



PUBLIC NOTICE

Notice is hereby given that the Payson City Council will hold a public hearing during the regularly scheduled City Council Meeting on Wednesday, March 18, 2026, at 6:00 p.m. or shortly thereafter, at the Payson City Center, Council Chambers, 439 West Utah Avenue, Payson, Utah, and virtually through a link with Zoom Video Communications. Please check the Payson City Website at www.paysonutah.gov for the link to participate/view the meeting.

The purpose of this hearing is to receive public input regarding the enactment/modification of the proposed Drinking Water Impact Fee Facilities Plan and Analysis, Pressurized Irrigation Water Impact Fee Facilities Plan and Analysis, and Wastewater Collection System Impact Fee Facilities Plan and Analysis. The Impact Fee Facilities plans, an executive summary of the Impact Fee Facilities Plans, and Impact Fee Analyses are available at the Payson City Center located at 439 West Utah Avenue, the Payson City Public Library located at 66 South Main Street, on the Payson City website at www.paysonutah.gov, and upon request by calling 801-465-5205.

/s/ Amalie R. Ottley

Amalie R. Ottley UCC, CMC
Payson City Recorder

Posted according to state law March 5, 2025

- Some members may attend by electronic device.
- In accordance with the Americans with Disabilities Act, Payson City will make reasonable accommodations to participate in the meeting. Requests for assistance can be made by calling 801-465-5205 at least 48 hours in advance of the meeting.
- The order of agenda items may change to accommodate the needs of the City Council, staff, and/or public.
- A Closed Session may be called to order pursuant to Utah State Code 54-4-204 and 54-4-205.



Drinking Water Impact Fee Facilities Plan



PAYSON

March 2026

**HANSEN
ALLEN
& LUCE_{inc}**
ENGINEERS

Payson

DRINKING WATER IMPACT FEE FACILITY PLAN

(HAL Project No.: 412.27.100)

March 2026



ACKNOWLEDGMENTS

Several individuals contributed to the successful completion of this study. We sincerely appreciate the cooperation, assistance, and expertise provided by members of the project team:

The City of Payson

Travis Jockumsen, Public Works Director
Jonathan Knight, City Engineer
Joe Jamison, GIS
Cameron Phillips, Water System Operator

Hansen, Allen & Luce, Inc.

Steve Jones, Principal in Charge
Chris Thompson, Project Manager
Dana Tran, Project Engineer
Jason Biesinger, Project Engineer

ABBREVIATIONS, ACRONYMS, UNITS AND DEFINITIONS

ABBREVIATIONS

City	Payson City
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ACRONYMS

CIP	Capital Improvement Plan
DW	Drinking Water
DWMP	Drinking Water Master Plan
ERC	Equivalent Residential Connection
GIS	Geographic Information System
HAL	Hansen, Allen and Luce, Inc.
IF	Impact Fee
LOS	Level of Service
MAG	Mountainland Association of Governments
MPO	Metropolitan Planning Organization

UNITS

ac-ft	Acre Foot
cf	Cubic Foot
ft	Foot
in	Inch
ln-ft	Linear Foot
sq-ft	Square Foot

DEFINITIONS

Base LOS Data Year. The first data year LOS calculations were made.

Base LOS Fiscal Year. The first fiscal year LOS calculations were implemented.

Base Year LOS. The Base Year LOS reflects the originally calculated LOS provided to the residents. It is tracked so impact fees are not used to raise the LOS to existing residents.

Data Year. The Data Year is the previous full calendar year for which annual data is used for updating the IFFP and IFA.

Distribution LOS Parameter. The Distribution LOS Parameter was set by standard practice in the DWMP. Distribution facilities must be designed with capacity for peak day and fire flow demands.

Distribution Pipe. Distribution Pipe includes main lines that convey drinking water and are owned by the City.

Effective Date. The date, no less than 90 days after the Enactment Date, when the impact fees become effective.

Enactment Date. The Enactment Date is the date the City Council approves the IFFP, IFA, and Impact Fee Enactment Ordinance.

Equivalent Residential Connection (ERC). An ERC is defined by the average drinking water usage of an average single-family house.

Established LOS. The Established LOS is set by the City Council by the adoption of the IFFP, the IFA, and the Impact Fee Enactment Ordinance.

Existing LOS. The Existing LOS is the LOS currently provided to the existing City residents for the Data Year.

Local Distribution System. Local Distribution System is defined as distribution system constructed with Minimum Size Distribution Pipe or pipe smaller in diameter.

Master Plan LOS. The Master Plan LOS is the LOS for the entire City at the Master Planned Year. It indicates what the Existing LOS will be raised to with non-impact fee funds.

Minimum Size Distribution Pipe. The Minimum Size Distribution Pipe is defined as the minimum or local distribution pipe diameter. It is established by City standards according to standard practice and the City's ability to operate and maintain the drinking water system.

Project Improvements. Project Improvements are improvements required by development that the City determines not to define as System Improvements.

Proposed LOS. The Proposed LOS is the LOS recommended to the City Council by the IFFP and IFA to set as the Established LOS.

Proposed LOS for Existing. The LOS existing customers will have as a result of the Proposed LOS.

Regional Distribution System. Regional Distribution System is defined as the volume of distribution system pipe above that of a local or minimum pipe size.

Storage LOS Parameter. The Storage LOS Parameter was set by standard practice in the DWMP. Storage facilities must be designed with capacity for fire flow, equalization and emergency storage.

System Improvements. System Improvements are regional improvements determined by the City to be impact fee reimbursable. Cities are not required to define all regional facilities as System Improvements, but all System Improvements must be regional.

