



CITY OF OREM
CITY COUNCIL MEETING
56 North State Street, Orem, Utah
January 27, 2026

This meeting may be held electronically to allow a Councilmember to participate.

3:00 P.M. WORK SESSION - CITY COUNCIL CHAMBERS

1. WORK SESSION ITEMS

While this is a public meeting, we kindly ask that only presenters and individuals specifically invited by the Mayor or City Council speak or ask questions. This helps us conduct the City's business in an efficient and orderly manner. If you would like to make a comment on an issue, please do so during the Public Appearances portion of the regular meeting. This ensures that your comment is properly addressed and documented for the official record. Please keep side conversations to a minimum as it interferes with the audio recording.

1.1 **DISCUSSION - Short Term Rentals (60 min)**

Presenter: D. Jacob Summers, Deputy City Attorney

1.2 **PRESENTATION - Heart of Downtown (60 min)**

Presenter: Gary McGinn, Community Development Director and Consultants

1.3 **DISCUSSION - Boards and Commissions Process (15 min)**

2. CITY COUNCIL REPORTS (BOARDS & COMMISSIONS, NEW BUSINESS, ETC.)

This is an opportunity for members of the City Council to raise issues of information or concern.

3. AGENDA REVIEW & PREVIEW OF UPCOMING AGENDA ITEMS

The City Council will review the items on the agenda.

6:00 P.M. REGULAR SESSION - COUNCIL CHAMBERS

4. CALL TO ORDER

5. INVOCATION/INSPIRATIONAL THOUGHT: Scott Wiscombe

6. PLEDGE OF ALLEGIANCE: Brittany Wiscombe

7. MAYOR'S REPORT/ITEMS REFERRED BY COUNCIL

7.1 **PRESENTATION - Legislative Report**

Presenter: Keven Stratton, Utah State Senator

8. PERSONAL APPEARANCES – 15 MINUTES

Time has been set aside for the public to express their ideas, concerns, and comments on items not scheduled as public hearings on the Agenda. Those wishing to speak are encouraged to show respect for those who serve the city. Comments should focus on issues concerning the city. Those wishing to

speak should have signed in before the beginning of the meeting. (Please limit your comments to 3 minutes or less.)

9. CONSENT ITEMS

9.1 APPROVAL OF MEETING MINUTES

December 9, 2025 and January 13, 2026

9.2 REAPPOINTMENT - Library Advisory Commission

Katrina Brittner

9.3 APPOINTMENT - Transportation Advisory Commission

Todd Covington and Tonia Doussett

9.4 REAPPOINTMENT - Transportation Advisory Commission

Jay Przybyla, Laura Redford, and CJ Mecham

9.5 APPOINTMENT - Events Advisory Commission

Madisen MacArthur

10. SCHEDULED ITEMS

10.1 PUBLIC HEARING - ORDINANCE - Rezone for 1750 South Geneva Road from OS-5 to C2 with Development Agreement

Presenter: Jared Hall, Planning Manager

10.2 PUBLIC HEARING - Impact Fees Discussion

Presenter: Ryan Clark, Assistant City Manager and Fred Philpot, LRB

11. FINANCIAL INFORMATION

This item is for information purposes only. Find the financial statement in the City Council meeting packet.

11.1 Monthly Financial Summary

December 2025

12. CITY MANAGER INFORMATION ITEMS

This is an opportunity for the City Manager to provide information to the City Council. These items are for information and do not require action by the City Council.

13. ADJOURN TO A CLOSED SESSION IN SUMMIT CONFERENCE ROOM

To discuss pending or reasonably imminent litigation; the character or professional competence of an individual; or the purchase or lease of real property.

THE PUBLIC IS INVITED TO PARTICIPATE IN ALL CITY COUNCIL MEETINGS.

If you need a special accommodation to participate in the City Council Meetings and Study Sessions, please call the City Recorder's Office at least 3 working days prior to the meeting.
(Voice 801-229-7000)

This agenda is also available on the City's webpage at orem.org



**CITY OF OREM
CITY COUNCIL
MEETING
JANUARY 27, 2026**

| | |
|--------------------------|--|
| REQUEST: | REAPPOINTMENT - Transportation Advisory Commission |
| APPLICANT: | |
| NOTICES: | |
| SITE INFORMATION: | |
| PREPARED BY: | |

REQUEST:

BACKGROUND:

RECOMMENDATION:



City Council
January 27th, 2025

Johnson Farms
Rezone

PUBLIC HEARING – ZONING MAP AMENDMENT

Request to amend Article 22-5-3(A) and the Zoning Map of the City of Orem by changing the zone of the property located generally at 1738 South Geneva Road from OS5, Open Space to C2, Community Commercial. (Approximately 4.43 acres)

Prepared By:
Jared Hall

Applicant:
Washburn Associates

Notices:

Posted in 2 public places
Posted on City Webpage and City hotline
Posted at Utah.gov/pmn
156 notices sent to property owners within a 1,000-foot radius

Site Information:

General Plan Designation:
Community Commercial
Current Zone: **OS5**
Acreage: **4.43**
Neighborhood: **Lakeview**

Action:

The Council is the land use authority for this requested amendment, and may:

Approve the proposed change of zoning.

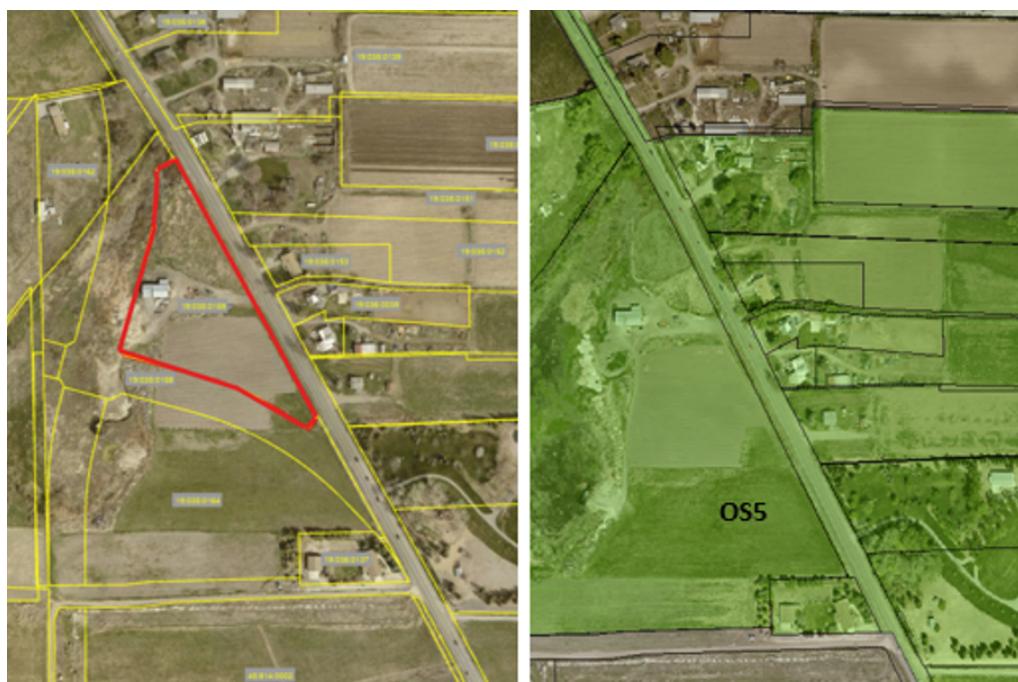
Deny the proposed change of zoning.

Continue the hearing to a future date to allow for further review, additional information, or public comment as may be needed to make a decision.

REQUEST: The applicant requests an amendment to Section 22-5-3(A) and the zoning map of the City of Orem by changing the zone approximately 4.43 acres from the OS5, Open Space zone to the C2, Community Commercial zone located generally at 1738 South Geneva Road.

PREVIOUS REVIEW: The application was reviewed at public hearings by the Planning Commission and City Council on November 5th and December 9th, 2025. The City Council directed the applicant to return with the same request coupled with a development agreement that would limit the allowed uses in the requested C2 Zone. The current application includes a draft development agreement.

PLANNING COMMISSION ACTION: The Planning Commission reviewed the proposed change of zoning and development agreement at a public hearing on January 7th, 2026. The Commission voted to recommend APPROVAL of the proposed zoning map amendment to the City Council with four votes in favor and none opposed.



BACKGROUND: The applicant is requesting approval to rezone the property at approximately 1738 South Geneva Road from OS5, Open Space to C2, Community

Commercial with the intent to develop the property commercially. The application to rezone includes a concept plan for a “Flex Retail” project.

REVIEW & ANALYSIS:

General Plan – The property is designated “Community Commercial” on the Future Land Use Map. The requested zoning (C2, Commercial) is listed as one of the preferred zones for this land use designation.

Current Zoning – This property is currently zoned as OS5. OS5 allows for low density residential development at a rate of one home per five acres, some cultural and educational public uses (such as churches, primary schools, museums and libraries), and uses related to agriculture.

Proposed Zoning – Rezoning the property to C2 would permit a variety of commercial and retail uses at this property, including but not limited to automobile dealerships, restaurants, retail shopping centers, and other similar uses. The applicant has proposed entering into a development agreement with the city in conjunction with the requested zone change that would further limit the allowable uses and the hours of operation on the site in order to mitigate potential negative impacts on the surrounding area.

Development Agreement – The proposed development agreement has been attached with this report for your review. The agreement would:

- 1) Set the concept plan and elevations as the required development. These documents are attached as exhibits to the development agreement.
- 2) Limit hours of operation for businesses on the site to between 5:00 a.m. and 12:00 a.m. (midnight).
- 3) Limit the permitted uses. Outdoor storage of any kind would be prohibited, and the following uses normally allowed in the C2 Zone would not be permitted:

5513 Tires and Tubes

SLU 5511 Motor Vehicles New and Used

SLU 5512 Motor Vehicle Vehicles Used

SLU 5530 Gasoline Service Station With or Without Store

SLU 5920 Cannabis Pharmacy

SLU 5940 Retail Tobacco Specialty Business

SLU 5944 Cigars – Cigarettes

SLU 6112 Pawn Shops

SLU 6214 Laundromats

SLU 6232 Tattoos & Body Piercing

SLU 6411 Automobile Wash

SLU 6412 Auto Lube and Tune Up

SLU 6413 Automobile Repair

SLU 6414 Auto Body Repair and Paint

SLU 6317 Animal Kennels and Runs

SLU 6615 Building Construction – General Contractor, Office & Storage

SLU 6625 Landscaping Services, Office & Storage

Concept Plan – The retail project is proposed to include six buildings, designed to resemble farm-like structures. Each structure is designed to be divided into smaller units, ranging from 1,000 ft² to 6,000 ft².

The concept includes units for both sale and lease. A total of 135 parking spots are included in the concept site plan.

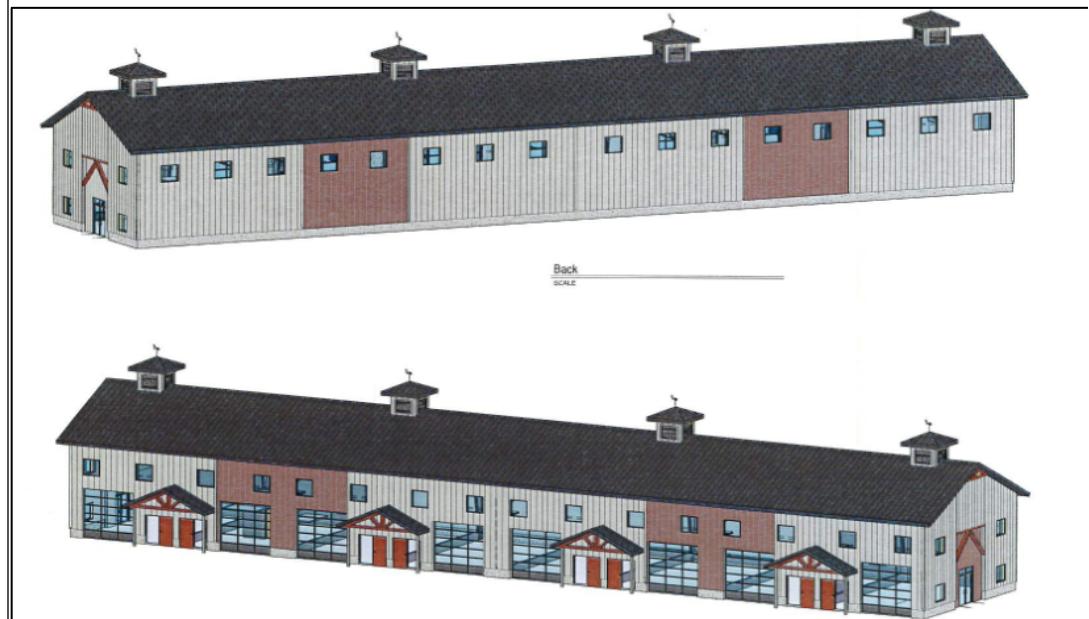


Figure 2: Concept Elevations of potential flex retail buildings

NOTE: Concept plans are required as part of a rezone application but are not considered binding documents. Any structure, plans, or uses that meet C2 requirements will be allowed in this location if a C2 rezone is passed.

Road Realignments – Several roadway projects in this area will have potential impacts to the future development of the subject property. Brief descriptions of the planned realignments are included here for review.

- **Geneva Road Widening at Orem Temple**
The Utah Department of Transportation (UDOT) is widening the road near 1493 South Geneva Road. Roadway improvements are anticipated to impact traffic near the Johnson Farms location and are designed to eventually tie into a planned intersection at 1738 South Geneva.
- **UDOT Intersection at 1738 South Geneva**
UDOT has plans to construct an intersection at the Johnson Farms location. Property has already been deeded for the future project. The property owners and UDOT deeded the property for future development in February 2025. There is currently no listed start date.
- **Lakeview Parkway Road Development**

Orem City is acquiring property to build a Lakeview Parkway connection from Provo through Southwest Orem. This road will be partially connected to the 1738 South Geneva intersection at the Johnson Farms location.

- **Lakeview Place Project**

A property directly south of the Johnson Farms project was rezoned from OS5 to M1 in 2020 and was approved for a new warehousing project. Project start date is dependent upon the Lakeview Parkway road development.

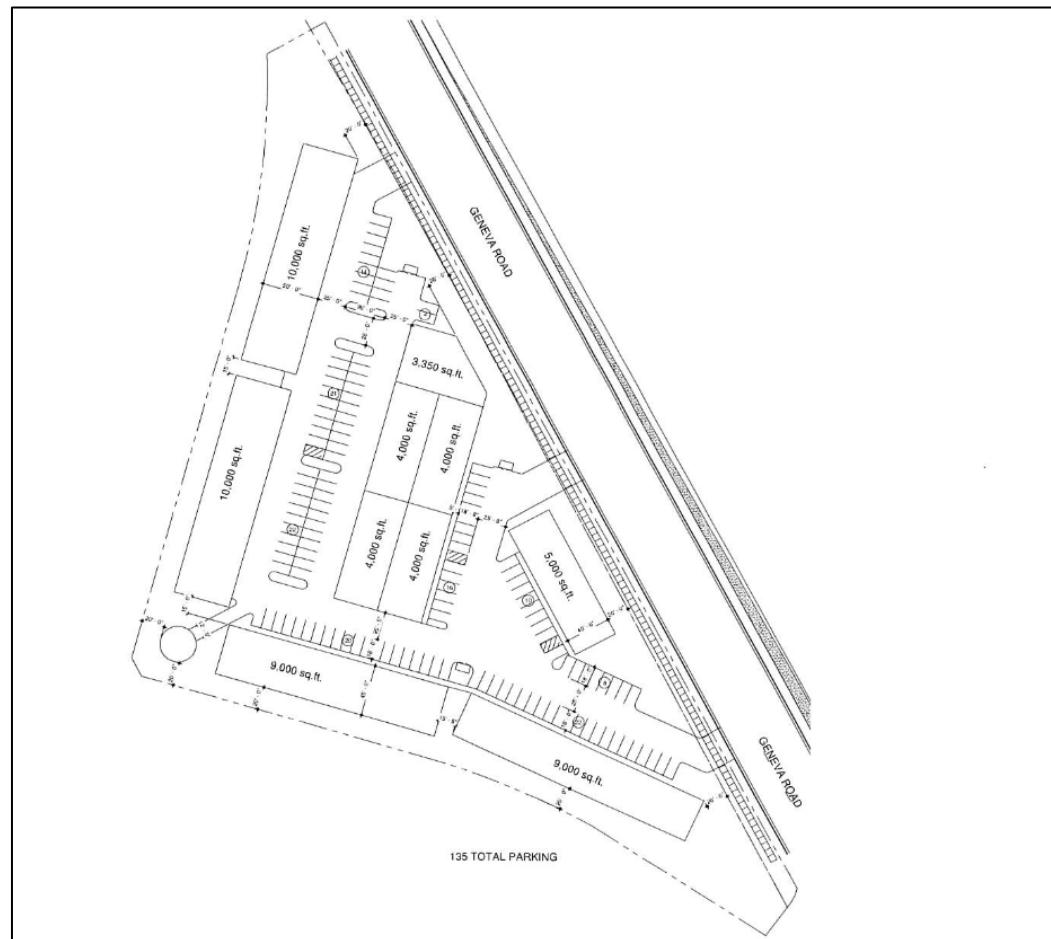


Figure 3: Concept Site Plan

Neighborhood Meeting: A neighborhood meeting is required for all zone map amendment applications. The applicants held the required meeting at Washburn and Associates, located at 825 North 900 West Orem, Utah, on September 11, 2025, at 6:00 PM. Neighbors within a 1,000-foot radius of the project were notified. A total of nine individuals attended. Minutes, a copy of materials discussed, and a copy of the notices mailed by Washburn Associates are attached to the agenda packet for review.

STATE REQUIRED PROCESS FOR LAND USE AMENDMENTS:

For land use amendments like the requested zone change, Utah State Code states that the “planning commission shall... review and recommend to the [Orem City Council (“Council”)] a proposed land use regulation that represents the planning commission’s recommendation for regulating the use and development of land

within all or any part of the area of the municipality. See Utah Code 10-9a-502(1)(d)(i).

The Council “may not make any amendment [to the land use ordinance or zoning map] unless the Council... first submits the amendment to the planning commission for the planning commission's recommendation.” See Utah Code 10-9a-503(2).

ALTERNATIVE ACTIONS:

The City Council is the land use authority for changes to the Zoning Ordinance and/or Zoning Map, and after review and consideration of the application may:

APPROVE or DENY the proposed amendment to the Zoning Map.

Continue the Request to a future date for further review, additional information, or public comment.

ALTERNATIVE MOTIONS:

Motion to Approve or Deny

“I move that the Orem City Council [choose APPROVE or DENY] proposed Ordinance #2025-0017 amending Article 22-5-3(A) and the Zoning Map of the City of Orem by changing the zone of the property located generally at 1738 South Geneva Road from OS5, Open Space to C2, Community Commercial, approximately 4.43 acres

Motion to Continue the Request

“I move that the Orem City Council continue this request for further consideration to (choose another date as appropriate).”

RESOLUTION NO. PC-2026-0002

A RESOLUTION BY THE OREM CITY PLANNING COMMISSION TO FORWARD A POSITIVE RECOMMENDATION TO CITY COUNCIL TO AMMEND ARTICLE 22-5-3(A) AND THE ZONING MAP OF THE CITY OF OREM BY REZONING THE PROPERTY LOCATED GENERALLY AT 1738 SOUTH GENEVA ROAD FROM THE OPEN SPACE (OS5) ZONE TO THE COMMUNITY COMMERCIAL (C2) ZONE (4.43 ACRES) WITH AN ATTACHED DEVELOPMENT AGREEMENT.

WHEREAS on September 11th, 2025, Paul Washburn filed an application with the City of Orem requesting the Planning Commission rezone the 4.43 acres, currently referred to as Johnson Farms, from Open Space (OS5) to Community Commercial (C2); and

WHEREAS agricultural uses are no longer viable due to new right-of-way improvements in the area and the applicant plans to redevelop the property as retail space with limited uses as provided in an accompanying Development Agreement (attached as Appendix B), which is made a condition of the rezone approval; and

WHEREAS a public meeting considering the subject application was held by the Planning Commission on January 7th, 2026; and

WHEREAS 156 notices were mailed to residents within 1,000 feet of the property; and

WHEREAS the agenda of the Planning Commission meeting at which the subject application was heard was posted at the Orem Public Library, on the Orem City webpage, and at the city offices at 56 North State Street; and

WHEREAS the matter having been submitted and the Planning Commission having fully considered the request as it relates to the health, safety, and general welfare of the City; the orderly development of land in the City; the effect upon the surrounding neighborhood; the compliance of the request with all applicable City ordinances and the Orem General Plan, and the special conditions applicable to the request.

BE IT RESOLVED BY THE PLANNING COMMISSION OF THE CITY OF OREM, UTAH, as follows:

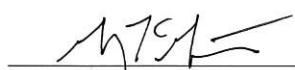
1. The Planning Commission finds this request for a rezone, and the associated development agreement, comply with all City codes and standards.
2. The Planning Commission hereby forwards a POSITIVE RECOMMENDATION to amend Article 22-5-3(A) and the zoning map of the city of Orem by rezoning the 4.43-acre property located generally at 1738 South Geneva Road from the Open Space (OS5) zone to the Community Commercial (C2) zone, subject to the terms of the attached Development Agreement.
3. This resolution shall take effect immediately upon passage.
4. If any part of this resolution shall be declared invalid, such decision shall not affect the validity of the remainder of this resolution.
5. All other resolutions or policies in conflict herewith, either in whole or part, are hereby repealed.

PASSED and APPROVED this 7th day of January 2026.



CITY OF OREM, by
Madeline Komen, Chairman

ATTEST:



Gary McGinn, Planning Commission Secretary

PLANNING COMMISSION
MEMBER

AYE NAY ABSTAIN ABSENT

| | | | | |
|-------------------|-------------------------------------|--------------------------|--------------------------|-------------------------------------|
| Mike Carpenter | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Gerald Crismon | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Rod Erickson | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| James Hawkes | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Madeline Komen | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Britton Runolfson | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Haysam Sakar | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

EXHIBIT A

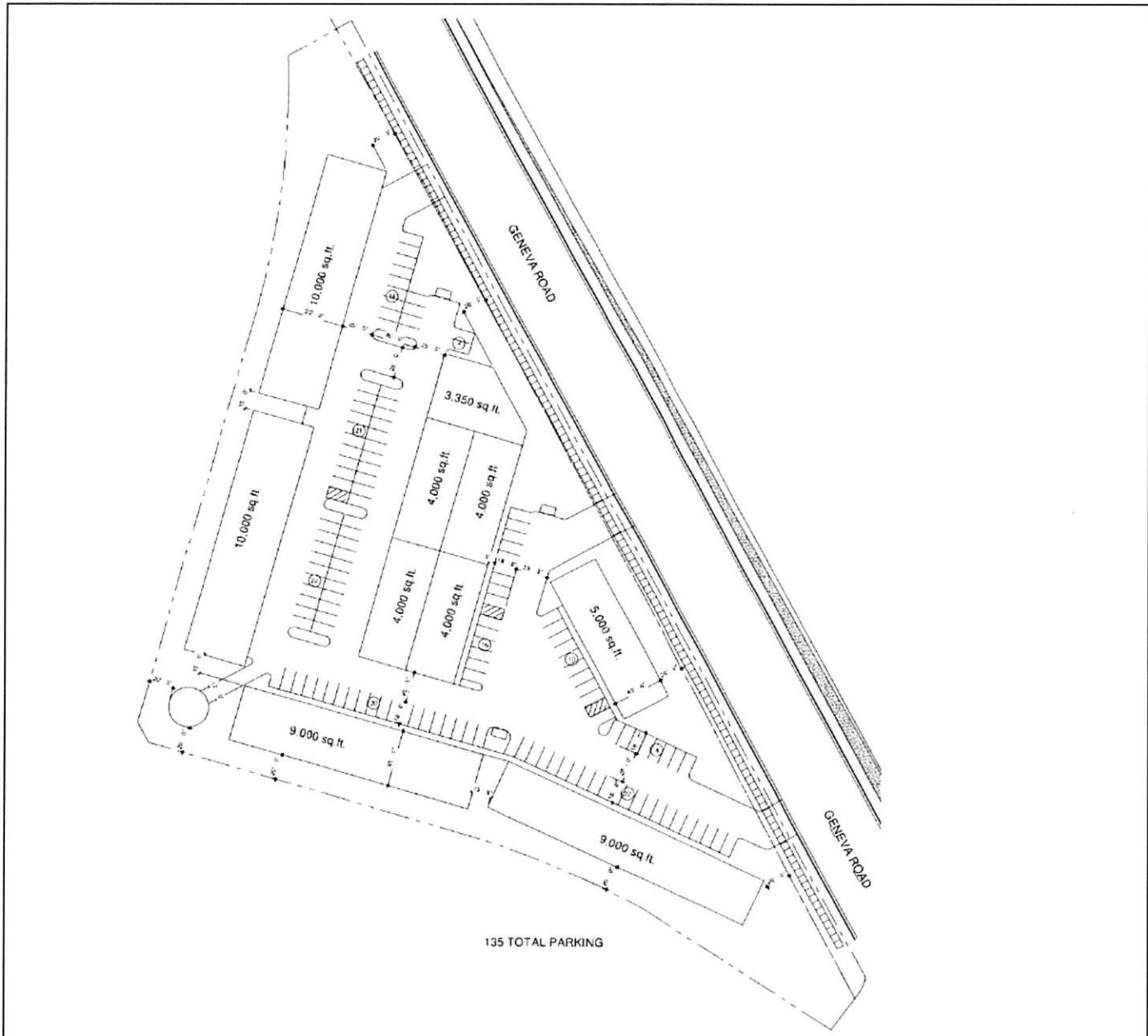


EXHIBIT B - DEVELOPMENT AGREEMENT

This Development Agreement is executed in duplicate this day of _____, 2025, by and between the City of Orem, a municipal corporation and political subdivision of the State of Utah, with its principal offices located at 56 North State Street, Orem, Utah 84057 (hereinafter referred to as the "City"); The Shops at Johnson Farm, LLC, a Utah limited liability company with its principal address of 8383 S Mesa Drive, Sandy, UT, 84093 (hereinafter referred to as "Developer"); and the following additional individuals and entities (collectively hereinafter referred to as "Owners"):

1. Martell Keith Johnson, Trustee of the Martell Johnson Family Trust dated February 4, 2020, with an address of [ADDRESS]; and
2. Cheryl B. Johnson, an individual with an address of [ADDRESS]; and
3. Nancy L. Zabel, Trustee of the K. Allan and Nancy Zabel Family Trust 2001 dated April 20, 2001, with an address of [ADDRESS]; and
4. Philip D. Johnson, an individual with an address of [ADDRESS]; and
5. Wallace K. Johnson and Alice H. Johnson, Trustees of the A&W Johnson Trust dated November 6, 2018, with an address of [ADDRESS].

RECITALS

WHEREAS Owners are the owners of a parcel of property consisting of approximately 1.24 acres located at approximately 1738 South Geneva Road, Orem, Utah which is identified on the records of the Utah County Recorder as Tax ID # 19:035:0159 and which is more particularly described in Exhibit "A" (hereinafter referred to as the "Property"); and

WHEREAS Developer has a contract to purchase the Property, which is contingent on the Property being zoned C2; and

WHEREAS the Property is currently zoned OS5; and

WHEREAS Developer has filed an application with the City to rezone the Property from OS5 to the C2 zone in order to allow the development of a retail project on the Property as shown in the concept plan attached hereto as Exhibit "B" (the "Project"); and

WHEREAS in order to mitigate the potential negative impacts of the Project on neighboring property owners and to ensure that the development on the Property is constructed and used in conformance with Developer's representations, Developer, the City, and Owners are willing to enter into this Development Agreement; and

WHEREAS the City, acting pursuant to its authority under Utah Code Section 10-20-101, et. seq., and in furtherance of its land use policies, goals, objectives, ordinances, resolutions, and regulations, has elected to approve this Agreement.

COVENANTS

NOW, THEREFORE, in consideration of the promises and conditions set forth herein, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the City, Owners, and Developer hereby agree as follows:

1. Development in Conformance with Concept Plan. The Parties acknowledge and agree that

the concept plan, drawings and renderings that Developer presented to the City Council were a significant factor in the City Council's favorable consideration of Developer's request to rezone the Property to C2. The Property shall be developed in conformance with the concept plan, drawings and renderings attached hereto as Exhibit "B" including, but not limited to conformance with building location, building design, layout, lighting, landscaping, elevations and building finish materials. Exhibit "B" is attached hereto and by reference is made a part hereof.

2. Limited Uses. The Parties acknowledge and agree that the proposed uses and Developer's and Owners' willingness to limit uses on the Property were also a significant factor in the City Council's favorable consideration of Developer's request to rezone the Property to C2. Therefore,

Developer agrees to maintain prohibitions on the following uses in the covenants, conditions, and restrictions (CC&Rs) for the Project, and pursuant to this agreement the following uses otherwise permitted in C2 zones shall not be permitted on the Property:

SLU 5513 Tires and Tubes

SLU 5511 Motor Vehicles New and Used

SLU 5512 Motor Vehicle Vehicles Used

SLU 5530 Gasoline Service Station With or Without Store

SLU 5920 Cannabis Pharmacy

SLU 5940 Retail Tobacco Specialty Business

SLU 5944 Cigars – Cigarettes

SLU 6112 Pawn Shops

SLU 6214 Laundromats

SLU 6232 Tattoos & Body Piercing

SLU 6411 Automobile Wash

SLU 6412 Auto Lube and Tune Up

SLU 6413 Automobile Repair

SLU 6414 Auto Body Repair and Paint

SLU 6317 Animal Kennels and Runs

SLU 6615 Building Construction – General Contractor, Office & Storage

SLU 6625 Landscaping Services, Office & Storage

Outdoor Storage of Any kind

3. Hours of Operation. Because of the proximity of the Property to residential uses, the hours of operation for all commercial development on the Property shall be limited to 5:00 a.m. to 12:00 a.m.(midnight). No business or other commercial activity shall take place on the Property between 12:00 a.m. to 5:00 a.m.

4. Agreement Considered Mitigation of Impact. In consideration of the covenants of Developer and Owners set forth in this Agreement, the City staff shall make a recommendation to the Orem City Council to consider the terms of this Development Agreement as sufficient

mitigation of the potential adverse impacts resulting from the request to change the zoning designation of the Property from the OS5 zone to the C2 zone.

5. No Guarantee of Rezone. The City makes no representation that the request of Developer to have the Property rezoned will be approved by the Orem City Council. Therefore, this Agreement shall not be binding upon Developer unless the request for a rezone of the Property to the C2 zone is approved by the Orem City Council.

6. No Limitation on Exercise of Police Power. Nothing in this Agreement shall limit the future exercise of the police power by the City in enacting zoning, subdivision, development, transportation, environmental, open space, and related land use plans, policies, ordinances and regulations after the date of this Agreement.

7. Compliance With All Applicable Laws. Nothing in this Agreement shall be deemed to relieve any person or entity who develops the Property from the obligation to comply with all applicable requirements of the City necessary for approval and recordation of subdivision plats and a site plan (if applicable), including the payment of fees and compliance with all other applicable ordinances, resolutions, including the Orem City Zoning and Subdivision Ordinances and design and construction standards.

8. Agreement to be Recorded. Upon the approval of the rezone of the Property to the C2 zone by the Orem City Council, this Agreement may be recorded against the Property and shall be deemed to run with the land and shall be binding on all successors and assigns of Owners and Developer in the ownership or development of any portion of the Property.

9. Indemnification. Developer, and Owners, if Owners develop the Property, agree to indemnify and hold the City harmless from and against any demand, claim, action, damages or loss of any type arising or resulting from the development of the Property except such demands, claims, actions, damages, or losses that are caused by the City's (or its employees') own negligence or willful misconduct.

10. Lawful Agreement. The parties represent that each of them has lawfully entered into this Agreement, having complied with all relevant statutes, ordinances, resolutions, bylaws, and other legal requirements applicable to their operation. The parties further represent that each of them has authority to enter into this Agreement and that the individuals signing this Agreement on behalf of each party have authority to bind the party represented by the signing individual.

11. Applicable Law. This Agreement shall be interpreted pursuant to the laws of the State of Utah.

12. Time of Essence. Time shall be of the essence of this Agreement.

13. Interpretation. The invalidity of any portion of this Agreement shall not prevent the

remainder from being carried into effect. Whenever the context of any provision shall require it, the singular number shall be held to include the plural number, and vice versa, and the use of any gender shall include the other gender. Should any provision of this Agreement require judicial interpretation, the Court interpreting or construing the same shall not apply a presumption that the terms hereof shall be more strictly construed against one party, by reason of the rule of construction that a document is to be construed more strictly against the person who himself or through his agents prepared the same, it being acknowledged that both parties have participated in the preparation hereof.

14. Modifications. No oral modifications or amendments to this Agreement shall be effective, but this Agreement may be modified or amended by written agreement only.

15. Assignment. Neither this Agreement nor any of the provisions, terms or conditions hereof can be assigned to any other party, individual or entity without assigning the rights as well as the responsibilities under this Agreement.

16. Relationship of Parties. This Agreement does not create any joint venture, partnership, undertaking or business arrangement between the parties hereto, nor any rights or benefits to a third party.

