

# Granger-Hunter Improvement District



## Wastewater Impact Fee Analysis



GRANGER-HUNTER  
IMPROVEMENT DISTRICT



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## EXECUTIVE SUMMARY

Granger-Hunter Improvement District (“GHID”) commissioned Zions Public Finance, Inc. (Zions) to calculate the District’s impact fees in accordance with Utah State Law. An impact fee is a payment of money imposed upon new development activity to mitigate the impact of new development on public infrastructure. In conjunction with this project, Bowen Collins & Associates prepared the Granger-Hunter Improvement District Wastewater Collection System Impact Fee Facilities Plan (IFFP) dated May 2022.

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

### Wastewater System Overview

#### Level of Service – Equivalent Residential Connection

Level of service (LOS) defines the wastewater demands that a typical residential user, expressed as an Equivalent Residential Connection (ERC), will require and should pay for through impact fees. Impact fee law prohibits the use of impact fees to increase the LOS above the current demands. At times, a wastewater system may need to increase the LOS to cure an existing deficiency, but projects that fix deficiencies must be paid for through non-impact fee revenues and a credit must be provided to the impact fee payer. In this analysis, a credit has been calculated to offset the portion of the future capital projects that will benefit existing users.

TABLE 1: LEVEL OF SERVICE

Criteria	Existing LOS	Proposed LOS
<b>Pipeline Capacity</b>		
Maximum Ratio of Flow to Pipeline Capacity/Percent of Collection System that currently meets the standard	.75/99.36%	.75/100%
<b>Treatment Capacity</b>		
Average Day, Maximum Month Flow (gpd/ERC)	214	214
<b>General Assets</b>		
Adequacy of Existing Facilities to Serve Customers	Sufficient	Sufficient

Source: GHID Water Impact Fee Facilities Plan, May 2022

A residential unit is equated to one ERC and non-residential properties are converted to the appropriate number of ERCs.

In 2021 the District serves 44,141 ERCs and is anticipated to grow to approximately 49,667 ERCs by 2031, for an increase of 5,526 ERCs over the 10-year period.

### Wastewater Service Area

The Service Area covers the entire District for the purpose of calculating impact fees.

## Existing Excess Capacity

### Collection System

The IFFP identifies the percentage of existing excess capacity in the wastewater collection system. Acquired at an actual cost of \$61,936,535, the wastewater collection system has existing use of 79.6% with 3.92% of the capacity available for 10-year growth. The remaining 16.48% is available for growth beyond 10 years.

### Treatment System

The District is served by Central Valley Water Reclamation Facility (CVWRF) for wastewater treatment. A portion of CVWRF's existing capital costs are allocated to the District according to GHID's 24.52% ownership in the CVWRF treatment plant. CVWRF capital improvements have been bond funded and GHID is responsible for repayment of a portion of the outstanding bonds. The IFFP further identifies the percentage of existing excess capacity in the wastewater treatment system. Acquired at an actual cost of \$50,264,000, the wastewater treatment system has an existing use of 76.66% with 5.74% of the capacity available for 10-year growth. The remaining 17.60% is available for growth beyond 10 years.

### General Assets

The IFFP identifies the percentage of existing excess capacity in the District's general assets. The general assets include land assets such as certain land and shared facility assets. Acquired at an actual cost of \$4,895,613, the District's general assets have existing capacity of 64.64% with 8.09% of the capacity available for 10-year growth. The remaining 27.27% is available for growth beyond 10 years.

TABLE 2: EXISTING EXCESS CAPACITY

Available Excess Capacity	Collection	Treatment	General Assets
Existing Use	79.60%	76.66%	64.64%
10-Yr Growth	3.92%	5.74%	8.09%
Beyond 10 Yrs	16.48%	17.60%	27.27%
<b>TOTAL</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Source: GHID Water Impact Fee Facilities Plan, May 2022

## New Construction Costs

The IFFP identifies a total of \$137,222,400 in new construction costs over the next 10 years, of which \$95,656,088 is necessary to cure existing deficiencies. A total cost of \$12,689,654 is planned for 10-year growth. Credits must be made for the cost of the projects that cure deficiencies so that new development does not pay twice.

## Wastewater Impact Fee Calculation

The maximum impact fee calculation is shown in the table below and results in a maximum fee of \$2,604.34 per ERC.

