdale City to the west. The City is traversed by US 89 and I-84. The culinary water system serves the majority of its customers from one, interconnected system. This main system includes multiple water sources and storage facilities.

¹ South Weber City, *Culinary Water Impact Fee Facilities, Plan*, Jones and Associates, February 2017

Cottonwood Drive Area. Six (6) customers on Cottonwood Drive, located in between I-84 and the Weber River, are serviced via a separate connection to Weber Basin Water Conservancy District's transmission line. This area is not connected to the main distribution system and therefore does not benefit from the system's built-in redundancies and storage. An emergency connection to Uintah City's water system is located on Cottonwood Drive near the Weber River. Because this area does not benefit from the City's main water system, it has not been included in the calculation of impact fees.

Service Levels

The City's existing level of service is the State's minimum requirements as described later in this report. The existing service level is also the proposed service level.

The IFFP clearly states:

The City intends to maintain the existing level of service and meet all minimum requirements established in the Utah Administrative Code. Any deficiencies in meeting this level of service in the existing system are not part of this IFFP and will be corrected using funds from the City's Culinary Water Utility Fund.²

Excess Capacity

Sources. As stated in the IFFP, "South Weber currently has just enough source capacity to cover its existing customers, and no excess."³ As new development occurs, additional water will need to be acquired from WBWCD. The IFFP further states that the recommended option for the City is to "enter into an agreement with WBWCD to acquire shares of contract water on a yearly basis, as developments occur, rather than buying in bulk and paying for water not yet needed."⁴ Therefore, any impact fees for water source will be as determined by WBWCD's currently-adopted Treated Water Impact Fee Facilities Plan and Impact Fee Analysis which currently calculates the impact fee to be \$4,363 per ERC. Per the agreement, this amount will be collected by the City and then paid to WBWCD. At the current time, WBWCD charges \$4,363 for water impact fees. The responsibility for the calculation of this portion of the impact fee is attributable to WBWCD.

Storage. With 2.5 million gallons (MG) of functioning capacity system-wide, South Weber City has about 1.4 MG more storage than it currently requires (1.11 MG), and 0.725 MG more than is required at build-out (1.775 MG).⁵ Therefore, South Weber's existing storage has enough excess capacity to support the estimated 721 additional ERCs anticipated in 2025, as well as enough excess capacity to support the projected buildout of 1,660 additional ERCs in 2035.

The actual cost of Reservoir #4 (which represents the excess storage capacity) is \$2,146,661.⁶ This reservoir is currently being paid for through the 2010 Water Revenue Bonds. With interest costs,

² South Weber City, *Culinary Water Impact Fee Facilities Plan*, February 2017, p. 3.

³ South Weber City, *Culinary Water Impact Fee Facilities Plan*, February 2017, p. 4.

⁴ South Weber City, *Culinary Water Impact Fee Facilities Plan*, February 2017, p. 4.

⁵ South Weber City, *Culinary Water Impact Fee Facilities Plan*, February 2017, p. 4.

⁶ South Weber City, *Culinary Water Impact Fee Facilities Plan*, February 2017, p. 5.

the total cost is \$4,008,995.⁷ The 721 additional ERCs anticipated by 2025 represent 20.8 percent⁸ of total excess capacity, or an actual cost of \$832,273 (principal and interest).

Distribution. Based on the Culinary Water Impact Fee Facilities Plan dated February 2017, there is excess capacity in the City's water distribution system that will serve 234 ERCs. The actual cost of the excess capacity is \$122,243. Because this excess capacity is not sufficient to serve new development through 2025, with an estimated 721 additional ERCs, additional construction is also needed. Therefore, the buy-in costs associated with the excess capacity, as well as the cost of the new construction necessitated by new development must be shared proportionately among the 721 additional ERCs.

Meeting System Demand from New Development - New Construction

The IFFP identifies three projects which are necessitated by new development, with a total cost of \$879,577. These projects are anticipated to serve the community through buildout – or an additional 1,660 ERCs.

Summary of Impact Fees

TABLE 2: SUMMARY OF CULINARY WATER GROSS IMPACT FEE – WITHOUT CREDITS

Category	Calculation per ERC
Excess Capacity – Water Storage	\$1,154.33
Excess Capacity - Water Distribution	\$169.55
Other New Construction	\$529.87
Consultant Fees	\$11.30
Subtotal Gross Fee – City Portion	\$1,865.05
WBWCD Source Amount per Agreement with WBWCD⁹	\$4,363.00
Total Maximum Amount to Be Collected (before credits for outstanding bond)	\$6,228.05

However, in order to avoid double-payment by new development, there must be a credit mechanism put in place to account for the future payments by new development on the outstanding 2010 Water Revenue Bond. A portion of the bond was used to pay for the storage reservoir. Including principal and interest, reservoir costs amount to \$4,008,995 over the life of the bond.

