

HINCKLEY TOWN

ORDINANCE NO. 25-10-02

AN ORDINANCE ADOPTING AN IMPACT FEE FACILITIES PLAN AND IMPACT FEE ANALYSIS AND IMPOSING CERTAIN IMPACT FEES; PROVIDING FOR THE CALCULATION AND COLLECTION OF SUCH FEES; PROVIDING FOR APPEAL, ACCOUNTING AND SEVERABILITY OF THE SAME, AND OTHER RELATED MATTERS

WHEREAS, On August 6, 2025, the Hinckley Town (the “Town”) posted notice as to its intention to prepare an impact fee facilities plan (“IFFP”) and impact fee analyses (“IFA”) for culinary water impact fees and invited all interested parties to participate in the impact fee preparation process, consistent with UCA Section 11-36a-501 and 11-36a-503;

WHEREAS, the Town is a municipality in the State of Utah, authorized and organized under the provisions of Utah law and is authorized pursuant to the Impact Fees Act, Utah Code Ann. 11-36a-101 et seq. to adopt impact fees; and

WHEREAS, on September 18, 2025, the Town posted notice of a public hearing on Utah’s Public Notice Website, the Town’s Website, and at the Town’s administrative building to consider the assumptions and conclusions of the Impact Fee Facilities Plans and the Impact Fee Analyses;

WHEREAS, the Town Council (the “Council”) met in regular session on October 2, 2025, to convene a public hearing and to consider adopting the IFFP and IFA, imposing impact fees, providing for the calculation and collection of such fees, and providing for an appeal process, accounting and reporting method and other related matters; and

WHEREAS, on September 18, 2025, Jones & DeMille Engineering and EFG-Consulting LLC (collectively the “Consultants”) certified their work under UCA section 11-36a-306(1);

WHEREAS, on October 2, 2025, after considering the input of the public and stakeholders and relying on the professional advice and certification of the Consultants, the Town adopted the findings, conclusions, and recommendations of the IFFP prepared by the Consultants, a copy of which is attached hereto as Exhibit “A” and incorporated herein by reference; and

WHEREAS, on September 18, 2025, the Consultants certified their work under UCA Section 11-36a-306(2);

WHEREAS, based on the input of the public and stakeholders and relying on the professional advice and certification of Consultants; and

WHEREAS, on September 18, 2025, a copy of the IFFP and IFA and the proposed Impact Fee Ordinance, along with a summary of the analyses that was designated to be understood by a lay person, were made available to the public and deposited at the Town

Recorder's Office, Library (if applicable), and on the Town Website; and

WHEREAS, on September 18, 2025, the Town posted notice of the date, time and place of the public hearing to consider the IFA in a public location and on the public notices website, and on the Town Website; and

WHEREAS, on October 2, 2025, the Council held a public hearing regarding the IFA and the Impact Fee Ordinance; and

WHEREAS, the Consultants in connection with the Town prepared a schedule of impact fees for each type of development activity that specifies the amount of the impact fee to be imposed for each type of system improvement. A copy of such Schedule of Fees is attached hereto as Exhibit "B" and incorporated herein by reference; and

WHEREAS, after careful consideration and review of the comments at the public hearing, the Council has determined that it is in the best interest of the health, safety and welfare of the inhabitants of the Town to adopt the findings and recommendations of the IFFP and IFA to address the impacts of development upon the culinary water system, to adopt the IFFP as proposed, to approve the IFA as proposed, to adopt the impact fees as proposed, to provide for the calculation and collection of such fees, and to provide for an appeal process, and an accounting and reporting method of the same.

NOW, THEREFORE, BE IT ORDAINED by the Council as follows:

Section 1. Findings. The Council finds and determines as follows:

1.1. All required notices have been given and made and public hearings conducted as required by the Impact Fees Act with respect to the IFFP, the IFA, and this Impact Fee Ordinance (this "Ordinance").

