

RESOLUTION NO. 6-21-22.1

A RESOLUTION ADOPTING AMENDED AND UPDATED IMPACT FEE FACILITIES PLANS AND IMPACT FEE ANALYSES FOR MUNICIPAL WATER AND SANITARY SEWER; ADOPTING AMENDED AND UPDATED IMPACT FEES FOR MUNICIPAL WATER AND SANITARY SEWER; ESTABLISHING CERTAIN POLICIES RELATED TO MUNICIPAL WATER AND SANITARY SEWER IMPACT FEES; ESTABLISHING SERVICE AREAS; AND RELATED MATTERS

WHEREAS, Granger-Hunter Improvement District (the “District”) is a political subdivision of the State of Utah, duly authorized and organized under the provisions of Utah law, acting through its duly elected Board of Trustees (the “Board”); and

WHEREAS, the District has legal authority, pursuant to the Utah Impact Fee Act, Title 11, Chapter 36a Utah Code Annotated, as amended (“Impact Fees Act” or “Act”), to impose municipal water and sanitary sewer impact fees, as defined in the Act (“Impact Fees”), as a condition of development approval, which Impact Fees are imposed upon new development activity as a condition of development approval to mitigate the impact of new development on the District’s municipal water and sanitary sewer infrastructure; and

WHEREAS, the District has historically assessed Impact Fees as a condition precedent to development approval in order to assign capital infrastructure costs to new development in an equitable and proportionate manner; and

WHEREAS, the District properly noticed its intent to prepare amended and updated Impact Fee Facilities Plans and amended and updated Impact Fee Analyses, as defined in Section 2 hereof, with respect to its municipal water and sanitary sewer systems; and

WHEREAS, the District has completed updated Impact Fee Facilities Plans and Impact Fee Analyses for both its municipal water and sanitary sewer systems in compliance with the applicable requirements of the Impact Fees Act; and

WHEREAS, in conformance with the requirements of the Act, a public hearing was convened by the Board on June 21, 2022, to hear public comment on the District’s intent to amend and update its Impact Fee Facilities Plans and Impact Fee Analyses for its municipal water and sanitary sewer systems, and of the District’s intent to adopt this Resolution; notice of said hearing being given at least fourteen (14) days before the date of said hearing by posting notice on the Utah Public Notice website, on the District’s website, and the two public libraries within the District’s service area. Copies of the Impact Fee Facilities Plans, Impact Fee Analyses, and the Impact Fee Enactment have been available for public review beginning June 2, 2022, on the District’s website and at the public libraries listed below. In accordance with the Americans with Disabilities Act, the District will make reasonable accommodations to participants in the hearing. Requests for assistance can be made by calling (801) 968-3551 at least 48 hours in advance of the hearing to be attended.

Public Libraries:

West Valley Library

2880 W 3650 S
West Valley City, UT 84119
(801) 943-4636

Hunter Library

4740 W 4100 S
West Valley City, UT 84120
(801) 943-4636

WHEREAS, the Board has found and determined that it is in the best interest of the District to adopt the amended and restated Impact Fee Facilities Plans and amended and restated Impact Fee Analyses, and to impose its Municipal Water Impact Fee and Sanitary Sewer Impact Fee in conformance therewith pursuant to the Municipal Water Impact Fee Schedule and the Sanitary Sewer Impact Fee Schedule set forth herein;

NOW THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD AS FOLLOWS:

SECTION 1. PURPOSE

This Impact Fee Resolution (“Resolution”), establishes the District’s Municipal Water and Sanitary Sewer Impact Fee policies and procedures and conforms to the requirements of the §11-36a-401 et seq. of the Act. This Resolution supersedes and replaces, in their entirety, any prior impact fee resolutions related to District Municipal Water and Sanitary Sewer Impact Fees; provides a schedule of Municipal Water and Sanitary Sewer Impact Fees to be imposed for differing types of land-use development within the District, and sets forth directions for challenging, modifying and appealing the District’s Municipal Water and Sanitary Sewer Impact Fees. This Resolution does not replace, supersede, or modify any resolution regarding Impact Fees unrelated to Municipal Water and Sanitary Sewer.