TABLE 3: PROPORTIONATE SHARE ANALYSIS

SUMMARY	
Existing Excess Capacity	\$1,080.28
New Construction	\$2,686.27

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**SUMMARY**

Consultant Costs	\$11.10
Credit - Impact Fee Fund Balance	\$0.00
Credit - Future Projects	(\$121.52)
Credit - CVWRF Bond	(\$999.45)
Credit - Outstanding Bonds	(\$52.34)
<b>Maximum Fee Per ERC</b>	<b>\$2,604.34</b>

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**Non-Standard Demand Adjustments**

The District reserves the right under the Impact Fees Act (Utah Code Ann. § 11-36a-402(1)(c, d)) to assess an adjusted fee to respond to unusual circumstances and to ensure that the impact fees are assessed fairly. The impact fee ordinance should include a provision that permits adjustment of the fee for a development based upon studies and data submitted by the developer that indicate a more realistic and accurate impact upon the District's infrastructure.

## CHAPTER 1: OVERVIEW OF THE WASTEWATER IMPACT FEES

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### Summary

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An impact fee is intended to recover the District's costs of building excess wastewater capacity from new residential or non-residential development rather than passing these growth-related costs on to existing users through rates.

The Utah Impact Fees Act allows only certain costs to be included in an impact fee so that only the fair cost of expansionary projects or existing unused capacity paid by the District is assessed through an impact fee. Eligible costs include future projects, historic costs of existing assets that still have capacity available to serve growth, future or outstanding debt related to these eligible projects, and certain professional expenses related to planning for growth. Project improvements that only serve a specific development or subdivision cannot be included. System improvements that cure a deficiency or enhance the Level of Service (LOS) cannot be included without an appropriate credit.

The impact fee analysis provides documentation of a fair comparison, or rational nexus, between the impact fee charged to new development and the demands that new growth will have on the system.

### Costs to be Included in the Impact Fee

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

- Buy-in to existing, excess capacity;
- New capital infrastructure that will serve new development; and
- Professional and planning expenses related to the construction of system improvements that will serve new development.

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

- Projects that cure system deficiencies for existing users;
- Projects that increase the level of service above that which is currently provided;
- Operations and maintenance costs;
- Costs of facilities funded by grants or other funds that the District does not have to repay;
- Interest costs related to outstanding or future bonds that have been issued to fund non-impact fee eligible projects such as repair and replacement and curing deficiency; and
- Costs of reconstruction of facilities that do not have capacity to serve new growth.

### Utah Code Legal Requirements

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Utah law requires that entities prepare an Impact Fee Analysis (IFA) before enacting an impact fee. Utah law also requires that entities give notice of their intent to prepare and adopt an IFA. This IFA follows all legal requirements as outlined below. The District 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.

### 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:

- (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.

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

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

### Service Area

The service area includes all areas within the District boundaries.

### Wastewater Demands

The table below shows Equivalent Residential Connection (ERC) growth projections.

**TABLE 4: GROWTH IN DEMAND**

Year	ERCs
2021	44,141
2022	44,665
2023	45,195
2024	45,731
2025	46,274
2026	46,823
2027	47,378
2028	47,940
2029	48,509
2030	49,085
2031	49,667

### Existing and Proposed LOS Analysis

Level of service defines how much of the wastewater system a typical residential user, defined as an ERC, will require and can fairly fund through impact fee revenue. LOS is based upon historic observed wastewater demands per ERC. Impact fee law prohibits the use of impact fees to increase the LOS above the current demands. At times, a wastewater system may need to increase a LOS to cure an existing deficiency, but projects that fix deficiencies must be paid for by non-impact fee revenues and a credit must be provided to the impact fee payer. In this analysis, a credit has been calculated to offset the portion of the future capital projects which will benefit existing users.

**TABLE 5: SERVICE LEVELS**

Criteria	Existing LOS	Proposed LOS
<b>Pipeline Capacity</b>		
Maximum Ratio of Flow to Pipeline Capacity/Percent of Collection System that currently meets the standard	.75/99.36%	.75/100%
<b>Treatment Capacity</b>		
Average Day, Maximum Month Flow (gpd/ERC)	214	214
<b>General Assets</b>		
Adequacy of Existing Facilities to Serve Costumers	Sufficient	Sufficient

*Source: GHID Water Impact Fee Facilities Plan, May 2022*

## CHAPTER 3: IMPACT ON CAPACITY FROM DEVELOPMENT ACTIVITY

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

### Excess Capacity

The District has the right to increase the established LOS in the future by constructing facilities that will provide greater capacity per ERC, but such LOS increases cannot be funded through impact fees. If the proposed LOS is higher than the existing LOS, then a deficiency exists and will be cured through sources of funding other than impact fees. Many of the future projects identified in the IFFP will serve existing residents, as well as new development which means a credit has been included in the impact fee calculation to offset the cost of constructing infrastructure that cures deficiencies for existing users.