Volume LOS. The Volume LOS for both distribution and storage is based on the volume of Regional Pipe or Storage Facility per ERC.

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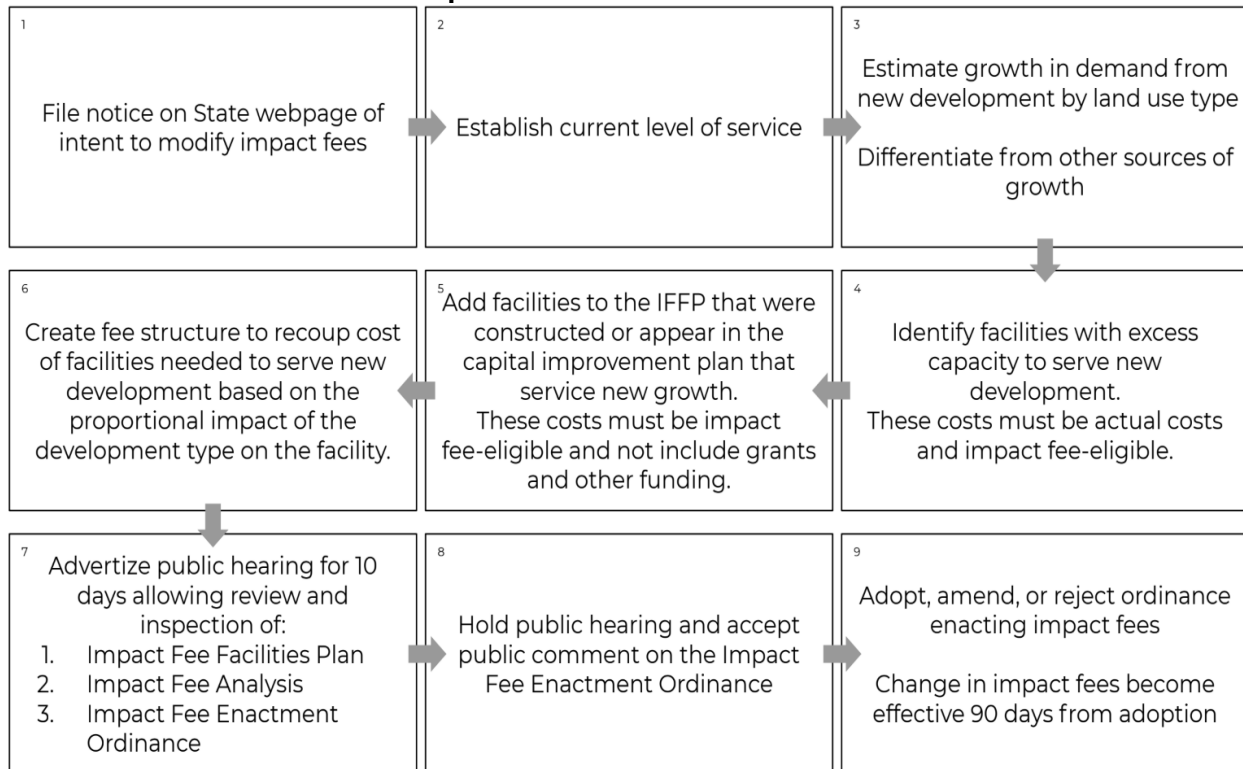
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CHAPTER 1 – INTRODUCTION

IMPACT FEE ENACTMENT PROCESS

Figure 1-1 outlines the impact fee enactment process.

Figure 1-1
Impact Fee Enactment Process



NOTICES

In accordance with Utah Code section 11-36a-501 Notice of Intent to Prepare an Impact Fee Facilities Plan and 11-36a-503 Notice of Intent to Prepare an Impact Fee Assessment, Payson City posted a notice of intent to prepare or amend an Impact Fee Analysis for the area within the City's policy declaration boundary. It was posted on the Utah Public Notice Website and the local City website. See [Appendix A](#).

In accordance with Utah Code section 11-36a-502 Notice to Adopt or Amend an Impact Fee Facilities Plan and 11-36a-504 Notice of Intent to Adopt an Impact Fee Enactment, Payson City posted a notice of intent to prepare or amend an Impact Fee Facilities Plan and prepare an Impact Fee Analysis for the area within the City's policy boundary. It was posted on the Utah Public Notice Website and the local City website. See Appendix B.

EXECUTIVE SUMMARY

In 2020 HAL completed a drinking water system model and the DWMP for the City. This IFFP is based on that model and DWMP and any update studies conducted since. Recommendations for Source, Storage, and Distribution System Improvements are based on the model requirements to meet the DWMP Source, Storage, and Distribution LOS Parameters. Consor maintains the City's current water model and has provided updates for development requests.

The City has adopted impact fees based on the cost of capital facilities needed to meet the demand of new development according to the LOS Parameters set by the City in the DWMP and this IFFP. Impact fees are not used to increase the LOS for existing residents.

Service Area

The service area includes the existing City boundary and future areas as they are annexed into the City. Master Planned Year refers to when, at growth rates projected by the MPO, the state and the City, all vacant land in the DWMP boundaries would be developed. It assumes no future changes to the DWMP boundaries but will be updated with each future IFFP according to the current City DWMP.

Impact Fee Facilities Plan

Table 1-1 identifies projects and planning studies with impact fee-eligible costs. All costs are based on actual costs or use present day cost estimates. There are 5 components to a drinking water impact fee: source, storage, miscellaneous facilities, planning, and distribution. The fees charged for source, storage, and distribution are based on LOS. The fees charged for miscellaneous facilities and planning are based on ERCs served. The IF % removes the Project Improvement costs and costs of projects used to solve existing deficiencies.