SECTION 2. DEFINITIONS

Words and phrases that are defined in the Act shall have the same definition in this Resolution, including, without limitation, the following:

1. “Impact Fee Facilities Plan” or “IFFP” means the District’s Amended and Updated Impact Fee Facilities Plans which addresses its municipal water system and its sanitary sewer system, prepared in conformance with the requirements of Section 11-36a-301 of the Act. The Impact Fee Facilities Plans are attached hereto as a part of **Exhibit A** attached hereto.
2. “Development Activity” means any construction or expansion of building, structure or use, any change in use of building or structure, or any change in the use of land that creates additional demand and need for public facilities.

3. "Development Approval" means any written authorization from the City that authorizes the commencement of Development Activity (typically in the form of a building permit issued by a City's building department), within the District.
4. "City" means West Valley City, a political subdivision of the State of Utah, having jurisdictional authority over the commencement of Development Activity within the District.
5. "Impact Fee" means a payment of money imposed upon new Development Activity as a condition of development approval to mitigate the impact of the new development on public infrastructure. "Impact Fee" does not mean a tax, a special assessment, a hookup fee, a building permit fee, a fee for project improvements, or other reasonable permit or application fee.
6. "Impact Fee Analysis" or "IFA" means the District's written analyses which addresses its municipal water and sanitary sewer systems, prepared in conformance with the requirements of Section 11-36a-303 of the Act. The Impact Fee Analyses are attached hereto as a part of Exhibit A.
7. "Project Improvements" means site improvements and facilities that are: (i) planned and designed to provide service for development resulting from a Development Activity; and (ii) are necessary for the use and convenience of the occupants or users of said development resulting from a Development Activity. "Project Improvements" does not mean "System Improvements," as defined below.
8. "Proportionate Share" means the cost of public facility improvements that is roughly proportionate and reasonably related to the service demands and needs of any Development Activity.
9. "Public Facilities" includes, as applicable to this Resolution, the Municipal Water and Sanitary Sewer facilities of the District.
10. "Service Area" means a geographic area designated by the District on the basis of sound planning and engineering principles in which the District provides service, as set forth in Section 3 of this Resolution.
11. "System Improvements" means: (i) existing Public Facilities of the District identified in the IFFPs designed to provide services to the Service Area within the District at large, and (ii) future Public Facilities identified in the IFFPs that are intended to provide service to the Service Area within the District at large. "System Improvements" does not mean "Project Improvements," as defined above.

SECTION 3. DESIGNATION OF SERVICE AREA

The Service Area within which the Municipal Water and Sanitary Sewer Impact Fees levied hereby shall apply includes the entire area served by the District's Municipal Water or Sanitary Sewer systems.

SECTION 4. AMENDED AND UPDATED IMPACT FEE FACILITIES PLAN

1. Amended and Updated Impact Fee Facilities Plans. The IFFPs, included in Exhibit A, identify the existing level of service, establishes proposed levels of service, identifies any excess capacity to accommodate future growth at the proposed levels of service, identifies demands placed upon existing Public Facilities by new development activity at the proposed levels of service, and identifies the means by which the District will meet those growth demands. The District has considered all revenue sources to finance the impacts on System Improvements, including grants, bonds, inter-fund loans, impact fees and anticipated or accepted dedications of System Improvements. The District's plan for financing System Improvements establishes that Impact Fees are necessary to maintain a proposed level of service that complies with Subsection 11-36a-302(1)(b) or 11-36a-302(1)(c) of the Act. The IFFPs have been prepared based on reasonable growth assumptions for the Service Area, and analyzes the general demand characteristics of current and future users of the municipal water and sanitary sewer systems. Furthermore, the IFFPs identify the impact on System Improvements created by Development Activity and estimates the Proportionate Share of the costs of impacts on System Improvements that are reasonably related to new Development Activity. A copy of the IFFPs have been available for public inspection at least fourteen (14) days prior to the adoption of this Resolution.
2. Adoption of Amended and Updated IFFP. The Board hereby finds that the IFFPs, as contained in Exhibit A, are in conformance with the requirements of the Act and the same are hereby adopted and approved by the Board as the Municipal Water System and Sanitary Sewer System IFFPs for the Service Area.