With growth of 5,526 ERCs over the next 10 years (2021-2031), new growth represents 3.92% of the total capacity of the existing collection system. This means that new development between 2021 and 2031 is responsible for 3.92% of the costs of the existing collection system, or \$2,427,912.

**TABLE 6: EXISTING EXCESS CAPACITY—COLLECTION SYSTEM**

<b>Collection</b>	
Existing Capacity Cost - Collection	\$61,936,535
Percent to 10-Yr Growth	3.92%
Collection Cost to 10-Yr Growth	\$2,427,912

New growth represents 5.74% of the total capacity of the existing treatment system. This means that new development between 2021 and 2031 is responsible for 5.74% of the costs of the existing treatment system, or \$2,885,154.

**TABLE 7: EXISTING EXCESS CAPACITY-TREATMENT**

<b>Treatment</b>	
Existing Capacity Cost - Treatment	\$50,264,000
Percent to 10-Yr Growth	5.74%
Treatment Cost to 10-Yr Growth	\$2,885,154

The District has general assets with excess capacity to serve new growth. The IFFP shows that 8.09% of the existing general assets will benefit 10-year growth at a cost of \$396,055.

**TABLE 8: EXISTING EXCESS CAPACITY-GENERAL ASSETS**

<b>General Assets</b>	
Existing Capacity Cost - General Assets	\$4,895,613
Percent to 10-Yr Growth	8.09%
General Asset Cost to 10-Yr Growth	\$396,055

## CHAPTER 4: SYSTEM IMPROVEMENTS REQUIRED FROM DEVELOPMENT ACTIVITY

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

### Future 10-Year Wastewater Capital Projects

The District intends to build the following projects within the impact fee planning horizon to serve the demands of new growth.

**TABLE 9: IMPACT-FEE ELIGIBLE CAPITAL PROJECTS – COLLECTION SYSTEM PROJECTS**

Collection System Projects	Project Description	Total Project Cost	Cost to Existing	Cost to Beyond 10-year Growth	Impact Fee Eligible Cost to 10-Year Growth
S1	Redwood Road Improvements	\$8,750,000	\$2,107,530	\$1,752,570	<b>\$4,889,899</b>
S2	4000 W, Continental Dr to 4100 S	\$630,000	\$553,060	\$76,940	<b>\$0</b>
S4	Decker Lake Dr @ City Center Ct	\$1,560,000	\$919,594	\$233,198	<b>\$407,208</b>
S5	3100 S, 2040 W to Armstrong PS	\$600,000	\$422,476	\$160,625	<b>\$16,899</b>
S7	3500 S, 3200 W to W of Decker Lake Dr	\$6,000,000	\$2,607,339	\$3,001,723	<b>\$390,938</b>
S8	4100 S, 6780 W to 6400 W (2.680')	\$1,400,000	\$144,900	\$1,255,100	<b>\$0</b>
LS1	Replace Lift Station	\$5,000,000	\$2,058,824	\$2,459,991	<b>\$481,185</b>
<b>Impact Fee Eligible 10-Year Costs:</b>					<b>\$6,186,129</b>

**TABLE 10: IMPACT-FEE ELIGIBLE CAPITAL PROJECTS – TREATMENT SYSTEM PROJECTS**

Treatment System Projects	Project Description	Total Project Cost	Cost to Existing	Cost to Beyond 10-year Growth	Impact Fee Eligible Cost to 10-Year Growth
T1	CVWRF Improvements	\$113,282,400	\$86,842,366	\$19,936,509	<b>\$6,503,526</b>
<b>Impact Fee Eligible 10-Year Costs:</b>					<b>\$ 6,503,526</b>

The IFFP shows \$8,813,723 of the total \$23,940,000 collection new project costs is needed to benefit existing users. Credits against the gross impact fee must be calculated for the future project costs that benefit existing users so that new development does not pay twice. The deficiency credit calculation is detailed later in this IFA. Bonds have been issued to fund the CVWRF treatment improvements and a bond credit calculation is also included later in this IFA to account for the portions of the treatment projects that benefit existing users.