1.2. Growth and development activities in the Town will create additional demands on its infrastructure. The facility improvement requirements that are analyzed in the IFFP and the IFA are the direct result of the additional facility needs caused by future development activities. The persons responsible for growth and development activities should pay a proportionate share of the costs of the facilities needed to serve the growth and development activity.

1.3. Impact fees are necessary to achieve an equitable allocation to the costs borne in the past and to be borne in the future, in comparison with the benefits already received and yet to be received.

1.4. In enacting and approving the IFA including the impact fees recommended and this Ordinance, the Council has taken into consideration, and may consider on a case-by-case basis in the future, the future capital facilities and needs of the Town, the capital financial needs of the Town that are the result of the Town's future facilities' needs, the distribution of the burden of costs to different properties within the Town based on the use of the water and sewer systems of

the Town by such properties, the financial contribution of those properties and other properties similarly situated in the Town at the time of computation of the required fee and prior to the enactment of this Ordinance, all revenue sources available to the Town, and the impact on future facilities that will be required by growth and new development activities in the Town.

1.5. The provisions of this Ordinance shall be liberally construed in order to carry out the purpose and intent of the Council in establishing the impact fee program.

Section 2. Definitions.

2.1. Except as provided below, words and phrases that are defined in the Impact Fees Act shall have the same meaning in this Ordinance.

2.2. "Service Area" shall mean that geographic area consisting of the entire Town.

2.3. "Project Improvement" does not mean system improvement and includes, but is not limited to, those projects identified in the plans for the benefit of growth.

2.4. "Utah State Impact Fees Act" shall mean Title 11, Chapter 36a, Utah Code Annotated or its successor state statute if that title and chapter is renumbered, recodified, or amended.

Section 3. Adoption.

The Council hereby approves and adopts the IFA including the recommended impact fees attached and the analyses reflected therein. The IFPP and the IFA are incorporated herein by reference and adopted as though fully set forth herein.

Section 4. Impact Fee Calculations.

4.1. Impact Fees. The impact fees imposed by this Ordinance shall have one or two components depending upon the fee; an equity buy-in and a future facilities impact fee. The Impact Fee shall be calculated as set forth below.

4.2. Developer Credits/Developer Reimbursements. A developer, including a school district or charter school, may be allowed to receive a credit against or proportionate reimbursement of impact fees if the developer dedicates land for a system improvement, builds and dedicates some or all of a system improvement, or dedicates a public facility that the City and the developer agree will reduce the need for a system improvement. A credit against impact fees shall be granted for any dedication of land for, improvement to, or new construction of, any system improvements provided by the developer if the facilities are system improvements to the respective utilities, or are dedicated to the public and offset the need for an identified future improvement.

4.3. Adjustment of Fees. The Council may adjust either up (but not above the maximum allowable fee) or down the standard impact fees at the time the fee is charged in order to respond to an unusual circumstance in specific cases and to ensure that the fees are imposed fairly. The Council may adjust the amount of the fees to be imposed if the fee payer submits studies and data clearly showing that the payment of an adjusted impact fee is more consistent with the true impact being placed on the system.

4.4. Impact Fee Accounting. The Town shall establish a separate interest-bearing ledger account for the cash impact fees collected pursuant to this Ordinance. Interest earned on such account shall be allocated to that account.

(a) Reporting. At the end of each fiscal year, the Town shall prepare a report generally showing the source and amount of all monies collected, earned and received by the fund or account and of each expenditure from the fund or account. The report shall also identify impact fee fund by the year in which they were received, the project from which the funds were collected, the capital projects from which the funds were budgeted, and the projected schedule for expenditure and be provided to the State Auditor on the appropriate form found on the State Auditor's Website.

(b) Impact Fee Expenditures. Funds collected pursuant to the impact fees shall be deposited in such account and only be used by the Town to construct and upgrade the respective facilities to adequately service development activity or used as otherwise approved by law.