SECTION 5. AMENDED AND UPDATED IMPACT FEE ANALYSIS

1. Amended and Updated Impact Fee Analysis.
 - (a) Executive Summary. A summary of the IFAs designed to be understood by a lay person (the "Executive Summary") are included in Exhibit A, and demonstrate the need for Impact Fees to be assessed on Development Activity. The Executive Summary has been available for public inspection at least fourteen (14) days prior to the adoption of this Resolution.
 - (b) Impact Fee Analysis. The IFAs identify the impacts on any existing capacity of the Public Facilities required by anticipated Development Activity and the anticipated impacts on System Improvements required by anticipated Development Activity to maintain the established level of service for each Public Facility; demonstrates how such anticipated impacts are reasonably related to the anticipated 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 in conformance with the requirements of the Act identifies how the Impact Fees are calculated. Copies of the IFAs have been available for public inspection at least fourteen (14) days prior to the adoption of this Resolution.
 - (c) Proportionate Share Analysis. The District has prepared a Proportionate Share analysis which analyzes whether or not the proportionate share of the costs of Public Facilities is

reasonably related to new Development Activity. The Proportionate Share analysis identifies, as applicable: (i) the costs of each existing Public Facility that has excess capacity to serve the anticipated development resulting from new Development Activity; (ii) the cost of System Improvements for each Public Facility; (iii) the manner of financing for each Public Facility (such as user charges, special assessments, bonded indebtedness, general taxes or funded grants) other than impact fees; (iv) 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; (v) the relative extent to which Development Activity will contribute to the cost of existing Public Facilities and System Improvements in the future; (vi) the extent to which 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; (vii) any extraordinary costs in servicing the newly developed properties; and (viii) the time-price differential inherent in fair comparisons of amounts paid at different times. A copy of the Proportionate Share analysis is included in the IFA, Exhibit A, and has been available for public inspection at least fourteen (14) days prior to the adoption of this Resolution.

2. Amended and Updated Impact Fee Analysis. The IFAs, as contained in Exhibit A, are in conformance with the requirements of the Act and the same are hereby adopted and approved by the Board as the Municipal Water System and Sanitary Sewer System IFAs for the Service Area.

SECTION 6. IMPOSITION OF MUNICIPAL WATER AND SANITARY SEWER IMPACT FEES

1. Findings; Imposition of Impact Fees. The Board hereby finds and determines that that Impact Fees are necessary to maintain a proposed level of service that complies with the requirements of the Act; accordingly, the Board hereby imposes new Municipal Water and Sanitary Sewer Impact Fees within the Service Area, to be levied in conformance with and subject to the provisions of this Section, pursuant to the Impact Fees Schedule and Formulas set forth in Section 7.
2. General Provisions.
 - (a) Calculation of Impact Fees. In calculating the Impact Fees, the District has duly considered and included construction costs, land acquisition improvements, materials and fixtures costs, costs of improvements, fees for planning, surveying, and engineering services provided for and directly related to the construction of System Improvements, and outstanding or future debt service charges given the fact that the District may use Impact Fees as a revenue stream to pay principal and interest on bonds or other obligations to finance the cost of System Improvements. The amounts calculated in determining the amount of Impact Fees to be levied are based on realistic estimates, and the assumptions underlying such estimates are disclosed in the IFAs.
 - (b) Adjustments. The standard Impact Fees may be adjusted at the time the fees are assessed due to inflation and/or in response to unusual circumstances, to fairly allocate costs associated with impacts created by a Development Activity or project, or due to a request for a prompt and