**Table 1-1
Drinking Water Impact Fee Facilities Plan**

Source	Begin	Total Cost	IF %	IF & Interest Cost	Capacity	Excess Cap	LOS/ERC	Cost/gpd
Red Bridge Well	FY2021	\$4,087,818	100.00%	\$4,087,818	1,333 gpm	3,825 ERCs	488 gpd	\$2.13
Weighted Average								\$2.13
Storage	Begin	Total Cost	IF %	IF & Interest Cost	Capacity	Excess Cap	LOS/ERC	Cost/gal
1.5MG Lower Zone Tank	FY2027	\$1,968,344	100.00%	\$1,968,344	1.50 MG	3,145 ERCs	477 gpd	\$1.31
Weighted Average								\$1.31
Misc Facilities	Begin	Total Cost	IF %	IF & Interest Cost	Add ERCs	Begin ERCs	End ERCs	Cost/ERC
Payson View Highline Canal Crossing	FY2025	\$108,343	100.00%	\$108,343	9,925 ERCs	9,315 ERCs	19,240 ERCs	\$10.92
Patterson Booster Pump Station	FY2024	\$781,645	100.00%	\$781,645	10,165 ERCs	9,075 ERCs	19,240 ERCs	\$76.90
Arrowhead PRV	FY2019	\$17,432	86.80%	\$15,131	11,151 ERCs	8,089 ERCs	19,240 ERCs	\$1.36
Shop Expansion 3,010sf to 6,710 sf, 1/2 PI	FY2022	\$2,741,710	27.57%	\$755,911	10,662 ERCs	8,577 ERCs	19,240 ERCs	\$70.89
Total								\$160.06
Planning	Begin	Total Cost	IF %	IF & Interest Cost	Add ERCs	Begin ERCs	End ERCs	Cost/ERC
Impact Fee Studies	FY2022	\$79,333	100.00%	\$79,333	3,030 ERCs	8,577 ERCs	11,608 ERCs	\$26.18
Master Plan Studies	FY2022	\$118,501	100.00%	\$118,501	3,030 ERCs	8,577 ERCs	11,608 ERCs	\$39.10
Total								\$65.28
Distribution	Begin	Total Cost	IF %	IF & Interest Cost	Capacity	ERCs	LOS/ERC	Cost/cf
ULS Project Upsize 200' 6" to 12"	FY2024	\$44,800	18.46%	\$8,269	87 cf	6 ERCs	15.41 cf	\$94.76
Nebo & E Canyon 20" Line 1,293'	FY2023	\$550,197	40.44%	\$222,500	2,370 cf	154 ERCs	15.41 cf	\$93.90
Upper Zone 1,550' of 12in, 60' of 16in & Upsize 1,750' of 16in to 24in	FY2023	\$1,686,511	14.46%	\$243,946	5,626 cf	365 ERCs	15.41 cf	\$43.36
Weighted Average								\$58.73

Note: Project and study costs based on actual costs or present-day cost estimates

Level of Service

Tables 1-2 and 1-3 set the LOS Parameters and LOS calculations for the City drinking water source, storage, and distribution systems. All systems have LOS categories defined in the Definitions.

**Table 1-2
Drinking Water LOS Parameters**

Category	Parameter	Source
Maximum Operating Pressure (psi)	120 psi	2020 Master Plan Level of Service (Table 1-1)
Minimum Operating Pressure (psi)	40 psi	2020 Master Plan Level of Service (Table 1-1)
Peak Instantaneous Pressure (psi)	30 psi	2020 Master Plan Level of Service (Table 1-1)
Minimum or Local Pipe Size (in)	8 in	City Standards
Residential Service Meter Size (in)	1 in	City Standards
Minimum Required Source Capacity	Peak Day of a Peak Year Flow	State Code: R309-510-7
Minimum Required Annual Source Capacity	Peak Year Annual Demand	State Code: R309-510-7
Minimum Fire Flow Requirement	Model to Fire Marshal Requirements	State Code: R309-510-8(1)(b)
Minimum Fire Flow Residual Pressure	20 psi	Master Plan Level of Service (Table 1-1)
Minimum Required LOS Equalization Storage per ERC (gal)	Average Day of a Peak Year	State Code: R309-510-8(a)
Emergency Storage (% of Equalization Storage)	0%	State Code: R309-510-8(1)(c)

**Table 1-3
Drinking Water Level of Service per ERC**

Indoor	Base Year LOS	Existing LOS	Proposed LOS	Proposed LOS for Existing	% Impact Fee Reimbursable
Source LOS/ERC	654.42 gpd	654.42 gpd	488.00 gpd	488.00 gpd	100.00%
Storage LOS/ERC	514.57 gal	514.57 gal	477.00 gal	477.00 gal	100.00%
Distribution LOS/ERC	8.80 cf	8.80 cf	15.41 cf	12.11 cf	72.66%
Outdoor	Base Year LOS	Existing LOS	Proposed LOS	Proposed LOS for Existing	% Impact Fee Reimbursable
Source LOS/ERC	3,965.73 gpd	3,965.73 gpd	1,224.00 gpd	1,224.00 gpd	100.00%
Storage LOS/ERC	1,907.47 gal	1,907.47 gal	1,430.00 gal	1,430.00 gal	100.00%
Distribution LOS/ERC	15.48 cf	15.48 cf	22.87 cf	19.04 cf	81.33%

If the Proposed LOS is higher than the Existing LOS, then the % Impact Fee Reimbursable amount in Table 1-3 needs to be applied to future System Improvement costs to calculate what can be paid for with or reimbursed from impact fee funds, otherwise 100% of the regional costs are reimbursable. This is calculated by dividing the Existing LOS by the Proposed LOS for Existing, the LOS that existing residents will be raised to because of the Proposed LOS. This ensures that impact fee funds do not pay to raise the LOS of existing residents. The IFFP costs of System Improvement projects or planning studies are based on actual costs for completed projects and present day cost estimates for future ones.