4.5. Refunds. The Town shall refund any impact fee paid when:

(a) the fee payer has not proceeded with the development activity and has filed a written request with the Council for a refund within one (1) year after the impact fee was paid;

(b) the fees have not been spent or encumbered within six (6) years of the payment date; and

(c) no impact has resulted.

Section 5. Appeal.

5.1. Any person required to pay an impact fee who believes the fee does not meet the requirements of the law may file a written request for information with the Council.

5.2. Within two (2) weeks of the receipt of the request for information the Town shall provide the person or entity with a copy of the reports and with any other relevant information relating to the impact fee.

5.3. Any person or entity required to pay an impact fee imposed under this article, who believes the fee does not meet the requirements of law may request and be granted a full administrative appeal of that grievance. An appeal shall be made to the Council within thirty

(30) calendar days of the date of the action complained of, or the date when the complaining person reasonably should have become aware of the action.

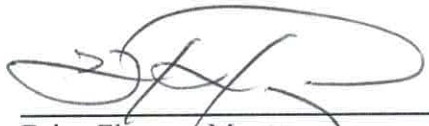
5.4 The notice of the administrative appeal to the Council shall be filed and shall contain the following information:

- (a) the person's name, mailing address, and daytime telephone number;
- (b) a copy of the written request for information and a brief summary of the grounds for appeal; and
- (c) the relief sought.

5.5 The Town shall schedule the appeal before the Council no sooner than five (5) days and no later than fifteen (15) days from the date of the filing of the appeal. The written decision of the Council shall be made no later than thirty (30) days after the date the challenge to the fee is filed with the Town and shall, when necessary, be forwarded to the appropriate officials for action.

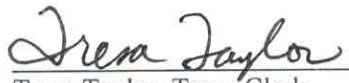
Section 6. Recitals. The recitals set forth above are adopted and incorporated herein.

This Ordinance shall be effective as of January 2, 2026 (90 days after its adoption by the Council as outlined in the Impact Fee Act).



Brian Florang, Mayor

Attested By:



Tresa Taylor, Town Clerk

Town Council Voted as Recorded:	AYE	NAY	ABSTAIN	ABSENT
Brian Florang	☒	_____	_____	_____
Skip Taylor	☒	_____	_____	_____
Chris Mork	☒	_____	_____	_____
Alan Miller	_____	_____	_____	☒
Crista Kaman	☒	_____	_____	_____