⁷ The storage reservoir represents 62.13 percent of the total bond issuance *(\$2,146,661/\$3,455,000), and therefore 62.13 percent of total interest costs of \$2,997,382. Therefore, an interest amount of \$1,862,334, has been allocated to the reservoir.

⁸ 721 additional ERCs divided by the total excess capacity of 3,473 ERCs.

⁹ The WBWCD fee amount was provided by WBWCD and its consultants and was not calculated by ZPFI; however, it is the actual cost to South Weber for the water source portion of the impact fee and so is included in the maximum amount that can be collected by South Weber for impact fees. South Weber pays WBWCD \$4,363 per ERC for water source capital costs for all new development.

TABLE 3: SUMMARY OF CULINARY WATER IMPACT FEE

Year	ERCs	Annual Reservoir Cost	Reservoir Cost per ERC	NPV* of Reservoir Cost	Remaining Impact Fee City Portion (Storage and Distribution)	Weber Basin (Source)	Maximum Impact Fee to be Collected
2010	2,050	\$23,731.15	\$11.58				
2011	2,094	\$155,081.50	\$74.04				
2012	2,140	\$131,948.98	\$61.66				
2013	2,186	\$134,166.31	\$61.37				
2014	2,234	\$133,242.10	\$59.65				
2015	2,252	\$132,263.52	\$58.73				
2016	2,319	\$134,356.59	\$57.94				
2017	2,388	\$133,307.96	\$55.82	\$690	\$1,175.22	\$4,363	\$5,538
2018	2,457	\$132,142.98	\$53.78	\$659	\$1,205.69	\$4,363	\$5,569
2019	2,528	\$133,863.42	\$52.95	\$630	\$1,235.24	\$4,363	\$5,598
2020	2,599	\$132,341.18	\$50.92	\$600	\$1,265.12	\$4,363	\$5,628
2021	2,672	\$132,331.86	\$49.53	\$571	\$1,294.08	\$4,363	\$5,657
2022	2,746	\$132,331.86	\$48.19	\$542	\$1,322.75	\$4,363	\$5,686
2023	2,820	\$132,331.86	\$46.93	\$514	\$1,351.18	\$4,363	\$5,714
2024	2,896	\$132,331.86	\$45.69	\$486	\$1,379.43	\$4,363	\$5,742
2025	2,973	\$132,331.86	\$44.51	\$458	\$1,407.52	\$4,363	\$5,771
2026	3,057	\$132,198.28	\$43.25	\$430	\$1,435.51	\$4,363	\$5,799
2027	3,143	\$132,198.28	\$42.06	\$402	\$1,463.31	\$4,363	\$5,826
2028	3,231	\$132,198.28	\$40.91	\$374	\$1,490.99	\$4,363	\$5,854
2029	3,322	\$132,198.28	\$39.79	\$346	\$1,518.57	\$4,363	\$5,882
2030	3,416	\$132,198.28	\$38.70	\$319	\$1,546.10	\$4,363	\$5,909
2031	3,512	\$131,409.20	\$37.42	\$291	\$1,573.59	\$4,363	\$5,937
2032	3,611	\$131,409.20	\$36.39	\$264	\$1,600.84	\$4,363	\$5,964
2033	3,713	\$131,409.20	\$35.39	\$237	\$1,628.12	\$4,363	\$5,991
2034	3,817	\$131,409.20	\$34.42	\$210	\$1,655.45	\$4,363	\$6,018
2035	3,912	\$131,409.20	\$33.59	\$182	\$1,682.87	\$4,363	\$6,046
2036	3,912	\$130,570.42	\$33.38	\$155	\$1,710.52	\$4,363	\$6,074
2037	3,912	\$130,570.42	\$33.38	\$126	\$1,739.05	\$4,363	\$6,102
2038	3,912	\$130,570.42	\$33.38	\$96	\$1,768.72	\$4,363	\$6,132
2039	3,912	\$130,570.42	\$33.38	\$65	\$1,799.58	\$4,363	\$6,163
2040	3,912	\$130,570.42	\$33.38	\$33	\$1,831.67	\$4,363	\$6,195

*NPV = net present value using a discount rate of four percent

The maximum fee per ERC of \$1,175.22 for storage and distribution only (City portion) in 2017 is then applied to the actual number of ERCs or is based on the following schedule for water meter

sizes and average flow. In addition, to the amounts calculated below for the City, there is \$4,363 per ERC for the water source amount due to WBWCD, per the City's agreement with WBWCD.