CERTIFICATION

Utah Impact Fee Act requires certification for the IFFP. Hansen, Allen & Luce provides this certification with the understanding that the recommendations in the IFFP are followed by City Staff and elected officials. If all or a portion of the IFFP is modified or amended, or if assumptions presented in this analysis change substantially, this certification is no longer valid. All information provided to Hansen, Allen & Luce, Inc. is assumed to be correct, complete, and accurate.

IFFP Certification

Hansen, Allen & Luce, Inc. certifies that this 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; or
 - 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;
3. complies in each and every relevant respect with the Impact Fees Act.

HANSEN, ALLEN & LUCE, INC.

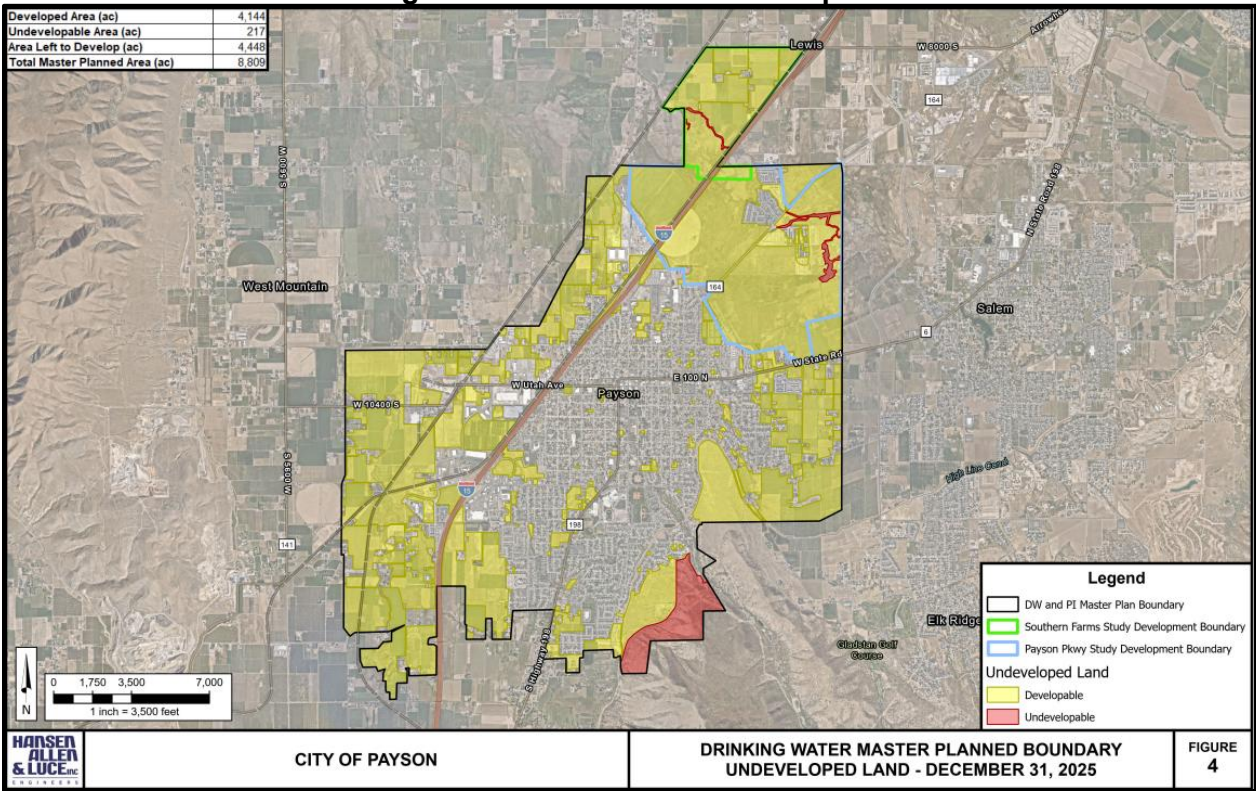
CHAPTER 2 – DEMOGRAPHICS AND GROWTH

UNDEVELOPED LAND

Payson City is located in southern Utah County, Utah. While it has roots in agriculture, Payson’s economy has diversified to include other industries such as healthcare, industrial manufacturing, food service, and retail sales. Payson grew at a slow pace from its inception in 1850 until about 1970, when growth began to accelerate. Growth has become even more rapid in recent years as the population in Utah County has expanded, and areas further north have built out or become more expensive.

The City GIS was used to find developed, undeveloped, and undevelopable land within the DWMP boundary. Developed land includes parks and existing roads. Undevelopable land includes, but is not limited to, land that cannot be developed because of wetlands and steep terrains. All these areas are shown in Figure 2-1.

Figure 2-1
Drinking Water Master Plan Undeveloped Land



POPULATION

In Table 2-1 growth projections from the City and the Mountainland Association of Governments (MAG) Metropolitan Planning Organization (MPO) were used to estimate growth by Census. These projections were used to estimate annual growth for this study.