Exhibit A – IFFP & IFA

Hinckley Town

Culinary Water

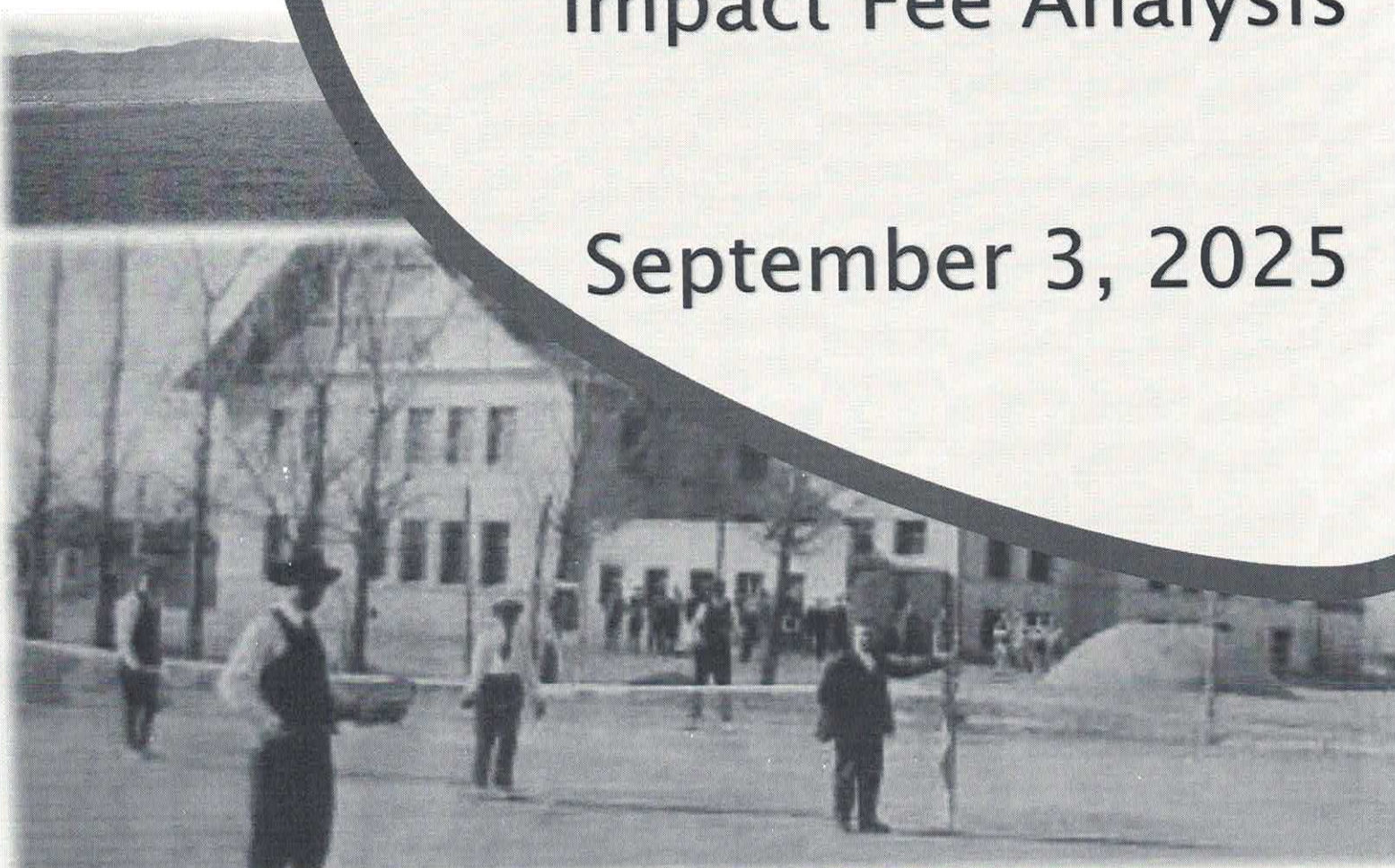
Impact Fee Facility Plan & Impact Fee Analysis

September 3, 2025

Hinckley Town

Since 1876

Utah's Best Kept Secret



Jones & DeMille
Engineering

EFG CONSULTING
2110 N DAPPLE DR, TOOELE, UT 84074
801.258.1926



HINCKLEY: WATER IMPACT FEE

IMPACT FEE FACILITY PLAN (IFFP) CERTIFICATION

Jones & DeMille Engineers (JDE) and EFG Consulting (EFG) certify that the attached impact fee facilities plan:

1. includes only the costs of public facilities that are:
 - a. allowed under the Impact Fees Act; and
 - b. actually incurred; or
 - c. projected to be incurred or encumbered within six years after the day on which each impact fee is paid;
2. does not include:
 - a. costs of operation and maintenance of public facilities;
 - 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;
 - 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; and,
3. complies in each and every relevant respect with the Impact Fees Act.

IMPACT FEE ANALYSIS (IFA) CERTIFICATION

JDE and EFG certify 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;
 - 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;
 - d. offsets costs with grants or other alternate sources of payment; and,
3. complies in each and every relevant respect with the Impact Fees Act.

JDE and EFG Consulting make this certification with the following caveats:

1. All of the recommendations for implementations of the IFFP made in the IFFP documents or in the IFA documents are followed by Town staff and elected officials.
2. If all or a substantial portion of the IFFP or IFA are modified or amended by the Town, this certification is no longer valid.
3. All information provided to our team is assumed to be correct, complete, and accurate. This includes information provided by the Town as well as outside sources.