## CHAPTER 5: PROPORTIONATE SHARE ANALYSIS

The Impact Fees Act requires the Impact Fee Analysis to estimate the proportionate share of the future and historic cost of existing system improvements that benefit new growth and can be recouped through impact fees. The impact fee for existing assets must be based on the actual costs while the fees for construction of new facilities must be based on reasonable future costs of the system. This chapter will show that the proposed impact fee for system improvements is reasonably related to the impact on the wastewater system from future development activity.

### Maximum Legal Wastewater Impact Fee per ERC

#### Existing Projects with Excess Capacity

The existing excess capacity to be consumed over the next ten years is \$2,427,912 for the collection system, \$2,885,154 for the treatment system, \$396,055 of general assets and financing costs of \$260,488 (excludes CVWRF financing costs which can be found in the treatment section of Table 13 below). With projected growth of 5,526 ERCs over the next 10 years, the cost per ERC is \$439.36 for buy-in to the collection system, \$522.11 to the treatment system, \$71.67 to general assets, and \$47.14 for financing costs.

TABLE 11: PROPORTIONATE SHARE ANALYSIS-EXCESS CAPACITY BUY-IN

<b>Collection</b>	
Existing Capacity Cost - Collection	\$61,936,535
Percent to 10-Yr Growth	3.92%
Collection Cost to 10-Yr Growth	\$2,427,912
<b>Collection Cost per ERC</b>	<b>\$439.36</b>
<b>Treatment</b>	
Existing Capacity Cost - Treatment	\$50,264,000
Percent to 10-Yr Growth	5.74%
Treatment Cost to 10-Yr Growth	\$2,885,154
<b>Treatment Cost per ERC</b>	<b>\$522.11</b>
<b>General Assets</b>	
Existing Capacity Cost - General Assets	\$4,895,613
Percent to 10-Yr Growth	8.09%
General Asset Cost to 10-Yr Growth	\$396,055
<b>General Asset Cost per ERC</b>	<b>\$71.67</b>
<b>Financing Costs</b>	
Total Cost to 10-Yr Growth (not incl. treatment)	\$2,823,967
% Interest	9.22%
Financing Cost to 10-Yr Growth	\$260,488
<b>General Asset Cost per ERC</b>	<b>\$47.14</b>
<b>Total Buy-In Costs per ERC:</b>	<b>\$1,080.28</b>

## New Construction

Tables 12 and 13 summarize the cost of future system improvements to be constructed within the next 10 years and what portion of these costs are attributable to 10-year growth.

**TABLE 12: PROPORTIONATE SHARE ANALYSIS- COLLECTION NEW CONSTRUCTION**

<b>Collection</b>	
New Improvements	\$23,940,000
10-Yr Growth Amount	\$6,186,129
Growth in ERCs, 2021-2031	5,526
<b>Collection Cost per ERC</b>	<b>\$1,119.46</b>

**TABLE 13: PROPORTIONATE SHARE ANALYSIS- TREATMENT NEW CONSTRUCTION**

<b>Treatment</b>	
New Improvements	\$113,282,400
Percent to 10-Yr Growth	5.74%
10-Year Growth Amount	\$6,503,526
CVWRF Interest Cost Attributable to 10-Year Growth	\$2,154,678
Growth in ERCs, 2021-2031	5,526
<b>Treatment Cost per ERC</b>	<b>\$1,566.81</b>

## Consultant Fees

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

**TABLE 14: PROPORTIONATE SHARE ANALYSIS – CONSULTANT FEES**

<b>Consultant Costs</b>	
Consultant Costs	\$61,335
Growth in ERCs, 2021-2031	5,526
<b>Consultant Cost per ERC</b>	<b>\$11.10</b>

## Summary of Gross Impact Fee

The gross impact fee is the impact calculated before credits for deficiencies are taken into account.