Table 2-1
Census Population Projections

Population Criteria	1990	2000	2010	2020	2030	2040	2050	2060
Payson	9,790	12,848	18,294	21,101	27,598	38,838	60,188	81,538
10-Year Growth Rate	1.73%	2.76%	3.60%	1.44%	2.72%	3.48%	4.48%	3.08%
Utah County	263,590	368,536	518,872	679,188	861,852	1,080,082	1,297,515	1,504,433
Growth Rate	1.91%	3.41%	3.48%	2.73%	2.41%	2.28%	1.85%	1.49%
Payson as % of Utah County	3.7%	3.49%	3.53%	3.11%	3.20%	3.60%	4.64%	5.4%
Payson Yearly Growth Rate	3.1%	4.2%	1.5%	3.1%	2.4%	3.0%	3.7%	2.7%

DATA YEAR AND MASTER PLANNED

Table 2-2 summarizes development information for the land area master planned in the PI Master Plan for the IFFP Data Year. The Master Planned Year is estimated by applying the MPO growth rates to the developed area until the area left to develop is gone.

Table 2-2
Projected Master Planned Development

Land Use		% Total
Developed Area	8,658 acres	97.55%
Undevelopable Area	217 acres	2.45%
Total Master Plan Land Area	8,875 acres	100.00%
Data Year	2024	
Master Planned Households	13,602	
Master Planned Year	2045	

Source: City GIS and DWMP

MPO, state, and City growth projections were used to estimate the end of Data Year and Master Planned Year population in Table 2-3 and Table 2-4. Statistics were calculated using data from the City GIS, Census and the MPO MAG.

Table 2-3
End of Data Year Developed Land and Population Summary

Data Year	2024
Population	23,700
Households	6,511
Single-Family Home Persons per Household	3.75
Multi-Family Household Persons per Household	3.47
Average Household Size	3.64
Developed Area	4,144 acres
Undevelopable Area	217 acres
Area Left to Develop	4,448 acres
Total Master Plan Land Area	8,809 acres

Sources: City GIS, Census, and MAG MPO

Table 2-4
Population - End of Data Year and Master Planned

	2024	2045
Payson	23,700	49,513
Growth Rate	2.82%	4.51%
Utah County	752,254	1,188,799
Growth Rate	2.49%	1.86%
Payson as % of Utah County	3.15%	4.16%

Sources: City GIS, Census, MAG MPO

IRRIGATED ACREAGE

Outdoor water demands are based on irrigated acreage. Existing irrigated acreage percentages were estimated using multi-spectral aerial imagery analysis as shown in Figure 2-2. The units used for the outdoor drinking water impact fee is per Equivalent Residential Connection (ERC) or acre. The ERC was determined by calculating the irrigated acreage within a residential parcel and applying that to the average residential parcel size. Table 2-5 shows the irrigated acreage by lot size calculated from this study.

Figure 2-2
ERC Irrigated Acreage Percentage



Table 2-5
Irrigated Acres by Residential Lot Size

Lot Size	Acres	Irrigated Acres	ERC
Average Single Family Residential Lot	0.21 acres	0.14 acres	1.00 ERCs
1 Acre of Landscaped Area	1.00 acre	1.00 acre	7.04 ERCs
Lot Size	% Landscaped	Irrigated Area	Factor
Less than 2,000 sq-ft	15.00%	300 sq-ft	0.06
2,001-4,000 sq-ft	36.67%	1,100 sq-ft	0.23
4,001-6,000 sq-ft	47.00%	2,350 sq-ft	0.49
6,001-8,000 sq-ft	50.71%	3,550 sq-ft	0.74
8,001-10,000 sq-ft	53.33%	4,800 sq-ft	1.00
10,001-20,000 sq-ft	63.67%	9,550 sq-ft	1.99
Greater than 20,001 sq-ft	67.50%	16,875 sq-ft	3.52

Table 2-6 shows the calculations for an outdoor drinking water ERC. An additional .03 irrigated acres are added to each ERC for parks and open space. To simplify calculations, an ERC ratio to the average lot was calculated to apply to calculate ERCs. These ratios are found in Table 2-5 for single family residential units and 2-6 for multi-family residential and non-residential development.

Table 2-6
Equivalent Residential Connection Lot

Average Single Family Home Lot Size (acres)	0.21 acres
% Irrigated Area	53.33%
ERC Irrigated Acreage	0.11 acres
ERC Parks and Open Space Irrigated Acres	0.03 acres
Total ERC IF Irrigated Acres	0.14 acres
ERC Ratio per Acre of Irrigated Area for Multi-Family Development	7.04
ERC Ratio per Acre of Irrigated Area for Non-Residential Development	5.55