Jones & DeMille Engineering

EFG Consulting

HINCKLEY: WATER IMPACT FEE

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HINCKLEY: WATER IMPACT FEE

SECTION I: EXECUTIVE SUMMARY

The purpose of this Impact Fee Facility Plan (IFFP) and Impact Fee Analysis (IFA) is to fulfill the requirements of the Utah Code Title 11 Chapter 36a (Impact Fee Act) to enable the Hinckley Town (Town) to update its culinary water impact fee for the entire Town. The following is a summary of the IFFP inputs.

SERVICE AREA:

The service area for this IFFP and IFA will include the entire Town.

DEMAND ANALYSIS:

The demand unit utilized in this analysis was an equivalent residential connection (ERC). Future growth in the Town for the water system is estimated to increase from 348 ERCs in 2023 to 493 ERCs in 2045 which is an increase of 145 ERCs.

LEVEL OF SERVICE:

The level of service (LOS) for water is provided in the following table.

Category	Requirement	Value
Rights	Peak Flow (gpm)	0.659 gpm/ERC
	Annual Diversion Volume (acre feet)	0.629 acre-ft/ERC
Source	Peak Day Demand (Indoor and Outdoor)	0.659 gpm/ERC
Storage	Equalization (Indoor and Outdoor) Usage	561 gallons/ERC
	Fire Suppression Storage	-
Distribution	Minimum Service Pressure - Peak Day	40 psi
	Minimum Service Pressure - Peak Instantaneous	30 psi
	Minimum Service Pressure - Peak Day + Fire Flow	20 psi
<i>Hinckley Culinary Water Capital Facilities Plan 2025</i>		

EXCESS CAPACITY:

Based upon the current LOS, the water system has excess capacity in water rights, source, and storage. The water rights excess capacity is estimated to serve an additional 564 ERCs. The source excess capacity is estimated to serve 257 additional ERCs while the storage excess capacity is estimated to serve 311 additional ERCs.

FUNDING OF FUTURE FACILITIES:

All future distribution projects will not be growth related and thus will not be funded through impact fees. Impact fee money collected will be used to reimburse the Town for the excess capacity provided for water rights and source improvements.

HINCKLEY: WATER IMPACT FEE

PROPOSED IMPACT FEE

Based upon the inputs described above and in the body of this report, the maximum allowable impact fee for water is \$2,631/ERC. The following is a multiplier for larger meters.

Water Impact Fee Schedule			
Meter Size	ERC Multiplier	Impact Fee	
$\frac{3}{4}$ or 1	1	\$	2,631
1 1/2	5	\$	13,154
2	8	\$	21,047
3	15	\$	39,463
4	25	\$	65,771

HINCKLEY: WATER IMPACT FEE

SECTION 2: DEMAND ANALYSIS

The purpose of this section is to describe the demand unit and estimate future demand.

DEMAND UNITS & FUTURE DEMAND

Demand units are measured in equivalent residential connections (ERCs). The growth in ERCs was estimated assuming an approximate growth rate of 3.54 percent.

ERC Projections			
	2025	2045	New ERCs
Water ERCs	348	493	145

SECTION 3: LEVEL OF SERVICE

The current level of service (LOS) for water is provided in the following table.

Category	Requirement	Value
Rights	Peak Flow (gpm)	0.659 gpm/ERC
	Annual Diversion Volume (acre feet)	0.629 acre-ft/ERC
Source	Peak Day Demand (Indoor and Outdoor)	0.659 gpm/ERC
Storage	Equalization (Indoor and Outdoor) Usage	561 gallons/ERC
	Fire Suppression Storage	
Distribution	Minimum Service Pressure - Peak Day	40 psi
	Minimum Service Pressure - Peak Instantaneous	30 psi
	Minimum Service Pressure - Peak Day + Fire Flow	20 psi
<i>Hinckley Culinary Water Capital Facilities Plan 2025</i>		

SECTION 4: EXCESS CAPACITY ANALYSIS

Based upon the current LOS, the water system has excess capacity in water rights, source, and storage.