**TABLE 15: PROPORTIONATE SHARE ANALYSIS- GROSS IMPACT FEE PER ERC**

<b>SUMMARY OF IMPACT FEE CALCULATION</b>	
Existing Excess Capacity	\$1,080.28
New Construction	\$2,686.27
Consultant Costs	\$11.10
<b>GROSS IMPACT FEE PER ERC</b>	<b>\$3,777.65</b>

## Credits Against Impact Fees

Three separate credits must be made against the gross impact fee. The first credit is to offset the portion of new GHID projects that will benefit existing deficiencies. There are existing deficiencies of \$8,813,723 based on the collection LOS. New development cannot be expected to pay the full impact fees and then also contribute to this existing deficiency in the system through user rate revenues or other sources.

Therefore, credits have been made for the portion of the projects that will be used to cure existing deficiencies. Table 16 shows these credits based on the increased cost per ERC per year to cure existing deficiencies, as well as the net present value of these credits.

The second credit that must be made is for GHID's 2021 Refunding of 2012 bond for collection facilities. These credits are shown in Table 17 below.

This analysis assumes that costs are spread equally over 20 years.

**TABLE 16: DEFICIENCY CREDIT AMOUNT FOR NEW DEVELOPMENT – COLLECTION FACILITIES**

Year	ERCs	Cost per ERC	NPV* of Credits
2021	44,141		
2022	44,665	\$9.87	\$133.37
2023	45,195	\$9.75	\$127.51
2024	45,731	\$9.64	\$121.58
2025	46,274	\$9.52	\$115.59
2026	46,823	\$9.41	\$109.53
2027	47,378	\$9.30	\$103.41
2028	47,940	\$9.19	\$97.21
2029	48,509	\$9.08	\$90.93
2030	49,085	\$8.98	\$84.58
2031	49,667	\$8.87	\$78.14
2032	50,197	\$8.78	\$71.61
2033	50,733	\$8.69	\$64.98
2034	51,275	\$8.59	\$58.24
2035	51,822	\$8.50	\$51.39
2036	52,375	\$8.41	\$44.43
2037	52,935	\$8.33	\$37.35
2038	53,500	\$8.24	\$30.14
2039	54,071	\$8.15	\$22.81
2040	54,648	\$8.06	\$15.35
2041	55,266	\$7.97	\$7.74
<b>5-Year Average Outstanding Bonds Credit (2022-2026):</b>			<b>\$121.52</b>

\*NPV = NET PRESENT VALUE DISCOUNTED AT A RATE OF 3 PERCENT

**TABLE 17: CREDIT FOR OUTSTANDING DEBT (SERIES 2021 REFUNDING BOND) – COLLECTION FACILITIES**

Year	Annual Debt Service	Amount to Existing	ERCs	Cost per ERC	NPV* of Credits
2022	\$377,376.25	\$298,618	44,665	\$6.73	\$63.82
2023	\$375,035.00	\$296,765	45,195	\$6.61	\$58.06
2024	\$373,190.00	\$295,305	45,731	\$6.50	\$52.32
2025	\$374,300.00	\$296,184	46,274	\$6.44	\$46.61
2026	\$374,320.00	\$296,199	46,823	\$6.36	\$40.87
2027	\$377,265.00	\$298,530	47,378	\$6.34	\$35.12

Year	Annual Debt Service	Amount to Existing	ERCs	Cost per ERC	NPV* of Credits
2028	\$377,090.00	\$298,391	47,940	\$6.26	\$29.31
2029	\$377,840.00	\$298,985	48,509	\$6.20	\$23.49
2030	\$377,500.00	\$298,716	49,085	\$6.12	\$17.64
2031	\$377,085.00	\$298,387	49,667	\$6.04	\$11.78
2032	\$378,595.00	\$299,582	50,197	\$6.00	\$5.91
<b>5-Year Average Outstanding Bonds Credit (2022-2026):</b>					<b>\$52.34</b>

\*NPV = NET PRESENT VALUE DISCOUNTED AT A RATE OF 1.5 PERCENT

The CVWRF bond was issued to pay for treatment facilities. GHID is responsible for 24.25 percent of bond payments. Existing development benefits from 66.40 percent and therefore this percentage must be credited against the gross impact fee.