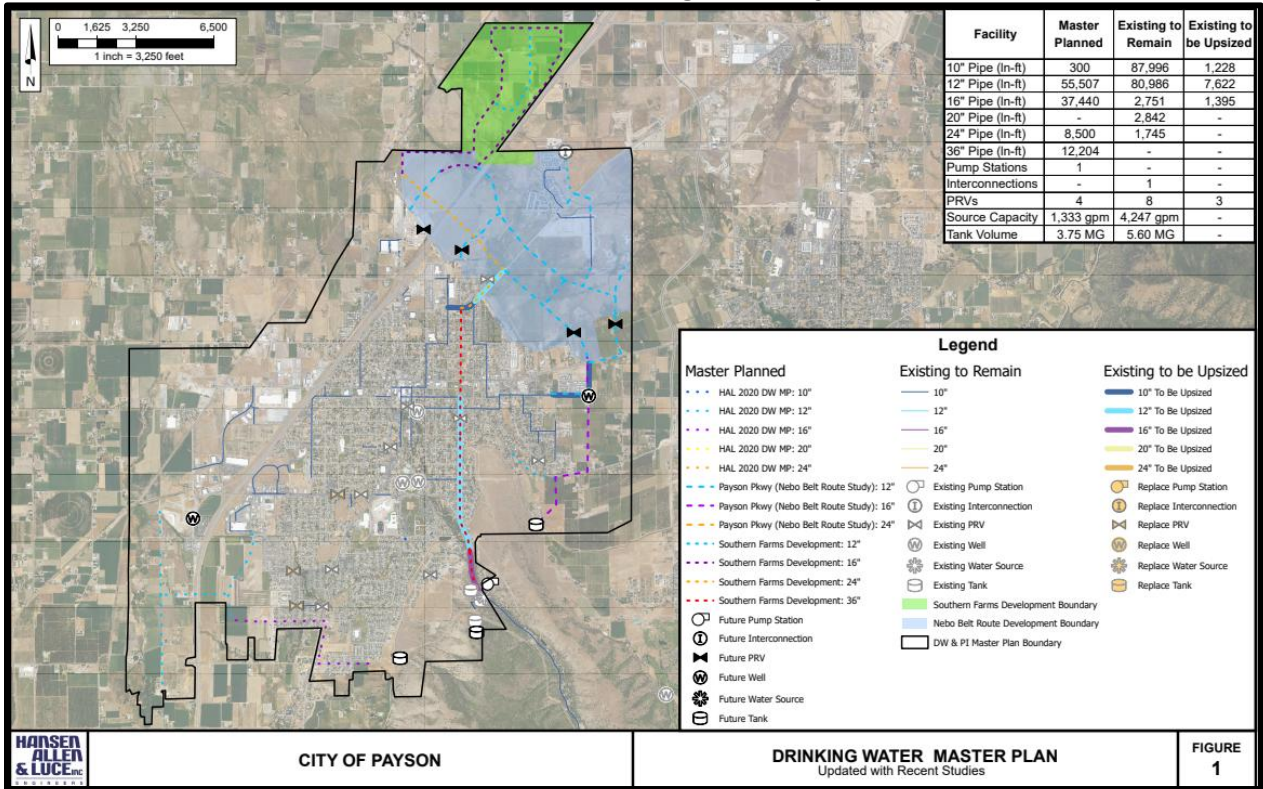
Source: City GIS

CHAPTER 3 – IMPACT FEE FACILITIES PLAN

OVERVIEW

HAL completed a system model and DWMP for the City. Master planned future system improvements are based on the model requirements to meet the LOS Parameters established in the DWMP according to industry standards. See Table 1-2. These improvements and existing regional improvements are shown in Figures 3-1 and 3-2. Figure 3-1 also includes any updates from more recent studies.

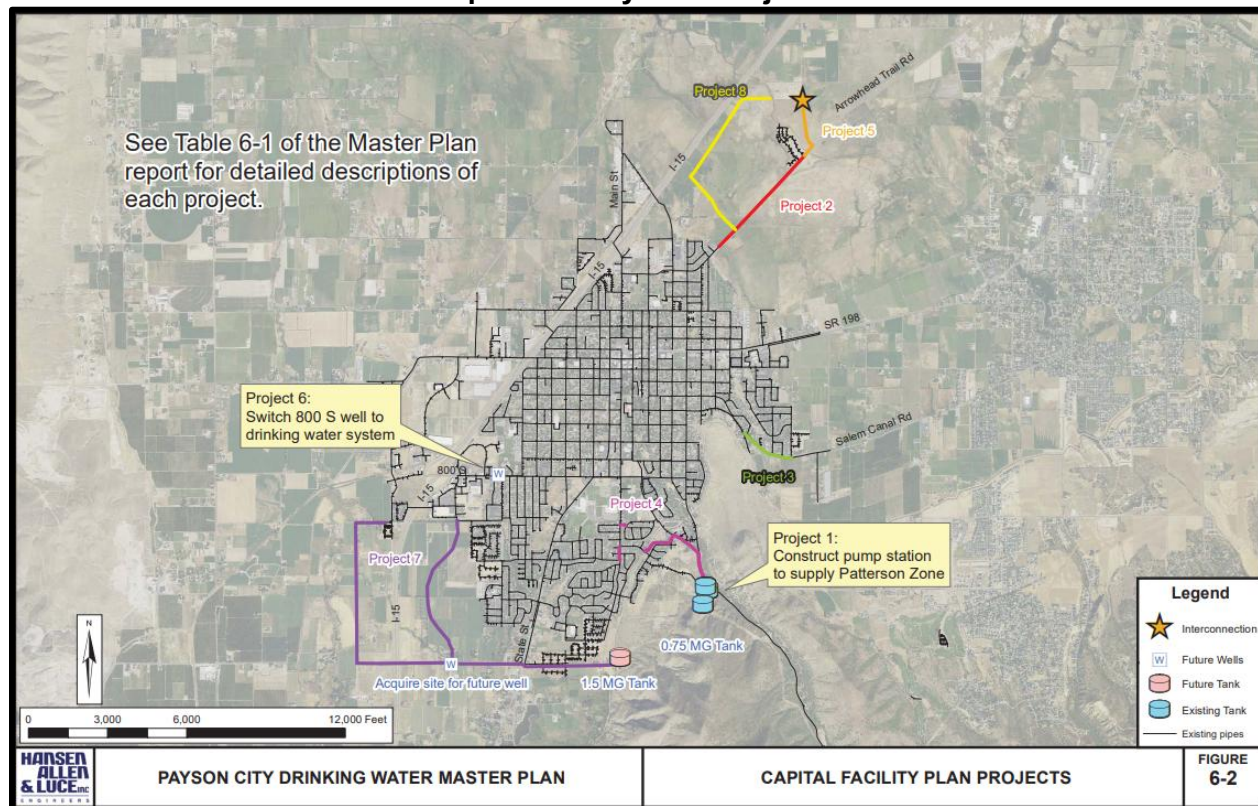
Figure 3-1
Master Planned Drinking Water System



Source: 2020 DWMP

The following projects found in Tables 3-1, 3-2, and 3-3 are identified in the DWMP to be needed for future growth. They are also shown graphically on Figures 3-1 and 3-2. For more detail on each project, see the DWMP.