Water Rights

Currently the Town owns 573.34 acre feet of water rights. Based on the LOS of 0.659 acre-ft/ERC, these water rights can serve 911.51 ERCs. Existing ERCs amount to 348, leaving excess capacity to serve a remaining 564 ERCs. The amount listed below is the total balance for water rights. The excess capacity amounts to 100% of the purchase cost.

Inventory Purchase	Cost	Acre Feet Purchased	Total ERCs Served	% Remaining Excess Capacity
68-2428	\$ 200,000	208	331.22	
68-1782		365	232.29	
Total	\$ 200,000	573	564	100%

HINCKLEY: WATER IMPACT FEE

Source & Treatment

The Oasis well provide 680 gpm of source capacity which is split 59% to Hinckley and 41% to Deseret Oasis Service District (DOS)¹. Hinckley's portion can serve 605 ERCs (based on the current LOS of 0.629 gpm/ERC). Existing ERCs are 348, leaving excess capacity available to serve an additional 257 ERCs as shown in the table below.

	Safe Yield Flow (gpm)	Hinckley %	ERC Capacity	Current (ERCs)	Remaining Capacity (ERCs)
Oasis Well & Treatment	680	59%	605	348	257
Cox Well (Backup)	570				
Total	680		605	348	257

Source: Hinckley Culinary Water Capital Facilities Plan 2025, Table 7-3

The Oasis well and Treatment for the well are collected together in the same inventory cost. The Oasis well is the main well that is used for this project. The Cox well is also included into the inventory cost, however it is only used as a backup. The table below details the projects that have taken place to add capacity to the system. This table also details the cost to the Town for these improvements. The total cost paid by the Town for these source improvements was \$1,232,303.

Inventory Cost	Cost Per ERC
Oasis well & Treatment	\$1,067,303
Cox well (backup)	165,000
Total Cost	\$1,232,303
	\$2,038

Storage

The Town has one 400,000 gallon tank. The total cost of the project was \$447,000 with \$290,500 covered by grants leaving \$156,500 available for excess capacity. The total capacity of the tank is 659 ERCs. The town current has 348 ERCs. The remaining ERCs for growth is 311.

Name	Total Volume (gal)	Town Cost
Water Tank	400,000	\$156,500
Total	400,000	\$156,500

¹ Based upon current ERC splits: DOS – 246 ERCs.

SECTION 5: CAPITAL FACILITY AND FUNDING ANALYSIS

All grant proceeds were excluded from historic project costs.

HINCKLEY: WATER IMPACT FEE

SECTION 6: IMPACT FEE CALCULATION

Based upon the inputs herein, the maximum allowable impact fee for water is \$2,361/ERC. The following describes the calculation.

Excess Capacity	Total Cost	Total ERCs	Remaining ERCs	% Remaining	Remaining Value	Cost/ERC
Water Rights	\$200,000	564	564	100%	200,000	355
Source	1,232,303	605	257	42%	522,920	2,038
Storage	156,500	659	311	47%	73,857	237
Total	\$1,588,803				\$ 796,777	\$ 2,631

Total Impact Fee Per ERC for Water		\$2,631
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Water Impact Fee Schedule		
Meter Size	ERC Multiplier	Impact Fee
¾ or 1	1	\$ 2,631
1 1/2	5	\$ 13,154
2	8	\$ 21,047
3	15	\$ 39,463
4	25	\$ 65,771

NON-STANDARD IMPACT FEES

For connections that can demonstrate a different demand on the system than assumed by ERC, the Town reserves the right under the Impact Fee Act to use a multiplier to calculate the equivalent impact fee at \$2,631 per ERC.

APPENDIX A – DRAFT IMPACT FEE ENACTMENT

Exhibit B – Impact Fee Schedule

Water Impact Fee Schedule				
Meter Size	ERC Multiplier	Impact Fee		
¾ or 1	1	\$	2,631	
1 1/2	5	\$	13,154	
2	8	\$	21,047	
3	15	\$	39,463	
4	25	\$	65,771	