17. Incorporation of Recitals. The Recitals to this Agreement are incorporated by reference into the Covenants section of this Agreement as if fully set forth herein.

18. Electronic Transaction and Signature. Each party agrees that this transaction may be conducted by electronic means. Each party agrees that the electronic signatures, whether digital or encrypted, of the parties included in this Agreement are intended to authenticate this writing and to have the same force and effect as manual signatures. Electronic signature means any electronic sound, symbol, or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such a record, including facsimile or email electronic signatures.

Balance of page left intentionally blank.

SIGNED and ENTERED INTO this day of _____, 2025.

City of Orem, by:

Brenn Bybee, Orem City Manager

ATTEST: _____
Teresa McKittrick, City Recorder

Martell Keith Johson, Trustee of the Martell Johnson

Family Trust, dated February 4, 2020 (as amended)

STATE OF UTAH)

:ss.

COUNTY OF UTAH)

The foregoing instrument was acknowledged before me this _____ day of _____, 2025, by Martell Johnson, as Trustee of the Martell Johnson Family Trust, dated February 4, 2020 (as amended), who proved on the basis of satisfactory evidence to be the person whose name is subscribed to this instrument.

NOTARY PUBLIC

Cheryl B. Johnson

STATE OF UTAH)

:ss.

COUNTY OF UTAH)

The foregoing instrument was acknowledged before me this _____ day of _____, 2025, by Cheryl Johnson, who proved on the basis of satisfactory evidence to be the person whose name is subscribed to this instrument.

NOTARY PUBLIC

Nancy L. Zabel, Trustee of the K. Allan and Nancy Zabel Family Trust 2001, dated April 20, 2001 (as amended)

STATE OF UTAH)

:ss.

COUNTY OF UTAH)

The foregoing instrument was acknowledged before me this _____ day of _____, 2025, by Nancy Zabel, as Trustee of the K. Allan and Nancy Zabel Family Trust 2001, dated April 20, 2001 (as amended), who proved on the basis of satisfactory evidence to be the person whose name is subscribed to this instrument.

NOTARY PUBLIC

Philip D. Johnson

STATE OF UTAH)

:ss.

COUNTY OF UTAH)

The foregoing instrument was acknowledged before me this _____ day of _____, 2025, by Philip Johnson, who proved on the basis of satisfactory evidence to be the person whose name is subscribed to this instrument.

NOTARY PUBLIC

Wallace K. Johnson, Trustee of the A&W Johnson Trust
dated November 6, 2018 (as amended)

Alice H. Johnson, Trustee of the A&W Johnson Trust dated
November 6, 2018 (as amended)

STATE OF UTAH)

:ss.

COUNTY OF UTAH)

The foregoing instrument was acknowledged before me this _____ day of _____, 2025, by Wallace Johnson and Alice Johnson, as Trustees of the A&W Johnson Trust dated November 6, 2018 (as amended), who proved on the basis of satisfactory evidence to be the person whose name is subscribed to this instrument.

NOTARY PUBLIC

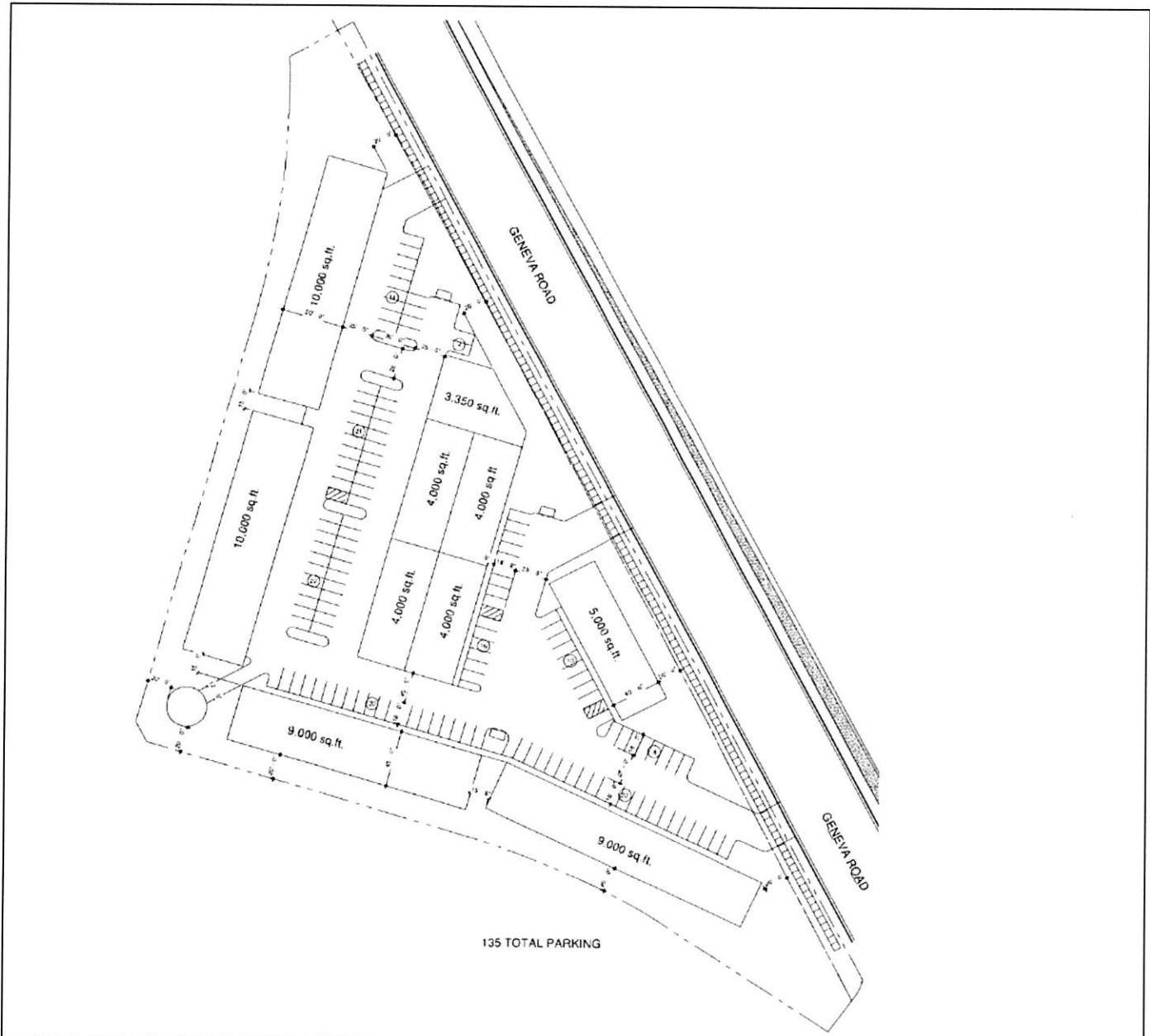
EXHIBIT A OF AGREEMENT - PROPERTY DESCRIPTION

Legal Description

Commencing at a point located South 00°43'17" East along the Section line 444.87 feet and West 1848.51 feet from the East quarter corner of Section 28, Township 6 South, Range 2 East, Salt Lake Base and Meridian; thence along the arc of a 37.50 foot radius curve to the right 7.56 feet (chord bears South 31°12'54" West 7.54 feet); thence South 36°59'06" West 34.43 feet; thence along the arc of a 1800.00 foot radius curve to the left 181.48 feet (chord bears North 57°44'50" West 181.40 feet); thence along the arc of a 650.00 foot radius curve to the left 155.55 feet (chord bears North 67°29'29" West 155.18 feet); thence North 74°20'50" West 262.17 feet; thence North 29°05'03" West 18.47 feet; thence along Lakeview Parkway the following 3 courses: North 15°39'10" East 345.65 feet, along the arc of a 660.79 foot radius curve to the left 206.57 feet (chord bears North 06°37'22" East 205.73 feet), North 61°16'05" East 40.73 feet; thence along Geneva Road the following 4 courses: South 31°05'43" East 195.81 feet, South 28°43'00" East 179.24 feet, South 28°29'07" East 227.93 feet, South 29°08'01" East 275.55 feet to the point of beginning.

AREA=185,729 sq. ft. or 4.26 acres

EXHIBIT B OF AGREEMENT - CONCEPT PLAN



ORDINANCE NO. _____

AN ORDINANCE BY THE OREM CITY COUNCIL AMENDING ARTICLE 22-5-3 (A) AND THE ZONING MAP OF THE CITY OF OREM BY REZONING THE PROPERTY LOCATED GENERALLY AT 1738 SOUTH GENEVA ROAD FROM THE OPEN SPACE (OS5) ZONE TO THE COMMUNITY COMMERCIAL (C2) ZONE (APPROXIMATELY 4.43 ACRES).

WHEREAS on September 15, 2025, Washburn Associates filed an application with the City of Orem to amend Article 22-5-3 (A) and the zoning map of the City of Orem by rezoning the property located generally at 1738 South Geneva Road from the Open Space (OS5) Zone to the Community Commercial (C2) zone (approximately 4.43 acres); and

WHEREAS in order to mitigate the impacts of the C2 Zone on neighboring residential properties the applicants have limited the permitted uses allowed on the property by development agreement; and

WHEREAS public hearings considering the subject application were held by the Planning Commission on January 7, 2026, and the Planning Commission recommended that the City Council approve the request; and

WHEREAS a public meeting to consider the subject application was held by the City Council on January 27, 2026; and

WHEREAS 156 notices were mailed to property owners within a 1,000-foot radius of the property; and

WHEREAS the matter having been submitted and the City Council having fully considered the request as it relates to the health, safety and general welfare of the City; the orderly development of land in the City; the effect upon surrounding neighborhoods; and the special conditions applicable to the request.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OREM, UTAH, as follows:

1. The City Council finds this request to be in the best interest and general welfare of the City.
2. The City Council hereby amends Article 22-5-3 (A) and the zoning map of the City of Orem by rezoning the properties located generally at 1738 South Geneva Road from the Open Space (OS-5) Zone to the Community Commercial (C2) Zone (approximately 4.43 acres) as shown in Exhibit "A" which is attached hereto and incorporated herein by this reference, and subject to the terms of the Development Agreement as shown in Exhibit "B" which is attached hereto and incorporated by this reference.

3. If any part of this ordinance shall be declared invalid, such decision shall not affect the validity of the remainder of this ordinance.
4. This ordinance shall take effect immediately upon passage and publication in a newspaper of general circulation in the City of Orem.
5. All other ordinances and policies in conflict herewith, either in whole or part, are hereby repealed.

PASSED, APPROVED and ORDERED PUBLISHED this **27th day of January, 2026.**

Karen McCandless, Mayor

ATTEST:

Teresa McKittrick, City Recorder

| COUNCILMEMBER | AYE | NAY | ABSTAIN |
|------------------------|--------------------------|--------------------------|--------------------------|
| Mayor Karen McCandless | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Jeff Lambson | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Jenn Gale | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Quinn Mecham | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| LaNae Millett | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Chris Killpack | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Crystal Muhlestein | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

EXHIBIT A



Subject property, 1738 South Geneva Road (approximately 4.43 acres)

Development Agreement

City of Orem
56 N State Street
Orem, Utah 84057

Project Name:

Shops at Johnson Farm
1738 South Geneva Road
Orem Utah 84058

This Agreement is executed this ____ day of _____ 20____, by and between the City of Orem, a Municipal Corporation and political subdivision of the State of Utah, with its principal offices located at 56 N state St. Orem, Utah 84057 (hereinafter referred to as the City) and the Shops at Johnson Farm LLC, a Limited Liability Company, with its principal office located at 825 N 900 W, Orem Utah, 84057 (hereinafter referred to as Owner).

Whereas the Owner is the Owner of real property described as, (see legal description on attached page) and said property being in Orem at the street address of 1738 south Geneva Rd. hereinafter called the Property.

Whereas, the City is authorized and required to regulate control and disposition of the uses of properties within the City, as set forth in the City of Orem's Development Code as amended, and whereas the Owner desires to build or develop the Property and conduct certain retail activities on the property and whereas the Owners of the Property wish to develop a retail area that conforms to the historic nature of the surrounding area. Whereas the Owners have determined there are uses, while approved in the zone that is applied to the property, that are inconsistent with the historic nature of that Property and wish to prohibit those uses within the Property.

Specifically:

SLUC 5513 tires and tubes
SLUC 5511 motor vehicles new and used
SLUC 5512 motor vehicle vehicles used
SLUC 5920 cannabis pharmacy

SLUC 6411 automobile wash
SLUC 6412 auto Lube and tune up
SLUC 6413 automobile repair
SLUC 6414 auto body repair and paint
SLUC 6317 animal kennels and runs

The parties represent that each have lawfully entered into this Agreement, having complied with all the relevant statutes, ordinances, resolutions, bylaws and other legal requirements applicable to their operation. This Agreement shall be interpreted pursuant to the laws of the State of Utah.

The invalidity of any portion of this Agreement shall not prevent the remainder from being carried into effect. Whenever the context of any provision require the singular shall be held to include the plural, and vice versa and the use of any gender shall include the other gender.

No oral modification or amendment to this Agreement shall be effective, but this Agreement may be modified or amended by written Agreement.

Should any provision of this Agreement require judicial interpretation, the court interpreting or construing the same shall not apply a presumption that the terms hereof shall be more strictly construed against one party, by reason of the rule of construction, that a document is construed more strictly against the person who himself or through his agents prepared the same, it is being acknowledged that both parties have participated in the preparation thereof.

This Agreement shall be binding on the heirs, successors, administrators and assigns of each of the parties hereto.

Signed and entered this ____ day of _____ 20____

Owner

State of Utah)

ss

County of Utah)

The above instrument was acknowledged before me by _____
this ____ day of _____, 20____

Notary Public

My Commission expires _____

Signed and entered this ____ day of _____ 20____

City of Orem

State of Utah)

ss

County of Utah)

The above instrument was acknowledged before me by _____
this ____ day of _____, 20____

Notary Public

My Commission expires _____

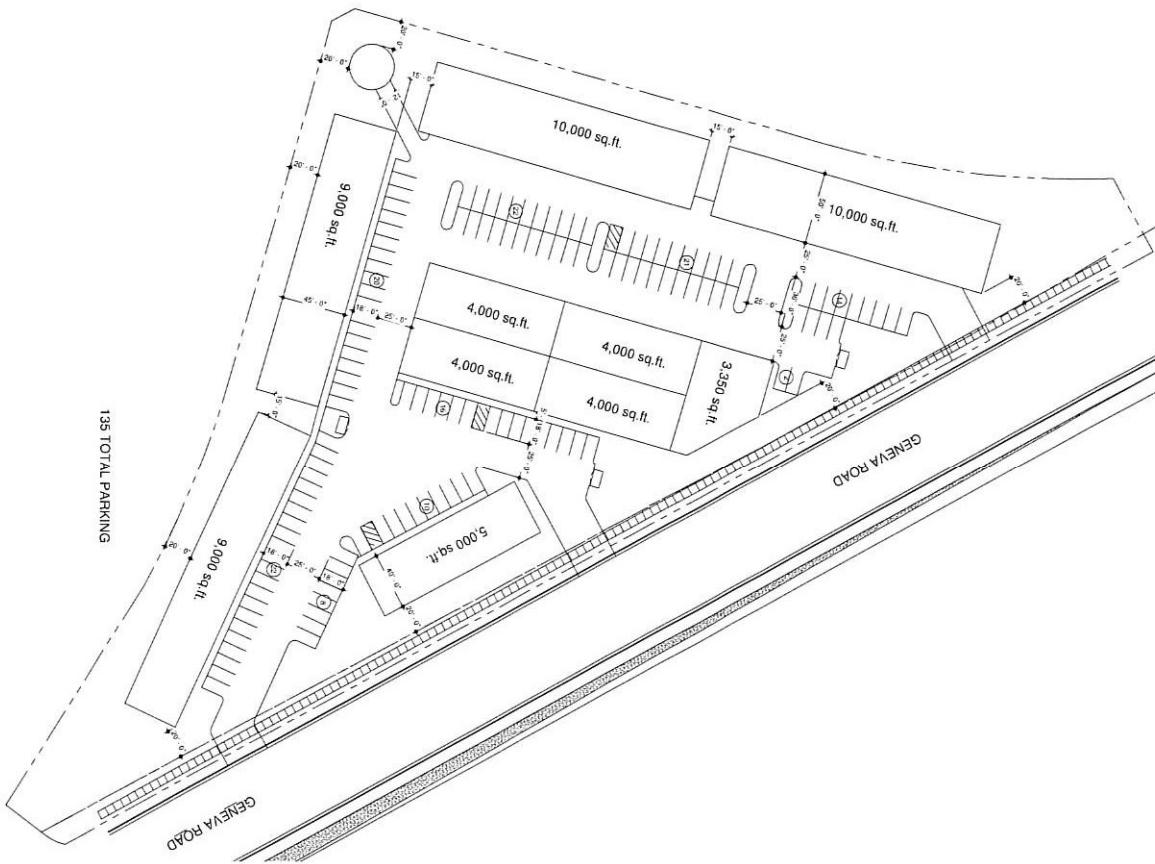
Legal Description

Commencing at a point located South 00°43'17" East along the Section line 444.87 feet and West 1848.51 feet from the East quarter corner of Section 28, Township 6 South, Range 2 East, Salt Lake Base and Meridian; thence along the arc of a 37.50 foot radius curve to the right 7.56 feet (chord bears South 31°12'54" West 7.54 feet); thence South 36°59'06" West 34.43 feet; thence along the arc of a 1800.00 foot radius curve to the left 181.48 feet (chord bears North 57°44'50" West 181.40 feet); thence along the arc of a 650.00 foot radius curve to the left 155.55 feet (chord bears North 67°29'29" West 155.18 feet); thence North 74°20'50" West 262.17 feet; thence North 29°05'03" West 18.47 feet; thence along Lakeview Parkway the following 3 courses: North 15°39'10" East 345.65 feet, along the arc of a 660.79 foot radius curve to the left 206.57 feet (chord bears North 06°37'22" East 205.73 feet), North 61°16'05" East 40.73 feet; thence along Geneva Road the following 4 courses: South 31°05'43" East 195.81 feet, South 28°43'00" East 179.24 feet, South 28°29'07" East 227.93 feet, South 29°08'01" East 275.55 feet to the point of beginning.

AREA=185,729 sq. ft. or 4.26 acres

ARCHITECTURAL SITE PLAN

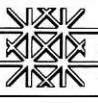
| SITE TABULATION TABLE | |
|-----------------------|---------------|
| BUILDING AREA | 10,000 sq.ft. |
| LANDSCAPE | 7,255 sq ft |
| HARDSCAPE | 32 sq ft |
| TOTAL SITE | 194,053 sq ft |



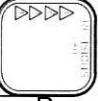
Johnson Farms
New Flex Buildings

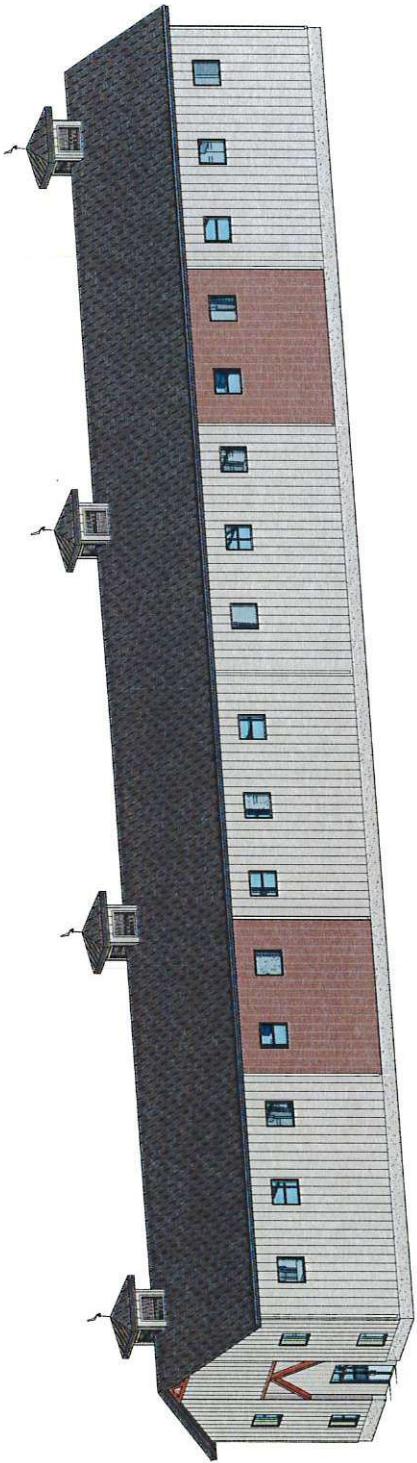
A-0.7

PRELIMINARY
CONSTRUCTION



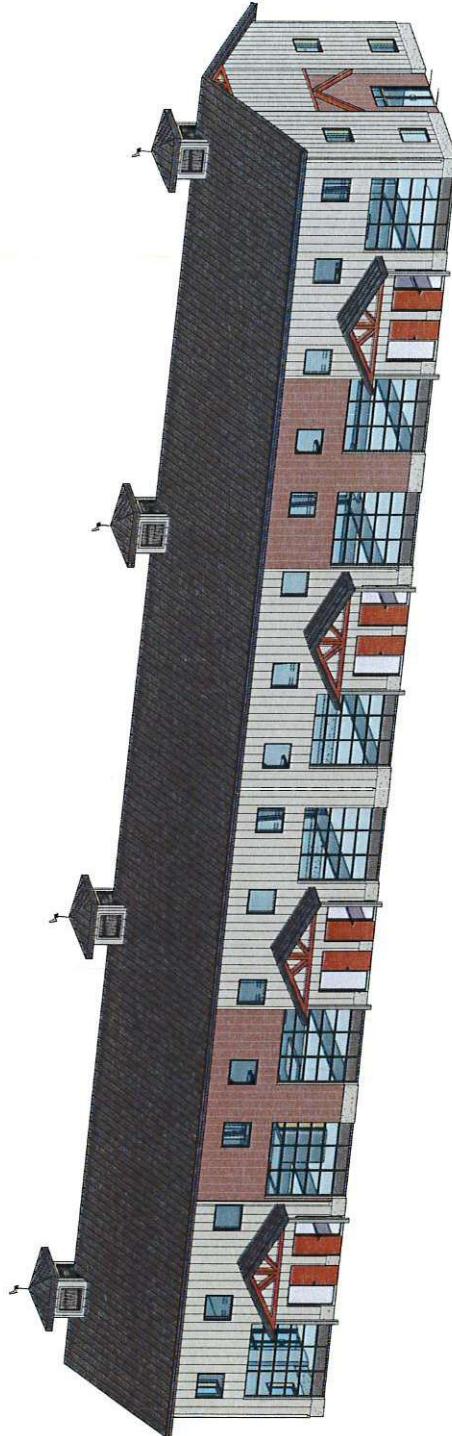
ARCHITECTURAL COALITION



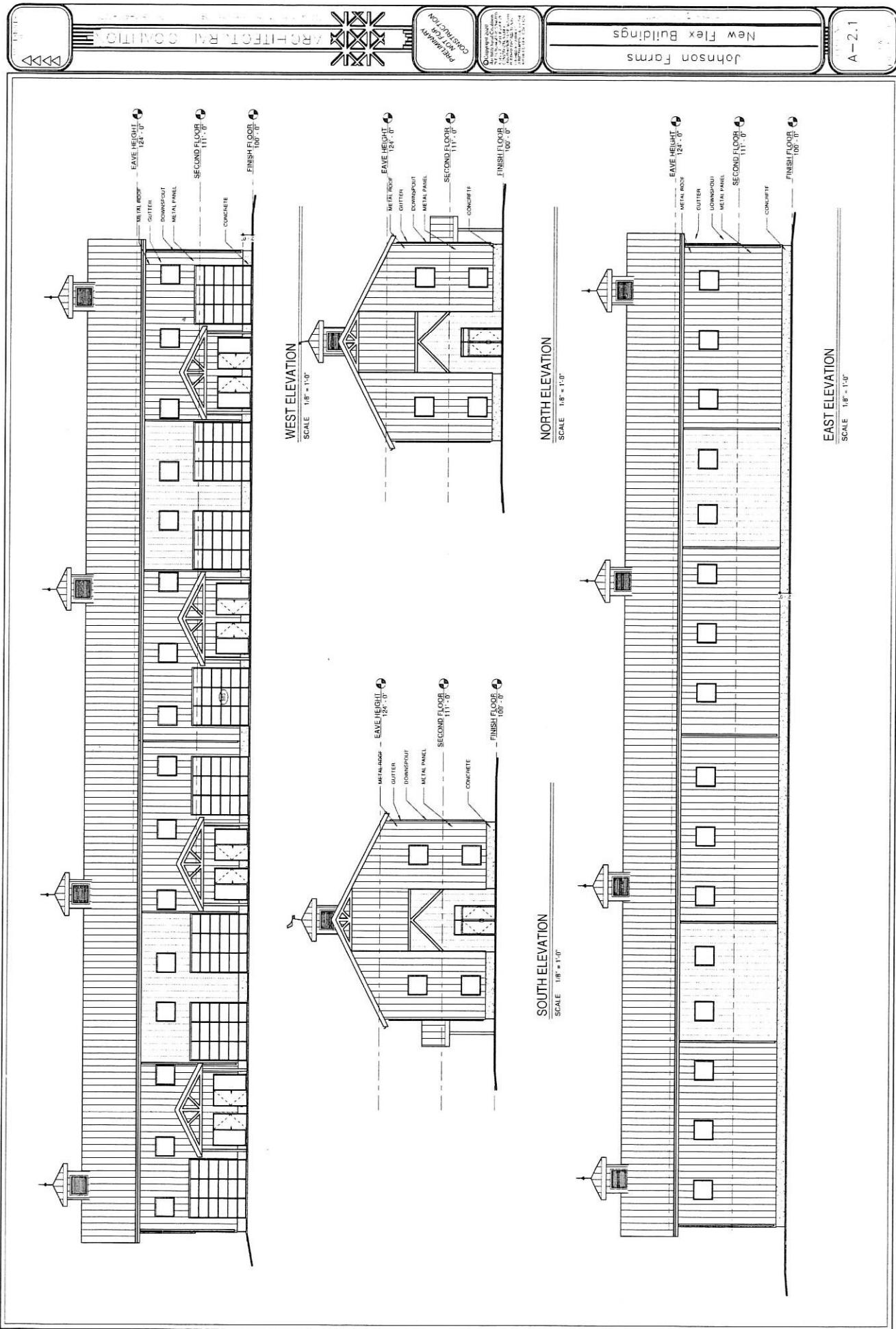


Back

SCALE



Front
SCALE



Legal Description

Commencing at a point located South 00°43'17" East along the Section line 444.87 feet and West 1848.51 feet from the East quarter corner of Section 28, Township 6 South, Range 2 East, Salt Lake Base and Meridian; thence along the arc of a 37.50 foot radius curve to the right 7.56 feet (chord bears South 31°12'54" West 7.54 feet); thence South 36°59'06" West 34.43 feet; thence along the arc of a 1800.00 foot radius curve to the left 181.48 feet (chord bears North 57°44'50" West 181.40 feet); thence along the arc of a 650.00 foot radius curve to the left 155.55 feet (chord bears North 67°29'29" West 155.18 feet); thence North 74°20'50" West 262.17 feet; thence North 29°05'03" West 18.47 feet; thence along Lakeview Parkway the following 3 courses: North 15°39'10" East 345.65 feet, along the arc of a 660.79 foot radius curve to the left 206.57 feet (chord bears North 06°37'22" East 205.73 feet), North 61°16'05" East 40.73 feet; thence along Geneva Road the following 4 courses: South 31°05'43" East 195.81 feet, South 28°43'00" East 179.24 feet, South 28°29'07" East 227.93 feet, South 29°08'01" East 275.55 feet to the point of beginning.

AREA=185,729 sq. ft. or 4.26 acres



**CITY OF OREM
CITY COUNCIL
MEETING
January 27, 2026**

| | |
|--------------------------|---------------------------------|
| REQUEST: | DIRECTION FROM THE CITY COUNCIL |
| APPLICANT: | |
| NOTICES: | |
| SITE INFORMATION: | |
| PREPARED BY: | |

REQUEST:

The City Council will provide direction to staff regarding the level of Impact Fees to be adopted.

BACKGROUND:

The Impact Fees Act (Utah Code Title 11, Chapter 36a) requires municipalities to prepare an Impact Fee Facilities Plan (IFFP) and an Impact Fee Analysis (IFA) before establishing or modifying impact fees. Impact fees are one-time charges imposed on new developments to help fund the capital infrastructure necessary to serve that growth. These fees ensure that new development funds its proportionate share of growth-related capital improvements, preventing existing residents from subsidizing future infrastructure needs.

The City of Orem originally implemented impact fees in March of 2018 and did not implement the maximum impact fee that was determined by the study. Impact fees should be reevaluated every five years to keep pace with inflation and updated growth projections.

Orem engaged LRB Public Finance Advisors to prepare the required IFFP and IFA. These documents identify the demands placed on City facilities by future growth over the next ten years, evaluate existing capacity, and calculate the maximum allowable fees that Orem can charge to new development to maintain the City's established Level of Service (LOS).

SUMMARY OF KEY FINDINGS (IFFP & IFA):

The analysis covers seven service areas: Parks & Recreation, Police, Fire, Transportation, Culinary Water, Wastewater, and Storm Water. The study identifies specific capital projects required to support growth, including:

FUTURE FACILITIES (ATTRIBUTED TO GROWTH)

- | | |
|---|--|
| 1. Parks - \$25.6M in investment | 5. Water |
| 2. Police - \$2.8M for improvement & financing costs | City Area - \$29.1M |
| 3. Fire - \$5.4M for facility & financing costs; \$700K apparatus | Annexation Area - Plus \$2.2M |
| 4. Transportation - \$3.5M IFFP cost | 6. Wastewater |
| | City Area - \$14.7M |
| | Annexation Area (Separate) - \$7.9M |
| | 7. Storm |
| | City Area - \$870K |
| | Annexation Area - \$1.7M |

SERVICE AREAS:

City-Wide: Parks & Recreation, Police, Fire, and Transportation impact fees are assessed on a city-wide basis.

Distinct Service Areas: Culinary Water, Wastewater, and Storm Water impact fees are assessed for the City Service Area (CSA) and separately for the Southwest Annexation Service Area (ASA) due to specific infrastructure needs in that area.

OPTIONS FOR COUNCIL CONSIDERATION:

The City Council may choose to adopt the maximum allowable fees calculated in the IFA or adopt lower fees. Four options for consideration follow below.

Option 1: General Adoption (~58% of Maximum) This option sets the total impact fee package for a standard Single-Family Unit at approximately \$20,000. This represents a general adoption of approximately 58% of the calculated maximum total fee for each Service Area.

Option 2: Strategic Reduction (~75% of Maximum) This option targets specific fee reductions while maintaining others. It proposes adopting the Parks & Recreation fee substantially below the maximum (setting it at \$3,500 instead of \$8,098) and removing the "buy-in" component (charges for existing excess capacity) from the Water, Sewer, and Transportation fees. This results in a total fee of approximately \$27,000 for each Service Area.

Option 3: Across-the-Board Reduction (75% of Maximum) This option would adopt all fees across all service categories at 75% of the calculated maximum amounts. This results in a total fee of approximately \$27,000 for each Service Area.

Option 4: Maximum Allowable Fees (100% of Maximum) This option adopts the full maximum impact fees as justified by the Impact Fee Analysis. This ensures that new growth pays the full legal proportionate share of capital costs required to serve it. This results in a total fee of \$34,246 for the City Service Area and \$35,358 for the Southwest Annexation Service Area.

The City Council may also adopt a level of impact fees that fall in between these options.

The following table shows the existing impact fees for a single family residential dwelling and the maximum possible fees that are justified by the IFAs and IFFPs*:

SUMMARY OF PROPOSED FEES

| | SINGLE FAMILY MAXIMUM | SINGLE FAMILY EXISTING | % CHANGE |
|--|--------------------------|---------------------------|----------|
| Parks & Rec | \$8,098 | \$2,911 | 178% |
| Police | \$436 | \$121 | 261% |
| Fire | \$913 | \$218 | 319% |
| Storm Water (City Area) per Acre | \$6,511 | \$2,390 | 172% |
| Storm Water (Annexation Area) per Acre | \$8,346 | \$11,242 | -26% |
| Waste Water (City Area) per ERU | \$5,629 | \$847 | 565% |
| Waste Water (Annexation Area) per ERU | \$4,855 | \$4,877 | 0% |
| Water (City Area) per ERU | \$6,995 | \$1,603 | 336% |
| Water (Annexation Area) per ERU | \$7,900 | \$3,004 | 163% |
| Water Supply | \$2,911 | \$2,804 | 4% |
| Transportation | \$1,296 | \$459 | 182% |

*Fees shown are for City Service Area; Southwest Annexation Area fees differ.

COUNCIL ACTION:

Staff requests that the City Council provide direction regarding the level of impact fees that the City Council would like to adopt based on the IFAs, IFFPs and input received at the public hearing.