Figure 3-2
Capital Facility Plan Projects



Source: 2020 DWMP

Table 3-1
Source CIP Projects

DWMP Map ID	Project	Cost
1	Patterson Zone Pump Station	\$600,000
5	Salem City Interconnect	\$190,000
6	Switch 800 S Well from PI to DW	\$0
7	Acquire site and construct future well	\$1,349,000
Total		\$2,139,000

Source: 2020 DWMP

**Table 3-2
Storage CIP Projects**

DWMP Map ID	Project	Cost
7	Construct 1.5 MG Lower City Tank	\$1,349,000
Total		\$1,349,000

Source: 2020 DWMP

**Table 3-3
Distribution CIP Projects**

DWMP Map ID	Length	Diameter	Cost
2	4,400 In-ft	12 in	\$17,432
4	1,200 In-ft	24 in	\$1,059,000
4	1,200 In-ft	20 in	
4	1,600 In-ft	12 in	
4	300 In-ft	10 in	
4	550 In-ft	16 in	
7	16,000 In-ft	12 in	\$1,349,000
8	7,000 In-ft	12 in	\$244,000
Total			\$2,669,432

Source: 2020 DWMP

The following sections give detail on the impact fee calculations for each of the five components of a drinking water impact fee:

1. Source
2. Storage
3. Misc Facilities
4. Planning
5. Distribution

All IFFP projects and costs are summarized into these components.

SOURCE

The City drinking water sources include both wells and springs. It is important that the total reliable yield/dry-year flow capacity for drinking water system sources is greater than the peak day use. Source capacity should be evaluated for N-1 conditions. This means the system needs to be able to supply the needs of the City when the largest source is down. Outdoor usage of drinking water by the City is also used in calculating source capacity.

Table 3-4 contains the existing drinking water sources and their capacity.

**Table 3-4
Existing Drinking Water System Sources**

Source	Peak Flow	Average Flow	Reliable/Dry Year Flow	Peak Flow Annual Capacity	Average Flow Annual Capacity	Reliable/Dry Year Annual Capacity
Springs (WS001, 003, 004, 005, 006, 008, 009)	1,450 gpm	700 gpm	580 gpm	2,339 ac-ft	1,129 ac-ft	936 ac-ft
Well #1 (Park Well) (WS010)	1,400 gpm	1,200 gpm	1,200 gpm	2,258 ac-ft	1,936 ac-ft	1,936 ac-ft
Well #2 (Fairground Well) (WS011)	1,600 gpm	1,160 gpm	1,160 gpm	2,581 ac-ft	1,871 ac-ft	1,871 ac-ft
Well #5 (WS015)	1,100 gpm	1,100 gpm	1,100 gpm	1,774 ac-ft	1,774 ac-ft	1,774 ac-ft
Red Bridge Well (WS019)	2,000 gpm	2,000 gpm	1,867 gpm	3,226 ac-ft	3,226 ac-ft	3,011 ac-ft
Total Source Capacity	7,550 gpm	6,160 gpm	5,907 gpm	12,179 gpm	9,937 gpm	9,528 gpm
Payson Outdoor Use	-530 gpm	-530 gpm	-530 gpm	-855 ac-ft	-855 ac-ft	-855 ac-ft
Power Plant DW Use	-248 gpm	-248 gpm	-248 gpm	-400 ac-ft	-400 ac-ft	-400 ac-ft
Purchase from Elk Ridge	1 gpm	1 gpm	1 gpm	2 ac-ft	2 ac-ft	2 ac-ft
Total Source Capacity for Indoor Use	6,773 gpm	5,383 gpm	5,130 gpm	10,926 ac-ft	8,684 ac-ft	8,275 ac-ft
Backup Source - PI Well No. 4 (940 W 800 S)	1,100 gpm	1,100 gpm	1,100 gpm	1,774 ac-ft	1,774 ac-ft	1,774 ac-ft
Total (N-1)	5,873 gpm	4,483 gpm	4,363 gpm	9,474 ac-ft	7,232 ac-ft	7,038 ac-ft
Peak Day Proposed LOS Flow	3,254 gpm	3,254 gpm	3,254 gpm	5,248 ac-ft	5,248 ac-ft	5,248 ac-ft
Total Excess Source Capacity	2,620 gpm	1,230 gpm	1,110 gpm	4,226 ac-ft	1,983 ac-ft	1,790 ac-ft

Each source was assessed a capacity in terms of gallons per minute and acre-feet per year. Demands on each component were computed by applying the level of service to the amount of ERCs and irrigated areas served by each component. The difference between the capacity of the component and the demand on the component is the component's remaining capacity. The existing excess capacity is shown in Table 3-5.

Table 3-5
Source Existing Excess Capacity

N-1 Capacity	Prop LOS gpd/ERC	Current ERCs	Proposed LOS Capacity	Available LOS Capacity	Available ERCs
4,363 gpm	488 gpd	9,601 ERCs	3,254 gpm	1,110 gpm	3,274 ERCs
Proposed LOS Fiscal Year					FY2026
N-1 Capacity	Prop LOS gpd/ERC	Master Planned ERCs	Proposed LOS Capacity	Available LOS Capacity	Available ERCs
4,520 gpm	488 gpd	19,240 ERCs	6,520 gpm	-2,000 gpm	-5,902 ERCs
Master Planned Fiscal Year					FY2045
First Year without Excess Capacity					FY2037

Table 3-6 contains the calculation parameters and calculations for the source Proposed LOS per ERC.