TABLE 4: FEES BASED ON WATER METER SIZE - 2017

Water Meter Size	Operating Flow	Ratio	SWC Portion	WBWCD Portion	Total
Residential – 1"	50	1	\$1,175.22	\$4,363.00	\$5,538.22
Water - Commercial – 1½"	75	1.5	\$1,762.83	\$6,544.50	\$8,307.33
Water - Commercial – 2"	100	2	\$2,350.44	\$8,726.00	\$11,076.44
Water - Commercial – 3"	320	6.4	\$7,521.42	\$27,923.20	\$35,444.62
Water - Commercial – 4"	500	10	\$11,752.22	\$43,630.00	\$55,382.22

Utah Code Legal Requirements

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

Notice of Intent to Prepare Impact Fee Analysis

A local political subdivision must provide written notice of its intent to prepare an IFA before preparing the Plan (Utah Code §11-36a-503). This notice must be posted on the Utah Public Notice website. The City has complied with this noticing requirement for the IFA by posting notice on August 27, 2014. A copy of the notice is included in Appendix A.

Preparation of Impact Fee Analysis

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

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

- (1) An impact fee analysis shall:
 - (a) identify the anticipated impact on or consumption of any existing capacity of a public facility by the anticipated development activity;
 - (b) identify the anticipated impact on system improvements required by the anticipated development activity to maintain the established level of service for each public facility;
 - (c) demonstrate how the anticipated impacts described in Subsections (1)(a) and (b) are reasonably related to the anticipated development activity;
 - (d) estimate the proportionate share of:
 - (i) the costs for existing capacity that will be recouped; and
 - (ii) the costs of impacts on system improvements that are reasonably related to the new development activity; and

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

Certification of Impact Fee Analysis

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

Anticipated Impact On or Consumption of Any Existing Capacity of a Public Facility by the Anticipated Development Activity

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

Anticipated Development Activity

Impacts on culinary water facilities will come from both residential and nonresidential growth. Growth is projected in the IFFP as follows:

TABLE 5: ERC GROWTH

Year	Population	ERCs	Increase from 2015
2015	7,046	2,252	
2016	7,257	2,319	67
2017	7,471	2,388	136
2018	7,689	2,457	205
2019	7,909	2,528	276
2020	8,133	2,599	347
2021	8,360	2,672	420
2022	8,591	2,746	494
2023	8,824	2,820	568
2024	9,061	2,896	644
2025	9,301	2,973	721

Demand Placed on Existing Facilities by New Development Activity

Source. As stated in the IFFP, “South Weber currently has just enough source capacity to cover its existing customers, and no excess.”¹⁰ As new development occurs, additional water will need to be acquired from WBWCD.

Storage. Culinary water minimum requirements are set by the State of Utah and are shown in the table below.

TABLE 6: STATE OF UTAH CULINARY WATER MINIMUM REQUIREMENTS

Component	Measurement	DDW Requirement
Sources	Flowrate	800 gpd/ERC for Peak Day Demand
	Volume	146,000 gallons/ERC for Average Yearly Demand (0.448 ac-ft/ERC)
Storage Facilities	Volume	400 gallons/ERC
Distribution System	Pressure	20 psi during conditions of fire flow and fire demand experienced during peak day demand

¹⁰ South Weber City, *Culinary Water Impact Fee Facilities Plan*, February 2017, p. 4.

Component	Measurement	DDW Requirement
		30 psi during peak instantaneous demand
		40 psi during peak day demand

The City's existing and proposed standards are the same as the State minimum requirements.

TABLE 7: SOUTH WEBER EXISTING STORAGE

	Volume (gallons)	ERCs
Total Existing Storage (2015)	2,500,000	6,250
Total Existing Required Storage	1,110,800	2,252
Existing Required Storage (Indoor)		
400 gal/ERC x 2,252 ERCs =		
900,800 gal.		
Existing Required Storage (Fire Flow)		
(1,750 gpm x 120 minutes) =		
210,000 gal.		
Existing Excess Storage	1,389,200	3,473

Therefore, South Weber's existing storage has enough excess capacity to support the estimated 721 additional ERCs anticipated in 2025, as well as enough excess capacity to support the projected buildout of 1,660 additional ERCs in 2035.