OREM, UTAH

**IMPACT FEE FACILITIES PLAN AND IMPACT FEE ANALYSIS
DISCUSSION**

JANUARY 27, 2026

INTRODUCTION TO IMPACT FEES

- ◎ Before imposing an impact fee, each local political subdivision or private entity shall prepare:



IMPACT FEE FACILITIES PLAN (IFFP)

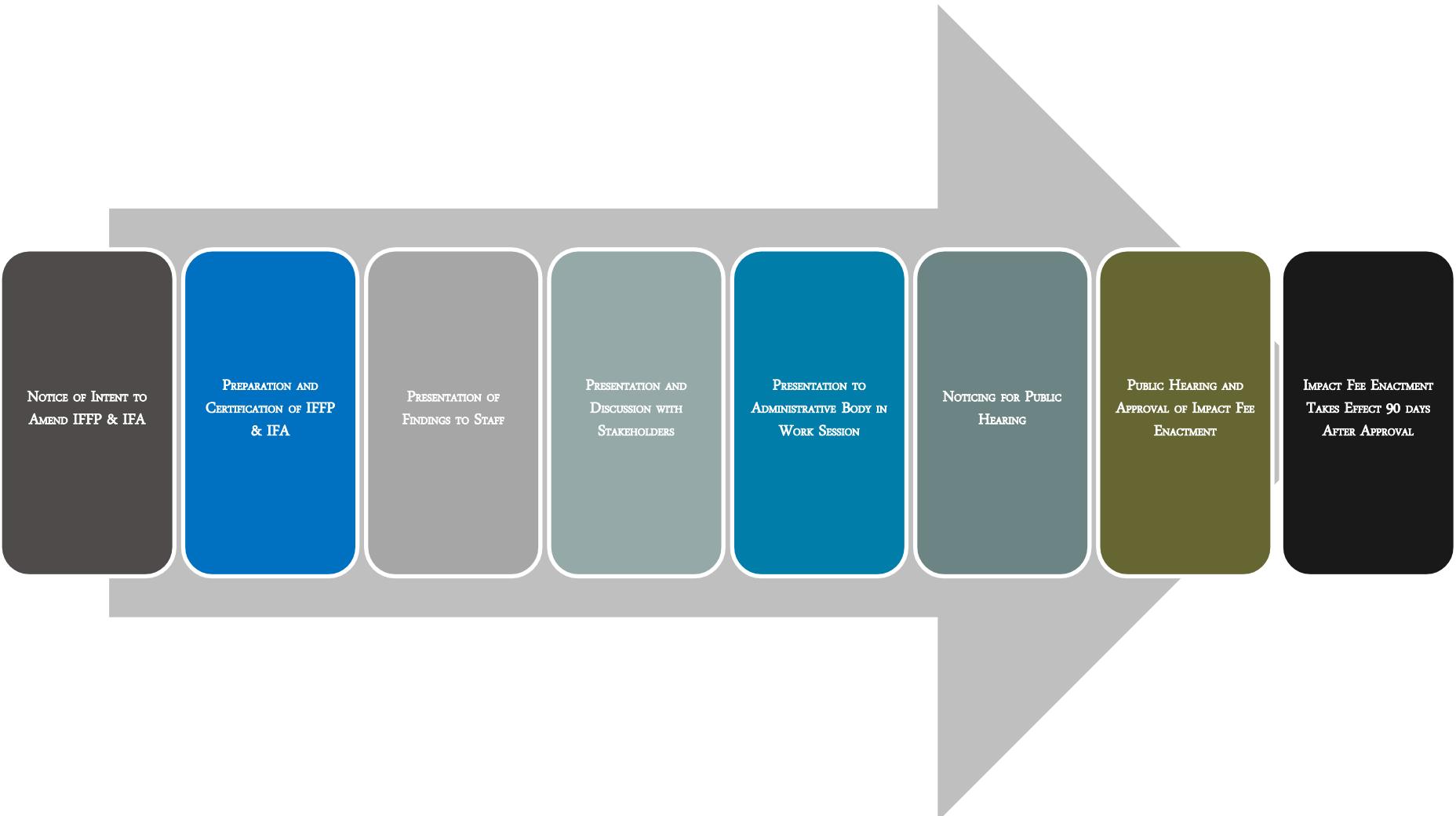
Identifies the demands placed upon the City's existing facilities by future development and evaluates how these demands will be met by the City. Outlines the improvements which are intended to be funded by impact fees.

IMPACT FEE ANALYSIS (IFA)

Proportionately allocates the cost of the new facilities and any excess capacity to new development, while ensuring that all methods of financing are considered.



IMPACT FEE PROCESS



CRAFTING A WORKING IFFP & IFA

1. Determine Demand
2. Provide Inventory of Existing Facilities
3. Establish Existing and Future Level of Service
4. Identify Existing and Future Capital Facilities Necessary to Serve New Growth
5. Consider All Revenue Resources to Finance System Improvements
6. Conduct Proportionate Share Analysis

IMPACT FEES ANALYZED

- ✈ PARKS & RECREATION
- ✈ PUBLIC SAFETY (POLICE & FIRE)
- ✈ TRANSPORTATION
- ✈ CULINARY WATER
- ✈ WASTEWATER
- ✈ STORM WATER

SUMMARY

SERVICE AREA

- ◎ City-wide and Southwest Annexation Area

DEMAND ANALYSIS

- ◎ Impact fee based on existing and future acreage, wastewater/water ERUs, calls for service, trips, and population

LEVEL OF SERVICE ANALYSIS

- ◎ Defined by each service

SUMMARY

EXISTING FACILITIES

- ◎ Buy-in Contemplated For:
 1. Transportation
 2. Water (Source & Distribution)
 3. Wastewater (Treatment & Collection)
 4. Storm Water

SUMMARY

FUTURE FACILITIES (ATTRIBUTED TO GROWTH)

1. Parks – **\$25.6M** in investment

2. Police – **\$2.8M** for improvement & financing costs

3. Fire – **\$5.4M** for facility & financing costs; **\$700K** apparatus

4. Transportation – **\$3.5M** IFFP cost

5. Water

City Area - **\$29.1M**

Annexation Area – **Plus \$2.2M**

6. Wastewater

City Area - **\$14.7M**

Annexation Area (Separate) – **\$7.9M**

7. Storm

City Area - **\$870K**

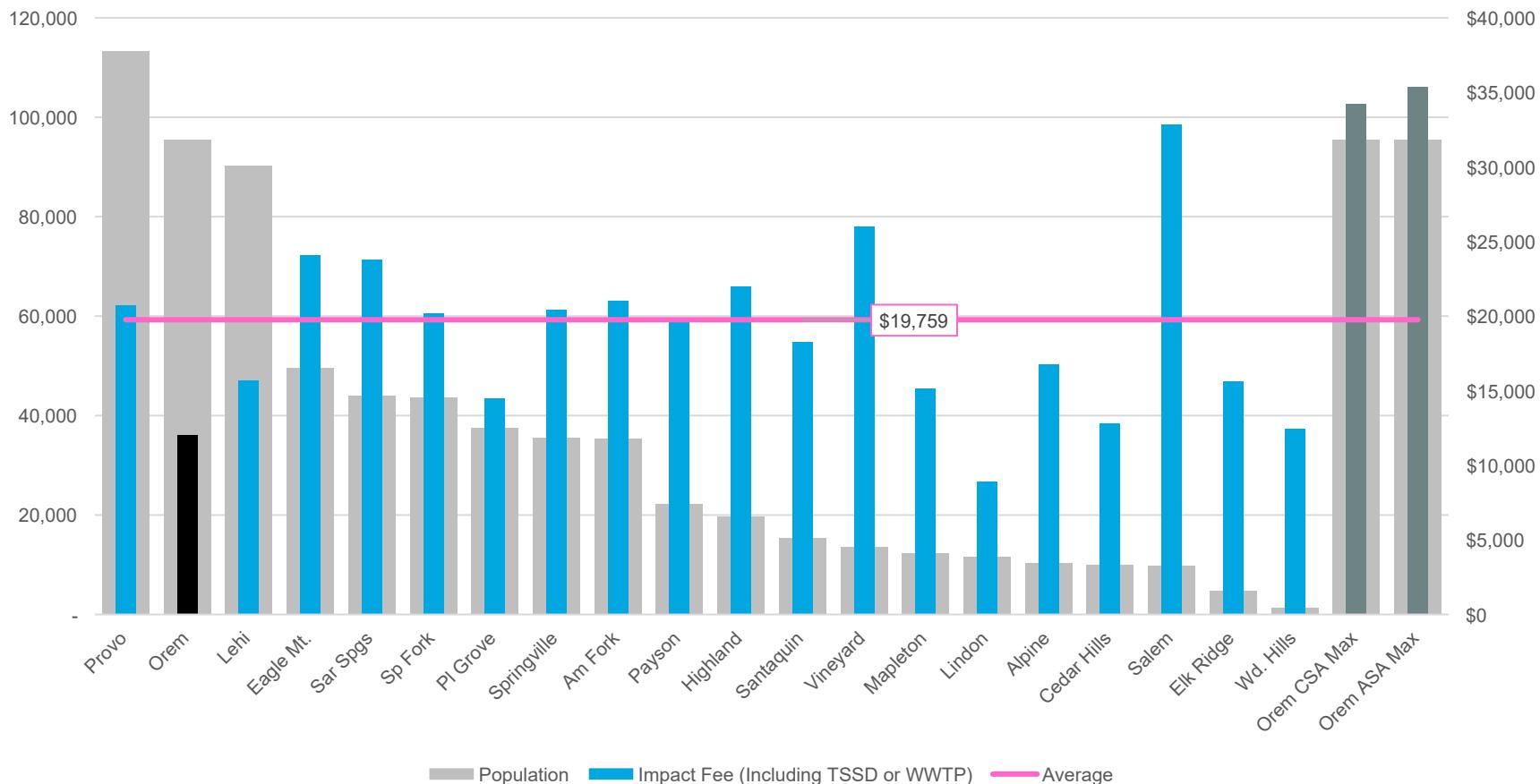
Annexation Area – **\$1.7M**

SUMMARY OF PROPOSED FEES

| | SINGLE FAMILY MAXIMUM | SINGLE FAMILY EXISTING | % CHANGE |
|--|--------------------------|---------------------------|----------|
| Parks & Rec | \$8,098 | \$2,911 | 178% |
| Police | \$436 | \$121 | 261% |
| Fire | \$913 | \$218 | 319% |
| Storm Water (City Area) per Acre | \$6,511 | \$2,390 | 172% |
| Storm Water (Annexation Area) per Acre | \$8,346 | \$11,242 | -26% |
| Waste Water (City Area) per ERU | \$5,629 | \$847 | 565% |
| Waste Water (Annexation Area) per ERU | \$4,855 | \$4,877 | 0% |
| Water (City Area) per ERU | \$6,995 | \$1,603 | 336% |
| Water (Annexation Area) per ERU | \$7,900 | \$3,004 | 163% |
| Water Supply | \$2,911 | \$2,804 | 4% |
| Transportation | \$1,296 | \$459 | 182% |

COMPARISON

IMPACT FEE COMPARISON



Orem proposed max fee represents an 184%-196% increase above the current fee per SFR. Average assumes new Max Orem fee. Source: UVHBA, LRB. Assumes 1 ERU or 1" Meter. This is a fair estimate of what the city will charge. Some cities have multiple districts with different fees. This chart only shows one district. These are fees that are ordinance approved as of August 31,2025.

INFLATION IMPACTS

| National Price Index | Municipal Cost Index (MCI) | Construction Cost Index (CCI) | Consumer Price Index (CPI) | Producer Price Index (PPI) | Western Region CPI |
|------------------------------|----------------------------|-------------------------------|----------------------------|----------------------------|--------------------|
| Index Rate Change Since 2018 | 32% | 33% | 30% | 32% | 33% |

Source: American City and County, US Bureau of Labor and Statistics, LRB

| National Price Index | All Transactions HPI (Utah) |
|------------------------------|-----------------------------|
| Index Rate Change Since 2018 | 88% |

HPI = Housing Price Index

Source: Source: U.S. Federal Housing Finance Agency via Federal Reserve Bank of St. Louis Economic Data (FRED)

| Utah PPI – Single Family Residential | FRED PPI (Single Family Residential) |
|--------------------------------------|--------------------------------------|
| Index Rate Change Since 2018 | 33% |

Source: Federal Reserve of St. Louis Economic Data (FRED)
Producer Price Index by Commodity: Inputs to Industries: Net Inputs to Single Family Residential Construction, Goods Less Foods and Energy

HISTORIC FUNDING

MAJOR PROJECTS FUNDING WITH IMPACT

| Major Impact Fee Projects | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | FY 23-24 | FY 24-25 |
|---|-------------|-----------|-----------|-----------|-----------|-----------|----------|
| Water Supply | | | | | | | |
| Irrigation Share Assessments | \$253,089 | \$284,244 | \$347,452 | \$385,804 | \$225,217 | \$287,499 | |
| Jordanelle Water Rights | \$1,066,241 | \$271,544 | \$459,951 | \$221,282 | | | |
| Water | | | | | | | |
| Storage Tank | | | | | \$698,276 | | |
| Sewer | | | | | | | |
| SW Projects | \$195,051 | \$181,134 | \$433,339 | \$202,596 | | | |
| Storm Water | | | | | | | |
| 2000 South Storm Water Trunkline | | | | | | \$498,790 | |
| Fire | | | | | | | |
| City Hall Emergency Operations Center (EOC) | | | | | | \$250,000 | |

HISTORIC FUNDING CONT.

MAJOR PROJECTS FUNDING WITH IMPACT

| Major Impact Fee Projects | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | FY 23-24 | FY 24-25 |
|----------------------------------|----------|----------|-------------|----------|-----------|-------------|-----------|
| Police | | | | | | | |
| City Hall EOC | | | | | | \$100,000 | |
| Police Building Remodel | | | | | | | \$31,521 |
| Transportation/Streets | | | | | | | |
| 400 W 400 S Traffic Signal | | | | | \$165,474 | \$2,446 | |
| 400 N 800 E Traffic Signal | | | | | | \$3,200 | \$412,910 |
| 400 W 1200 S Round-a-bout | | | | | | | \$108,859 |
| Lakeview Parkway Design and ROW | | | | | | | \$69,655 |
| Parks | | | | | | | |
| Hillcrest Park Property Purchase | | | \$2,124,138 | | \$152,000 | \$1,673,685 | \$3,802 |

SCENARIO ANALYSIS

ALTERNATIVE OPTIONS

- ◎ **Option1:** Adopt fees at approximately \$20K. This would be a general adoption at 58% of the calculated maximum total.
- ◎ **Option 2:** Adopt the park fee substantially below the max (adopt at \$3,500), while removing the buy-in portion of the fees for water, sewer, and transportation, the final recommended fee would be set at approximately \$27K in total for each service area (approximately 75% of the calculated maximum fee).

| | MAX | | OPTION 2 | |
|----------------------|----------|----------|------------------------|------------------------------|
| | Orem CSA | Orem ASA | Orem City Service Area | Orem Annexation Service Area |
| CULINARY WATER | \$16,544 | \$18,055 | \$15,081 | \$16,592 |
| ROADS/TRANSPORTATION | \$1,296 | \$1,296 | \$602 | \$602 |
| SEWER | \$5,629 | \$4,855 | \$4,626 | \$3,199 |
| PARK/RECREATION | \$8,098 | \$8,098 | \$3,500 | \$3,500 |
| PUBLIC SAFETY | \$1,349 | \$1,349 | \$1,349 | \$1,349 |
| STORM WATER | \$1,331 | \$1,706 | \$1,331 | \$1,706 |
| IMPACT FEES TOTAL | \$34,246 | \$35,358 | \$26,488 | \$26,947 |

- ◎ **OPTION 3:** Adopt all Fees at 75% of Maximum

QUESTIONS

Fred Philpot | Vice President/COO

[LRB Public Finance Advisors](#)

O 801.596.0700 | C 801.243.0293

[lrbfinance.com](#)

Lewis Young Robertson & Burningham is now [LRB Public Finance Advisors](#)





LEWIS | ROBERTSON | BURNINGHAM



OREM CITY, UTAH

NOVEMBER
2025

IMPACT FEE FACILITIES PLAN (IFFP)
AND IMPACT FEE ANALYSIS (IFA)

PARKS & RECREATION, POLICE, FIRE,
TRANSPORTATION, CULINARY WATER,
WASTEWATER, AND STORM WATER

PREPARED BY:

LRB PUBLIC FINANCE ADVISORS

FORMERLY LEWIS YOUNG ROBERTSON & BURNINGHAM INC.

TABLE OF CONTENTS

| | |
|---|-----------|
| IMPACT FEE CERTIFICATION | 4 |
| IFFP CERTIFICATION | 4 |
| IFA CERTIFICATION | 4 |
| DEFINITIONS | 6 |
| SECTION 1: EXECUTIVE SUMMARY | 7 |
| SUMMARY OF PROPOSED FEES | 8 |
| SECTION 2: GENERAL IMPACT FEE METHODOLOGY | 10 |
| IMPACT FEE METHODOLOGIES..... | 11 |
| SECTION 3: OVERVIEW OF SERVICE AREA AND GENERAL DEMAND FIGURES | 12 |
| SERVICE AREAS | 12 |
| DEMAND ANALYSIS | 14 |
| SECTION 4: PARKS & TRAILS IFFP AND IFA | 15 |
| DEMAND ANALYSIS | 15 |
| EXISTING FACILITY INVENTORY AND EXCESS CAPACITY | 15 |
| LEVEL OF SERVICE ANALYSIS..... | 16 |
| EXCESS CAPACITY..... | 16 |
| FUTURE CAPITAL FACILITIES ANALYSIS | 16 |
| SYSTEM VS. PROJECT IMPROVEMENTS..... | 16 |
| PROPOSED PARKS AND TRAILS IMPACT FEE | 17 |
| SECTION 5: POLICE IFFP AND IFA | 19 |
| DEMAND | 19 |
| EXISTING FACILITIES INVENTORY..... | 20 |
| LEVEL OF SERVICE | 20 |
| EXCESS CAPACITY..... | 21 |
| FUTURE CAPITAL FACILITIES ANALYSIS | 21 |
| PROPOSED POLICE IMPACT FEE | 21 |
| SECTION 6: FIRE IFFP AND IFA | 23 |
| DEMAND | 23 |
| EXISTING FACILITIES INVENTORY..... | 24 |
| LEVEL OF SERVICE | 24 |
| FUTURE CAPITAL FACILITIES ANALYSIS | 25 |
| PROPOSED FIRE IMPACT FEE | 26 |
| SECTION 7: TRANSPORTATION IFA | 28 |
| DEMAND | 28 |
| EXISTING FACILITY INVENTORY | 28 |
| LEVEL OF SERVICE (LOS) ANALYSIS | 28 |
| EXCESS CAPACITY..... | 29 |
| FUTURE CAPITAL FACILITIES ANALYSIS | 29 |
| PROPOSED TRANSPORTATION IMPACT FEE | 30 |

| | |
|---|-----------|
| SECTION 8: CULINARY WATER IFA | 32 |
| DEMAND | 32 |
| EXISTING FACILITIES INVENTORY..... | 32 |
| LEVEL OF SERVICE | 33 |
| EXCESS CAPACITY..... | 33 |
| FUTURE CAPITAL FACILITIES ANALYSIS | 34 |
| PROPOSED CULINARY WATER IMPACT FEE | 35 |
| SECTION 9: WASTEWATER IFA | 38 |
| DEMAND | 38 |
| EXISTING FACILITIES INVENTORY..... | 38 |
| LEVEL OF SERVICE | 39 |
| EXCESS CAPACITY..... | 39 |
| FUTURE CAPITAL FACILITIES ANALYSIS | 40 |
| PROPOSED WASTEWATER IMPACT FEE | 40 |
| SECTION 10: STORM WATER IFA | 43 |
| DEMAND | 43 |
| EXISTING FACILITIES INVENTORY..... | 43 |
| LEVEL OF SERVICE | 43 |
| EXCESS CAPACITY..... | 43 |
| FUTURE CAPITAL FACILITIES ANALYSIS | 44 |
| PROPOSED STORM WATER IMPACT FEE | 45 |
| SECTION 11: GENERAL IMPACT FEE CONSIDERATIONS | 46 |
| SYSTEM VS. PROJECT IMPROVEMENTS | 46 |
| FUNDING OF FUTURE FACILITIES | 46 |
| EQUITY OF IMPACT FEES | 47 |
| NECESSITY OF IMPACT FEES | 47 |
| PROPOSED CREDITS OWED TO DEVELOPMENT | 47 |
| CONSIDERATION OF ALL REVENUE SOURCES | 47 |
| EXPENDITURE OF IMPACT FEES..... | 47 |
| GROWTH-DRIVEN EXTRAORDINARY COSTS..... | 47 |
| SUMMARY OF TIME PRICE DIFFERENTIAL | 47 |
| APPENDIX A: PARK INVENTORY | 49 |
| APPENDIX B: SEWER IMPACT FEE FACILITIES PLAN PROJECT COSTS..... | 51 |
| APPENDIX C: STORM WATER IMPACT FEE FACILITIES PLAN PROJECT COSTS | 53 |

IMPACT FEE CERTIFICATION

IFFP CERTIFICATION

LRB Public Finance Advisors (formerly Lewis Young Robertson & Burningham, Inc.) and Orem City jointly certify that the attached impact fee facilities plan (IFFP):

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

LRB PUBLIC FINANCE ADVISORS

OREM CITY

IFA CERTIFICATION

LRB Public Finance Advisors certifies that the Impact Fee Analysis (IFA) prepared for parks, fire, police, wastewater, storm water, water, and transportation:

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 with every relevant respect with the Impact Fees Act.

LRB Public Finance Advisors makes this certification with the following caveats:

1. All the recommendations for implementation of the IFFP made in the IFFP documents or in the IFA documents are followed by City Staff and elected officials.

2. If all or a portion of the IFFP or IFA are modified or amended, this certification is no longer valid.
3. All information provided to LRB is assumed to be correct, complete, and accurate. This includes information provided by the City as well as outside sources.

LRB PUBLIC FINANCE ADVISORS



DEFINITIONS

The following acronyms or abbreviations are used in this document:

AF: Acre Foot

CFP: Capital Facilities Plan

ERU: Equivalent Residential Units

GAL: Gallons

GPM: Gallons per Minute

GPD: Gallons per Day

HH: Households

IFA: Impact Fee Analysis

IFFP: Impact Fee Facilities Plan

LOS: Level of Service

LRB: LRB Public Finance Advisors

MG: Million Gallons

SA: Service Area

SF: Square Feet

SWA: Southwest Annexation Area

SECTION 1: EXECUTIVE SUMMARY

The purpose of this Impact Fee Facilities Plan (IFFP), with supporting Impact Fee Analysis (IFA), is to fulfill the requirements established in Utah Code Title 11 Chapter 36a, the “Impact Fees Act,” and help Orem City (the City) fund necessary capital improvements for future growth. This document will address the future parks, fire, police, wastewater, storm water, water, and transportation infrastructure needed to serve the City through the next ten years, as well as the appropriate impact fees the City may charge to new growth to maintain the level of service (LOS).

- **Impact Fee Service Area:** The impact fees related to parks and recreation, police, fire, and transportation will be assessed within the proposed service area, which incorporates the entire municipal boundaries (City SA) and the Southwest Annexation area (SWA SA) as shown in **Figure 3.1**. The water impact fee is assessed to the City SA and SWA SA, with the SWA SA participating in both city-wide improvements and the SWA SA-specific improvements defined in the IFFP. The wastewater and storm water impact fees are also assessed to the City SA and SWA SA, in which the SWA SA is its own service area and assesses an independent impact fee. This document identifies the necessary future system improvements for the Service Area that will maintain the existing LOS into the future.
- **Demand Analysis:** The demand units utilized in this analysis include population and household growth, calls for service, equivalent residential units (ERUs), trip generation, and acreage. As new development and redevelopment occur within the City, increased demand is placed on City infrastructure. The system improvements identified in this study are designed to maintain the existing LOS for any new or redeveloped property within the City.
- **Level of Service:** The existing LOS is defined throughout each section of this document. Through the inventory of existing facilities, combined with the growth assumptions, this analysis identifies the LOS that is provided to a community's existing residents and ensures that future facilities maintain these standards. Any excess capacity identified within existing facilities can be apportioned to new development.
- **Excess Capacity:** The demand analysis, existing facility inventory, and LOS analysis allow for the development of a list of capital facilities necessary to serve new growth and to maintain the existing system. This list includes any excess capacity of existing facilities, as well as future system improvements necessary to maintain the LOS. The inclusion of excess capacity is known as a “buy-in.” Any demand generated from new development that overburdens the existing system beyond the existing capacity justifies the construction of new facilities. This analysis calculates the buy-in component for each of the services evaluated.
- **Outstanding Debt:** The City issued the Series 2021A Water, Storm Sewer, & Sewer Revenue Bonds to fund utility system improvements and the Series 2014 and 2019 General Obligation Bonds to fund improvements related to transportation infrastructure. In addition, the City issued the 2024 Sales Tax Revenue Bonds to fund improvements to public safety facilities. The associated interest from these bonds is included in this analysis.
- **Capital Facilities Analysis:** Due to the projected new development and redevelopment within the City, additional capital improvements will be necessary as they relate to parks, fire, police, storm water, wastewater, water, and transportation infrastructure.

- **Funding of Future Facilities:** This analysis assumes future growth-related facilities will be funded through a combination of General Fund revenues, utility rate revenues and impact fee revenues. The analysis does not include future debt-related expenses at this time.

SUMMARY OF PROPOSED FEES

The impact fees proposed in this analysis will be assessed within the Service Area. The table below illustrates the calculated impact fees for parks, police, fire, storm water, wastewater, water, and transportation.

TABLE 1.1: MAXIMUM IMPACT FEE PER UNIT

| | SINGLE FAMILY | MULTI-FAMILY | NON-RESIDENTIAL |
|--|---------------|--------------|---------------------|
| Parks and Recreation | \$8,098 | \$6,097 | N/A |
| Police | \$436 | \$368 | \$358* |
| Fire | \$913 | \$694 | \$669* |
| Storm Water (City Area) per Acre | \$6,511 | \$6,511 | \$6,511 |
| Storm Water (Annexation Area) per Acre | \$8,346 | \$8,346 | \$8,346 |
| Wastewater (City Area) per ERU | \$5,629 | \$5,629 | \$5,629 |
| Wastewater (Annexation Area) per ERU | \$4,855 | \$4,855 | \$4,855 |
| Water (City Area) per ERU | \$6,995 | \$6,995 | \$6,995 |
| Water (Annexation Area) per ERU | \$7,900 | \$7,900 | \$7,900 |
| Transportation | \$1,296 | \$927 | See Table 1.2 Below |

*Reflects general commercial impact fee. See Sections 5 and 6 for full non-residential impact fee schedule.

TABLE 1.2: TRANSPORTATION IMPACT FEE BY LAND USE TYPE

| LAND USE CATEGORY | ITE CODE | DEMAND UNIT | AVERAGE DAILY TRIPS | ENTERING/ EXITING ADJUSTMENT | PASS BY REDUCTION | TOTAL TRIP ADJUSTMENT | TOTAL TRIPS | PROPOSED IMPACT FEE |
|---------------------|----------|-------------|---------------------|------------------------------|-------------------|-----------------------|-------------|---------------------|
| Light Industrial | 110 | 1,000 SF | 4.87 | 50% | 0% | 50% | 2.44 | \$669 |
| General Office | 710 | 1,000 SF | 10.84 | 50% | 0% | 50% | 5.42 | \$1,490 |
| Commercial / Retail | 820 | 1,000 SF | 37.01 | 50% | 29% | 36% | 13.14 | \$3,612 |

NON-STANDARD IMPACT FEES

The Impact Fees Act¹ allows the City to assess an adjusted fee that more closely matches the true impact that a specific land use will have upon the City's infrastructure. This adjustment could result in a different impact fee if evidence suggests a particular user will create a different impact than what is standard for its category.

The formula for a non-standard impact fee should be included in the impact fee enactment (by resolution or ordinance). In addition, the impact fee enactment should contain the following elements:

- A provision establishing one or more service areas within which the local political subdivision or private entity calculates and imposes impact fees for various land use categories.
- 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 or the formula that the local political subdivision or private entity will use to calculate each impact fee.

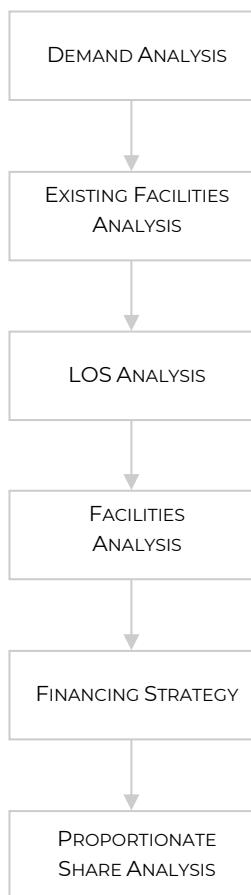
¹ 11-36a-402(1)(c)

- A provision authorizing the local political subdivision or private entity to adjust the standard impact fee at the time the fee is charged to:
 - Respond to unusual circumstances in specific cases or a request for a prompt and individualized impact fee review for the development activity of the state, a school district, or a charter school and an offset or credit for a public facility for which an impact fee has been or will be collected.
 - Ensure that the impact fees are imposed fairly.
- A provision governing calculation of the amount of the impact fee to be imposed on a particular development that permits adjustment of the amount of the impact fee based upon studies and data submitted by the developer.
- A provision that allows a developer, including a school district or a charter school, to receive a credit against or proportionate reimbursement of an impact fee if the developer:
 - Dedicates land for a system improvement.
 - Builds and dedicates some or all of a system improvement.
 - Dedicates a public facility that the local political subdivision or private entity and the developer agree will reduce the need for a system improvement.
- A provision that requires a credit against impact fees for any dedication of land for, improvement to, or new construction of, any system improvements provided by the developer if the facilities:
 - Are system improvements; or,
 - Dedicated to the public and offset the need for an identified system improvement.

Other provisions of the impact fee enactment include exemption of fees for development activity attributable to low-income housing, the state, a school district, or a charter school. Exemptions may also include other development activities with a broad public purpose. If an exemption is provided, the entity should establish one or more sources of funds other than impact fees to pay for that development activity. The impact fee exemption for development activity attributable to a school district or charter school should be applied equally to either scenario.

SECTION 2: GENERAL IMPACT FEE METHODOLOGY

FIGURE 2.1: IMPACT FEE METHODOLOGY



The purpose of this study is to fulfill the requirements of the Impact Fees Act regarding the establishment of an IFA². The IFFP identifies the demands placed upon the City's existing facilities by future development and evaluate how these demands will be met by the City, as well as the future improvements required to maintain the existing LOS. The purpose of the IFA is to proportionately allocate the cost of the new facilities and any excess capacity to new development, while ensuring that all methods of financing are considered. The following elements are important considerations when completing an IFA.

DEMAND ANALYSIS

The demand analysis serves as the foundation for the IFFP and IFA. This element focuses on a specific demand unit related to each public service – the existing demand on public facilities and the future demand as a result of new development that will affect system facilities.

EXISTING FACILITY INVENTORY

In order to quantify the demands placed upon existing public facilities by new development activity, to the extent possible the IFFP provides an inventory of the City's existing system facilities. The inventory valuation should include the original construction cost and estimated useful life of each facility. The inventory of existing facilities is important to determine the excess capacity of existing facilities and the utilization of excess capacity by new development.

LEVEL OF SERVICE ANALYSIS

"Level of service" or LOS means the defined performance standard or unit of demand for each capital component of a public facility within a service area. Through the inventory of existing facilities, combined with the growth assumptions, this analysis identifies the existing LOS that is provided to a community's existing residents and ensures that future facilities maintain these standards.

EXCESS CAPACITY AND FUTURE CAPITAL FACILITIES ANALYSIS

The demand analysis, existing facility inventory and LOS analysis allow for the development of a list of capital projects necessary to serve new growth and to maintain the existing system. This list includes any excess capacity of existing facilities as well as future system improvements necessary to maintain the LOS. Any excess capacity identified within existing facilities can be apportioned to new development. Any demand generated from new development that overburdens the existing system beyond the existing capacity justifies the construction of new facilities.

²UC 11-36a-301,302,303,304

FINANCING STRATEGY

This analysis must also include a consideration of all revenue sources, including impact fees, future debt costs, alternative funding sources and the dedication of system improvements, which may be used to finance system improvements.³ In conjunction with this revenue analysis, there must be a determination that impact fees are necessary to achieve an equitable allocation of the costs of the new facilities between the new and existing users.⁴

PROPORTIONATE SHARE ANALYSIS

The written impact fee analysis is required under the Impact Fees Act and must identify the impacts placed on the facilities by development activity and how these impacts are reasonably related to the new development. The written impact fee analysis must include a proportionate share analysis, clearly detailing each cost component and the methodology used to calculate each impact fee. A local political subdivision or private entity may only impose impact fees on development activities when its plan for financing system improvements establishes that impact fees are necessary to achieve an equitable allocation of the costs borne in the past and to be borne in the future (UCA 11-36a-302).

IMPACT FEE METHODOLOGIES

There are two methods employed in this analysis to determine the maximum allowable impact fees: the Growth-Driven Approach or the Plan Based Approach.