individualized impact fee review for the development activity of the state or a school district or charter school and an offset or credit for Public Facilities for which an impact fee has been or will be collected. The standard Impact Fees may also be adjusted to ensure that Impact Fees are imposed fairly for Development Activities attributable to low income housing or other development activities with broad public purposes. The Impact Fee assessed to a particular development may also be adjusted should the developer supply sufficient written studies and data to the District showing a discrepancy between the fee being assessed and the actual impact on the Municipal Water and Sanitary Sewer Systems.

(c) Previously Incurred Costs. To the extent that new growth and Development Activity will be served by previously constructed improvements, the Impact Fees may include Public Facility costs and outstanding bond costs related to improvements previously incurred by the District. These costs may include all projects included in the IFFPs which are under construction or completed but have not been utilized to their capacity, as evidenced by outstanding debt obligations. Any future debt obligations determined to be necessitated by growth activity may also be included to offset the costs of future capital projects.

3. Developer Credits. Developers which are subject to the levy of Impact Fees shall be allowed a credit against Impact Fees otherwise due or a proportionate reimbursement of an Impact Fee if said developer (i) dedicates land for a System Improvement, (ii) builds and dedicates some or all of a System Improvement, (iii) dedicates a Public Facility that the District and the developer agree will reduce the need for a System Improvement, (iv) dedicates land for, makes improvement to or newly constructs any System Improvement if the facilities are System Improvements or are dedicated to the public and offset the need for an identified System Improvement.

4. Impact Fees Accounting. The District will establish a separate interest-bearing ledger account for each type of Public Facility for which an Impact Fee is collected, deposit all Impact Fees in the appropriate ledger account, retain the interest earned on each account in the ledger account, and otherwise conform to the accounting requirements provided in the Impact Fees Act. Impact Fees collected prior to the effective date of this Resolution need not meet the requirements of this Section.

(a) Reporting. At the end of each fiscal year, the District shall prepare a report pursuant to §11-36a-601 of the Act.

(b) Impact Fee Expenditures. The District may expend Impact Fees pursuant to §11-36-602 of the Act only for System Improvements that are (i) identified in the IFFPs and (ii) for the specific Public Facility type for which the fee was collected.

(c) Time of Expenditure. Impact Fees collected pursuant to the requirements of this Resolution are to be expended, dedicated or encumbered for a permissible use within six (6) years of the receipt of those funds by the District, unless the District identifies in writing an extraordinary and compelling reason why the fees should be held longer than six (6) years and an absolute date by which the fees will be expended. Impact Fees will be expended on a First-In First-Out (“FIFO”) basis, with the first funds received deemed to be the first funds expended.

5. Refunds. The District shall refund any Impact Fees paid by a developer, plus interest actually earned, when: (i) the developer does not proceed with the Development Activity and files a written request for a refund; (ii) the fees have not been spent or encumbered; and (iii) no impact has resulted. An impact that would preclude a developer from a refund from the District 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.

6. Other Impact Fees. To the extent allowed by law, the District Board may negotiate or otherwise impose Impact Fees and other fees different from those currently charged. Those charges may, at the discretion of the District Board, include but not be limited to reductions or increases in Impact Fees, all or part of which may be reimbursed to the developer who installed improvements that service the land to be connected with the District's Municipal Water or Sanitary Sewer System.

7. 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 and other fees and costs that may not be included as itemized component parts of the Impact Fee Schedule set forth in Section 7 below. In charging any such fees as a condition of development approval, the District recognizes that the fees must be a reasonable charge for the service provided.

8. Fees Effective at Time of Payment. Unless the District is otherwise bound by a contractual requirement, the Impact Fee shall be determined from the fee schedule in effect at the time of payment in accordance with the provisions of Section 7 below.