Distribution. Based on the Culinary Water Impact Fee Facilities Plan dated February 2017, there is excess capacity in the City's water distribution system that will serve 234 ERCs. The actual cost of the excess capacity is \$122,243. However, this existing excess capacity is not sufficient to serve new development and additional water distribution projects must also be completed.

Identify the Anticipated Impact on System Improvements Required by the Anticipated Development Activity to Maintain the Established Level of Service for Each Public Facility and Demonstrate How the Anticipated Impacts are Reasonably Related to the New Development Activity

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

Source. Impacts on the water source will be handled through a contract with WBWCD. The IFFP further states that the recommended option for the City is to "enter into an agreement with WBWCD to acquire shares of contract water on a yearly basis, as developments occur, rather than buying in bulk and paying for water not yet needed."¹¹ The water source portion of the impact fee has been calculated by WBWCD and is collected by South Weber at the time that the City collects its culinary water impact fee.

Storage. There is excess capacity in the City's water storage system of 3,473 ERCs. The actual cost of Reservoir #4 is \$2,146,661. This reservoir is currently being paid for through the 2010 Water

¹¹ South Weber City, *Culinary Water Impact Fee Facilities Plan*, February 2017, p. 4.

Revenue Bonds. With interest costs, the total cost is \$4,008,995.¹² The 721 additional ERCs anticipated by 2025 represent 20.8 percent¹³ of total excess capacity, or an actual cost of \$832,273 (principal and interest). This cost is shared over the 721 additional ERCs for the purpose of calculating impact fees.

Distribution. Part of the demand created by new development will be met by the existing excess capacity of 234 ERCs. The actual cost of this excess capacity is \$122,243. Additional projects will also be needed to meet the demands of new development.

The IFFP identifies three projects which are necessitated by new development, with a total cost of \$879,577. These projects are anticipated to serve the community through buildout – or an additional 1,660 ERCs. These projects are shown in the table below:

TABLE 8: NEW CONSTRUCTION OF DISTRIBUTION PROJECTS

Project #	Project Description	Additional ERCs Served	Total Estimated Cost	Replacement/Deficiency Cost	Impact Fee Eligible Cost
1	Enter into contract with WBWCD for Impact Fee Pass-Through Method of Purchasing Water	1,660	\$22,000	\$0	\$22,000
7	Connect Lincoln Land and 2750 East; upsize to 8" 8075 South; 2575 East, and 2350 East (south of Deer Run Dr.); upsize US-89 crossing at 8075 South to 12"; abandon existing 4" PRV and line on Peachwood Dr.	45	\$570,313	\$532,734	\$37,577
13	Construction Connection #4 to WBWCD's transmission line with pump station to pump to Zone 4	163	\$820,000	\$0	\$820,000
	TOTAL	1,868	\$1,412,313	\$532,734	\$879,577

Proportionate Share Analysis

The proportionate share analysis is calculated by taking five components of the impact fees:

- 1) Buy-in to new development's proportionate share of the actual costs of existing, excess capacity;
- 2) Proportionate share of the cost of constructing new facilities;
- 3) Consultant costs associated with the culinary water impact fees;

¹² The storage reservoir represents 55.46 percent of the total bond issuance (\$1,916,223/\$3,455,000), and therefore 55.46 percent of total interest costs of \$2,997,382 have been allocated to the reservoir.

¹³ 721 additional ERCs divided by the total excess capacity of 3,473 ERCs.

- 4) Credits for any impact fee fund balance; and
- 5) Credits for future payments on outstanding bonds.

Excess Capacity Calculation.

A buy-in cost for excess capacity is calculated for water storage and distribution.

Storage

The actual cost of Reservoir #4 (which represents the excess capacity in the water storage system) is \$2,146,661, plus \$1,862,334 in interest costs for a total cost of \$4,008,995.¹⁴ The excess capacity that will be consumed by the year 2025 (estimated additional 721 ERCs) represents 20.8 percent of the total capacity, or a cost of \$832,273.