GROWTH-DRIVEN (PERPETUATION OF EXISTING LOS)

The growth-driven method utilizes the existing level of service and perpetuates that level of service into the future. Impact fees are then calculated to provide sufficient funds for the entity to expand or provide additional facilities, as growth occurs within the community. Under this methodology, impact fees are calculated to ensure new development provides sufficient investment to maintain the current LOS standards in the community. This approach is often used for public facilities that are not governed by specific capacity limitations and do not need to be built before development occurs (i.e. park facilities).

NEW FACILITY – PLAN BASED (FEE BASED ON DEFINED CIP)

Impact fees can be calculated based on a defined set of capital costs specified for future development. The improvements are identified in a capital plan or impact fee facilities plan as growth-related system improvements. The total cost is divided by the total demand units the improvements are designed to serve. Under this methodology, it is important to identify the existing level of service and determine any excess capacity in existing facilities that could serve new growth. Impact fees are then calculated based on many variables centered on proportionality and level of service.

³ 11-36a-302(2)

⁴ 11-36a-302(3)

SECTION 3: OVERVIEW OF SERVICE AREA AND GENERAL DEMAND FIGURES

SERVICE AREAS

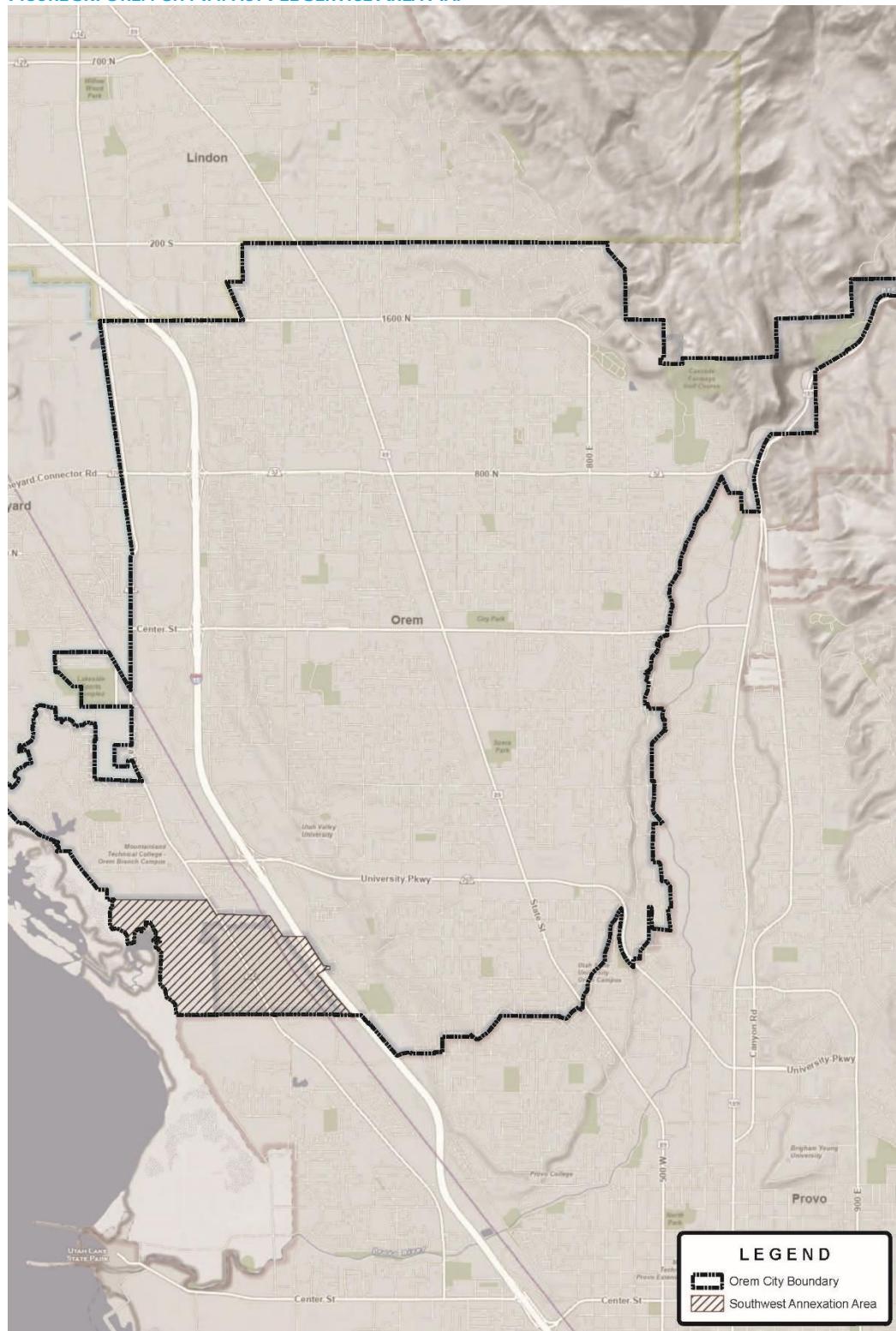
Utah Code requires the impact fee enactment to establish one or more service areas (SA) within which impact fees will be imposed.⁵ This document identifies the necessary future system improvements for the Service Areas that will maintain the existing LOS into the future. The impact fees related to parks and recreation, police, fire, and transportation will be assessed within the proposed service area, which incorporates the entire municipal boundaries and the City's annexation area as shown in **Figure 3.1**.

The water impact fee is assessed to two service areas: the City SA, which refers to all areas of the City water system, and the Southwest Annexation (SWA) SA. The City SA includes source production, storage, and major transmission facilities to all areas of the City, including the SWA SA. The Water IFFP identifies local distribution improvements in the SWA SA that will not benefit areas outside of the SWA SA. This results in new development in the SWA SA participating in both city-wide improvements and the SWA specific distribution improvements.

The wastewater and storm water impact fees are also assessed to two service areas (City SA and SWA SA). The Sewer and Storm Water IFFPs assume the SWA SA will continue to be its own service area and assess a SWA specific impact fee. For purposes of this analysis, the City SA wastewater and storm water impact fees cover the entire city but exclude the SWA Service Area.

⁵ UC 11-36a-402(1)(a)

FIGURE 3.1: OREM CITY IMPACT FEE SERVICE AREA MAP



DEMAND ANALYSIS

The demand units utilized in this analysis include acreage, water ERUs, wastewater ERUs, fire/EMS calls, police calls, trips, and population. As new development occurs within the City, it generates increased demand on City infrastructure. The system improvements identified in this study are designed to maintain the existing LOS for any new property within the City. **Tables 3.1 – 3.4** identify the existing development conditions within the City, as well as the anticipated new development forecasted to occur within the planning horizon along with the growth in demand units anticipated over a ten-year planning horizon.

TABLE 3.1: OREM CITY POPULATION PROJECTIONS

| TYPE | UNITS/SF | 2023 | YEAR 1 | YEAR 2 | YEAR 3 | YEAR 4 | YEAR 5 |
|-------------------------------|----------|---------------|---------------|---------------|---------------|---------------|---------------|
| Population⁶ | | 99,076 | 100,092 | 101,122 | 102,165 | 103,222 | 104,293 |
| Single Family | Units | 17,646 | 17,752 | 17,859 | 17,966 | 18,074 | 18,182 |
| Multifamily Units | Units | 14,816 | 15,068 | 15,324 | 15,584 | 15,849 | 16,119 |
| Residential Total | Units | 32,462 | 32,820 | 33,182 | 33,550 | 33,923 | 34,301 |
| Commercial | SF | 7,573,330 | 7,649,063 | 7,725,554 | 7,802,809 | 7,880,838 | 7,959,646 |
| Office | SF | 3,631,262 | 3,667,575 | 3,704,250 | 3,741,293 | 3,778,706 | 3,816,493 |
| Industrial | SF | 7,631,444 | 7,707,758 | 7,784,836 | 7,862,684 | 7,941,311 | 8,020,724 |
| Hospital/Group Care | SF | 1,170,457 | 1,182,162 | 1,193,983 | 1,205,923 | 1,217,982 | 1,230,162 |
| Other | SF | 952,239 | 961,761 | 971,379 | 981,093 | 990,904 | 1,000,813 |

TABLE 3.1: OREM CITY POPULATION PROJECTIONS (CONT.)

| TYPE | UNITS/SF | YEAR 6 | YEAR 7 | YEAR 8 | YEAR 9 | YEAR 10 | TOTAL IFFP NEW GROWTH |
|--------------------------|----------|---------------|---------------|---------------|---------------|---------------|-----------------------|
| Population | | 105,378 | 106,478 | 107,591 | 108,720 | 109,864 | 10,788 |
| Single Family | Units | 18,291 | 18,401 | 18,511 | 18,622 | 18,734 | 1,088 |
| Multifamily Units | Units | 16,393 | 16,671 | 16,955 | 17,243 | 17,536 | 2,720 |
| Residential Total | Units | 34,684 | 35,072 | 35,466 | 35,865 | 36,270 | 3,808 |
| Commercial | SF | 8,039,242 | 8,119,635 | 8,200,831 | 8,282,839 | 8,365,668 | 792,338 |
| Office | SF | 3,854,658 | 3,893,204 | 3,932,136 | 3,971,458 | 4,011,172 | 379,910 |
| Industrial | SF | 8,100,932 | 8,181,941 | 8,263,760 | 8,346,398 | 8,429,862 | 798,418 |
| Hospital/Group Care | SF | 1,242,464 | 1,254,888 | 1,267,437 | 1,280,112 | 1,292,913 | 122,456 |
| Other | SF | 1,010,821 | 1,020,929 | 1,031,138 | 1,041,450 | 1,051,864 | 99,625 |

TABLE 3.2: OREM CITY TRIP PROJECTIONS

| | TRIPS |
|------------------|---------------|
| Existing (2023) | 330,808 |
| 2030 | 358,508 |
| New Trips | 27,700 |

Source: 2023 TMP

TABLE 3.3: OREM CITY ACREAGE PROJECTIONS

| | CITY SA | SWA SA |
|----------------------|------------|------------|
| 2025 Developed Acres | 10,674 | 56 |
| 2035 Developed Acres | 10,891 | 256 |
| New Acreage | 217 | 200 |

Source: Storm Water IFFP, Tables 2 and 3

TABLE 3.4: OREM CITY SEWER ERU PROJECTIONS

| | CITY SA | SWA SA |
|------------------|--------------|--------------|
| 2020 ERUs | 48,654 | 88 |
| 2030 ERUs | 51,833 | 2,553 |
| Buildout ERUs | 57,146 | 2,553 |
| IFFP ERUs | 3,179 | 2,465 |

Source: Sewer IFFP, Table ES-1

TABLE 3.5: OREM CITY WATER ERU PROJECTIONS

| | CITY SA (INCLUDES SWA SA) | SWA SA |
|------------------|------------------------------|--------------|
| 2020 ERUs | 40,406 | 88 |
| 2030 ERUs | 45,161 | 2,507 |
| Buildout ERUs | 48,279 | 2,507 |
| IFFP ERUs | 4,755 | 2,419 |

Source: Water IFFP, Table ES-1

⁶ Includes vacant homes.



SECTION 4: PARKS & TRAILS IFFP AND IFA

The purpose of this section is to address the parks and trails IFFP, with supporting IFA, and to help the City plan for the necessary capital improvements for future growth. This section will address the future parks and trails needed to serve the City through the next ten years, as well as address the appropriate parks and trails impact fees the City may charge to new growth to maintain the existing LOS.

DEMAND ANALYSIS

The specific demand unit used for the Park IFFP and IFA is population. The population projections are based on several sources including Census, building permit, and City data. The total change in population from 2010 to 2020 was 11 percent, or 9,801 persons. This analysis assumes the population within the 10-year window will reach 109,864 by 2033. This is an increase of approximately 10,788 residents within the impact fee horizon. Because of this growth, the City will need to construct additional parks to maintain the existing LOS.

TABLE 4.1: POPULATION PROJECTIONS

| YEAR | POPULATION |
|--------------------|---------------|
| 2023 | 99,076 |
| 2024 | 100,092 |
| 2025 | 101,122 |
| 2026 | 102,165 |
| 2027 | 103,222 |
| 2028 | 104,293 |
| 2029 | 105,378 |
| 2030 | 106,478 |
| 2031 | 107,591 |
| 2032 | 108,720 |
| 2033 | 109,864 |
| IFFP DEMAND | 10,788 |

The future population in the City is used to determine the additional park needs. The LOS standards for each of these types of improvements have been calculated, with a blended LOS determined for the future population, giving the City flexibility to provide future residents the types of improvements that are desired. If growth projections and land use change significantly in the future, the City will need to update the demand projections, the IFFP, and the impact fees.

EXISTING FACILITY INVENTORY AND EXCESS CAPACITY

The City's existing inventory for parks is shown in **Table 4.2**. See **Appendix A** for a detailed list of facilities and amenities. The City-owned acreage and estimated City-funded improvement illustrated below will be the basis for the LOS analysis discussed later in this section.

TABLE 4.2: PARK ASSETS SUMMARY

| | EXISTING PARK TOTAL ACRES | CITY-OWNED ACREAGE | TOTAL LAND VALUE | TOTAL CITY-FUNDED IMPROVEMENTS |
|--------------------------|---------------------------|--------------------|------------------|--------------------------------|
| All Parks & Public Lands | 307.10 | 260.60 | \$149,845,000 | \$85,038,224 |

Source: 2021 Parks, Recreation, Trails & Open Space Master Plan, Table 1

LAND VALUATION

Current costs are used to determine the actual cost, in today's dollars, of duplicating the current LOS for future development in the City and do not reflect the value of the existing improvements within the City. For the purposes of this analysis, the cost to acquire new land is approximately \$575,000 per acre, as assumed in the 2021 Parks, Recreation, Trails & Open Space Master Plan.

MANNER OF FINANCING EXISTING PUBLIC FACILITIES

The City's existing parks and public lands infrastructure has been funded through a combination of General Fund revenues, grants, other governmental funds, and donations. General Fund revenues include a mix of property taxes, sales taxes, federal and state grants, and any other available General Fund revenues. While the

City has received some donations to fund parks and trails facilities, all park land and improvements funded through donations have been excluded in the impact fee calculations.

LEVEL OF SERVICE ANALYSIS

The LOS for this analysis is based on maintaining the existing level of investment in current parks and trails. The LOS consists of two components—the land value per capita and the improvement value per capita funded by the City (or the cost to purchase the land and make improvements in today's dollars)—resulting in a total value per capita for parks and trails. This approach uses current construction costs to determine the current value and allows the City to maintain the current LOS standard through the collection and expenditure of impact fees. **Table 4.3** below shows the LOS for parks and public lands within the Service Area.

TABLE 4.3: LEVEL OF SERVICE SUMMARY

| | LAND VALUE PER CAPITA | IMPROVEMENT VALUE PER CAPITA | TOTAL VALUE PER CAPITA |
|-----------|-----------------------|------------------------------|------------------------|
| All Parks | \$1,512 | \$858 | \$2,371 |

Note: Based on a baseline population of 99,076

The timing of construction for growth-related park facilities will depend on the rate of development and the availability of funding. For purposes of this analysis, a specific construction schedule is not required. The construction of park facilities can lag behind development without impeding continued development activity. This analysis assumes that construction of needed park facilities will proceed on a pay-as-you-go basis.

EXCESS CAPACITY

There is no buy-in component considered in this analysis.

FUTURE CAPITAL FACILITIES ANALYSIS

Future planning for parks and public lands is an ongoing process based on the changes in population and community preference. The City will purchase and improve parks and public lands to maintain the LOS defined in this document. Actual future improvements will be determined as development occurs and the opportunity to acquire and improve park land arises. Impact fees will only be assessed to maintain the existing LOS.

Based on the expected changes in population over the planning horizon, the City will need to invest approximately \$25.6 million in parks, including amenities, to maintain the existing LOS, as shown in **Table 4.4**. The City may invest in parks and trails at a higher level; however, impact fees cannot be used to increase the existing LOS.

TABLE 4.4: ILLUSTRATION OF PARKS AND TRAILS INVESTMENT NEEDED TO MAINTAIN LOS

| | LAND VALUE PER CAPITA | IMPROVEMENT VALUE PER CAPITA | TOTAL VALUE PER CAPITA | POPULATION INCREASE IFFP HORIZON | COST TO PARKS & PUBLIC LANDS OVER IFFP HORIZON |
|-----------|-----------------------|------------------------------|------------------------|----------------------------------|--|
| All Parks | \$1,512 | \$858 | \$2,371 | 10,788 | \$25,575,214 |

SYSTEM VS. PROJECT IMPROVEMENTS

System improvements are defined as existing and future public facilities designed to provide services to the community at large.⁷ Project improvements are improvements and facilities that are planned and designed to provide service for a specific development (resulting from a development activity) and considered necessary for the use and convenience of the occupants or users of that development.⁸ The Impact Fee Analysis may only include the costs of impacts on system improvements related to new growth within the proportionate share analysis. Only park facilities that serve the entire community are included in the LOS. The following park facility types are considered system improvements:

- Open Space, Trails, Greenbelt and Natural Lands;
- Mini, Neighborhood and Community Parks;
- Undeveloped Park Space;
- Special-Use Areas; and,
- Park Improvements and Amenities.

PROPOSED PARKS AND TRAILS IMPACT FEE

The calculation of the park impact fee is based on the growth-driven approach, which is based on the growth in residential demand. The growth-driven methodology utilizes the existing LOS and perpetuates that LOS into the future. Impact fees are then calculated to provide sufficient funds for the entity to expand or provide additional facilities, as growth occurs within the community. Under this methodology, impact fees are calculated to ensure new development provides sufficient investment to maintain the current LOS standards in the community. This approach is often used for public facilities that are not governed by specific capacity limitations and do not need to be built before development occurs (e.g., park facilities).

PARKS AND TRAILS IMPACT FEE CALCULATION

Utilizing the estimated value per capita by park type and the value per capita to provide the same level of improvements, with the addition of the professional expense and the impact fee fund balance, the total fee per capita is shown in **Table 4.5** below. Based on the per capita fee, the proposed impact fee per household is summarized in **Table 4.6**.

TABLE 4.5: ESTIMATE OF IMPACT FEE VALUE PER CAPITA

| | LAND VALUE PER CAPITA | IMPROVEMENT VALUE PER CAPITA | TOTAL VALUE PER CAPITA |
|--|-----------------------|------------------------------|------------------------|
| All Parks | \$1,512 | \$858 | \$2,371 |
| OTHER COMPONENTS OF FEE | ADDITIONAL VALUE | DEMAND SERVED | TOTAL VALUE PER CAPITA |
| Professional Expense | \$8,409 | 6,303 | \$1 |
| Impact Fee Interest Credit | (\$200,000) | 10,788 | (\$19) |
| ESTIMATE OF IMPACT FEE PER CAPITA | | | \$2,354 |

TABLE 4.6: PARK IMPACT FEE SCHEDULE

| | PERSONS PER UNIT | PROPOSED FEE PER UNIT | EXISTING FEE PER UNIT | % CHANGE |
|---------------------------------------|------------------|-----------------------|-----------------------|----------|
| Single Family | 3.44 | \$8,098 | \$2,911 | 178% |
| Multi-Family (Including Mobile Homes) | 2.59 | \$6,097 | \$2,570 | 137% |

⁷ 11-36a-102(20)

⁸ 11-36a102(13)

NON-STANDARD IMPACT FEE

The proposed fees are based upon population growth. The City reserves the right under the Impact Fees Act to assess an adjusted fee that more closely matches the true impact that the land use will have upon park facilities.⁹ This adjustment could result in a higher impact fee if the City determines that a particular user may create a greater impact than what is standard for its land use. The City may also decrease the impact fee if the developer can provide documentation, evidence, or other credible analysis that the proposed impact will be lower than what is proposed in this analysis. The formula for determining a non-standard impact fee is found below.

FORMULA FOR NON-STANDARD RESIDENTIAL PARK IMPACT FEES:

Estimated Population per Unit x \$2,354 = Impact Fee per Unit

⁹ 11-36a-402(1)(c)



SECTION 5: POLICE IFFP AND IFA

The purpose of this section is to address the Police IFFP, with supporting IFA, and to help the City plan the necessary capital improvements for future growth. This section will address the future police infrastructure needed to serve the City through the next ten years, as well as address the appropriate police impact fees the City may charge to new growth to maintain the existing LOS.

DEMAND

This element focuses on the specific demand unit related to police services – calls for service. The demand analysis identifies the existing demand on public facilities and the future demand generated from new development. The demand analysis also provides projected annual growth in demand units over the planning horizon of the IFFP. Call data used to determine the average calls for residential and non-residential development is from FY 2023.

The annual call volume for the City for 2023 was 71,376 calls for service. **Table 5.1** illustrates the call ratio per developed unit. The call ratio analysis establishes the existing LOS for residential and non-residential land uses. A review of existing businesses in the City shows a mix of business types. This suggests the call data is based on a variety of businesses that reflect a cross-section of the types of businesses that will likely continue to develop in the City.

TABLE 5.1: HISTORIC POLICE CALL DATA BY LAND USE CATEGORY

| | MEASUREMENT | DEVELOPED UNITS OR 1,000 SF | HISTORIC CALLS | EXISTING LOS (CALLS PER DEVELOPED UNIT) |
|---|--------------|-----------------------------|----------------|---|
| Residential | | | | |
| Single Family | per Unit | 17,646 | 21,476 | 1.22 |
| Multifamily | per Unit | 14,816 | 15,231 | 1.03 |
| Subtotal Residential: | | 32,462 | 36,707 | 1.13 |
| Non-Residential | | | | |
| Commercial | per 1,000 sf | 7,573 | 7,566 | 1.00 |
| Office | per 1,000 sf | 3,631 | 1,424 | 0.39 |
| Industrial | per 1,000 sf | 7,631 | 2,176 | 0.29 |
| Hospital/Group Care | per 1,000 sf | 1,170 | 897 | 0.77 |
| Other | per 1,000 sf | 952 | 654 | 0.69 |
| Subtotal Non-Residential: | | | 12,717 | |
| Public & Outside City Boundary | | | | |
| TOTAL | | | 71,376 | |
| TOTAL ATTRIBUTED | | | 49,424 | |

In order to determine the demand placed upon existing public facilities by new development, this analysis projects the additional call volume that undeveloped land uses will generate. An in-depth analysis has been prepared to determine the number of developed units or acres of land in each zoning category, and the number of calls per unit or acre of land has been assigned to each land use category. **Table 5.2** illustrates the projected future police calls based upon the number of historic calls by land use category.

TABLE 5.2: POLICE CALL PROJECTIONS BY LAND USE CATEGORY

| | MEASUREMENT | UNDEVELOPED UNITS OR 1,000 SF | IFFP ADDITIONAL CALLS* | TOTAL COMBINED CALLS** |
|---|--------------|----------------------------------|---------------------------|---------------------------|
| Residential | | | | |
| Single Family | per Unit | 1,088 | 1,324 | 22,800 |
| Multifamily | per Unit | 2,720 | 2,797 | 18,028 |
| Subtotal Residential: | | 3,808 | 4,121 | 40,828 |
| Non-Residential | | | | |
| Commercial | per 1,000 sf | 792 | 792 | 8,358 |
| Office | per 1,000 sf | 380 | 149 | 1,573 |
| Industrial | per 1,000 sf | 798 | 228 | 2,404 |
| Hospital/Group Care | per 1,000 sf | 122 | 94 | 991 |
| Other | per 1,000 sf | 100 | 68 | 722 |
| Subtotal Non-Residential: | | 2,193 | 1,331 | 14,048 |
| Public & Outside City Boundary | | | 2,422 | 24,374 |
| TOTAL | | | 7,874 | 79,250 |
| TOTAL ATTRIBUTED | | | 5,452 | 54,876 |

*IFFP Additional Calls are calculated based on the Existing LOS as shown in **Table 5.1**, multiplied by the Undeveloped Units.

Based on the sum of "Historic Calls" as shown in **Table 5.1 and the "IFFP Additional Calls" in **Table 5.2**.

EXISTING FACILITIES INVENTORY

In order to quantify the demands placed upon existing public facilities by new development activity, the IFFP provides an inventory of the City's existing facilities. The inventory of existing facilities is important to properly determine the excess capacity of existing facilities and the utilization of excess capacity by new development. As shown in **Table 5.3**, there is a total of 27,905 building square feet attributed to police. According to existing financial records, the total original value attributed to police facilities is \$5,377,906.

TABLE 5.3: POLICE EXISTING FACILITIES

| | TOTAL FACILITY SF | SF ATTRIBUTED TO POLICE | POLICE % OF TOTAL FACILITY |
|------------------------|-------------------|-------------------------|----------------------------|
| Public Safety Building | 32,134 | 27,905 | 86.8% |

Source: 2018 Police IFFP, p. 10

LEVEL OF SERVICE

Level of service for police facilities focuses on the specific demand unit related to police services – calls for service. The demand analysis identifies the existing demand on public facilities and the anticipated future demand generated from new development, based on historic trends. The demand analysis considers growth in demand units over the planning horizon of the IFFP and ultimate build-out. Call data used to determine the average calls for residential and non-residential development is from 2023.

The LOS for purposes of this analysis is calls per development type. **Table 5.4** illustrates the existing square footage level of service. The current square footage LOS for police is 0.39 SF / call. Based on the historic LOS, the City anticipates an additional 7,874 calls attributed to new development.

TABLE 5.4: POLICE LEVEL OF SERVICE

| METRIC | VALUE |
|-----------------------------|--------------|
| Total Police SF | 27,905 |
| Total Police Calls | 71,376 |
| SF per Call | 0.39 |
| Additional IFFP Calls | 7,874 |
| ADDITIONAL SF NEEDED | 3,078 |

EXCESS CAPACITY

The existing facilities are considered to be at capacity. As a result, additional facilities will be required to serve new development, as described below.

FUTURE CAPITAL FACILITIES ANALYSIS

This analysis assumes the City will need to construct new facilities to mitigate the impacts of new development to maintain the square footage LOS. Based on the square footage LOS calculated in **Table 5.4**, a total of 3,078 SF of police facilities will be required through the IFFP horizon which will serve 7,874 police calls for service.

TABLE 5.5: POLICE FUTURE FACILITIES

| DESCRIPTION OF FACILITIES | YEAR | SF | COST | CONST. YEAR COST | LOS SF | LOS % | % TO IFFP | COST TO IFFP |
|---------------------------|------|-------|-------------|------------------|--------|-------|-----------|--------------|
| New Facilities | 2025 | 4,229 | \$2,500,000 | \$2,500,000 | 3,078 | 72.8% | 100.0% | \$1,819,725 |

The City anticipates remodeling existing facility space to meet the level of service needs described above. The 2024 Sales Tax Revenue Bonds will be used to fund improvements to public safety facilities, as shown in **Table 5.6**.

TABLE 5.6: ALLOCATION OF 2024 SALES TAX REVENUE BONDS

| BOND SERIES | | PRINCIPAL | COUPON | INTEREST | TOTAL P+I |
|---------------------------------------|--|----------------------|--------------------|---------------|---------------------|
| Series 2024 Sales Tax Revenue Bonds | | \$9,200,000 | - | \$5,362,583 | \$14,562,583 |
| ALLOCATION METHODOLOGY | | SERVICE | COST | ALLOCATION | INTEREST TO SERVICE |
| Fire Training Facility | | Fire | \$7,310,388 | 74.5% | \$3,996,026 |
| Public Safety Building Remodel | | Police/Health | \$2,500,000 | 25.5% | \$1,366,557 |
| TOTAL | | | \$9,810,388 | 100.0% | \$5,362,583 |

PROPOSED POLICE IMPACT FEE

The police impact fee is based on the plan-based methodology. Using this approach, impact fees are calculated based on a defined set of capital costs specified for future development. The improvements are identified in a capital plan or impact fee facilities plan as growth-related system improvements. The City's existing facilities are proportionately allocated to the new development calls for service, providing an equitable distribution of the existing and proposed facilities that will serve development. The total cost is divided by the total demand units the improvements are designed to serve. Under this methodology, it is important to identify the existing level of service and determine any excess capacity in existing facilities that could serve new growth. Impact fees are then calculated based on many variables centered on proportionality and level of service.

It is assumed that new development will benefit from existing and future facilities. **Tables 5.7** and **5.8** illustrate the proportionate share analysis and cost per call calculations for police facilities. The police impact fee proposed in this analysis will be assessed throughout the entire service area, which incorporates the entire municipal boundaries and the City's annexation area.

TABLE 5.7: ESTIMATE OF POLICE IMPACT FEE COST PER CALL

| | ESTIMATED COST | ALLOCATED TO IFFP | COST TO IFFP | IF ELIGIBLE | COST TO IMPACT FEE | DEMAND SERVED | COST PER CALL |
|---|----------------|-------------------|--------------|-------------|--------------------|---------------|---------------|
| Cost to Improve Existing Public Safety Building | \$2,500,000 | 72.8% | \$1,819,725 | 100.0% | \$1,819,725 | 7,874 | \$231 |
| Financing Cost Related to Expansion | \$1,366,557 | 72.8% | \$994,704 | 100.0% | \$994,704 | 7,874 | \$126 |
| Impact Fee Analysis | \$8,409 | 100.0% | \$8,409 | 100.0% | \$8,409 | 7,874 | \$1 |
| TOTAL IMPACT FEE COST | | | | | \$2,822,838 | | \$358 |

TABLE 5.8: MAXIMUM POLICE IMPACT FEE SCHEDULE

| | COST PER CALL | CALLS PER UNIT | PROPOSED IMPACT FEE PER UNIT | EXISTING IMPACT FEE PER UNIT | % CHANGE |
|---|---------------|----------------|------------------------------|------------------------------|----------|
| Single Family Residential (per dwelling unit) | \$358.00 | 1.22 | \$436.00 | \$120.69 | 261% |
| Multifamily Residential (per dwelling unit) | \$358.00 | 1.03 | \$368.00 | \$119.79 | 207% |
| Commercial (per 1000 square feet) | \$358.00 | 1.00 | \$358.00 | \$83.30 | 330% |
| Office (per 1000 square feet) | \$358.00 | 0.39 | \$140.00 | \$56.24 | 149% |
| Industrial (per 1000 square feet) | \$358.00 | 0.29 | \$102.00 | \$83.30 | 22% |
| Hospital/Group Care (per 1000 square feet) | \$358.00 | 0.77 | \$274.00 | NA | NA |
| Other (per 1000 square feet) | \$358.00 | 0.69 | \$246.00 | \$71.86 | 242% |

NON-STANDARD POLICE IMPACT FEES

The City reserves the right under the Impact Fees Act to assess an adjusted fee that more closely matches the true impact that the land use will have upon police facilities.¹⁰ This adjustment could result in a different fee if the City determines that a particular user may create different impact than what is standard for its land use. The City may also decrease the impact fee if the developer can provide documentation, evidence, or other credible analysis that the proposed impact will be lower than what is proposed in this analysis. The formula for determining a non-standard impact fee, assuming the fair share approach, is found below.

FORMULA FOR NON-STANDARD POLICE IMPACT FEES:

Estimate of Annual Call Volume per Unit x \$358 = Impact Fee per Unit

¹⁰ UC 11-36a-402(1)(c)

SECTION 6: FIRE IFFP AND IFA

This section will address the Fire IFFP, and supporting IFA, to help the City plan for the necessary capital improvements for future growth. This will address the fire infrastructure and apparatus, both existing and future, needed to serve the City through the next ten years, as well as address the appropriate fire impact fees the City may charge to new growth to maintain the existing LOS.

DEMAND

The primary demand unit related to the Fire IFA is growth in calls for service. The annual call volume for the City for 2022 was 7,975 calls for service. Call data used to determine the average calls for residential and non-residential development is from 2022.

TABLE 6.1: HISTORIC FIRE CALL DATA BY LAND USE CATEGORY

| | MEASUREMENT | DEVELOPED UNITS OR 1,000 SF | HISTORIC CALLS | EXISTING LOS (CALLS PER DEVELOPED UNIT) |
|---|--------------|-----------------------------|----------------|---|
| Residential | | | | |
| Single Family | per Unit | 17,646 | 2,575 | 0.15 |
| Multifamily | per Unit | 14,816 | 1,650 | 0.11 |
| Subtotal Residential: | | 32,462 | 4,225 | 0.13 |
| Non-Residential | | | | |
| Commercial | per 1,000 sf | 7,573 | 560 | 0.07 |
| Office | per 1,000 sf | 3,631 | 204 | 0.06 |
| Industrial | per 1,000 sf | 7,631 | 82 | 0.01 |
| Hospital/Group Care | per 1,000 sf | 1,170 | 1,434 | 1.23 |
| Other | per 1,000 sf | 952 | 49 | 0.05 |
| Subtotal Non-Residential: | | | 2,329 | |
| Public & Outside City Boundary | | | | |
| TOTAL | | | 7,975 | |
| TOTAL ATTRIBUTED | | | 6,555 | |

In order to determine the demand placed upon existing public facilities by new development, this analysis projects the additional call volume that undeveloped land uses will generate. An in-depth analysis has been prepared to determine the number of developed units or acres of land in each zoning category, and the number of calls per unit or acre of land has been assigned to each land use category. **Table 6.2** illustrates the projected future fire calls based upon the number of historic calls by land use category.