9. Imposition of Additional Fee or Refund after Development. Should any developer undertake a Development Activity 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 units or the total density within the development, the District shall be entitled to recover the total Impact Fee pursuant the IFFP and IFA from the developer or other appropriate person covering the density for which an Impact Fee was not previously paid.

SECTION 7. IMPACT FEE SCHEDULES AND FORMULAS

1. Imposition of Impact Fees; Schedule. Impact Fees shall be levied in conformance with the following Impact Fee schedule and formula:

MUNICIPAL WATER IMPACT FEE SCHEDULE
Based on Size of Water Meter – in Inches

METER SIZE (IN)	CAPACITY RATIO	IMPACT FEE
¾	1.00	\$3,772.61
1	2.00	\$7,545.22
1 ½	5.00	\$18,863.05

2	8.00	\$30,180.88
4	25.00	\$94,315.25
6	50.00	\$188,630.50
8	80.00	\$301,808.80
10	115.00	\$433,850.15
12	155.00	\$584,754.55

SANITARY SEWER IMPACT FEE SCHEDULE

Based on Equivalent Calculation of Residential Equivalent Connections

PROPOSED FEE PER ERC
\$2,604.34

2. Maximum Supportable Impact Fees. The fee schedule included in the IFFPs and IFAs indicate the maximum Impact Fee set forth in Exhibit A which the District may impose on development within the Service Area, and is based upon general demand characteristics and potential demand that can be created by each class of user. The District reserves the right under the Impact Fees Act to assess an adjusted fee to respond to unusual circumstances to ensure that fees are equitably assessed. Formulas that can be used to calculate and adjusted Impact Fee are set forth in Exhibit A.

SECTION 8. IMPACT FEE EXEMPTIONS AND ADJUSTMENTS

1. “Public Purpose” Exemptions and Adjustments. The District Board may, on a project by project basis, authorize exemption or adjustments to the Impact Fees due from development for those projects the Board determines to be of such benefit to the community as a whole to justify the exemption or adjustment. Such projects may include facilities being funded by the state, school districts, charter schools, low income housing projects, facilities of a temporary nature, or other development activity with a broad public purpose, as provided in the Act. The District Board may elect to grant an exemption of or adjust Impact Fees otherwise due in consideration of economic benefits to be received from the Development Activity. In considering impact fee exemptions for school districts and charter schools, school districts and charter schools shall qualify for the exemption or adjustment on the same basis.
2. Exemption Procedures. Applications for exemptions 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.

SECTION 9. APPEAL PROCEDURE

Subject to the time limitations as provided in §11-36a-702 of the Act, any person or entity that has paid an Impact Fee pursuant to this Resolution may challenge the Impact Fee as provided in and in conformance with the requirements of §11-36a-701 et seq., of the Act, by filing:

(a) A written administrative appeal to the District, setting forth the name of the person or entity challenging the impact fee or fees, the specific impact fee or fees challenged, evidence that impact fee or fees challenged have been paid by the person or entity, and alleged grounds for such challenge, which appeal shall be considered and decided by the District within thirty (30) days after the day on which the appeal is filed;

(b) A request for mediation or arbitration as provided in §11-36a-704 and 705; or

(c) An action in district court.

SECTION 10. 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 Date. Except as otherwise specifically provided herein, this shall not repeal, modify or affect any Impact Fee of the District in existence as of the effective date of this Resolution, other than those expressly referenced in Section 1 above. All Impact Fees established, including amendments and modifications to previously existing Impact Fees, after the effective date of this Resolution shall comply with the requirements of this Resolution. This Resolution shall take effect ninety (90) days after the date hereof.
4. Incorporation of Recitals and Exhibit. The Recitals first set forth above and Exhibit A are incorporated and made a part hereof as though fully set forth herein.

ADOPTED AND APPROVED this 21 day of June, 2022.

GRANGER-HUNTER IMPROVEMENT DISTRICT

By: 
Chair, Board of Trustees

Attest


Secretary/Treasurer