TABLE 9: PROPORTIONATE SHARE ANALYSIS – WATER STORAGE EXCESS CAPACITY

Excess Capacity - Water Storage	
Total Existing Storage	6,250
Total Existing Required Storage	2,246
Existing Excess Storage	3,473
Excess Capacity Actual Cost Reservoir #4	\$2,146,661
Interest Cost of 2010 Water Revenue Bond for Reservoir #4	\$1,862,334
Growth in ERCs, 2015-2025	721
Percent of Excess Capacity Consumed 2015-2025	20.8%
Excess Capacity Actual Cost Consumed by 2025	\$832,273
Excess Capacity Cost per ERC	\$1,154.33

TABLE 10: PROPORTIONATE SHARE ANALYSIS – WATER DISTRIBUTION EXCESS CAPACITY

Excess Capacity - Water Distribution	
Actual cost of existing water distribution system - excess capacity only	\$122,243
ERCs served by excess capacity	234
Growth in ERCs, 2015-2025	721
Excess cost per ERC	\$169.55

New Construction Calculation

Distribution. The total cost of construction of new water distribution facilities is \$879,577. These new facilities planned to accommodate the demands of new development have the capacity to serve 1,660 ERCs.¹⁵

The proportionate fee for the construction of new facilities is calculated by taking the total cost attributable to new development by 2025 (\$382,033) and dividing by the growth in ERCs over that same time period (721 ERCs).

¹⁴ South Weber City, *Culinary Water Impact Fee Facilities Plan*, p. 5.

¹⁵ South Weber City *Culinary Water Impact Fee Facilities Plan*, p. 8.

TABLE 11: PROPORTIONATE SHARE CALCULATION FOR NEW FACILITIES

Description	Amount
Projects 1, 7 and 13	\$879,577
Total ERCs served	1,660
ERC Growth, 2015-2025	721
% of Cost Attributable to New Growth, 2015-2025	43%
Cost Attributable to New Growth, 2015-2025	\$382,033
Cost per ERC	\$529.87

Consultant Costs.

The costs incurred by the consultants in preparing the IFFP and IFA can be included as part of the impact fees calculation. These costs are shown below.

TABLE 12: PROPORTIONATE SHARE CALCULATION FOR CONSULTANT COSTS

Consultant Fees	Amount
Jones & Associates	\$5,000
ZPFI	\$3,150
Total	\$8,150
Growth in ERCs 2015-2025	721
Cost per ERC	\$11.30

Impact Fee Fund Balance.

The impact fee fund balance for culinary water, as of 2017 financial reports obtained from the City, is \$0. Therefore, there are no credits for outstanding funds. When a fund balance exists, then a credit needs to be made against the impact fee to account for the impact fee fund balance.

Summary of Impact Fees

The maximum gross impact fee is \$1,865.05 per ERC for storage and treatment (City portion). In addition, there is the WBWCD amount of \$4,363 per ERC for water source. Credits for the outstanding 2010 Water Revenue Bond must then be applied against this gross fee, as discussed in the following section.

TABLE 13: SUMMARY OF CULINARY WATER GROSS IMPACT FEE – WITHOUT CREDITS

Category	Calculation per ERC
Excess Capacity – Water Storage	\$1,154.33
Excess Capacity - Water Distribution	\$169.55
Other New Construction	\$529.87
Consultant Fees	\$11.30
Subtotal Gross Fee – City Portion	\$1,865.05
WBWCD Source Amount per Agreement with WBWCD¹⁶	\$4,363.00

¹⁶ The WBWCD fee amount was provided by WBWCD and its consultants and was not calculated by ZPFI; however, it is the actual cost to South Weber for the water source portion of the impact fee and so is

Category	Calculation per ERC
Total Maximum Amount to Be Collected (before credits for outstanding bond)	\$6,228.05

However, in order to avoid double-payment by new development, there must be a credit mechanism put in place to account for the future payments by new development on the outstanding 2010 Water Revenue Bond. A portion of the bond was used to pay for the storage reservoir. Including principal and interest, reservoir costs amount to \$4,008,995 over the life of the bond.

TABLE 14: SUMMARY OF CULINARY WATER IMPACT FEE

Year	ERCs	Annual Reservoir Cost	Reservoir Cost per ERC	NPV* of Reservoir Cost	Remaining Impact Fee City Portion	Weber Basin Portion	Maximum Impact Fee to be Collected
2010	2,050	\$23,731.15	\$11.58				
2011	2,094	\$155,081.50	\$74.04				
2012	2,140	\$131,948.98	\$61.66				
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2020	2,599	\$132,341.18	\$50.92	\$600	\$1,265.12	\$4,363	\$5,628
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2023	2,820	\$132,331.86	\$46.93	\$514	\$1,351.18	\$4,363	\$5,714
2024	2,896	\$132,331.86	\$45.69	\$486	\$1,379.43	\$4,363	\$5,742
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2033	3,713	\$131,409.20	\$35.39	\$237	\$1,628.12	\$4,363	\$5,991
2034	3,817	\$131,409.20	\$34.42	\$210	\$1,655.45	\$4,363	\$6,018
2035	3,912	\$131,409.20	\$33.59	\$182	\$1,682.87	\$4,363	\$6,046
2036	3,912	\$130,570.42	\$33.38	\$155	\$1,710.52	\$4,363	\$6,074