TABLE 6.2: FIRE CALL PROJECTIONS BY LAND USE CATEGORY

| | MEASUREMENT | UNDEVELOPED UNITS OR 1,000 SF | IFFP ADDITIONAL CALLS* | TOTAL COMBINED CALLS** |
|------------------------------|--------------|-------------------------------|------------------------|------------------------|
| Residential | | | | |
| Single Family | per Unit | 1,088 | 159 | 2,734 |
| Multifamily | per Unit | 2,720 | 302 | 1,952 |
| Subtotal Residential: | | 3,808 | 461 | 4,686 |
| Non-Residential | | | | |
| Commercial | per 1,000 sf | 792 | 59 | 619 |
| Office | per 1,000 sf | 380 | 21 | 225 |
| Industrial | per 1,000 sf | 798 | 9 | 91 |
| Hospital/Group Care | per 1,000 sf | 122 | 150 | 1,584 |
| Other | per 1,000 sf | 100 | 5 | 54 |

| | MEASUREMENT | UNDEVELOPED UNITS OR 1,000 SF | IFFP ADDITIONAL CALLS* | TOTAL COMBINED CALLS** |
|---|-------------|----------------------------------|---------------------------|---------------------------|
| Subtotal Non-Residential: | | 2,193 | 244 | 2,573 |
| Public & Outside City Boundary | | | 153 | 1,573 |
| TOTAL | | | 858 | 8,833 |
| TOTAL ATTRIBUTED | | | 705 | 7,260 |

*IFFP Additional Calls are calculated based on the Existing LOS as shown in **Table 6.1**, multiplied by the Undeveloped Units.

Based on the sum of "Historic Calls" as shown in **Table 6.1 and the "IFFP Additional Calls" in **Table 6.2**.

EXISTING FACILITIES INVENTORY

In order to quantify the demands placed upon existing public facilities by new development activity, the IFFP provides an inventory of the City's existing facilities. The inventory of existing facilities is important to properly determine the excess capacity of existing facilities and the utilization of excess capacity by new development. As shown in **Table 6.3**, there is a total of 31,052 building square feet, with a portion of City Hall administrative space attributed to fire.

TABLE 6.3: EXISTING FIRE FACILITIES

| | SF | % TO FIRE | TOTAL FIRE SF |
|--------------------------|---------------|-----------|---------------|
| Fire Station #1 | 6,845 | 100% | 6,845 |
| Fire Station #2 | 6,485 | 100% | 6,485 |
| Fire Station #3 | 12,279 | 100% | 12,279 |
| City Hall Administrative | 5,443 | 100% | 5,443 |
| TOTAL FACILITIES | 31,052 | | 31,052 |

Source: Orem City Depreciation Schedule

The Impact Fees Act allows cities to include in the calculation of the impact fee any fire trucks and apparatuses with a cost of greater than \$500,000. The table below lists the qualifying apparatus included in the City's depreciation statement. The City reported an additional apparatus value of \$3,013,533.

TABLE 6.4: EXISTING FIRE APPARATUS

| ASSET DESCRIPTION | PURCHASE FISCAL YEAR | ORIGINAL COST |
|-------------------------------------|----------------------|--------------------|
| Pierce Fire Truck - Velocity | 2013 | \$533,061 |
| Pierce Ladder Fire Truck - Enforcer | 2019 | \$847,779 |
| Pierce Fire Truck - Tiller 33 | 2023 | \$812,924 |
| Pierce Enforcer Apparatus | 2021 | \$819,769 |
| Subtotal Apparatus | | \$3,013,533 |
| Subtotal Facilities | | \$4,108,389 |
| TOTAL FIRE FACILITIES | | \$7,121,922 |

Source: Orem City Depreciation Schedule

MANNER OF FINANCING EXISTING PUBLIC FACILITIES

No historical financing costs are included in this analysis related to fire.

LEVEL OF SERVICE

The LOS for purposes of this analysis is calls per development type. **Table 6.5** illustrates the existing square footage level of service. The current square footage LOS for fire is 3.89 SF / call.

TABLE 6.5: FIRE LEVEL OF SERVICE

| | FIRE FACILITY LOS | APPARATUS LOS |
|-----------------------------------|-------------------|---------------|
| Total Fire SF/Count | 31,052 | 4 |
| Total Fire Calls | 7,975 | 2,329 |
| SF/Count per Call | 3.89 | 0.002 |
| Additional IFFP Calls | 858 | 244 |
| ADDITIONAL SF/COUNT NEEDED | 3,340 | 0.42 |

FUTURE CAPITAL FACILITIES ANALYSIS

The City will need to construct new facilities to mitigate the impacts of new development to maintain the square footage LOS. Based on the square footage LOS, a total of 3,340 SF of fire facilities will be required through the IFFP horizon, as shown in **Table 6.6**, which will serve 858 fire calls for service. **Table 6.7** includes costs for a training facility that will serve all development through buildout.

TABLE 6.6: FUTURE FIRE FACILITIES

| | YEAR | SF/ACRE | COST | CONST. YEAR COST* | % TO FIRE | COST TO FIRE | SF TO IFFP | % TO IFFP | COST TO IFFP |
|-------------------------|------|---------|--------------------|--------------------|-----------|--------------------|------------|-----------|--------------------|
| New Facilities (SF) | 2026 | 3,340 | \$3,339,824 | \$3,612,353 | 100.0% | \$3,612,353 | 3,340 | 100.0% | \$3,612,353 |
| Land (Acres) | 2026 | 2.00 | \$1,431,000 | \$1,547,770 | 100.0% | \$1,547,770 | | 47.7% | \$738,468 |
| TOTAL FACILITIES | | | \$4,770,824 | \$5,160,123 | | \$5,160,123 | | | \$4,350,821 |

This analysis applies only the needed SF to maintain the existing LOS. The City anticipates they will build a facility of approximately 7K SF, which is larger than the 3,340 SF shown above. As a result, the proportionate allocation of land is applied in the calculation of Cost to IFFP.

*Inflation at 4%

TABLE 6.7: FUTURE FIRE TRAINING FACILITIES

| | YEAR | COST | CONST. YEAR COST | % TO FIRE | COST TO FIRE | % TO IFFP* | COST TO IFFP |
|----------------|------|-------------|------------------|-----------|--------------|------------|--------------|
| New Facilities | 2026 | \$7,310,388 | \$7,310,388 | 100.0% | \$7,310,388 | 8.9% | \$651,236 |

*This analysis assumes the training facility will serve all development through buildout. Using projected sewer ERUs at buildout, a total of 9,629 calls for service are projected through buildout. The IFFP calls of 858 represent 9 percent of the total.

In addition to physical facilities, the City will need to acquire additional fire suppression equipment. According to the Impact Fees Act, Section 102, Paragraph 17, public safety impact fee calculations may include a fire suppression vehicle costing in excess of \$500,000. A total of \$679,813 is included in this analysis for fire suppression vehicles. This cost is allocated only to non-residential development.

TABLE 6.8: FUTURE FIRE APPARATUS

| | YEAR | COUNT | COST | CONST. YEAR COST | % TO FIRE | COST TO FIRE | COUNT TO IFFP | % TO IFFP | COST TO IFFP |
|------------------|------|-------|-----------|------------------|-----------|--------------|---------------|-----------|--------------|
| Future Apparatus | 2026 | 0.42 | \$628,525 | \$679,813 | 100.0% | \$679,813 | 0.42 | 100.0% | \$679,813 |

Assumes an average cost per apparatus of \$1.5M.

The City anticipates constructing the fire training facility using the 2024 Sales Tax Revenue Bonds as shown in **Table 6.9**.

TABLE 6.9: ALLOCATION OF 2024 SALES TAX REVENUE BONDS

| BOND SERIES | PRINCIPAL | COUPON | INTEREST | TOTAL P+I |
|-------------------------------------|---------------|--------------------|---------------|---------------------|
| Series 2024 Sales Tax Revenue Bonds | \$9,200,000 | - | \$5,362,583 | \$14,562,583 |
| ALLOCATION METHODOLOGY | SERVICE | COST | ALLOCATION | INTEREST TO SERVICE |
| Fire Training Facility | Fire | \$7,310,388 | 74.5% | \$3,996,026 |
| Public Safety Building Remodel | Police/Health | \$2,500,000 | 25.5% | \$1,366,557 |
| TOTAL | | \$9,810,388 | 100.0% | \$5,362,583 |

PROPOSED FIRE IMPACT FEE

The fire impact fees proposed in this analysis will be assessed within the entire service area. The fire impact fee utilizes the plan-based approach, which is based on a defined set of capital costs specified for future development. The City's proposed future facilities are proportionately allocated to future development based on the existing LOS. It is anticipated that the combined existing and future facilities will be used to respond to calls for service from new development activity. The fire impact fees proposed in this analysis will be assessed throughout the entire service area, which incorporates the entire municipal boundaries and the City's annexation area.

TABLE 6.10: ESTIMATE OF IMPACT FEE COST PER CALL

| | ESTIMATED COST | ALLOCATED TO IFFP | COST TO IFFP | IF ELIGIBLE | COST TO IMPACT FEE | DEMAND SERVED | COST PER CALL |
|---------------------------------------|----------------|-------------------|--------------|-------------|--------------------|---------------|----------------|
| Future Facilities (Land and Building) | \$4,350,821 | 100.0% | \$4,350,821 | 100.0% | \$4,350,821 | 858 | \$5,072 |
| Fire Training Facility | \$7,310,388 | 8.9% | \$651,236 | 100.0% | \$651,236 | 858 | \$759 |
| Financing of Facilities | \$3,996,026 | 8.9% | \$355,981 | 100.0% | \$355,981 | 858 | \$415 |
| Impact Fee Analysis | \$8,409 | 100.0% | \$8,409 | 100.0% | \$8,409 | 858 | \$10 |
| TOTAL FACILITY IMPACT FEE COST | | | | | \$5,366,447 | | \$6,256 |
| Future Apparatus | \$679,813 | 100.0% | \$679,813 | 100.0% | \$679,813 | 244 | \$2,786 |
| TOTAL APPARATUS | | | | | \$679,813 | | \$2,786 |

FIRE IMPACT FEE BY LAND USE TYPE

The cost per call is then multiplied by the actual demand unit of measurement or calls per unit for each development type as shown in **Table 6.11**. The total cost per call includes the cost per call for facilities and professional expense.

TABLE 6.11: MAXIMUM FIRE IMPACT FEE SCHEDULE

| | COST PER CALL | CALLS PER UNIT | PROPOSED IMPACT FEE PER UNIT | EXISTING IMPACT FEE PER UNIT | % CHANGE |
|---|---------------|----------------|------------------------------|------------------------------|----------|
| Single Family Residential (per dwelling unit) | \$6,256 | 0.146 | \$913.00 | \$217.70 | 319% |
| Multifamily Residential (per dwelling unit) | \$6,256 | 0.111 | \$694.00 | \$168.24 | 313% |
| Commercial (per 1000 square feet) | \$9,042 | 0.074 | \$669.00 | \$132.50 | 405% |
| Office (per 1000 square feet) | \$9,042 | 0.056 | \$506.00 | \$238.69 | 112% |
| Industrial (per 1000 square feet) | \$9,042 | 0.011 | \$99.00 | \$132.50 | -25% |
| Hospital/Group Care (per 1000 square feet) | \$9,042 | 1.225 | \$11,076.00 | NA | NA |
| Other (per 1000 square feet) | \$9,042 | 0.051 | \$461.00 | \$101.92 | 352% |



NON-STANDARD FIRE IMPACT FEES

The City reserves the right under the Impact Fees Act to assess an adjusted fee that more closely matches the true impact that the land use will have upon fire facilities.¹¹ This adjustment could result in a different impact fee if the City determines that a particular user may create a different impact than what is standard for its land use. The City may also decrease the impact fee if the developer can provide documentation, evidence, or other credible analysis that the proposed impact will be lower than what is proposed in this analysis. The formula for determining a non-standard impact fee is found below.

FORMULA FOR NON-STANDARD FIRE IMPACT FEES:

Residential: Estimate of Annual Call Volume per Unit x \$6,256 = Impact Fee per Unit

Non-Residential: Estimate of Annual Call Volume per Unit x \$9,042 (\$6,256 facilities fee + \$2,786 apparatus fee) = Impact Fee per Unit

¹¹ UC 11-36a-402(1)(c)



SECTION 7: TRANSPORTATION IFA

The transportation impact fees proposed in this analysis will be assessed throughout the entire service area, which incorporates the entire municipal boundaries and the City's annexation area. Transportation impact fees are justified when trips are added to system-wide roadways. The fees can be assessed on future projects when new system-wide roadways are needed to meet the demands of growth and on existing roadways that have excess capacity and can serve growth without compromising level of service standards set forth. WCG completed the Transportation IFFP, and this, along with information from the City and the existing 2023 Orem Transportation Master Plan (TMP) completed by Horrocks, provides the information utilized in the analysis for the purposes of calculating impact fees. The IFFP was last updated February 2024.

DEMAND

The primary demand unit related to the transportation impact fee is growth in trips. It is anticipated that the City will experience an increase of 27,700 trips by 2030.

EXISTING FACILITY INVENTORY

According to the TMP, the existing system consists of the following amenities:

- Roadways (Lane Miles)
- Trails and Bikeways
- Sidewalks
- Crosswalk Lights
- Curb and Gutter
- Accessible Ramps
- Traffic Signals
- Street Lighting

The total value of these improvements, based on the City's existing depreciation statements, equals \$137M.

MANNER OF FINANCING EXISTING PUBLIC FACILITIES

The City's existing road infrastructure has been funded through a combination of utility rate revenues and other governmental funds, including debt service. The City issued the Series 2014 and 2019 General Obligation Bonds to fund improvements to the City's transportation system. The outstanding bond balance is used to offset the buy-in calculation, as shown in **Table 7.2**.

LEVEL OF SERVICE (LOS) ANALYSIS

LOS assesses the level of congestion on a roadway segment or intersection. LOS is measured using a letter grade A through F, where A represents free flowing traffic with absolutely no congestion and F represents grid lock. The demand units utilized in this analysis are based on undeveloped residential and commercial land and the new trips generated from these land-use types. As residential and commercial growth occurs within the City, additional trips will be generated within the transportation system. The transportation capital

TABLE 7.1: PROJECTED GROWTH IN DEMAND UNITS

| | TRIPS |
|------------------|---------------|
| Existing (2023) | 330,808 |
| 2030 | 358,508 |
| NEW TRIPS | 27,700 |

Source: 2023 TMP

TABLE 7.2: EXISTING FACILITIES SUMMARY

| | TOTAL ORIGINAL VALUE |
|---------------------------|----------------------|
| Total Original Value | \$136,691,716 |
| Less Project Improvements | (\$52,943,682) |
| Less GO Bond Funded | (\$27,655,000) |
| TOTAL SYSTEM Value | \$56,093,034 |

Source: City Depreciation Schedule

"Total System Value" figure excludes project improvements and general obligation bond funded improvements.

improvements identified in this study are based on maintaining the current LOS as defined by the 2024 IFFP. As stated in the IFFP, the proposed LOS threshold for Orem is LOS D. Therefore, improvements are recommended and eligible for impact fees for roadways that are projected to operate at LOS E or F in the future.

EXCESS CAPACITY

The determination of a buy-in component related to existing infrastructure is based on proportionate trips generated within the IFFP planning horizon. According to City records, the transportation system is valued at \$56M (excluding buildings, equipment, and outstanding bonds), which is used to determine the appropriate buy-in fee. It is anticipated that new development will benefit from the existing transportation network constructed within the Service Area. Approximately seven percent of the total demand on the system will occur within the IFFP planning horizon. As a result, \$4.1M of the total original system cost is included in this analysis, based on the original cost of system improvements as identified in the City's financial records.

FUTURE CAPITAL FACILITIES ANALYSIS

The IFFP identifies the growth-related projects needed within the next ten years. Capital projects related to curing existing deficiencies were not included in the calculation of the impact fees. Total future projects applicable to new development are shown below. **Table 7.3** illustrates the estimated cost of future capital roadway improvements within the service area, as identified in the IFFP. The total construction-year cost related to new growth is \$30,261,800. The total cost attributable to the IFFP is \$546,323.

TABLE 7.3: 2030 ROADWAY FUTURE CAPITAL PROJECTS

| PROJECT | TYPE | FUTURE FUNCTIONAL CLASS | TOTAL ESTIMATED PROJECT COST* | OTHER OUTSIDE FUNDING SOURCES ** | % TO GROWTH | IMPACT FEE ELIGIBLE COST |
|---|-------------|-------------------------|-------------------------------|----------------------------------|-------------|--------------------------|
| 1200 West (Sandhill Road to Center Street) | Widening | Arterial (5-lane) | \$12,905,000 | \$12,031,332 | 15.0% | \$131,050 |
| 1600 West (Connection to Geneva Rd.) | New Roadway | Collector (2-lane) | \$2,658,600 | - | 13.0% | \$345,618 |
| Lakeview Parkway (Geneva Road to Southern Border) | New Roadway | Arterial (5-lane) | \$14,698,200 | \$13,703,132 | 7.0% | \$69,655 |
| TOTAL NEW ROADWAYS | | | \$30,261,800 | \$25,734,464 | | \$546,323 |

* Project costs account for inflation.

** AG STIP (State Transportation Improvement Program), UDOT, adjacent cities, or other external funding sources.

Source: 2024 Transportation IFFP, p. 17

Table 7.4 illustrates the estimated cost of future capital intersection improvements within the service area. The total construction-year cost related to new growth is \$5,915,004. The total cost attributable to the IFFP is \$2,962,199.

TABLE 7.4: 2030 INTERSECTION FUTURE CAPITAL PROJECTS

| PROJECT | IMPROVEMENT | TOTAL ESTIMATED PROJECT COST* | OTHER OUTSIDE FUNDING SOURCES ** | % CUT-THROUGH | % TO GROWTH | IMPACT FEE ELIGIBLE COST |
|-------------------------|--------------------|-------------------------------|----------------------------------|---------------|-------------|--------------------------|
| 1200 South and 400 West | Enlarge Roundabout | \$3,000,000 | \$2,796,900 | 5.0% | 95.0% | \$192,945 |
| 400 S and 400 E | New Signal | \$1,295,549 | \$0 | 5.0% | 95.0% | \$1,230,772 |
| 400 N and 800 E | New Signal | \$438,010 | \$0 | 5.0% | 95.0% | \$416,110 |
| 1200 North and 800 West | Roundabout | \$727,043 | \$0 | 5.0% | 95.0% | \$690,691 |

| PROJECT | IMPROVEMENT | TOTAL ESTIMATED PROJECT COST* | OTHER OUTSIDE FUNDING SOURCES ** | % CUT- THROUGH | % TO GROWTH | IMPACT FEE ELIGIBLE COST |
|-------------------------------|-------------|--|-------------------------------------|-------------------|----------------|-----------------------------|
| 1430 South and Sandhill Road | New Signal | \$454,402 | \$0 | 5.0% | 95.0% | \$431,682 |
| TOTAL NEW INTERSECTION | | \$5,915,004 | \$2,796,900 | | | \$2,962,199 |

* Project costs account for inflation.

** AG STIP (State Transportation Improvement Program), UDOT, adjacent cities, or other external funding sources.

Source: 2024 Transportation IFFP, p. 18

PROPOSED TRANSPORTATION IMPACT FEE

The proportionate share analysis determines the cost assignable to new development based on the proposed capital projects and the new growth served by the proposed projects. The impact fee per trip is shown in **Table 7.5** below. The professional expense includes the cost to update the IFFP and IFA. This cost is spread over the demand anticipated within the next six years.

TABLE 7.5: ESTIMATE OF IMPACT FEE COST PER TRIP

| | TOTAL COST | ALLOCATION TO IFFP | COST TO IFFP | TRIPS SERVED | COST PER TRIP |
|----------------------------|--------------|-----------------------|--------------|--------------|---------------|
| Existing Facilities | \$56,093,034 | 7.3% | \$4,077,777 | 27,700 | \$147 |
| Future Roadways | \$30,261,800 | 1.8% | \$546,323 | 27,700 | \$20 |
| Future Intersections | \$5,915,004 | 50.1% | \$2,962,199 | 27,700 | \$107 |
| Professional Expense | \$29,636 | 100.0% | \$29,636 | 27,700 | \$1 |
| TOTAL COST PER TRIP | | | | | \$275 |

The proposed impact fee per unit, for various land use categories, is shown in **Table 7.6**.

TABLE 7.6: PROPOSED IMPACT FEE BY LAND USE TYPE

| LAND USE CATEGORY | ITE CODE | AVERAGE DAILY TRIPS | DEMAND UNIT | ENTERING / EXITING ADJUSTM ENT | PASS BY REDUCTI ON | TOTAL TRIP ADJUSTM ENT | TOTAL TRIPS | PROPOSE D IMPACT FEE | EXISTING FEE | % CHANGE |
|-----------------------|----------|---------------------------|----------------|---|--------------------------|---------------------------------|----------------|----------------------------|-----------------|-------------|
| Single-Family | 210 | 9.43 | HU | 50% | 0% | 50% | 4.72 | \$1,296 | \$459 | 182% |
| Multi-Family | 220 | 6.74 | HU | 50% | 0% | 50% | 3.37 | \$927 | \$285 | 226% |
| Light Industrial | 110 | 4.87 | 1,000 SF | 50% | 0% | 50% | 2.44 | \$669 | N/A | N/A |
| Industrial Park | 130 | 3.37 | 1,000 SF | 50% | 0% | 50% | 1.69 | \$463 | \$390 | 19% |
| Manufacturing | 140 | 4.75 | 1,000 SF | 50% | 0% | 50% | 2.38 | \$653 | \$335 | 95% |
| Warehousing | 150 | 1.71 | 1,000 SF | 50% | 0% | 50% | 0.86 | \$235 | N/A | N/A |
| Assisted Living | 254 | 4.19 | 1,000 SF | 50% | 0% | 50% | 2.10 | \$576 | \$101 | 470% |
| Hotel | 310 | 7.99 | Rooms | 50% | 0% | 50% | 4.00 | \$1,098 | \$275 | 299% |
| Motel | 320 | 3.35 | Rooms | 50% | 0% | 50% | 1.68 | \$461 | N/A | N/A |
| Elementary School | 520 | 2.27 | Student | 50% | 0% | 50% | 1.14 | \$312 | N/A | N/A |
| High School | 525 | 1.94 | Student | 50% | 0% | 50% | 0.97 | \$267 | N/A | N/A |
| Church | 560 | 7.60 | 1,000 SF | 50% | 0% | 50% | 3.80 | \$1,045 | \$252 | 314% |
| Day Care | 565 | 47.62 | 1,000 SF | 50% | 0% | 50% | 23.81 | \$6,546 | \$5,664 | 16% |
| Hospital | 610 | 10.77 | 1,000 SF | 50% | 0% | 50% | 5.39 | \$1,480 | \$427 | 247% |
| General Office | 710 | 10.84 | 1,000 SF | 50% | 0% | 50% | 5.42 | \$1,490 | \$684 | 118% |
| Research & Dev Center | 760 | 11.08 | 1,000 SF | 50% | 0% | 50% | 5.54 | \$1,523 | N/A | N/A |
| Business Park | 770 | 12.44 | 1,000 SF | 50% | 0% | 50% | 6.22 | \$1,710 | \$578 | 196% |



| LAND USE CATEGORY | ITE CODE | AVERAGE DAILY TRIPS | DEMAND UNIT | ENTERING / EXITING ADJUSTMENT | PASS BY REDUCTION | TOTAL TRIP ADJUSTMENT | TOTAL TRIPS | PROPOSED IMPACT FEE | EXISTING FEE | % CHANGE |
|---------------------|----------|---------------------|-------------|-------------------------------|-------------------|-----------------------|-------------|---------------------|--------------|----------|
| Commercial / Retail | 820 | 37.01 | 1,000 SF | 50% | 29% | 36% | 13.14 | \$3,612 | \$1,124 | 221% |

Source: Trip Generation, Institute of Transportation Engineers (ITE), 11th Edition.

NON-STANDARD IMPACT FEES

The City reserves the right under the Impact Fees Act¹² to assess an adjusted fee that more closely matches the true impact that a specific land use will have upon the City's transportation system. This adjustment could result in a different impact fee if evidence suggests a particular user will create a different impact than what is standard for its category. The City may also decrease the impact fee if the developer can provide documentation, evidence, or other credible analysis that the proposed impact will be lower than what is proposed in this analysis.

FORMULA FOR NON-STANDARD TRANSPORTATION IMPACT FEES:

Estimate of Trips per Unit x 50% Entering/Exiting Adjustment x Pass By Adjustment Factors x \$275 = Impact Fee per Unit

¹² 11-36a-402(1)(c)

SECTION 8: CULINARY WATER IFA

Impact fees are calculated based on many variables centered on proportionality and LOS. Future demands were identified previously in this document, and this section will discuss the existing and proposed level of service, the availability of excess capacity, the needed future facilities to serve new development, and the appropriate impact fee to be assessed to new development to maintain the existing LOS. The information utilized in this analysis is based off the City's existing 2021 Water Master Plan and 2021 Water Impact Fee Facilities Plan completed by BC&A. The Master Plan and IFFP were last amended in February 2025.

DEMAND

The primary demand unit related to the water IFA is equivalent residential units (ERUs). It is anticipated that 4,755 ERUs will be added to the system in the next ten years, including the SWA SA.

Table 8.1 distinguishes growth from new development in the SWA SA, which anticipates an additional 2,419 ERUs in the next ten years. New development in this area will need to participate in funding both the citywide improvements and the SWA SA specific distribution improvements outlined in the IFFP.

EXISTING FACILITIES INVENTORY

Tables 8.2 and **8.3** illustrate the existing source and storage facilities by component. The City's culinary water is supplied by springs, wells, and surface water treated at the Don A. Christiansen Regional Water Treatment Plant (DACRWTP), which is a combination of reservoir storage and natural river flow according to the Water Master Plan. There are two springs located in Provo Canyon and nine groundwater wells throughout the City. All sources have a combined design production capacity of 74.37 MGD. Orem's tanks have a combined total storage capacity of 21.95 million gallons. A recently completed ten-million-gallon storage tank will be online in 2027 bringing the total storage capacity to 31.95 million gallons.

TABLE 8.1: PROJECTED GROWTH IN DEMAND UNITS

| | CITY SA (INCLUDES SWA SA) | SWA SA |
|---------------------|------------------------------|--------------|
| 2020 ERUs | 40,406 | 88 |
| 2030 ERUs | 45,161 | 2,507 |
| Buildout ERUs | 48,279 | 2,507 |
| IFFP ERUs | 4,755 | 2,419 |
| New ERUs through BO | 7,873 | 2,419 |

Source: Water IFFP, Table ES-1

TABLE 8.2: EXISTING SOURCE FACILITIES

| | PEAK PRODUCTION (MGD) |
|--------------|-----------------------|
| Springs | 3.14 |
| Wells | 29.23 |
| DACRWTP | 42 |
| TOTAL | 74.37 |

Source: Water Master Plan, Table 4-8

TABLE 8.3: EXISTING STORAGE FACILITIES

| TANK NAME | EQUALIZATION / EMERGENCY STORAGE REQUIREMENT (GALLONS) | FIRE FLOW STORAGE (GALLONS) | TOTAL STORAGE REQUIRED | AVAILABLE STORAGE |
|--------------|--|-----------------------------------|------------------------------|----------------------|
| Cherapple | 43,178 | 240,000 | 283,178 | 400,000 |
| Upper Tanks | 2,930,324 | - | 2,930,324 | 4,000,000 |
| WTP | 5,379,216 | 720,000 | 6,099,216 | 9,550,000 |
| Lower Tanks | 22,263,391 | - | 22,263,391 | 8,000,000 |
| TOTAL | 30,616,109 | 960,000 | 31,576,109 | 21,950,000 |

Source: Water Master Plan, Table 5-1

LEVEL OF SERVICE

Impact fees cannot be used to finance an increase in the level of service (LOS) to current or future users of capital improvements. Therefore, it is important to identify the water LOS to ensure that the new capacities of projects financed through impact fees do not exceed the established standard. The City's provided LOS, as defined in the Water IFFP, is 1,796 GPD per ERU for source and 682.4 gallons per ERU for storage.

EXCESS CAPACITY

An analysis of current capacity based on the proposed LOS illustrates that there is excess capacity related to source facilities and no available capacity within the existing system related to storage. This analysis does include a proportionate share analysis and buy-in component for the distribution system (see **Table 8.9**).

MANNER OF FINANCING EXISTING PUBLIC FACILITIES

The City's existing water infrastructure has been funded through a combination of utility rate revenues and other governmental funds. This analysis also includes debt financing costs related to existing facilities as shown in the impact fee calculation.

The City issued the Series 2005B Water & Storm Sewer Revenue Bonds and the 2013 Water & Storm Sewer Revenue Refunding Bonds, which refunded the Series 2005A bonds, to fund the City's portion of the cost for a water tank, installation of water lines, and improvements to the storm sewer system. The Series 2016 Water & Storm Sewer Revenue Refunding Bonds fund the cost of the 2008 Project, which installed six miles of water lines throughout the City. The City also issued the 2021A Water, Sewer, & Storm Sewer Revenue Bonds for improvements throughout the City's system. **Table 8.6** illustrates the allocation of interest of these bonds to each fund, as well as the allocation to the specific water system components within the water fund, based on construction costs.

TABLE 8.4: CALCULATION OF SOURCE EXCESS CAPACITY

| | MGD | ERUs SERVED* | % OF CAPACITY |
|------------------------|-------------|--------------|---------------|
| Current Sources | 74.37 | 41,407 | 100.0% |
| Current Demand | 72.57 | 40,406 | 97.6% |
| EXCESS CAPACITY | 1.80 | 1,001 | 2.4% |
| IFFP Demand | 8.54 | 4,755 | 11.5% |
| Remaining Capacity | - | - | 0.0% |

*Based on LOS of 1,796 gpd/ERU.

TABLE 8.5: CALCULATION OF STORAGE EXCESS CAPACITY

| | GALLONS | ERUs SERVED* | % OF CAPACITY |
|------------------------|--------------------|----------------|---------------|
| Total Capacity | 53,526,109 | | |
| Fire Storage | 960,000 | | |
| Emergency/Equalization | 30,616,109 | | |
| Available Storage | 21,950,000 | 32,166 | 100.0% |
| Demand | 27,573,054 | 40,406 | 125.6% |
| EXCESS CAPACITY | (5,623,054) | (8,240) | 0.0% |
| IFFP Demand | 3,244,812 | 4,755 | 14.8% |
| Remaining Capacity | - | - | 0.0% |

*Based on LOS of 682.4 gallons per ERU.

TABLE 8.6: BOND ALLOCATION

| | SERIES 2005B | SERIES 2013 REFUNDING OF 2005A | SERIES 2016 REFUNDING OF 2008 | SERIES 2021A |
|--|---------------|--------------------------------------|-------------------------------------|--------------|
| BOND ALLOCATION BY FUND | | | | |
| WATER | 100.0% | 66.5% | 100.0% | 70.5% |
| Sewer | 0.0% | 0.0% | 0.0% | 23.8% |
| Storm Sewer | 0.0% | 33.5% | 0.0% | 5.6% |
| WATER FUND BOND ALLOCATION BY COMPONENT | | | | |
| Water Tanks | 100.0% | 45.4% | 0.0% | 37.7% |
| Water Lines | 0.0% | 54.6% | 100.0% | 35.6% |
| Water Source | 0.0% | 0.0% | 0.0% | 26.7% |

FUTURE CAPITAL FACILITIES ANALYSIS

The Water IFFP calls for approximately \$60.4 million of future water system improvements within the 10-year planning horizon for the City SA, with an additional \$1.9 million of future distribution improvements for the SWA SA. This IFFP considers only projects that will be constructed in the ten-year time horizon, and the water impact fees will be based on these numbers. The estimated costs attributed to new growth were analyzed based on existing development versus future development patterns. From this analysis, a portion of future development costs were attributed to new growth and included in the impact fee analysis. **Table 8.7** summarizes the City SA capital plans and **Table 8.8** summarizes the SWA SA capital plans. The construction year calculation includes 4.5 percent inflation based on the year of each project outlined in the IFFP.

TABLE 8.7: PROJECTED COSTS ALLOCATED TO THE CITY SERVICE AREA

| PROJECT DESCRIPTION | TYPE | ESTIMATED PROJECT YEAR | TOTAL ESTIMATED PROJECT COST (2023\$) | % TO GROWTH | COST TO GROWTH | CONST. YEAR COST TO GROWTH** |
|---|--------------|------------------------|---------------------------------------|-------------|---------------------|------------------------------|
| Heritage Park Pump Station | Distribution | 2025 | \$10,659,000 | 22.1% | \$2,360,207 | \$2,360,207 |
| New pipes connecting Heritage Well, Tank and Pump Station to system | Distribution | 2024 | \$2,371,000 | 77.5% | \$1,837,525 | \$1,920,214 |
| Heritage Park Phase 1 Gravity Line to Springwater P.Z. | Distribution | 2024 | \$2,868,000 | 77.5% | \$2,222,700 | \$2,322,722 |
| 1600 N - Upsize existing 12-inch pipe to 16-inch | Distribution | 2031* | \$495,000 | 5.5% | \$27,220 | \$38,710 |
| 1600 N - Install new parallel 12- inch | Distribution | 2031* | \$2,987,000 | 0.5% | \$14,227 | \$20,232 |
| 10M gallon tank in Heritage Park (400 S) | Storage | 2024 | \$20,925,000 | 33.6% | \$7,038,905 | \$7,038,905 |
| Reuse Project (Water source related costs only) | Source | 2025 | \$7,870,176 | 79.3% | \$6,242,098 | \$6,816,527 |
| Heritage Park Well (400 S) | Source | 2025 | \$4,903,000 | 79.3% | \$3,888,732 | \$4,063,725 |
| 1600 N Well | Source | 2029 | \$4,355,500 | 79.3% | \$3,454,492 | \$4,498,647 |
| Well #1 replacement in Hillcrest Park | Source | 2028 | \$3,000,000 | 0.0% | \$0 | \$0 |
| TOTAL CITY SA | | | \$60,433,676 | | \$27,086,106 | \$29,079,888 |

Source: Water IFFP, Table 10

*Year updated to 2031 from 2028 per discussion with City staff.