TABLE 18: CREDIT FOR OUTSTANDING CVWRF DEBT (SERIES 2017,2019, 2020, AND 2021 BONDS)

Year	Annual Debt Service (GHID Portion)	Amount to Existing	ERCs	Cost per ERC	NPV* of Credits
2022	\$4,082,837	\$2,711,083	44,665	\$1,089.53	\$1,089.53
2023	\$4,766,456	\$3,165,019	45,195	\$1,050.63	\$1,050.63
2024	\$4,767,092	\$3,165,442	45,731	\$1,001.61	\$1,001.61
2025	\$4,766,286	\$3,164,907	46,274	\$952.42	\$952.42
2026	\$4,766,723	\$3,165,196	46,823	\$903.07	\$903.07
2027	\$4,766,874	\$3,165,297	47,378	\$853.54	\$853.54
2028	\$4,766,359	\$3,164,955	47,940	\$803.80	\$803.80
2029	\$4,767,086	\$3,165,438	48,509	\$753.85	\$753.85
2030	\$4,766,704	\$3,165,184	49,085	\$703.68	\$703.68
2031	\$4,765,898	\$3,164,649	49,667	\$653.27	\$653.27
2032	\$4,765,795	\$3,164,581	50,197	\$602.61	\$602.61
2033	\$4,766,280	\$3,164,903	50,733	\$551.62	\$551.62
2034	\$4,766,413	\$3,164,991	51,275	\$500.27	\$500.27
2035	\$4,766,153	\$3,164,818	51,822	\$448.55	\$448.55
2036	\$4,766,286	\$3,164,907	52,375	\$396.45	\$396.45
2037	\$4,766,704	\$3,165,184	52,935	\$343.95	\$343.95
2038	\$4,245,293	\$2,818,957	53,500	\$291.04	\$291.04
2039	\$4,234,471	\$2,811,771	54,071	\$244.17	\$244.17
2040	\$3,579,509	\$2,376,864	54,648	\$197.05	\$197.05
2041	\$3,579,509	\$2,376,864	55,266	\$157.50	\$157.50
2042	\$2,871,288	\$1,906,591	55,891	\$117.64	\$117.64
2043	\$1,951,775	\$1,296,016	56,522	\$85.88	\$85.88
2044	\$1,951,775	\$1,296,016	57,161	\$64.67	\$64.67
2045	\$1,951,775	\$1,296,016	57,808	\$43.29	\$43.29
2046	\$1,951,775	\$1,296,016	58,461	\$21.73	\$21.73
<b>5-Year Average Outstanding Bonds Credit (2022-2026):</b>					<b>\$999.45</b>

\*NPV = NET PRESENT VALUE DISCOUNTED AT A RATE OF 2 PERCENT



TABLE 19: SUMMARY OF IMPACT FEE CREDITS

<b>Summary of Credits</b>	
Impact Fee Fund Balance	\$0
Future Projects - Avg 5 Years	(\$121.52)
Outstanding Bonds - CVWRF	(\$999.45)
Outstanding Bond - GHID	(\$52.34)

**Impact Fee per ERC**

The average annual impact fee credit for deficiencies for 2022 through 2026 is \$1,173.31. Therefore, the maximum impact that can be charged per ERC is calculated by subtracting \$1,173.31 from the gross fee of \$3,777.65 to arrive at a **maximum impact fee of \$2,604.34 per ERC.**

TABLE 20: PROPORTIONATE SHARE ANALYSIS – IMPACT FEE PER ERC

<b>SUMMARY OF IMPACT FEE CALCULATION</b>	
Existing Excess Capacity	\$1,080.28
New Construction	\$2,686.27
Consultant Costs	\$11.10
Impact Fee Fund Balance Credit	\$0.00
Deficiency Credit - Future Projects	(\$121.52)
Bond Credit - CVWRF Bonds	(\$999.45)
Bond Credit – GHID Outstanding Bonds	(\$52.34)
<b>TOTAL IMPACT FEE PER ERC</b>	<b>\$2,604.34</b>

**Non-Standard Demand Adjustments**

The District reserves the right under the Impact Fees Act (Utah Code Ann. § 11-36a-402(1)(c, d)) to assess an adjusted fee to respond to unusual circumstances and to ensure that the impact fees are assessed fairly. The impact fee ordinance should include a provision that permits adjustment of the fee for a development based upon studies and data submitted by the developer that indicate a more realistic and accurate impact upon the District's infrastructure.

## CERTIFICATION

In accordance with Utah Code Annotated, 11-36a-306(2), Zions Public Finance, Inc., makes the following certification:

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

1. includes only the cost 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;
3. offset 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.