included in the maximum amount that can be collected by South Weber for impact fees. South Weber pays WBWCD \$4,363 per ERC for water source capital costs for all new development.

Year	ERCs	Annual Reservoir Cost	Reservoir Cost per ERC	NPV* of Reservoir Cost	Remaining Impact Fee City Portion	Weber Basin Portion	Maximum Impact Fee to be Collected
2037	3,912	\$130,570.42	\$33.38	\$126	\$1,739.05	\$4,363	\$6,102
2038	3,912	\$130,570.42	\$33.38	\$96	\$1,768.72	\$4,363	\$6,132
2039	3,912	\$130,570.42	\$33.38	\$65	\$1,799.58	\$4,363	\$6,163
2040	3,912	\$130,570.42	\$33.38	\$33	\$1,831.67	\$4,363	\$6,195

*NPV = net present value using a discount rate of four percent

The maximum fee per ERC of \$1,175.22 (City portion for storage and distribution) in 2017 is then applied to the actual number of ERCs or is based on the following schedule for water meter sizes and average flow. In addition, to the amounts calculated below for the City, there is a charge of \$4,363 per ERC for the water source cost due to WBWCD.

TABLE 15: FEES BASED ON WATER METER SIZE

Water Meter Size	Operating Flow	Ratio	SWC Portion	WBWCD Portion	Total
Residential – 1"	50	1	\$1,175.22	\$4,363.00	\$5,538.22
Water - Commercial – 1½"	75	1.5	\$1,762.83	\$6,544.50	\$8,307.33
Water - Commercial – 2"	100	2	\$2,350.44	\$8,726.00	\$11,076.44
Water - Commercial – 3"	320	6.4	\$7,521.42	\$27,923.20	\$35,444.62
Water - Commercial – 4"	500	10	\$11,752.22	\$43,630.00	\$55,382.22

Calculation of Other Credits

Credits can be made for developer contributions, but will be at the discretion of the City.

Certification

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

1. Includes only the costs of public facilities that are:
 - a. allowed under the Impact Fees Act; and
 - b. actually incurred; or
 - c. projected to be incurred or encumbered within six years after the day on which each impact fee is paid;
2. Does not include:
 - a. costs of operation and maintenance of public facilities;
 - b. costs for qualifying public facilities that will raise the level of service for the facilities, through impact fees, above the level of service that is supported by existing residents; or
 - c. an expense for overhead, unless the expense is calculated pursuant to a methodology that is consistent with generally accepted cost accounting practices

and the methodological standards set forth by the federal Office of Management and Budget for federal grant reimbursement;

3. Offsets costs with grants or other alternate sources of payment; and
4. Complies in each and every relevant respect with the Impact Fees Act.

*Zions Public Finance, Inc. was not involved with the calculation of WBWCD fee for capital costs associated with water source for new development. ZPFI cannot certify that WBWCD has correctly calculated the water source portion of the fee. However, it is the capital cost that must be paid by the City and is therefore included in the impact fees.

Appendix A - Notice of Intent to Prepare Culinary Water Impact Fee Analysis

Utah Public Notice

Documents Updated

- [IFFP Intent.pdf - 1/30/17 2:21 PM](#)

City Council

[*Notice of intent to prepare an impact facilities plan*](#)

Notice Date & Time: 2/7/17 5:00 PM

Description/Agenda:

Pursuant to the requirements of Utah Code Ann. 11-36a-501 and 11-36a-503, notice is hereby given of South Weber City's to contract to prepare or amend Impact Fee Facilities Plans and Impact Fee Written Analysis for culinary water, sewer, storm water, streets, parks and trails, fire, and public safety. The geographical area where the proposed impact fee facilities will be located is the entire City limits.

Notice of Special Accommodations:

N/A

Notice of Electronic or telephone participation:

N/A

Other information:

Location:

1600 E. South Weber Dr., South Weber, 84405

Contact information:

Tom Smith, tsmith@southwebercity.com, 8014793177