**Inflated at 4.5 percent.

TABLE 8.8: PROJECTED COSTS ALLOCATED TO THE SOUTHWEST ANNEXATION SERVICE AREA

| PROJECT DESCRIPTION | TYPE | ESTIMATED PROJECT YEAR | TOTAL ESTIMATED PROJECT COST (2023\$) | % TO GROWTH | COST TO GROWTH | CONST. YEAR COST TO GROWTH* |
|---|--------------|------------------------|---------------------------------------|-------------|--------------------|-----------------------------|
| 2,000 ft of new pipe associated with the 2000 S road project | Distribution | 2025 | \$425,000 | 96.4% | \$409,896 | \$447,617 |
| 2650 ft of new pipe associated with the Lakeview Parkway road project | Distribution | 2028 | \$830,000 | 96.4% | \$800,503 | \$997,572 |
| 2100 ft of new pipe associated with the Geneva Road widening project | Distribution | 2026 | \$675,000 | 96.4% | \$651,011 | \$742,912 |
| TOTAL SWA SA | | | \$1,930,000 | | \$1,861,410 | \$2,188,100 |

Source: Water IFFP, Table 11

*Inflated at 4.5 percent.

PROPOSED CULINARY WATER IMPACT FEE

This analysis has identified the future demand, the existing and proposed LOS, the availability of excess capacity, and the future facilities needed to serve new development. The following section identifies the appropriate impact fee to be assessed to new development to maintain the existing LOS.

CULINARY WATER IMPACT FEE CALCULATION

Impact fees can be calculated based on a defined set of costs specified for future development, usually defined within a Master Plan, Capital Improvement Plan and/or IFFP. The total project costs are divided by the total demand units the projects are designed to serve. Under this methodology, it is important to identify the existing LOS and determine any excess capacity in existing facilities that could serve new growth. Impact fees are then calculated based on many variables centered on proportionality share and LOS.

The water impact fee is assessed to two service areas: the City SA and the SWA SA. The water system facilities described in this document serve the entire City and the SWA SA. The Water IFFP identifies additional distribution improvements that only apply to the SWA SA. Therefore, the water impact fee calculated for the SWA SA reflects the impact fee calculated in **Table 8.9** plus the fee calculated in **Table 8.10**.

CITY SERVICE AREA

The culinary water impact fees proposed in **Table 8.9** will be assessed throughout the entire City SA, including the SWA SA. **Table 8.9** illustrates the appropriate impact fee to maintain the existing LOS, based on the assumptions within this document. The maximum allowable impact fee assignable to new development per ERU is also shown in **Table 8.9**, based on the applicable buy-in, future facility, and other costs identified in this analysis. The professional expense includes the cost to update the IFFP and IFA. This cost is allocated based on the City SA's proportion of future facilities costs (97 percent) outlined in the IFFP. This cost is spread over the demand anticipated within the next ten years for each area.

TABLE 8.9: CULINARY WATER IMPACT FEE PER UNIT – CITY SERVICE AREA

| | TOTAL COST | % ELIGIBLE COST | TOTAL ELIGIBLE VALUE | % TO IFA DEMAND | COST TO IFA | ERUs SERVED | COST PER ERU |
|-----------------------------------|---------------------|-----------------|----------------------|-----------------|---------------------|-------------|----------------|
| BUY-IN | | | | | | | |
| Source Buy-In | \$9,000,156 | 11.5% | \$1,033,533 | 100.0% | \$1,033,533 | 4,755 | \$217 |
| Storage Buy-In | \$20,687,827 | 0.0% | \$0 | 100.0% | \$0 | 4,755 | \$0 |
| Distribution Buy-In | \$23,486,472 | 13.3% | \$3,133,095 | 100.0% | \$3,133,095 | 4,755 | \$659 |
| Buy-In Subtotal | \$53,174,455 | | \$4,166,628 | | \$4,166,628 | | \$876 |
| FUTURE FACILITIES | | | | | | | |
| Source New Facilities | \$23,128,604 | 66.5% | \$15,378,899 | 100.0% | \$15,378,899 | 4,755 | \$3,234 |
| Storage New Facilities | \$20,925,000 | 33.6% | \$7,038,905 | 100.0% | \$7,038,905 | 4,755 | \$1,480 |
| Distribution New Facilities | \$21,085,509 | 31.6% | \$6,662,083 | 100.0% | \$6,662,083 | 4,755 | \$1,401 |
| Future Facilities Subtotal | \$65,139,113 | | \$29,079,888 | | \$29,079,888 | | \$6,115 |
| OTHER COSTS | | | | | | | |
| Professional Expense | \$17,122 | 100.0% | \$17,122 | 100.0% | \$17,122 | 4,755 | \$4 |
| Other Costs Subtotal | \$17,122 | | \$17,122 | | \$17,122 | | \$4 |
| TOTAL CITY SA IMPACT FEE | | | | | | | \$6,995 |
| Prior Impact Fee | | | | | | | \$1,603 |

SOUTHWEST ANNEXATION SERVICE AREA

The culinary water impact fees proposed in **Table 8.10** will be assessed to the SWA SA in addition to the City SA fee found in **Table 8.9**. The professional expense includes the proportionate cost to the SWA SA to update the

IFFP and IFA. This cost is allocated based on the SWA SA's proportion of future facilities costs (three percent) outlined in the IFFP. This cost is spread over the demand anticipated within the next ten years for each area.

TABLE 8.10: CULINARY WATER IMPACT FEE PER UNIT – SOUTHWEST ANNEXATION SERVICE AREA

| | TOTAL COST | % ELIGIBLE COST | TOTAL ELIGIBLE VALUE | % TO IFA DEMAND | COST TO IFA | ERUs SERVED | COST PER ERU |
|-----------------------------------|--------------------|-----------------|----------------------|-----------------|--------------------|-------------|--------------------------------|
| FUTURE FACILITIES | | | | | | | |
| Distribution New Facilities | \$2,268,729 | 96% | \$2,188,100 | 100% | \$2,188,100 | 2,419 | \$905 |
| Future Facilities Subtotal | \$2,268,729 | | \$2,188,100 | | \$2,188,100 | | \$905 |
| OTHER COSTS | | | | | | | |
| Professional Expense | \$547 | 100% | \$547 | 100% | \$547 | 2,419 | \$0 |
| Other Costs Subtotal | \$547 | | \$547 | | \$547 | | \$0 |
| | | | | | | | SUBTOTAL IMPACT FEE |
| | | | | | | | \$905 |
| | | | | | | | TOTAL SWA SA IMPACT FEE |
| | | | | | | | \$7,900 |
| | | | | | | | Prior Impact Fee |
| | | | | | | | \$3,004 |

WATER IMPACT FEE BY METER SIZE

Tables 8.11 and 8.12 show the maximum allowable impact fee per meter size for the two service areas.

TABLE 8.11: WATER IMPACT FEE PER METER SIZE – CITY SERVICE AREA

| METER SIZE | ERU MULTIPLIER | PROPOSED FEE PER ERU | EXISTING FEE | % CHANGE |
|------------|----------------|----------------------|--------------|----------|
| ¾" Meter | 1.00 | \$6,995 | \$1,603 | 336% |
| 1" Meter | 1.67 | \$11,682 | \$2,677 | 336% |
| 1.5" Meter | 3.33 | \$23,293 | \$5,338 | 336% |
| 2" Meter | 5.33 | \$37,283 | \$8,544 | 336% |
| 3" Meter | 11.67 | \$81,632 | \$16,030 | 409% |
| 4" Meter | 20.00 | \$139,900 | \$32,060 | 336% |
| 6" Meter | 41.67 | \$291,482 | \$66,797 | 336% |
| 8" Meter | 53.33 | \$373,043 | \$85,440 | 337% |
| 10" Meter | 76.67 | \$536,307 | \$154,963 | 246% |
| 12" Meter | 103.33 | \$722,793 | NA | NA |

TABLE 8.12: WATER IMPACT FEE PER METER SIZE – SOUTHWEST ANNEXATION SERVICE AREA

| METER SIZE | ERU MULTIPLIER | PROPOSED FEE PER ERU | EXISTING FEE | % CHANGE |
|------------|----------------|----------------------|--------------|----------|
| ¾" Meter | 1.00 | \$7,900 | \$3,004 | 163% |
| 1" Meter | 1.67 | \$13,193 | \$5,017 | 163% |
| 1.5" Meter | 3.33 | \$26,307 | \$10,004 | 163% |
| 2" Meter | 5.33 | \$42,107 | \$16,012 | 163% |
| 3" Meter | 11.67 | \$92,193 | \$30,041 | 207% |
| 4" Meter | 20.00 | \$158,000 | \$60,081 | 163% |
| 6" Meter | 41.67 | \$329,193 | \$125,180 | 163% |
| 8" Meter | 53.33 | \$421,307 | \$160,117 | 163% |
| 10" Meter | 76.67 | \$605,693 | \$290,404 | 109% |
| 12" Meter | 103.33 | \$816,307 | NA | NA |

NON-STANDARD IMPACT FEE

The proposed fees are based upon growth in ERUs within the City. The City reserves the right under the Impact Fees Act to assess an adjusted fee that more closely matches the true impact that the land use will have upon the water system.¹³ This adjustment could result in a higher impact fee if the City determines that a particular user may create a greater impact than what is standard for its land use. The City may also decrease the impact fee if the developer can provide documentation, evidence, or other credible analysis that the proposed impact will be lower than what is proposed in this analysis. The formula for determining a non-standard impact fee is found below.

FORMULA FOR NON-STANDARD CULINARY WATER IMPACT FEES:

City Service Area: Number of ERUs x \$6,995 = Impact Fee per Unit

Southwest Annexation Service Area: Number of ERUs x (\$6,995 + \$905) = Impact Fee per Unit

WATER SUPPLY IMPACT FEE

The water supply impact fee is based on the Central Utah Water Conservancy District supply cost. The total supply cost is \$47,054,654, according to the City. The supply cost is designed to supply 13,723 AF of water. Based on the current supply LOS of 0.849 AF per ERU, the cost per ERU is estimated at \$2,911.

TABLE 8.13: WATER SUPPLY LEVEL OF SERVICE AND COST PER ERU

| | COST | AF SERVED | COST PER AF |
|-----------------------------|--------------|-----------|-------------|
| Water Supply Contract | \$47,054,654 | 13,723 | \$3,429 |
| AF per ERU Multiplier (LOS) | 0.849 | | |
| Cost per ERU | \$2,911 | | |

TABLE 8.14: WATER SUPPLY IMPACT FEE PER METER SIZE – CITY SERVICE AREA AND ANNEXATION AREA

| METER SIZE | ERU MULTIPLIER | PROPOSED FEE PER ERU | EXISTING FEE | % CHANGE |
|------------|----------------|----------------------|--------------|----------|
| ¾" Meter | 1.00 | \$2,911 | \$2,804 | 4% |
| 1" Meter | 1.67 | \$4,862 | \$4,682 | 4% |
| 1.5" Meter | 3.33 | \$9,694 | \$9,336 | 4% |
| 2" Meter | 5.33 | \$15,516 | \$14,944 | 4% |
| 3" Meter | 11.67 | \$33,973 | \$28,037 | 21% |
| 4" Meter | 20.00 | \$58,223 | \$56,074 | 4% |
| 6" Meter | 41.67 | \$121,307 | \$116,830 | 4% |
| 8" Meter | 53.33 | \$155,250 | \$149,521 | 4% |
| 10" Meter | 76.67 | \$223,196 | \$271,033 | -18% |
| 12" Meter | 103.33 | \$300,807 | NA | NA |

¹³ 11-36a-402(1)(c)

SECTION 9: WASTEWATER IFA

Impact fees are calculated based on many variables centered on proportionality and LOS. Future demands were identified previously in this document, and this section will discuss the existing and proposed level of service, the availability of excess capacity, the needed future facilities to serve new development, and the appropriate impact fee to be assessed to new development to maintain the existing LOS. This analysis deals with both the City's sewer collection system and the treatment facility. The information utilized in this analysis is based on the City's existing Sewer Master Plan and Sewer Impact Fee Facilities Plan completed by BC&A. The Master Plan and IFFP were last amended in March 2025.

DEMAND

The demand unit related to wastewater is ERUs. The City's sewer system services 48,742 ERUs. It is anticipated that 3,179 City SA ERUs and 2,465 SWA SA ERUs will be added to the system in the next ten years, totaling 5,644 new system-wide ERUs.

EXISTING FACILITIES INVENTORY

The collection system collects sewer flows from all areas within the service area, as well as portions of the county within reach of City sewer collection system outfall lines that the City operates and maintains. The existing system consists of approximately 1.6M feet of sewer pipes and over 7,000 manholes. Also in operation are eight lift stations that are owned and operated by the City. A total of \$17.5M in original system value and interest expense is included in this analysis when determining buy-in value. The table below illustrates the total value attributed to each service area as defined in the IFFP.

TABLE 9.1: PROJECTED GROWTH IN DEMAND UNITS

| | CITY SA | SWA SA | TOTAL |
|---------------------|--------------|--------------|--------------|
| 2020 ERUs | 48,654 | 88 | 48,742 |
| 2030 ERUs | 51,833 | 2,553 | 54,386 |
| Buildout ERUs | 57,146 | 2,553 | 59,699 |
| IFFP ERUs | 3,179 | 2,465 | 5,644 |
| New ERUs through BO | 8,492 | 2,465 | 10,957 |

Source: Sewer IFFP, Table ES-1

TABLE 9.2: VALUE OF EXISTING COLLECTION FACILITIES

| | YEAR BUILT | ORIGINAL VALUE | ASSOCIATED INTEREST | TOTAL BUY-IN | ATTRIBUTED TO CITY SA | ATTRIBUTED TO SWA SA |
|--|------------|---------------------|---------------------|---------------------|-----------------------|----------------------|
| Pre 2016 Collection System Projects | <2016 | \$8,759,882 | \$0 | \$8,759,882 | 100.0% | - |
| Chambery to Springwater Phase 1 | 2018 | \$2,326,992 | \$323,518 | \$2,650,510 | 33.3% | 66.7% |
| Carterville Lift Station | 2018 | \$1,745,280 | \$380,919 | \$2,126,199 | 100.0% | - |
| Lakeview Fields Lift Station and Forcemain | 2018 | \$790,645 | \$0 | \$790,645 | - | 100.0% |
| Spring Water Lift Station | 2018 | \$2,853,415 | \$253,946 | \$3,107,361 | 48.4% | 51.6% |
| TOTAL | | \$16,476,215 | \$958,383 | \$17,434,597 | | |

Source: City Depreciation Schedule
City Maintenance Division Manager
Sewer IFFP, Table 4 and 5

The Orem Water Reclamation Facility (OWRF) has a total capacity of 13.5 MGD. The facility consists of an activated sludge water treatment process and has a solids treatment system including dissolved air flotation sludge thickening, two-stage anaerobic digestion, return and waste activated sludge systems and sludge belt presses. The facility serves the City's municipal boundaries and its annexation area. The value of the treatment facility is approximately \$33M according to the City's depreciation statements.

TABLE 9.3: VALUE OF EXISTING TREATMENT FACILITIES

| | ORIGINAL VALUE | INTEREST | TOTAL BUY-IN | % TO AREA | ORIGINAL VALUE TO AREA |
|---------|----------------|-------------|--------------|-----------|------------------------|
| City SA | \$33,146,162 | \$2,996,563 | \$36,142,724 | 95.7% | \$34,596,494 |
| SWA SA | | | | 4.3% | \$1,546,231 |

Source: Sewer IFFP, Table 6

LEVEL OF SERVICE

Impact fees cannot be used to finance an increase in the level of service (LOS) to current or future users of capital improvements. Therefore, it is important to identify the sewer LOS to ensure that the new capacities of projects financed through impact fees do not exceed the established standard. This analysis considers the level of service at 214.6 GPD per ERU for treatment, as defined in the Sewer IFFP. The LOS set for collection is based on pipeline capacity such that peak flow depth is approximately equal to a depth over diameter ratio of 0.65.

EXCESS CAPACITY

The IFFP evaluated the use of collection capacity to determine the percentage of existing collection capacity used by existing and future development in the City SA and SWA SA. The tables below illustrate the calculated percentages defined in the IFFP.

TABLE 9.4: COLLECTION SYSTEM EXCESS CAPACITY – CITY SA

| | ORIGINAL COST | % TO 10 YEAR USE | \$ TO NEW DEVELOPMENT |
|-------------------------------------|---------------------|------------------|-----------------------|
| Pre 2016 Collection System Projects | \$8,759,882 | 5.6% | \$487,049 |
| Chambery to Springwater Phase 1 | \$882,620 | 27.4% | \$241,750 |
| Carterville Lift Station | \$2,126,199 | 2.4% | \$51,029 |
| Spring Water Lift Station | \$1,503,963 | 36.4% | \$547,743 |
| TOTAL CITY SA | \$13,272,664 | | \$1,327,571 |

Source: Sewer IFFP, Table 4

TABLE 9.5: COLLECTION SYSTEM EXCESS CAPACITY – SWA SA

| | ORIGINAL COST | % TO 10 YEAR USE | \$ TO NEW DEVELOPMENT |
|---|--------------------|------------------|-----------------------|
| Chambery to Springwater Phase 1 | \$1,767,890 | 96.6% | \$1,707,075 |
| Lakeview Fields Lift Station and Force Main | \$790,645 | 96.6% | \$763,447 |
| Spring Water Lift Station | \$1,603,398 | 96.6% | \$1,548,241 |
| TOTAL SWA SA | \$4,161,934 | | \$4,018,763 |

Source: Sewer IFFP, Table 5

The existing treatment facility has sufficient capacity that will serve future development as stated in the IFFP. Therefore, the IFFP proportionally distributes costs of capacity based on flow projections as shown in **Table 9.6**.

MANNER OF FINANCING EXISTING PUBLIC FACILITIES

The City's existing sewer infrastructure has been funded through a combination of utility rate revenues and other governmental funds. The City issued the Series 2021A Water, Storm Sewer, & Sewer Revenue Bonds to fund improvements to the City's system, including a tertiary treatment and water reuse process at the Orem Water Reclamation Facility and two sewer lift stations. Approximately \$4.M (23.8 percent) of the Series 2021A interest is allocated to the sewer system. Based on

TABLE 9.6: TREATMENT SYSTEM EXCESS CAPACITY

| | CITY SA | SWA SA |
|--------------------------------|--------------|-------------|
| Original Treatment Value | \$34,596,494 | \$1,546,231 |
| Use by Growth in Next 10 Years | 5.4% | 4.1% |
| Value to New Development | \$1,860,602 | \$63,874 |

Source: Sewer IFFP, Table 6

construction costs, 68 percent of the interest allocated to the sewer system is attributed to treatment and 32 percent to collection, as shown in **Table 9.2 and 9.3**. The associated interest is included in the calculation of the impact fee in **Table 9.7**.

TABLE 9.7: BOND ALLOCATION

| | SERIES 2005B | SERIES 2013 REFUNDING OF 2005A | SERIES 2016 REFUNDING OF 2008 | SERIES 2021A |
|--|--------------|--------------------------------|-------------------------------|--------------|
| BOND ALLOCATION BY FUND | | | | |
| Water | 100.0% | 66.5% | 100.0% | 70.5% |
| SEWER | 0.0% | 0.0% | 0.0% | 23.8% |
| Storm Sewer | 0.0% | 33.5% | 0.0% | 5.6% |
| WATER FUND BOND ALLOCATION BY COMPONENT | | | | |
| Water Tanks | 100.0% | 45.4% | 0.0% | 37.7% |
| Water Lines | 0.0% | 54.6% | 100.0% | 35.6% |
| Water Source | 0.0% | 0.0% | 0.0% | 26.7% |

FUTURE CAPITAL FACILITIES ANALYSIS

The Sewer IFFP illustrates the future sewer system improvements within the 10-year planning horizon for the City SA and the SWA SA. This IFFP considers only projects that will be constructed in the ten-year time horizon, and the wastewater impact fees will be based on these numbers. The estimated costs attributed to new growth were analyzed based on existing development versus future development patterns. From this analysis, a portion of future development costs were attributed to new growth and included in the impact fee analysis.

Table 9.8 summarizes the capital costs based on each service area by component. The construction year calculation includes 4.5 percent inflation based on the year of each project outlined in the IFFP. **Appendix B** illustrates the full capital projects list from the Sewer IFFP.

TABLE 9.8: PROJECT COSTS ALLOCATED BY TYPE AND SERVICE AREA

| | CITY AREA PORTION | | | | SWA SA PORTION | | | |
|--------------|-----------------------------|-------------|---------------------|-----------------------------|-----------------------------|-------------|--------------------|-----------------------------|
| | TOTAL PROJECT COST (2023\$) | % TO GROWTH | COST TO GROWTH | CONST. YEAR COST TO GROWTH* | TOTAL PROJECT COST (2023\$) | % TO GROWTH | COST TO GROWTH | CONST. YEAR COST TO GROWTH* |
| Collection | \$1,901,000 | 7.1% | \$134,747 | \$191,624 | \$892,000 | 96.6% | \$861,352 | \$940,618 |
| Treatment | \$129,581,076 | 9.1% | \$11,749,964 | \$14,501,038 | \$5,820,748 | 96.6% | \$5,620,754 | \$6,936,768 |
| TOTAL | \$131,482,076 | | \$11,884,711 | \$14,692,662 | \$6,712,748 | | \$6,482,106 | \$7,877,385 |

Source: Sewer IFFP, Tables 8 and 9

*Inflated at 4.5 percent.

PROPOSED WASTEWATER IMPACT FEE

This analysis has identified the future demand, the existing and proposed LOS, the availability of excess capacity, and the future facilities needed to serve new development. The following section identifies the appropriate impact fee to be assessed to new development to maintain the existing LOS.

WASTEWATER IMPACT FEE CALCULATION

The 2024 Sewer IFFP, with additional information from the 2021 Sewer Master Plan, with updates in 2024, outlines the recommended capital projects that will maintain the established LOS. The total project costs are divided by the total demand units the projects are designed to serve. Under this methodology, it is important to identify the existing LOS and determine any excess capacity in existing facilities that could serve new growth. Impact fees are then calculated based on many variables centered on proportionality share and LOS.

The wastewater impact fee is assessed to two service areas: the City SA and the SWA SA. The Sewer IFFP assumes the SWA SA will continue to be its own service area and assess a SWA-specific impact fee. Therefore, the City SA wastewater impact fee covers the entire city but excludes the area of the SWA SA.

CITY SERVICE AREA

The wastewater impact fees proposed in **Table 9.9** will be assessed throughout the City SA, excluding the area of the SWA SA. The “total impact fee” shown—\$5,629 per ERU—is the maximum allowable per-unit impact fee to maintain the existing LOS, based on the assumptions identified in this document, including the applicable buy-in, future facility, and other costs.

TABLE 9.9: WASTEWATER IMPACT FEE PER UNIT – CITY SERVICE AREA

| | TOTAL COST | % ELIGIBLE COST | TOTAL ELIGIBLE VALUE | % TO IFA DEMAND | COST TO IFA | ERUs SERVED | COST PER ERU |
|-----------------------------------|----------------------|-----------------|----------------------|-----------------|---------------------|-------------|----------------|
| BUY-IN | | | | | | | |
| Treatment Buy-In | \$36,142,724 | 95.7% | \$34,596,494 | 5.4% | \$1,860,602 | 3,179 | \$585 |
| Collection Buy-In | \$16,643,952 | 79.7% | \$13,272,664 | 10.0% | \$1,327,571 | 3,179 | \$418 |
| Buy-In Subtotal | \$52,786,676 | | \$47,869,157 | | \$3,188,173 | | \$1,003 |
| FUTURE FACILITIES | | | | | | | |
| Treatment IFFP Cost | \$151,322,954 | 9.6% | \$14,501,038 | 100.0% | \$14,501,038 | 3,179 | \$4,562 |
| Collection IFFP Cost | \$2,703,413 | 7.1% | \$191,624 | 100.0% | \$191,624 | 3,179 | \$60 |
| Future Facilities Subtotal | \$154,026,368 | | \$14,692,662 | | \$14,692,662 | | \$4,622 |
| OTHER | | | | | | | |
| Professional Expense | \$11,502 | 100.0% | \$11,502 | 100.0% | \$11,502 | 3,179 | \$4 |
| Other Costs Subtotal | \$11,502 | | \$11,502 | | \$11,502 | | \$4 |
| TOTAL IMPACT FEE | | | | | | | \$5,629 |
| Prior Impact Fee | | | | | | | \$847 |

SOUTHWEST ANNEXATION SERVICE AREA

The wastewater impact fees proposed below will be assessed to the SWA SA. The maximum allowable impact fee assignable to new development within the SWA SA is \$4,855 per ERU, based on the applicable future facilities and other costs identified in this analysis.

TABLE 9.10: WASTEWATER IMPACT FEE PER UNIT – SOUTHWEST ANNEXATION SERVICE AREA

| | TOTAL COST | % ELIGIBLE COST | TOTAL ELIGIBLE VALUE | % TO IFA DEMAND | COST TO IFA | ERUs SERVED | COST PER ERU |
|-----------------------------------|---------------------|-----------------|----------------------|-----------------|--------------------|-------------|----------------|
| BUY-IN | | | | | | | |
| Treatment Buy-In | \$36,142,724 | 4.3% | \$1,546,231 | 4.1% | \$63,874 | 2,465 | \$26 |
| Collection Buy-In | \$6,548,516 | 63.6% | \$4,161,934 | 96.6% | \$4,018,763 | 2,465 | \$1,630 |
| Buy-In Subtotal | \$42,691,241 | | \$5,708,165 | | \$4,082,637 | | \$1,656 |
| FUTURE FACILITIES | | | | | | | |
| Treatment IFFP Cost | \$6,797,387 | 102.1% | \$6,936,768 | 100.0% | \$6,936,768 | 2,465 | \$2,814 |
| Collection IFFP Cost | \$974,086 | 96.6% | \$940,618 | 100.0% | \$940,618 | 2,465 | \$382 |
| Future Facilities Subtotal | \$7,771,473 | | \$7,877,385 | | \$7,877,385 | | \$3,196 |
| OTHER | | | | | | | |
| Professional Expense | \$6,167 | 100.0% | \$6,167 | 100.0% | \$6,167 | 2,465 | \$3 |



| | TOTAL COST | % ELIGIBLE COST | TOTAL ELIGIBLE VALUE | % TO IFA DEMAND | COST TO IFA | ERUs SERVED | COST PER ERU |
|-----------------------------|----------------|-----------------------|----------------------------|--------------------|-------------------------|-------------|-----------------|
| Other Costs Subtotal | \$6,167 | | \$6,167 | | \$6,167 | | \$3 |
| | | | | | TOTAL IMPACT FEE | | \$4,855 |
| | | | | | Prior Impact Fee | | \$4,877 |

NON-STANDARD IMPACT FEE

The City reserves the right under the Impact Fees Act¹⁴ to assess an adjusted fee that more closely matches the true impact that the land use will have upon the wastewater system. This adjustment could result in a lower impact fee if evidence suggests a particular user will create a different impact than what is standard for its category. The formula for a non-standard impact fee calculation is shown below.

FORMULA FOR NON-STANDARD WASTEWATER IMPACT FEES:

City Service Area: Estimate of ERUs x \$5,629 = Impact Fee per Unit

Southwest Annexation Service Area: Estimate of ERUs x \$4,855 = Impact Fee per Unit

¹⁴ 11-36a-402(1)(c)

SECTION 10: STORM WATER IFA

The purpose of this section is to address the storm water IFFP, with supporting IFA, and to help the City plan for the necessary capital improvements for future growth. This section will address the future storm water infrastructure needed to serve the City. The improvement plan included in this section considers improvements necessary for the next twenty years, while the impact fee calculations and analysis address the appropriate storm water impact fees the City may charge to new growth to maintain the existing LOS over the next ten years. The information utilized in this analysis is based on the City's Storm Water Impact Fee Facilities Plan completed by BC&A. This IFFP was last updated in February 2025.

DEMAND

The demand unit used in this analysis is acreage. As residential and commercial growth occurs within the Service Area, the impervious surfaces within the City will increase, resulting in additional run-off. The storm drain capital improvements identified in this study are based on maintaining the current level of service as defined in the IFFP. The proposed impact fees are based upon the projected growth in developed acreage, which is used to quantify the impact that future users will have upon the City's system. By 2035, it is estimated that the acreage for the City SA will increase to 11,237 and the acreage within the SWA SA will increase to 256.

TABLE 10.1: PROJECTED GROWTH IN DEMAND UNITS

| | CITY SA | SWA SA |
|----------------------------|------------|------------|
| 2025 Developed Acreage | 10,674 | 56 |
| 2035 Developed Acreage | 10,891 | 256 |
| Buildout Developed Acreage | 11,237 | 256 |
| IFFP DEMAND | 217 | 200 |

Source: Storm Water IFFP, Tables 2 and 3

EXISTING FACILITIES INVENTORY

To quantify the demands placed upon existing public facilities by new development activity, the City's existing depreciation schedule provides an inventory of the City's existing facilities. The inventory of existing facilities is important to properly determine the excess capacity of existing facilities and the utilization of excess capacity by new development. A total of \$33M in original system value is considered in this analysis when determining buy-in value, with \$19.6M being attributed to existing facilities constructed before 2016, \$6.1M attributed to existing facilities constructed after 2016, and 7.7M in interest expense (See **Table 10.2**).

LEVEL OF SERVICE

Impact fees cannot be used to finance an increase in the level of service to current or future users of capital improvements. Therefore, it is important to identify the storm drain level of service to ensure that the new capacities of projects financed through impact fees do not exceed the established standard. The IFFP states on page 2 that the storm drain system is designed to handle the 10-year design event. In addition, the City's detention LOS is based on a 25-year storm event. On page 3, the IFFP states that Orem City policy requires all development to limit runoff to 60 gpm/acre.

EXCESS CAPACITY

The IFFP evaluated existing and future development patterns to determine the percentage of existing capacity used by existing and future development in the City SA and SWA SA. According to the IFFP, 97.92 percent of capacity is used by existing development, with the 10-year new growth calculated to use 0.80 percent for facilities constructed before 2016. For facilities constructed after 2016, 10-year new growth is projected to use 3.79 percent of existing capacity. The SWA SA does not have existing facilities to contribute to existing capacity.

TABLE 10.2: SYSTEM EXCESS CAPACITY – CITY SA

| | ORIGINAL COST | ASSOCIATED INTEREST | TOTAL BUY-IN | % TO 10-YEAR USE | \$ TO NEW DEVELOPMENT |
|--------------------------------------|---------------------|---------------------|---------------------|------------------|-----------------------|
| Facilities Constructed Prior to 2016 | \$19,612,272 | \$4,987,492* | \$24,599,765 | 0.8% | \$196,798 |
| Facilities Constructed 2016 to 2024 | \$6,076,853 | \$2,696,895** | \$8,773,748 | 3.8% | \$332,525 |
| TOTAL CITY SA | \$25,689,125 | \$7,684,387 | \$33,373,512 | | \$529,323 |

*Series 2013 Interest

**Series 2021A Interest

Sources: Storm Water IFFP, p. 5
Orem City Depreciation Schedule

MANNER OF FINANCING EXISTING PUBLIC FACILITIES

The City's existing infrastructure has been funded through a combination of utility rate revenues and other governmental funds. This analysis also includes debt financing costs related to existing facilities as shown in the impact fee calculation. The City issued the 2013 Water & Storm Sewer Revenue Refunding Bonds, which refunded the Series 2005A bonds, to fund the City's portion of the cost for a water tank, installation of water lines, and improvements to the storm sewer system. The City also issued the 2021A Water, Sewer, & Storm Sewer Revenue Bonds for improvements throughout the City's system. **Table 10.3** illustrates the allocation of interest of these bonds to each fund.

TABLE 10.3: BOND ALLOCATION

| | SERIES 2005B | SERIES 2013 REFUNDING OF 2005A | SERIES 2016 REFUNDING OF 2008 | SERIES 2021A |
|--------------------------------|--------------|--------------------------------|-------------------------------|--------------|
| BOND ALLOCATION BY FUND | | | | |
| Water | 100.0% | 66.5% | 100.0% | 70.5% |
| Sewer | 0.0% | 0.0% | 0.0% | 23.8% |
| STORM SEWER | 0.0% | 33.5% | 0.0% | 5.6% |

FUTURE CAPITAL FACILITIES ANALYSIS

The following table identifies the system improvements needed to maintain the stated LOS, according to the City, for the City SA and SWA SA within the 10-year planning horizon. The estimated costs attributed to new growth were analyzed based on existing development versus future development patterns. From this analysis, a portion of future development costs were attributed to new growth and included in the impact fee analysis. **Table 10.4** summarizes the capital costs based on each service area. The construction year calculation includes four percent inflation based on the year of each project outlined in the IFFP. **Appendix C** illustrates the full capital projects list from the Storm Water IFFP.

TABLE 10.4: PROJECT COSTS ALLOCATED BY SERVICE AREA

| | CITY AREA PORTION | | | | SWA SA PORTION | | | |
|--------------|-----------------------------|-------------|------------------|------------------------------|-----------------------------|---------------|--------------------|-------------------------------|
| | TOTAL PROJECT COST (2025\$) | % TO GROWTH | COST TO GROWTH | CONST. YEAR COST TO GROWTH** | TOTAL PROJECT COST (2025\$) | % TO GROWTH** | COST TO GROWTH | CONST. YEAR COST TO GROWTH*** |
| Total | \$34,839,347* | 2.1% | \$738,079 | \$867,232 | \$3,178,703* | 65.83% | \$2,092,603 | \$1,668,278 |

Source: Storm Water IFFP, Tables 4 and 5

*Impact Fee Studies cost excluded. Calculated in Table 10.5.

** At the direction of the City, Geneva Road Widening Project – A is excluded as a cost to growth.

***Inflated at four percent. Figures adjusted from IFFP based on City input to reflect contract allocations.

PROPOSED STORM WATER IMPACT FEE

This analysis has identified the future demand, the existing and proposed LOS, the availability of excess capacity, and the future facilities needed to serve new development. The following section identifies the appropriate impact fee to be assessed to new development to maintain the existing LOS.

STORM WATER IMPACT FEE CALCULATION

The storm water impact fee is assessed to two service areas: the City SA and the SWA SA.

CITY SERVICE AREA

The storm water impact fees proposed in **Table 10.5** will be assessed throughout the City SA and do not include the SWA SA. The proposed impact fee—\$6,511 per acre—is the appropriate impact fee to maintain the existing LOS and the maximum allowable impact fee assignable to new development. It is based on the assumptions identified in this document, including the applicable buy-in, future facility, and other costs.

TABLE 10.5: STORM WATER IMPACT FEE PER UNIT – CITY SERVICE AREA

| | TOTAL COST | % ELIGIBLE COST | TOTAL ELIGIBLE VALUE | IFFP DEMAND (ACRES) | COST PER ACRE |
|-----------------------------|---------------------|-----------------|----------------------|---------------------|----------------|
| Existing Storm Water System | \$33,373,512 | 1.6% | \$529,323 | 217 | \$2,439 |
| Future Storm Water Projects | \$40,886,996 | 2.1% | \$867,232 | 217 | \$3,996 |
| Professional Expense | \$16,599 | 100.0% | \$16,599 | 217 | \$76 |
| TOTAL | \$74,277,108 | | \$1,413,154 | | \$6,511 |
| | | | | Prior Impact Fee | \$2,390 |

SOUTHWEST ANNEXATION SERVICE AREA

The storm water impact fees proposed below will be assessed to the SWA SA. The maximum allowable per-unit impact fee assignable to new development within the SWA SA is **\$8,346** per acre, based on the applicable future facilities and other costs identified in this analysis.

TABLE 10.6: STORM WATER IMPACT FEE PER UNIT – SOUTHWEST ANNEXATION SERVICE AREA

| | TOTAL COST | % ELIGIBLE COST | TOTAL ELIGIBLE VALUE | IFFP DEMAND (ACRES) | COST PER ACRE |
|-----------------------------|--------------------|-----------------|----------------------|---------------------|----------------|
| Future Storm Water Projects | \$2,635,532 | 63.3% | \$1,668,278 | 200 | \$8,341 |
| Professional Expense | \$1,070 | 100.0% | \$1,070 | 200 | \$5 |
| TOTAL | \$2,636,602 | | \$1,669,348 | | \$8,346 |
| | | | | Prior Impact Fee | \$11,242 |

NON-STANDARD IMPACT FEE

The City reserves the right under the Impact Fees Act¹⁵ to assess an adjusted fee that more closely matches the true impact that the land use will have upon the storm water system. This adjustment could result in a lower impact fee if evidence suggests a particular user will create a different impact than what is standard for its category. The formula for a non-standard impact fee calculation is shown below.

FORMULA FOR NON-STANDARD STORM WATER IMPACT FEES:

City Service Area: Total Acres x \$6,511 = Impact Fee

Southwest Annexation Service Area: Total Acres x \$8,346 = Impact Fee

¹⁵ 11-36a-402(1)(c)

SECTION 11: GENERAL IMPACT FEE CONSIDERATIONS

SYSTEM VS. PROJECT IMPROVEMENTS

System improvements are defined as existing and future public facilities designed to provide services to service areas within the community at large.¹⁶ Project improvements are improvements and facilities that are planned and designed to provide service for a specific development (resulting from a development activity) and considered necessary for the use and convenience of the occupants or users of that development.¹⁷ To the extent possible, this analysis only includes the costs of system improvements related to new growth within the proportionate share analysis.

FUNDING OF FUTURE FACILITIES

The IFFP must include a consideration of all revenue sources, including impact fees and the dedication of system improvements, which may be used to finance system improvements.¹⁸ In conjunction with this revenue analysis, there must be a determination that impact fees are necessary to achieve an equitable allocation of the costs of the new facilities between the new and existing users.¹⁹

In considering the funding of future facilities, the City has determined the portion of future projects that will be funded by impact fees as growth-related, system improvements. No other revenues from other government agencies, grants or developer contributions have been identified within the IFFP to help offset future capital costs. If these revenues become available in the future, the impact fee analysis should be revised. It is anticipated that future project improvements will be funded by the developer. These costs have not been included in the calculation of the impact fee.

Other revenues such as utility rate revenues will be necessary to fund non-growth-related projects and to fund growth-related projects when sufficient impact fee revenues are not available. In the latter case, impact fee revenues will be used to repay utility rate revenues for growth-related projects. A brief description of alternative financing options is included below.

- **Utility Rate Revenues:** Utility rate revenues serve as the primary funding mechanism within enterprise funds. Rates are established to ensure appropriate coverage of all operations and maintenance expenses, debt service coverage, and capital project needs. Impact fee revenues are generally considered non-operating revenues and help offset future capital costs.
- **Grants, Donations, and Other Contributions:** Grants and donations are not expected as a future funding source. The impact fees should be adjusted if grant monies are received. New development may be entitled to a reimbursement for any grants or donations received for growth-related projects, or for developer-funded IFFP projects.
- **Debt Financing:** The City does not anticipate the need to utilize debt financing to fund future capital facility projects. Should the City desire to fund future projects through debt financing, the Impact Fees

¹⁶ 11-36a-102(21)

¹⁷ 11-36a-102(14)

¹⁸ 11-36a-302(2)

¹⁹ 11-36a-302(3)

Act allows for the costs related to the financing of future capital projects to be included in the impact fee. However, the impact fee analysis should be updated to reflect this inclusion.

EQUITY OF IMPACT FEES

Impact fees are intended to recover the costs of capital infrastructure that relate to future growth. The impact fee calculations are structured for impact fees to fund 100 percent of the growth-related facilities identified in the proportionate share analysis of each impact fee calculation as presented in the impact fee analysis. Even so, there may be years that impact fee revenues cannot cover the annual growth-related expenses. In those years, other revenues, such as General Fund revenues, will be used to make up any annual deficits. Any borrowed funds are to be repaid in their entirety through impact fees.

NECESSITY OF IMPACT FEES

An entity may only impose impact fees on development activity if the entity's plan for financing system improvements establishes that impact fees are necessary to achieve parity between existing and new development. This analysis has identified the improvements to public facilities and the funding mechanisms to complete the suggested improvements. Impact fees are identified as a necessary funding mechanism to help offset the costs of capital improvements related to new growth. In addition, alternative funding mechanisms have been identified to help offset the cost of future capital improvements.

PROPOSED CREDITS OWED TO DEVELOPMENT

The Impact Fees Act requires a local political subdivision or private entity to ensure that the impact fee enactment allows a developer, including a school district or a charter school, to receive a credit against or proportionate reimbursement of an impact fee if the developer: (a) dedicates land for a system improvement; (b) builds and dedicates some or all of a system improvement; or (c) dedicates a public facility that the local political subdivision or private entity and the developer agree will reduce the need for a system improvement.²⁰ The facilities must be considered system improvements or be dedicated to the public, and offset the need for an improvement identified in the IFFP.

CONSIDERATION OF ALL REVENUE SOURCES

The Impact Fees Act requires the proportionate share analysis to demonstrate that impact fees paid by new development are the most equitable method of funding growth-related infrastructure.

EXPENDITURE OF IMPACT FEES

Legislation requires that impact fees should be spent or encumbered within six years after each impact fee is paid. Impact fees collected in the next six years should be spent on those projects outlined in the IFFP as growth-related costs to maintain the LOS. Impact fees collected as a buy-in to existing facilities can be allocated to the General Fund to repay the City for historic investment.

GROWTH-DRIVEN EXTRAORDINARY COSTS

The City does not anticipate any extraordinary costs necessary to provide services to future development.

SUMMARY OF TIME PRICE DIFFERENTIAL

The Impact Fees Act allows for the inclusion of a time price differential to ensure that the future value of costs incurred at a later date are accurately calculated to include the costs of construction inflation. This analysis

²⁰ 11-36a-402(2)

includes an inflation component to reflect the future cost of facilities. The impact fee analysis should be updated regularly to account for changes in cost estimates over time.

APPENDIX A: PARK INVENTORY

TABLE A.1: OREM CITY PARK INVENTORY

| AREA | TYPE | TOTAL ACRES | LESS DETENTION | LESS GIFTED | FINAL ACRES | % CITY OWNED | % IFA ELIGIBLE | IMPACT FEE ELIGIBLE | LAND VALUE | PLAYGROUNDS | LARGE PAVILIONS | MEDIUM / SMALL PAVILIONS | RESTROOMS | SAND VOLLEYBALL COURTS | PICKLEBALL COURTS | TEENNIS COURTS | FUTSAL COURTS | BASKETBALL COURTS | BASEBALL/ SOFTBALL FIELDS | MULTI-PURPOSE FIELDS | TURF FIELDS | |
|--|--------------|---------------|----------------|-------------|---------------|--------------|----------------|---------------------|----------------------|-------------|--------------------|--------------------------|--------------------|------------------------|-------------------|--------------------|--------------------|-------------------|---------------------------|----------------------|--------------------|--------------------|
| UNIT MEASUREMENT | | | | | | | | | | COUNT | COUNT | COUNT | COUNT | COUNT | COUNT | COUNT | COUNT | COUNT | COUNT | COUNT | | |
| UNIT VALUE | | | | | | | | | | \$275,000 | \$200,000 | \$100,000 | \$300,000 | \$40,000 | \$250,000 | \$175,000 | \$225,000 | \$150,000 | \$750,000 | \$300,000 | \$550,000 | |
| City Park | Regional | 23.4 | 0.00 | 0.00 | 23.40 | 100.00% | 100.00% | 23.40 | \$13,455,000 | 1.00 | 1.00 | 1.00 | 2.00 | - | - | - | - | - | 6.00 | - | | |
| Community Park | Regional | 37.9 | 0.00 | 0.00 | 37.90 | 82.85% | 82.85% | 31.40 | \$18,055,000 | 1.00 | 3.00 | - | 2.00 | - | 9.00 | - | - | - | 5.00 | 1.00 | | |
| Lakeside Sports Park | Regional | 55.7 | 0.00 | 0.00 | 55.70 | 82.05% | 82.05% | 45.70 | \$26,277,500 | 2.00 | 1.00 | 7.00 | 1.00 | - | - | - | - | - | 5.00 | 6.00 | 2.00 | |
| Mt. Timpanogos Park | Regional | 15.5 | 0.00 | 0.00 | 15.50 | 100.00% | 100.00% | 15.50 | \$8,912,500 | - | 2.00 | 6.00 | 3.00 | - | - | - | - | - | - | - | - | |
| Palisade Park | Regional | 21.4 | 0.00 | 0.00 | 21.40 | 100.00% | 100.00% | 21.40 | \$12,305,000 | 1.00 | 1.00 | 3.00 | 1.00 | - | 2.00 | - | - | - | - | 8.00 | - | |
| Scera Park | Regional | 25.3 | 0.00 | 0.00 | 25.30 | 100.00% | 100.00% | 25.30 | \$14,547,500 | 2.00 | 1.00 | 4.00 | 2.00 | - | - | - | - | - | - | - | - | |
| IHC Fields | Community | 9.9 | 0.00 | 0.00 | 9.90 | 100.00% | 100.00% | 9.90 | \$5,692,500 | - | - | - | - | - | - | - | - | - | - | 3.00 | - | |
| Nielsen's Grove | Community | 20.6 | 0.00 | 0.00 | 20.60 | 100.00% | 100.00% | 20.60 | \$11,845,000 | 2.00 | 1.00 | 11.00 | 1.00 | - | - | - | - | - | - | - | - | |
| Sharon Park | Community | 5.2 | 0.00 | 0.00 | 5.20 | 100.00% | 100.00% | 5.20 | \$2,990,000 | 1.00 | 1.00 | - | 1.00 | - | 6.00 | - | - | - | - | - | - | |
| Skate Park | Community | 2.8 | 0.00 | 0.00 | 2.80 | 100.00% | 100.00% | 2.80 | \$1,610,000 | - | - | - | 1.00 | - | - | - | - | - | - | - | | |
| Windsor Park | Community | 11.0 | 0.00 | 0.00 | 11.00 | 100.00% | 100.00% | 11.00 | \$6,325,000 | 1.00 | 2.00 | - | 1.00 | - | 3.00 | - | 1.00 | 2.00 | - | - | | |
| Bonneville Park | Neighborhood | 5.2 | 0.00 | 0.00 | 5.20 | 100.00% | 100.00% | 5.20 | \$2,990,000 | 1.00 | 1.00 | 1.00 | 1.00 | - | 4.00 | 1.00 | - | 1.00 | - | - | | |
| Cascade Park | Neighborhood | 5.8 | 0.00 | 0.00 | 5.80 | 100.00% | 100.00% | 5.80 | \$3,335,000 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | - | 2.00 | - | 1.00 | 1.00 | - | | |
| Cherryhill Park | Neighborhood | 3.3 | 0.00 | 0.00 | 3.30 | 100.00% | 100.00% | 3.30 | \$1,897,500 | 1.00 | 1.00 | - | 1.00 | - | 2.00 | - | - | - | - | - | | |
| Foothill Park | Neighborhood | 3.6 | 0.00 | 0.00 | 3.60 | 100.00% | 100.00% | 3.60 | \$2,070,000 | 1.00 | 1.00 | - | 1.00 | - | 2.00 | - | - | - | - | - | | |
| Geneva Park | Neighborhood | 3.8 | 0.00 | 0.00 | 3.80 | 100.00% | 100.00% | 3.80 | \$2,185,000 | 1.00 | 1.00 | 1.00 | 1.00 | - | 2.00 | 2.00 | 1.00 | - | 4.00 | - | | |
| Hillcrest Park | Neighborhood | 9.5 | 0.00 | 0.00 | 9.50 | 100.00% | 100.00% | 9.50 | \$5,462,500 | 2.00 | 1.00 | - | 1.00 | - | - | - | - | - | - | - | | |
| Northridge Park | Neighborhood | 5.0 | 0.00 | 0.00 | 5.00 | 100.00% | 100.00% | 5.00 | \$2,875,000 | 1.00 | 1.00 | 1.00 | 1.00 | - | 2.00 | - | - | - | - | 2.00 | | |
| Springwater Park | Neighborhood | 9.8 | 2.00 | 0.00 | 7.80 | 100.00% | 100.00% | 7.80 | \$4,485,000 | 1.00 | 1.00 | - | 1.00 | - | 1.00 | - | - | 1.00 | - | 3.00 | | |
| Timpanogos Detention Field | Neighborhood | 4.8 | 0.00 | 0.00 | 4.80 | 100.00% | 0.00% | 0.00 | \$0 | - | - | - | 1.00 | - | - | - | - | - | - | 1.00 | | |
| Westmore Park | Neighborhood | 4.1 | 0.00 | 0.00 | 4.10 | 100.00% | 100.00% | 4.10 | \$2,357,500 | 1.00 | 1.00 | 3.00 | 1.00 | - | - | - | - | - | - | - | | |
| Cherapple Park | Mini | 0.2 | 0.00 | 0.00 | 0.20 | 100.00% | 100.00% | 0.20 | \$115,000 | - | - | - | - | - | - | - | - | - | - | - | | |
| 800 North Trailhead Park | Mini | 0.1 | 0.00 | 0.00 | 0.10 | 100.00% | 100.00% | 0.10 | \$57,500 | - | - | - | - | - | - | - | - | - | - | - | | |
| Orchard Park at Canyon View JH/Orchard Elem. | Special Use | 18.0 | 0.00 | 0.00 | 18.00 | 0.00% | 0.00% | 0.00 | \$0 | 1.00 | 1.00 | 1.00 | - | - | 3.00 | - | - | - | - | - | | |
| The Orchard at University Place | Special Use | 2.3 | 0.00 | 0.00 | 2.30 | 100.00% | 0.00% | 0.00 | \$0 | 2.00 | - | 3.00 | 1.00 | - | - | - | - | - | - | - | | |
| US Synthetic Fields | Special Use | 2.9 | 0.00 | 0.00 | 2.90 | 100.00% | 0.00% | 0.00 | \$0 | - | - | - | - | - | - | - | - | - | - | 2.00 | | |
| TOTAL | | 307.10 | 2.00 | 0.00 | 305.10 | | | | 260.60 | | 24.00 | 23.00 | 43.00 | 26.00 | 1.00 | 10.00 | 29.00 | 2.00 | 5.00 | 19.00 | 30.00 | 2.00 |
| ESTIMATED VALUE | | | | | | | | | \$149,845,000 | | \$6,600,000 | \$4,600,000 | \$4,300,000 | \$7,800,000 | \$40,000 | \$2,500,000 | \$5,075,000 | \$450,000 | \$750,000 | \$14,250,000 | \$9,000,000 | \$1,100,000 |

Source: Park Inventory
City Staff

TABLE A.1: CONT.

| AREA | PICNIC TABLES | BENCHES | DRINKING FOUNTAINS | BARBECUE GRILLS | MAINTENANCE BUILDING / OFFICE | SCOREKEEPERS BOOTH/ CONCESSIONS | GENERAL PARK LIGHTING | UNPAVED TRAIL | PAVED TRAIL | OPEN LAWN AREAS | INTERACTIVE WATER FEATURE | POND | SKATE PARK | IMPROVEMENT VALUE IFA ELIGIBILITY | BASE ELIGIBLE IMPROVEMENT VALUE | DESIGN & ENGINEERING (15%) | TOTAL IMPROVEMENT VALUE | TOTAL |
|--|--------------------|------------------|--------------------|-----------------|-------------------------------|---------------------------------|-----------------------|-----------------|--------------------|--------------------|---------------------------|--------------------|--------------------|-----------------------------------|---------------------------------|----------------------------|-------------------------|----------------------|
| UNIT MEASUREMENT | COUNT | COUNT | COUNT | COUNT | COUNT | COUNT | N/A | MILES | MILES | COUNT | COUNT | COUNT | COUNT | COUNT | COUNT | COUNT | TOTAL | |
| UNIT VALUE | \$2,500 | \$2,500 | \$4,500 | \$350 | \$200,000 | \$200,000 | \$180,000 | \$15,000 | \$320,000 | \$100,000 | \$1,200,000 | \$300,000 | \$1,000,000 | | | | | |
| City Park | 39.00 | 4.00 | 5.00 | 7.00 | 4.00 | 4.00 | Y | | 1.30 | 1.00 | - | - | - | 100% | \$7,923,450 | \$1,188,518 | \$9,111,968 | \$22,566,968 |
| Community Park | 36.00 | 12.00 | 4.00 | 12.00 | 4.00 | 1.00 | Y | | 1.20 | 1.00 | 2.00 | - | - | 83% | \$9,218,013 | \$1,382,702 | \$10,600,715 | \$28,655,715 |
| Lakeside Sports Park | 29.00 | 6.00 | 3.00 | 4.00 | 2.00 | 6.00 | Y | | 1.80 | 1.00 | - | - | - | 82% | \$8,843,319 | \$1,326,498 | \$10,169,817 | \$36,447,317 |
| Mt. Timpanogos Park | 47.00 | 18.00 | 5.00 | 7.00 | 1.00 | - | Y | | 1.30 | 1.00 | - | 1.00 | - | 100% | \$3,103,450 | \$465,518 | \$3,568,968 | \$12,481,468 |
| Palisade Park | 19.00 | 13.00 | 2.00 | - | 1.00 | 1.00 | Y | | 0.90 | 1.00 | 1.00 | - | - | 100% | \$5,902,000 | \$885,300 | \$6,787,300 | \$19,092,300 |
| Scera Park | 53.00 | 15.00 | 5.00 | 10.00 | 1.00 | - | Y | | 1.30 | 1.00 | 2.00 | - | - | 100% | \$5,062,000 | \$759,300 | \$5,821,300 | \$20,368,800 |
| IHC Fields | - | - | - | - | - | - | - | | 0.50 | - | - | - | - | 100% | \$1,060,000 | \$159,000 | \$1,219,000 | \$6,911,500 |
| Nielsen's Grove | 23.00 | 19.00 | 3.00 | 1.00 | 3.00 | - | Y | 1.00 | 1.50 | 1.00 | - | 3.00 | - | 100% | \$4,363,850 | \$654,578 | \$5,018,428 | \$16,863,428 |
| Sharon Park | 12.00 | 15.00 | 3.00 | 4.00 | 1.00 | - | Y | | 0.40 | 1.00 | - | - | - | 100% | \$2,785,400 | \$417,810 | \$3,203,210 | \$6,193,210 |
| Skate Park | - | 4.00 | 1.00 | - | 1.00 | - | N | | 0.20 | 1.00 | - | - | 1.00 | 100% | \$1,678,500 | \$251,775 | \$1,930,275 | \$3,540,275 |
| Windsor Park | 22.00 | 5.00 | 1.00 | 8.00 | 2.00 | 2.00 | Y | | 0.50 | 1.00 | - | - | - | 100% | \$4,284,800 | \$642,720 | \$4,927,520 | \$11,252,520 |
| Bonneville Park | 19.00 | 5.00 | 2.00 | 5.00 | 1.00 | - | Y | | 0.40 | 1.00 | - | - | - | 100% | \$2,698,750 | \$404,813 | \$3,103,563 | \$6,093,563 |
| Cascade Park | 14.00 | 3.00 | 2.00 | 2.00 | - | - | Y | | 0.50 | 1.00 | - | - | - | 100% | \$2,477,200 | \$371,580 | \$2,848,780 | \$6,183,780 |
| Cherryhill Park | 10.00 | 4.00 | 2.00 | 4.00 | 1.00 | - | Y | | 0.40 | 1.00 | - | - | - | 100% | \$1,598,400 | \$239,760 | \$1,838,160 | \$3,735,660 |
| Foothill Park | 12.00 | 4.00 | 2.00 | 4.00 | 1.00 | - | N | | 0.30 | 1.00 | - | - | - | 100% | \$1,571,400 | \$235,710 | \$1,807,110 | \$3,877,110 |
| Geneva Park | 14.00 | 5.00 | 3.00 | 5.00 | 1.00 | - | Y | | 0.40 | 1.00 | - | - | - | 100% | \$3,515,750 | \$527,363 | \$4,043,113 | \$6,228,113 |
| Hillcrest Park | 24.00 | 29.00 | 2.00 | - | - | - | - | | - | 1.00 | - | - | - | 100% | \$1,291,500 | \$193,725 | \$1,485,225 | \$6,947,725 |
| Northridge Park | 17.00 | 2.00 | 1.00 | 2.00 | 1.00 | - | Y | | 0.40 | 1.00 | - | - | - | 100% | \$2,305,700 | \$345,855 | \$2,651,555 | \$5,526,555 |
| Springwater Park | 12.00 | 16.00 | 2.00 | 2.00 | 1.00 | - | Y | | 0.50 | 1.00 | - | - | - | 100% | \$2,539,700 | \$380,955 | \$2,920,655 | \$7,405,655 |
| Timpanogos Detention Field | - | 2.00 | - | - | 1.00 | - | N | | 0.10 | - | - | - | - | 0% | \$0 | \$0 | \$0 | \$0 |
| Westmore Park | 18.00 | 5.00 | 2.00 | 6.00 | 1.00 | - | Y | | 0.50 | 1.00 | - | - | - | 100% | \$1,603,600 | \$240,540 | \$1,844,140 | \$4,201,640 |
| Cherapple Park | - | 1.00 | - | - | - | - | N | | - | 1.00 | - | - | - | 100% | \$102,500 | \$15,375 | \$117,875 | \$232,875 |
| 800 North Trailhead Park | 1.00 | 4.00 | 1.00 | - | - | - | N | | - | - | - | - | - | 100% | \$17,000 | \$2,550 | \$19,550 | \$77,050 |
| Orchard Park at Canyon View JH/Orchard Elem. | - | - | - | 2.00 | - | - | Y | | - | 1.00 | - | - | - | 0% | \$0 | \$0 | \$0 | \$0 |
| The Orchard at University Place | 40.00 | 24.00 | - | - | - | - | Y | | - | 1.00 | 1.00 | 1.00 | - | 0% | \$0 | \$0 | \$0 | \$0 |
| US Synthetic Fields | - | - | - | - | - | - | N | | 0.30 | - | - | - | - | 0% | \$0 | \$0 | \$0 | \$0 |
| TOTAL | 461.00 | 215.00 | 51.00 | 85.00 | 28.00 | 14.00 | - | 1.00 | 14.70 | 22.00 | 6.00 | 5.00 | 1.00 | | | | | |
| ESTIMATED VALUE | \$1,152,500 | \$537,500 | \$229,500 | \$29,750 | \$5,600,000 | \$2,800,000 | \$0 | \$15,000 | \$4,704,000 | \$2,200,000 | \$7,200,000 | \$1,500,000 | \$1,000,000 | | \$73,946,282 | \$11,091,942 | \$85,038,224 | \$234,883,224 |

Source: Park Inventory
City Staff

APPENDIX B: SEWER IMPACT FEE FACILITIES PLAN PROJECT COSTS

TABLE B.1: OREM CITY AREA PROJECT COSTS ALLOCATED TO PROJECTED DEVELOPMENT, 10-YEAR PLANNING HORIZON

| IDENTIFIER | YEAR* | PROJECT | CITY AREA PORTION OF PROJECT COST | % TO EXISTING | % TO 10 YEAR GROWTH | % TO GROWTH BEYOND 10 YEARS | COST TO EXISTING | COST TO 10 YEAR GROWTH | COST TO BUILDOUT | CONST. YEAR COST TO 10 YEAR GROWTH**** |
|--------------|-------|--|-----------------------------------|---------------|---------------------|-----------------------------|----------------------|------------------------|---------------------|--|
| SS 2 | 2031 | Replace 900 feet of existing 27-inch/30-inchline with 42-inch line along College Drive at800 South | \$1,368,000 | 74.5% | 8.2% | 17.3% | \$1,018,911 | \$111,937 | \$237,152 | \$159,185 |
| SS 3 | 2031 | Replace 820 feet of existing 12-inch pipe with 18-inch pipe along College Drive at1200 South | \$533,000 | 67.3% | 4.3% | 28.4% | \$358,894 | \$22,810 | \$151,296 | \$32,439 |
| SS14/SS15 | 2025 | Southwest Annex Piping | \$0 | 0.0% | 0.0% | 0.0% | \$0 | \$0 | \$0 | \$0 |
| WRF1 | 2025 | Biogas Flare | \$302,416 | 77.5% | 9.1% | 13.5% | \$234,299 | \$27,422 | \$40,695 | \$29,946 |
| WRF2 | 2025 | Sidestream Phosphorus / Struvite Mitigation System | \$4,991,771 | 77.5% | 9.1% | 13.5% | \$3,867,411 | \$452,636 | \$671,724 | \$494,290 |
| WRF3** | 2025 | Disinfection | \$10,952,994 | 77.5% | 9.1% | 13.5% | \$8,485,901 | \$993,179 | \$1,473,914 | \$1,084,577 |
| WRF5 | 2026 | Electrical Systems - Site Power | \$6,250,241 | 77.5% | 9.1% | 13.5% | \$4,842,414 | \$566,750 | \$841,077 | \$676,297*** |
| WRF6 | 2026 | Dewatering Facility Expansion | \$16,269,192 | 77.5% | 9.1% | 13.5% | \$12,604,659 | \$1,475,234 | \$2,189,299 | \$1,683,487 |
| WRF7 | 2026 | PLC SCADA integration | \$1,303,449 | 77.5% | 9.1% | 13.5% | \$1,009,855 | \$118,192 | \$175,401 | \$134,877 |
| WRF8 | 2026 | Primary Effluent/Mixed Flow Pump Station | \$2,636,566 | 77.5% | 9.1% | 13.5% | \$2,042,696 | \$239,075 | \$354,795 | \$272,824 |
| WRF9 | 2025 | Secondary Clarifiers | \$2,107,339 | 77.5% | 9.1% | 13.5% | \$1,632,674 | \$191,086 | \$283,579 | \$208,670 |
| WRF10 | 2026 | Maintenance Building | \$1,224,974 | 77.5% | 9.1% | 13.5% | \$949,056 | \$111,077 | \$164,841 | \$126,757 |
| WRF11 | 2026 | Oxidation Ditch Improvements | \$7,931,710 | 77.5% | 9.1% | 13.5% | \$6,145,142 | \$719,219 | \$1,067,348 | \$820,749 |
| WRF12 | 2027 | Odor Control | \$2,377,216 | 77.5% | 9.1% | 13.5% | \$1,841,763 | \$215,557 | \$319,895 | \$257,056 |
| WRF13 | 2026 | Grit Improvements | \$2,008,767 | 77.5% | 9.1% | 13.5% | \$1,556,305 | \$182,149 | \$270,313 | \$207,862 |
| WRF14 | 2027 | Primary Clarifiers | \$124,411 | 77.5% | 9.1% | 13.5% | \$96,388 | \$11,281 | \$16,742 | \$13,453 |
| WRF15 | 2027 | Primary Sludge Pump Station | \$2,896,873 | 77.5% | 9.1% | 13.5% | \$2,244,371 | \$262,678 | \$389,824 | \$313,249 |
| WRF16 | 2028 | Primary Digester Process Improvements | \$6,999,581 | 77.5% | 9.1% | 13.5% | \$5,422,970 | \$634,698 | \$941,914 | \$790,949 |
| WRF17 | 2029 | Return Pressate Equalization | \$547,410 | 77.5% | 9.1% | 13.5% | \$424,109 | \$49,637 | \$73,663 | \$64,641 |
| WRF18 | 2029 | New Thickening Process | \$5,720,057 | 77.5% | 9.1% | 13.5% | \$4,431,650 | \$518,675 | \$769,732 | \$675,450 |
| WRF19 | 2029 | Electrical Systems - Site Power | \$6,250,241 | 77.5% | 9.1% | 13.5% | \$4,842,414 | \$566,750 | \$841,077 | \$807,539*** |
| WRF20 | 2030 | Headworks | \$14,457,570 | 77.5% | 9.1% | 13.5% | \$11,201,094 | \$1,310,963 | \$1,945,514 | \$1,784,039 |
| WRF21 | 2031 | RAS/WAS and Generator Building | \$3,846,228 | 77.5% | 9.1% | 13.5% | \$2,979,889 | \$348,763 | \$517,576 | \$495,976 |
| WRF22 | 2032 | Odor Control | \$2,377,216 | 77.5% | 9.1% | 13.5% | \$1,841,763 | \$215,557 | \$319,895 | \$320,339 |
| WRF23 | 2032 | Thermophilic Digester | \$14,069,980 | 77.5% | 9.1% | 13.5% | \$10,900,806 | \$1,275,817 | \$1,893,357 | \$1,895,986 |
| WRF24 | 2033 | Site Improvements | \$468,936 | 77.5% | 9.1% | 13.5% | \$363,311 | \$42,522 | \$63,103 | \$66,035 |
| WRF25 | 2024 | Phosphorus removal for Reuse Purposes | \$13,465,938 | 77.5% | 9.1% | 13.5% | \$10,432,820 | \$1,221,045 | \$1,812,073 | \$1,275,992 |
| TOTAL | | | \$131,482,076 | 77.4% | 9.0% | 13.6% | \$101,771,566 | \$11,884,711 | \$17,825,799 | \$14,692,662 |

Source: Sewer IFFP, Table 8

*Year derived from Sewer Master Plan, Table 7-4.

**Cost reduced per City staff.

***Inflated cost is higher than 4.5 percent due to cost being spread out over time.

****Calculated by LRB. Inflated at 4.5 percent.

TABLE B.2: OREM SOUTHWEST ANNEXATION AREA PROJECT COSTS ALLOCATED TO PROJECTED DEVELOPMENT, 10-YEAR PLANNING HORIZON

| IDENTIFIER | YEAR* | PROJECT | ANNEXATION PORTION OF PROJECT COST | % TO EXISTING | % TO 10 YEAR GROWTH | % TO GROWTH BEYOND 10 YEARS | COST TO EXISTING | COST TO 10 YEAR GROWTH | COST TO BUILDOUT | CONST. YEAR COST TO 10 YEAR GROWTH**** |
|------------|-------|--|------------------------------------|---------------|---------------------|-----------------------------|------------------|------------------------|------------------|--|
| SS14/SS15 | 2025 | Southwest Annex Piping | \$892,000 | 3.4% | 96.6% | 0.0% | \$30,685 | \$861,352 | \$0 | \$940,618 |
| WRF1 | 2025 | Biogas Flare | \$13,584 | 3.4% | 96.6% | 0.0% | \$467 | \$13,117 | \$0 | \$14,324 |
| WRF2 | 2025 | Sidestream Phosphorus / Struvite Mitigation System | \$224,229 | 3.4% | 96.6% | 0.0% | \$7,713 | \$216,525 | \$0 | \$236,450 |

| IDENTIFIER | YEAR* | PROJECT | ANNEXATION PORTION OF PROJECT COST | % TO EXISTING | % TO 10 YEAR GROWTH | % TO GROWTH BEYOND 10 YEARS | COST TO EXISTING | COST TO 10 YEAR GROWTH | COST TO BUILDOUT | CONST. YEAR COST TO 10 YEAR GROWTH**** |
|--------------|-------|--|--|---------------|------------------------|--------------------------------|------------------|---------------------------|------------------|--|
| WRF3** | 2025 | Disinfection | \$492,006 | 3.4% | 96.6% | 0.0% | \$16,925 | \$475,101 | \$0 | \$518,822 |
| WRF5 | 2026 | Electrical Systems - Site Power | \$280,759 | 3.4% | 96.6% | 0.0% | \$9,658 | \$271,112 | \$0 | \$323,516*** |
| WRF6 | 2026 | Dewatering Facility Expansion | \$730,808 | 3.4% | 96.6% | 0.0% | \$25,140 | \$705,698 | \$0 | \$805,319 |
| WRF7 | 2026 | PLC SCADA integration | \$58,551 | 3.4% | 96.6% | 0.0% | \$2,014 | \$56,539 | \$0 | \$64,521 |
| WRF8 | 2026 | Primary Effluent/Mixed Flow Pump Station | \$118,434 | 3.4% | 96.6% | 0.0% | \$4,074 | \$114,365 | \$0 | \$130,509 |
| WRF9 | 2025 | Secondary Clarifiers | \$94,661 | 3.4% | 96.6% | 0.0% | \$3,256 | \$91,409 | \$0 | \$99,820 |
| WRF10 | 2026 | Maintenance Building | \$55,026 | 3.4% | 96.6% | 0.0% | \$1,893 | \$53,135 | \$0 | \$60,636 |
| WRF11 | 2026 | Oxidation Ditch Improvements | \$356,290 | 3.4% | 96.6% | 0.0% | \$12,256 | \$344,048 | \$0 | \$392,616 |
| WRF12 | 2027 | Odor Control | \$106,784 | 3.4% | 96.6% | 0.0% | \$3,673 | \$103,115 | \$0 | \$122,967 |
| WRF13 | 2026 | Grit Improvements | \$90,233 | 3.4% | 96.6% | 0.0% | \$3,104 | \$87,133 | \$0 | \$99,433 |
| WRF14 | 2027 | Primary Clarifiers | \$5,589 | 3.4% | 96.6% | 0.0% | \$192 | \$5,397 | \$0 | \$6,436 |
| WRF15 | 2027 | Primary Sludge Pump Station | \$130,127 | 3.4% | 96.6% | 0.0% | \$4,476 | \$125,656 | \$0 | \$149,847 |
| WRF16 | 2028 | Primary Digester Process Improvements | \$314,419 | 3.4% | 96.6% | 0.0% | \$10,816 | \$303,616 | \$0 | \$378,361 |
| WRF17 | 2029 | Return Pressate Equalization | \$24,590 | 3.4% | 96.6% | 0.0% | \$846 | \$23,745 | \$0 | \$30,922 |
| WRF18 | 2029 | New Thickening Process | \$256,943 | 3.4% | 96.6% | 0.0% | \$8,839 | \$248,115 | \$0 | \$323,110 |
| WRF19 | 2029 | Electrical Systems - Site Power | \$280,759 | 3.4% | 96.6% | 0.0% | \$9,658 | \$271,112 | \$0 | \$386,297*** |
| WRF20 | 2030 | Headworks | \$649,430 | 3.4% | 96.6% | 0.0% | \$22,340 | \$627,116 | \$0 | \$853,419 |
| WRF21 | 2031 | RAS/WAS and Generator Building | \$172,772 | 3.4% | 96.6% | 0.0% | \$5,943 | \$166,836 | \$0 | \$237,257 |
| WRF22 | 2032 | Odor Control | \$106,784 | 3.4% | 96.6% | 0.0% | \$3,673 | \$103,115 | \$0 | \$153,239 |
| WRF23 | 2032 | Thermophilic Digester | \$632,020 | 3.4% | 96.6% | 0.0% | \$21,741 | \$610,305 | \$0 | \$906,971 |
| WRF24 | 2033 | Site Improvements | \$21,064 | 3.4% | 96.6% | 0.0% | \$725 | \$20,340 | \$0 | \$31,588 |
| WRF25 | 2024 | Phosphorus removal for Reuse Purposes | \$604,886 | 3.4% | 96.6% | 0.0% | \$20,808 | \$584,103 | \$0 | \$610,388 |
| TOTAL | | | \$6,712,748 | 3.4% | 96.6% | 0.0% | \$230,919 | \$6,482,106 | \$0 | \$7,877,385 |

Source: Sewer IFFP, Table 8

*Year derived from Sewer Master Plan, Table 7-4.

**Cost reduced per City staff.

***Inflated cost is higher than 4.5 percent due to cost being spread out over time.

****Calculated by LRB. Inflated at 4.5 percent.

APPENDIX C: STORM WATER IMPACT FEE FACILITIES PLAN PROJECT COSTS

TABLE C:1: IMPACT FEE FACILITIES PLAN - COSTS REQUIRED FOR GROWTH, OREM CITY AREA

| PROJECT ID | PROJECT LOCATION | YEAR | ESTIMATED 2025 CONSTRUCTION COST | % TO EXISTING | % TO 10-YEAR GROWTH | % TO GROWTH BEYOND 10 YEARS | \$ TO EXISTING | \$ TO 10 YEAR GROWTH | \$ TO BUILDOUT | CONSTRUCTION YEAR \$ TO 10 YEAR GROWTH** |
|------------|--|------|----------------------------------|---------------|---------------------|-----------------------------|----------------|----------------------|----------------|--|
| CAP_AA | 400 S 1165 W and WUC | 2032 | \$20,000 | 100.0% | 0.0% | 0.0% | \$20,000 | \$0 | \$0 | \$0 |
| CAP_B2 | 400 South @ 1000 East - Phase 2 | 2026 | \$2,675,000 | 100.0% | 0.0% | 0.0% | \$2,675,000 | \$0 | \$0 | \$0 |
| CAP_C | WUC Diversion Structure at 800 S | 2034 | \$50,000 | 100.0% | 0.0% | 0.0% | \$50,000 | \$0 | \$0 | \$0 |
| CAP_D | University Pkwy (D)/WUC, 1385 S at Carterville Rd | 2028 | \$514,400 | 100.0% | 0.0% | 0.0% | \$514,400 | \$0 | \$0 | \$0 |
| CAP_FF | Diversion,Ctr St and 1330 W @ WUC | 2028 | \$100,000 | 95.0% | 1.9% | 3.1% | \$94,990 | \$1,930 | \$3,080 | \$2,171 |
| CAP_J2 | 424 E 2000 S at WUC | 2031 | \$50,000 | 0.0% | 38.5% | 61.5% | \$0 | \$19,240 | \$30,760 | \$24,345 |
| CAP_L | Diversion, 2000 S @ WUC | 2031 | \$50,000 | 84.2% | 6.1% | 9.7% | \$42,090 | \$3,045 | \$4,865 | \$3,853 |
| CAP_M | 2000 S Main St at WUC | 2031 | \$50,000 | 84.2% | 6.1% | 9.7% | \$42,090 | \$3,045 | \$4,865 | \$3,853 |
| CAP_N | Plug and surface drain to PS11B | 2031 | \$10,000 | 100.0% | 0.0% | 0.0% | \$10,000 | \$0 | \$0 | \$0 |
| CAP_Q | University Pkwy @ WUC | 2031 | \$50,000 | 89.4% | 4.1% | 6.5% | \$44,715 | \$2,035 | \$3,250 | \$2,575 |
| CAP_T | Adopt canal section at CAP T Location | 2031 | \$0 | 95.7% | 1.7% | 2.7% | \$0 | \$0 | \$0 | \$0 |
| CAP_U | Pipe canal when development occurs | 2031 | \$0 | 95.7% | 1.7% | 2.7% | \$0 | \$0 | \$0 | \$0 |
| CAP_V | Diversion box improvements and plug canal going north. | 2031 | \$50,000 | 95.7% | 1.7% | 2.7% | \$47,845 | \$830 | \$1,325 | \$1,050 |
| DBS4 | 424 E 2000 S Under Roadway | 2028 | \$750,000 | 89.2% | 4.2% | 6.6% | \$669,150 | \$31,125 | \$49,725 | \$35,011 |
| PN11 | 1420 N | 2028 | \$413,200 | 96.0% | 1.5% | 2.5% | \$396,713 | \$6,322 | \$10,123 | \$7,111 |
| PN12A | 1200 N (F) | 2030 | \$402,600 | 85.0% | 5.8% | 9.3% | \$342,049 | \$23,311 | \$37,241 | \$28,361 |
| PN12B | 1200 N (G) | 2030 | \$291,800 | 85.0% | 5.8% | 9.3% | \$247,913 | \$16,895 | \$26,992 | \$20,556 |
| PN40A | Geneva Rd (A) | 2031 | \$124,600 | 87.8% | 4.7% | 7.5% | \$109,411 | \$5,844 | \$9,345 | \$7,394 |
| PN41 | Heather Road, Cherapple Circle + 1000 N 900 W | 2026 | \$650,500 | 95.0% | 1.9% | 3.1% | \$617,910 | \$12,555 | \$20,035 | \$13,057 |
| PN42A | 1600 N Basin Improvements | 2026 | \$0 | 96.0% | 1.5% | 2.5% | \$0 | \$0 | \$0 | \$0 |
| PN42B | 1600 N 1200 West Pipe Extension | 2027 | \$689,700 | 96.0% | 1.5% | 2.5% | \$662,181 | \$10,552 | \$16,898 | \$11,413 |
| NEW | Lindon Hollow Improvements with PG and Lindon | 2026 | \$498,000 | 87.0% | 5.0% | 8.0% | \$433,160 | \$24,950 | \$39,890 | \$25,948 |
| PS11 | 2000 S, 180 W to Nielsen's Grove | 2030 | \$238,300 | 84.2% | 6.1% | 9.7% | \$200,601 | \$14,512 | \$23,187 | \$17,657 |
| PS11B | 180 W, 2000 S | 2030 | \$236,000 | 84.2% | 6.1% | 9.7% | \$198,665 | \$14,372 | \$22,963 | \$17,486 |
| PS22B | 400 W (B) | 2027 | \$1,278,422 | 88.6% | 4.4% | 7.0% | \$1,132,298 | \$56,251 | \$89,873 | \$60,841 |
| PS23 | Taylor Drain Outlet | 2028 | \$778,269 | 88.6% | 4.4% | 7.0% | \$689,313 | \$34,244 | \$54,712 | \$38,520 |
| PS25A | I-15 & 1500 S | 2030 | \$514,200 | 89.4% | 4.1% | 6.5% | \$459,849 | \$20,928 | \$33,423 | \$25,462 |
| PS31 | 900 S | 2033 | \$1,663,300 | 95.7% | 1.7% | 2.7% | \$1,591,612 | \$27,611 | \$44,077 | \$37,787 |
| PS37A | WUC exit, Campus Dr to DBS16 (A) | 2032 | \$178,000 | 95.0% | 1.9% | 3.1% | \$169,082 | \$3,435 | \$5,482 | \$4,521 |
| PS37B | WUC exit at 800 S to College Dr (F) | 2032 | \$1,352,900 | 95.0% | 1.9% | 3.1% | \$1,285,120 | \$26,111 | \$41,669 | \$34,360 |
| PS42A | 800 S (A) | 2031 | \$2,822,300 | 95.0% | 1.9% | 3.1% | \$2,680,903 | \$54,470 | \$86,927 | \$68,922 |
| PS42B | 800 S (B) | 2031 | \$348,100 | 95.0% | 1.9% | 3.1% | \$330,660 | \$6,718 | \$10,721 | \$8,501 |
| PS47A,B,C | 1330 S | 2026 | \$741,265 | 95.0% | 1.9% | 3.1% | \$704,128 | \$14,306 | \$22,831 | \$7,153* |
| PS51A | 1200 W (C)/Wolverine Way, 300 S | 2032 | \$259,200 | 95.0% | 1.9% | 3.1% | \$246,214 | \$5,003 | \$7,983 | \$6,583 |
| PS51C | WUC, Point BB to 400 S | 2032 | \$545,800 | 95.0% | 1.9% | 3.1% | \$518,455 | \$10,534 | \$16,811 | \$13,862 |
| PS52 | 400 S (B), 1200 W to 1500 W | 2032 | \$1,175,200 | 95.0% | 1.9% | 3.1% | \$1,116,322 | \$22,681 | \$36,196 | \$29,847 |
| PS52B | 400 S, 1150 W to 1200 W | 2032 | \$88,400 | 95.0% | 1.9% | 3.1% | \$83,971 | \$1,706 | \$2,723 | \$2,245 |
| PS53 | 543 S 1020 W | 2033 | \$683,300 | 95.0% | 1.9% | 3.1% | \$649,067 | \$13,188 | \$21,046 | \$18,048 |
| PS54 | Pipe WUC from CAP_FF to outfall | 2027 | \$1,334,600 | 95.0% | 1.9% | 3.1% | \$1,267,737 | \$25,758 | \$41,106 | \$27,860 |

| PROJECT ID | PROJECT LOCATION | YEAR | ESTIMATED 2025 CONSTRUCTION COST | % TO EXISTING | % TO 10-YEAR GROWTH | % TO GROWTH BEYOND 10 YEARS | \$ TO EXISTING | \$ TO 10 YEAR GROWTH | \$ TO BUILDOUT | CONSTRUCTION YEAR \$ TO 10 YEAR GROWTH** |
|------------------------|--|------|----------------------------------|---------------|---------------------|-----------------------------|---------------------|----------------------|--------------------|--|
| PS55A | Geneva Rd (G) | 2034 | \$562,700 | 95.0% | 1.9% | 3.1% | \$534,509 | \$10,860 | \$17,331 | \$15,457 |
| PS55B | Geneva Rd (H) | 2034 | \$1,163,000 | 95.0% | 1.9% | 3.1% | \$1,104,734 | \$22,446 | \$35,820 | \$31,948 |
| PS56 | Rehabilitate WUC pipe from DD to FF Should occur with the Well #1 relocation. Install pipelines on 1500 S and 1550 S east of 800 East | 2027 | \$240,000 | 95.0% | 1.9% | 3.1% | \$227,976 | \$4,632 | \$7,392 | \$5,010 |
| PS65 | Pipe along 800 E and 1700 S for Well #1 bypass drain. | 2029 | \$442,600 | 100.0% | 0.0% | 0.0% | \$442,600 | \$0 | \$0 | \$0 |
| PS65A | | 2029 | \$2,254,300 | 100.0% | 0.0% | 0.0% | \$2,254,300 | \$0 | \$0 | \$0 |
| PS65B | CAP H. Pipe to route 750 E to State Street. | 2029 | \$389,500 | 100.0% | 0.0% | 0.0% | \$389,500 | \$0 | \$0 | \$0 |
| PS65C | State Street | 2029 | \$2,721,300 | 100.0% | 0.0% | 0.0% | \$2,721,300 | \$0 | \$0 | \$0 |
| PS65D | Hillcrest Area perforated pipe | 2029 | \$300,000 | 100.0% | 0.0% | 0.0% | \$300,000 | \$0 | \$0 | \$0 |
| PS66A | WUC - Provo 1730 N Alignment | 2028 | \$1,107,200 | 89.2% | 4.2% | 6.6% | \$987,844 | \$45,949 | \$73,407 | \$51,686 |
| PS67 | WUC - 2075 S & 2200 S | 2030 | \$1,636,800 | 89.2% | 4.2% | 6.6% | \$1,460,353 | \$67,927 | \$108,520 | \$82,644 |
| PS68 | 550 South from 700 W to 600 W + 325 W 1600 N | 2026 | \$691,000 | 100.0% | 0.0% | 0.0% | \$691,000 | \$0 | \$0 | \$0 |
| PS6A | 2000 S - Geneva Road, 850' east | 2026 | \$572,940 | 88.6% | 4.4% | 7.0% | \$507,453 | \$25,209 | \$40,278 | \$26,218 |
| PS6B | 2000 S - Geneva Road to Lakeview Pkwy | 2025 | \$978,176 | 88.6% | 4.4% | 7.0% | \$866,370 | \$43,040 | \$68,766 | \$43,040 |
| PS6C | 2000 S - Lakeview Pkwy to Southwest Taylor Drain | 2027 | \$102,475 | 88.6% | 4.4% | 7.0% | \$90,762 | \$4,509 | \$7,204 | \$4,877 |
| | Impact Fee Studies | 2025 | \$38,485 | 0.0% | 100.0% | 0.0% | \$0 | \$38,485 | \$0 | \$38,485 |
| Total City Area | | | \$34,877,832 | 94.5% | 2.1% | 3.4% | \$32,922,316 | \$776,564 | \$1,178,842 | \$905,717 |

Source: Storm Water IFFP, Table 4

*Cost for project reduced per City.

**Calculated by LRB. Inflated at four percent.

TABLE C: 2: IMPACT FEE FACILITIES PLAN - COSTS REQUIRED FOR GROWTH, SOUTHWEST ANNEXATION AREA

| PROJECT ID | PROJECT LOCATION | YEAR | ESTIMATED 2025 CONSTRUCTION COST | % TO EXISTING | % TO 10-YEAR GROWTH | % TO GROWTH BEYOND 10 YEARS | \$ TO EXISTING | \$ TO 10 YEAR GROWTH | \$ TO BUILDOUT | CONSTRUCTION YEAR \$ TO 10 YEAR GROWTH*** |
|-----------------------------------|--|------|----------------------------------|---------------|---------------------|-----------------------------|------------------|----------------------|----------------|---|
| SW01 | Lakeview Parkway Road Project | 2027 | \$325,000 | 21.9% | 78.1% | 0.0% | \$71,110 | \$253,890 | \$0 | \$274,607 |
| SW02 | Geneva Road Widening Project - A | 2028 | \$500,000 | 21.9% | 78.1% | 0.0% | \$109,400 | \$0 | \$0 | \$0* |
| SW03 | Geneva Road Widening Project - B | 2026 | \$700,000 | 21.9% | 78.1% | 0.0% | \$153,160 | \$546,840 | \$0 | \$273,420** |
| PS22B | 400 W (B) | 2027 | \$179,428 | 21.9% | 78.1% | 0.0% | \$39,259 | \$140,169 | \$0 | \$151,607 |
| PS23 | Taylor Drain Outlet | 2028 | \$109,231 | 21.9% | 78.1% | 0.0% | \$23,900 | \$85,331 | \$0 | \$95,986 |
| PS47A,B,C | 1330 S | 2026 | \$558,735 | 21.9% | 78.1% | 0.0% | \$122,251 | \$436,484 | \$0 | \$218,242** |
| PS6A | 2000 S - Geneva Road to 850' east | 2026 | \$381,960 | 21.9% | 78.1% | 0.0% | \$83,573 | \$298,387 | \$0 | \$310,323 |
| PS6B | 2000 S - Geneva Road to Lakeview Pkwy | 2025 | \$226,824 | 21.9% | 78.1% | 0.0% | \$49,629 | \$177,195 | \$0 | \$177,195 |
| PS6C | 2000 S - Lakeview Pkwy to Southwest Taylor Drain | 2027 | \$197,525 | 21.9% | 78.1% | 0.0% | \$43,218 | \$154,307 | \$0 | \$166,898 |
| | Impact Fee Studies | 2025 | \$35,515 | 21.9% | 78.1% | 0.0% | \$7,771 | \$27,744 | \$0 | \$27,744 |
| Total Southwest Annexation | | | \$3,214,218 | 21.9% | 78.1% | 0.0% | \$703,271 | \$2,120,347 | \$0 | \$1,696,022 |

Source: Storm Water IFFP, Table 5

*Reduced to \$0 as City indicated this will likely be funded by UDOT.

**Cost for project reduced per City.

***Calculated by LRB. Inflated at four percent.

CITY OF OREM
BUDGET REPORT FOR THE MONTH ENDED DECEMBER 2025

Percent of Year Expired: 50%

| Fund | Current Appropriation | Monthly Total | Year-To-Date Total | Encumbrances | Balance | % To Date FY 2026 | % To Date FY 2025 | Notes |
|---|-----------------------|-------------------|--------------------|--------------|-------------------|-------------------|-------------------|-------|
| 10 GENERAL FUND | | | | | | | | |
| Revenues | 74,858,944 | 10,773,085 | 33,264,625 | | | 44% | 46% | |
| Appr. Surplus - Prior Year | 9,979,651 | | 9,979,651 | | | 100% | | |
| Std. Interfund Transactions | 6,970,956 | | 6,970,956 | | | 100% | | |
| Total Resources | <u>91,809,551</u> | <u>10,773,085</u> | <u>50,215,232</u> | | <u>41,594,319</u> | 55% | 55% | |
| Expenditures | 91,809,551 | 6,261,971 | 43,938,742 | 2,956,174 | 44,914,635 | 51% | 48% | |
| 20 ROAD FUND | | | | | | | | |
| Revenues | 4,350,000 | 29,678 | 1,589,790 | | | 37% | 37% | |
| Appr. Surplus - Prior Year | 2,629,699 | | 2,629,699 | | | 100% | | |
| Total Resources | 6,979,699 | 29,678 | 4,219,489 | | 2,760,210 | 60% | 65% | |
| Expenditures | 6,979,699 | 339,566 | 2,146,576 | 1,029,602 | 3,803,521 | 46% | 39% | |
| 21 CARE TAX FUND | | | | | | | | |
| Revenues | 3,350,000 | 261,555 | 1,122,064 | | | 33% | 35% | |
| Appr. Surplus - Prior Year | 2,447,243 | | 2,447,243 | | | 100% | | |
| Total Resources | 5,797,243 | 261,555 | 3,569,307 | | 2,227,936 | 62% | 50% | 1 |
| Expenditures | 5,797,243 | 54,200 | 1,263,669 | 1,440,810 | 3,092,764 | 47% | 29% | 1 |
| 24 TRANSPORTATION SALES TAX FUND | | | | | | | | |
| Revenues | 4,430,000 | 364,821 | 1,520,398 | | | 34% | 53% | |
| Appr. Surplus - Current | 500,000 | | 500,000 | | | 100% | | |
| Appr. Surplus - Prior Year | 2,011,516 | | 2,011,516 | | | 100% | | |
| Total Resources | 6,941,516 | 364,821 | 4,031,914 | | 2,909,602 | 58% | 63% | |
| Expenditures | 6,941,516 | 537,222 | 551,977 | 406,398 | 5,983,141 | 14% | 42% | 2 |
| 30 DEBT SERVICE FUND | | | | | | | | |
| Revenues | 6,536,510 | 908,511 | 3,631,182 | | | 56% | 56% | |
| Total Resources | 6,536,510 | 908,511 | 3,631,182 | | 2,905,328 | 56% | 56% | |
| Expenditures | 6,536,510 | 46,033 | 1,533,312 | | 5,003,198 | 23% | 28% | |
| 45 CIP FUND | | | | | | | | |
| Revenues | 541,896 | 534,527 | 730,833 | | | 135% | 95% | |
| Appr. Surplus - Prior Year | 9,911,411 | | 9,911,411 | | | 100% | | |
| Total Resources | 10,453,307 | 534,527 | 10,642,244 | | -188,937 | 102% | 100% | |
| Expenditures | 10,453,307 | -415,693 | 2,267,672 | 2,028,885 | 6,156,750 | 41% | 63% | 3 |
| 51 WATER FUND | | | | | | | | |
| Revenues | 22,726,487 | 1,023,555 | 13,362,105 | | | 59% | 64% | |
| Appr. Surplus - Prior Year | 21,275,208 | | 21,275,208 | | | 100% | | |
| Total Resources | 44,001,695 | 1,023,555 | 34,637,313 | | 9,364,382 | 79% | 85% | |
| Expenditures | 44,001,695 | 1,390,717 | 11,443,037 | 14,633,244 | 17,925,414 | 59% | 46% | 4 |
| 52 WATER RECLAMATION FUND | | | | | | | | |
| Revenues | 24,836,864 | 1,622,438 | 9,313,949 | | | 38% | 60% | |
| Appr. Surplus - Prior Year | 27,933,226 | | 27,933,226 | | | 100% | | |
| Total Resources | 52,770,090 | 1,622,438 | 37,247,175 | | 15,522,915 | 71% | 86% | |
| Expenditures | 52,770,090 | 603,371 | 7,095,600 | 3,685,329 | 41,989,161 | 20% | 33% | 5 |
| 55 STORM WATER FUND | | | | | | | | |
| Revenues | 7,038,893 | 560,649 | 3,570,818 | | | 51% | 53% | |
| Appr. Surplus - Prior Year | 9,052,217 | | 9,052,217 | | | 100% | | |
| Total Resources | 16,091,110 | 560,649 | 12,623,035 | | 3,468,075 | 78% | 81% | |
| Expenditures | 16,091,110 | 1,007,288 | 4,767,409 | 103,078 | 11,220,623 | 30% | 31% | |
| 56 RECREATION FUND | | | | | | | | |
| Revenues | 4,797,946 | 443,655 | 2,001,912 | | | 42% | 43% | |
| Appr. Surplus - Prior Year | 663,687 | | 663,687 | | | 100% | | |
| Total Resources | 5,461,633 | 443,655 | 2,665,599 | | 2,796,034 | 49% | 47% | |
| Expenditures | 5,461,633 | 307,086 | 2,761,502 | 388,032 | 2,312,099 | 58% | 50% | |

CITY OF OREM
BUDGET REPORT FOR THE MONTH ENDED DECEMBER 2025

Percent of Year Expired: 50%

| Fund | Current Appropriation | Monthly Total | Year-To-Date Total | Encumbrances | Balance | % | % |
|---------------------------------------|-----------------------|-------------------|--------------------|-------------------|--------------------|-----------------|-----------------|
| | | | | | | To Date FY 2026 | To Date FY 2025 |
| 57 SOLID WASTE FUND | | | | | | | |
| Revenues | 5,470,000 | 479,054 | 2,849,707 | | | 52% | 51% |
| Appr. Surplus - Prior Year | 240,964 | | 240,964 | | | 100% | |
| Total Resources | 5,710,964 | 479,054 | 3,090,671 | | 2,620,293 | 54% | 52% |
| Expenditures | 5,710,964 | 420,748 | 2,822,897 | 293,797 | 2,594,270 | 55% | 51% |
| 58 STREET LIGHTING FUND | | | | | | | |
| Revenues | 1,416,000 | 144,348 | 790,607 | | | 56% | 56% |
| Appr. Surplus - Prior Year | 214,535 | | 214,535 | | | 100% | |
| Total Resources | 1,630,535 | 144,348 | 1,005,142 | | 625,393 | 62% | 65% |
| Expenditures | 1,630,535 | 123,063 | 931,907 | 114,871 | 583,757 | 64% | 62% |
| 61 FLEET MAINTENANCE FUND | | | | | | | |
| Appr. Surplus - Prior Year | 81,388 | | 81,388 | | | 100% | |
| Std. Interfund Transactions | 1,120,000 | | 1,120,000 | | | 100% | |
| Total Resources | 1,201,388 | | 1,201,388 | | | 100% | 100% |
| Expenditures | 1,201,388 | 82,081 | 727,707 | 30,707 | 442,974 | 63% | 58% |
| 62 PURCHASING/WAREHOUSING FUND | | | | | | | |
| Appr. Surplus - Prior Year | 32,536 | | 32,536 | | | 100% | |
| Std. Interfund Transactions | 530,000 | | 530,000 | | | 100% | |
| Total Resources | 562,536 | | 562,536 | | | 100% | 100% |
| Expenditures | 562,536 | 31,481 | 365,093 | 767 | 196,676 | 65% | 64% |
| 63 SELF INSURANCE FUND | | | | | | | |
| Revenues | 860,000 | 77,904 | 477,868 | | | 56% | 57% |
| Appr. Surplus - Current Year | 50,000 | | 50,000 | | | 100% | |
| Appr. Surplus - Prior Year | 5,500 | | 5,500 | | | 100% | |
| Std. Interfund Transactions | 1,655,000 | | 1,655,000 | | | 100% | |
| Total Resources | 2,570,500 | 77,904 | 2,188,368 | | 382,132 | 85% | 87% |
| Expenditures | 2,570,500 | 90,945 | 2,106,670 | 2,033 | 461,797 | 82% | 81% |
| 64 INFORMATION TECH FUND | | | | | | | |
| Appr. Surplus - Current Year | 250,000 | | 250,000 | | | 100% | |
| Appr. Surplus - Prior Year | 309,271 | | 309,271 | | | 100% | |
| Std. Interfund Transactions | 3,914,537 | | 3,914,537 | | | 100% | |
| Total Resources | 4,473,808 | | 4,473,808 | | | 100% | 100% |
| Expenditures | 4,473,808 | 273,036 | 2,175,714 | 107,950 | 2,190,144 | 51% | 46% |
| 65 FACILITIES MAINTENANCE FUND | | | | | | | |
| Appr. Surplus - Prior Year | 6,711 | | 6,711 | | | 100% | |
| Std. Interfund Transactions | 2,207,000 | | 2,207,000 | | | 100% | |
| Total Resources | 2,213,711 | | 2,213,711 | | | 100% | 100% |
| Expenditures | 2,213,711 | 147,407 | 1,121,814 | 337,070 | 754,827 | 66% | 65% |
| 74 CDBG FUND | | | | | | | |
| Revenues | 886,494 | 1,362 | 7,163 | | | 1% | 2% |
| Appr. Surplus - Prior Year | 119,876 | | 119,876 | | | 100% | |
| Total Resources | 1,006,370 | 1,362 | 127,039 | | | 13% | 14% |
| Expenditures | 1,006,370 | 39,812 | 254,185 | 14,757 | 737,428 | 27% | 42% |
| CITY TOTAL RESOURCES | 266,212,166 | 17,225,142 | 178,345,153 | | 86,987,682 | 67% | 73% |
| CITY TOTAL EXPENDITURES | 266,212,166 | 11,340,334 | 88,275,483 | 27,573,504 | 150,363,179 | 44% | 45% |

CITY OF OREM
BUDGET REPORT FOR THE MONTH ENDED DECEMBER 2025

Percent of Year Expired: 50%

| Fund | Current Appropriation | Monthly Total | Year-To-Date | | To Date FY 2026 | To Date FY 2025 | % | % |
|------|-----------------------|---------------|--------------|--------------|-----------------|-----------------|---|---|
| | | | Total | Encumbrances | | | | |

NOTES TO THE BUDGET REPORT FOR THE MONTH ENDED DECEMBER 2025

- 1) The current year revenues are higher in comparison to the prior year due to the current year carryovers (\$2,447,243) being significantly higher than in the prior fiscal year (\$869,853). The majority of this change is due to the Library Park Gardens & Playground project, the HeArt of Downtown project, and Windsor Park project which did not exist in the prior fiscal year.
- 2) The current year revenues are higher in comparison to the prior year due to the current year carryovers (\$2,011,516) being significantly higher than in the prior fiscal year (\$1,109,162). The majority of this change is due to Slurry Seals and Micro-surfacing projects which did not have any funds carried over in the prior fiscal year.
- 3) The current year expenditures are lower in comparison to the prior year due to the current year encumbrances (\$2,028,885) being significantly lower than in the prior fiscal year (\$5,974,910) at this date in time. The majority of this change is due to a large amount of encumbrances for the new city center in the prior year while those encumbrances have been reduced significantly as the project nears completion in the current year.
- 4) The current year expenditures are higher in comparison to the prior year due to the current year encumbrances (\$14,633,244) being significantly higher than in the prior fiscal year (\$11,809,113) at this date in time. The majority of this change is due to encumbrance additions for the culinary water booster pump project which were not there in the prior year.
- 5) The current year revenues are lower in comparison to the prior year due to the current year carryovers (\$27,933,226) being lower than in the prior fiscal year (\$28,943,098) as well as a payment (\$1,325,194) from Lindon for tertiary treatment being received in July 2024 while not yet received in FY 2026.
- 6) The current year expenditures are lower in comparison to the prior year due to expenditures in the home rehabilitation program being lower by \$29,787 YTD and the target signage project being lower by \$5,676 YTD. In the prior year, the city had spent \$19,051 YTD on the senior center flooring project but no such similar project exists in the current fiscal year.

Note: In earlier parts of a fiscal year, expenditures may be greater than the collected revenues in a fund. The City has accumulated sufficient reserves to service all obligations during such periods and does not need to issue tax anticipation notes or obtain funds in any similar manner. If you have questions about this report, please contact Brandon Nelson (229-7010).