Table 3-6
Source ERC LOS

Existing Source Capacity	4,363 gpm
Existing Drinking Water ERCs	9,601 ERCs
Master Planned Drinking Water ERCs	19,240 ERCs
Additional ERCs Master Planned	9,639 ERCs
Base LOS	654 gpd
Base LOS Fiscal Year	FY2026
Existing LOS	654 gpd
Proposed Indoor LOS with N-1	488 gpd
Proposed Outdoor LOS	1,224 gpd
% IF Reimbursable	100.00%

STORAGE

Payson currently operates the water storage facilities listed in Table 3-7. According to DDW standards outlined in Section R309-510-8, storage tanks must be able to provide: 1) fire suppression storage to supply water for firefighting; 2) emergency storage, as deemed necessary; and 3) equalization storage volume to make up the difference between source and demand. Each of the requirements is addressed below.

Fire Suppression Storage

Fire suppression storage is required for water systems that provide water for firefighting. The local fire authority determines the need for fire suppression storage. Storage was allocated to each tank according to simulations of fire flow during peak day conditions, considering that fire flow may be supplied by storage in higher zones. Tank 3 must have sufficient fire storage to supply 1,500 gpm for 2 hours since it is the only storage tank for the Patterson zone. Tanks 1 and 2 were each allocated half of the fire demand for the Upper City Zone, where the highest fire flow requirement is located. Tank 3 makes minimal contributions to fire demands in that zone

Equalization Storage

Equalization storage for the drinking water system is required to meet the amount supplied by sources on an average day of a peak year (Utah Rule R309-510-8).

Emergency Storage

While there are no specific DDW requirements for emergency storage water systems can choose to maintain emergency storage to mitigate risks, provide system reliability, and protect public health and welfare. Emergency storage may be used in case of pipeline failures, equipment failures, power outages, source contamination, and natural disasters. Payson has not planned for additional emergency storage, because their very large fire flow requirement already requires them to keep a substantial amount of water in storage at all times.

Table 3-7 lists the existing storage facilities and their requirements.

Table 3-7
Existing Storage Facilities and Capacity

Facility	Equalization	Fire Suppression	Emergency	Excess Capacity	Total Capacity
Percent Storage	35.01%	24.64%	0.00%	40.35%	100%
Tank 1	0.665 MG	0.600 MG	0.000 MG	1.235 MG	2.500 MG
Tank 2	0.665 MG	0.600 MG	0.000 MG	1.235 MG	2.500 MG
Tank 3	0.147 MG	0.180 MG	0.000 MG	0.273 MG	0.600 MG
Total	1.477 MG	1.380 MG	0.000 MG	2.743 MG	5.600 MG
Base LOS Storage per ERC (gallons)					515 gal
Base LOS Year					FY2024
Current LOS Storage per ERC (gallons)					440 gal
Proposed LOS Storage per ERC (gallons)					477 gal
Excess Capacity					-0.359 MG
ERCs Available Capacity					-754 ERCs

The existing excess capacity for storage is shown in Table 3-8.

Table 3-8
Storage Existing Excess Capacity

Capacity after Fire Flow	Proposed LOS/ERC	Current ERCs	Proposed LOS Storage	Available	Available ERCs
4.22 MG	477.00 gal	9,601 ERCs	4.58 MG	-0.36 MG	-754 ERCs
Proposed LOS Fiscal Year					FY2026
Capacity after Fire Flow	Proposed LOS/ERC	Master Planned ERCs	Proposed LOS Storage	Available	Available ERCs
4.22 MG	477.00 gal	19,240 ERCs	9.18 MG	-4.96 MG	-10,393 ERCs
Master Planned Fiscal Year					FY2045
First Year without Excess Capacity					FY2023

Table 3-9 contains the calculation parameters and calculations for the storage Proposed LOS per ERC.

**Table 3-9
Storage ERC LOS**

Existing Storage Capacity	4.22 MG
Existing Drinking Water ERCs	9,075 ERCs
Master Planned Drinking Water ERCs	19,240 ERCs
Additional Master Planned ERCs	10,165 ERCs
Base LOS	515 gal
Base LOS Year	FY2019
Existing LOS	440 gal
Proposed Indoor LOS	477 gal
Proposed Outdoor LOS	1,430 gal
% IF Reimbursable	100.00%

MISC FACILITIES

Misc facilities include drinking water related projects that do not tie directly to source, storage, or distribution LOS. They may include but are not limited to buildings, storage yards, pump stations, or public works buildings. The growth related portion of these miscellaneous facilities attributed to the drinking water system can be paid for or reimbursed by impact fees. Individual analysis of cost per ERC is conducted for each facility project. Present day facility cost estimates are used to estimate future facility costs.

PLANNING

Master plan, IFFP, and IFA consultant planning work can be paid for or reimbursed with impact fees. These planning costs from 4 years previous to 6 years in the future are divided by the ERC increase over the 10-year period to calculate the planning component of the impact fee per ERC. Present day planning costs are used to estimate future planning expenses.

DISTRIBUTION

Pipe diameters range from 4 inches to 16 inches, with the majority being 6 and 8 inches in diameter. The function of the larger pipes in the system is regional. They fill the storage tanks and meet peak day and fire flow demands. Smaller pipes facilitate local distribution.

The Minimum Size Distribution Pipe or local/Project Improvement pipe size is defined in Table 3-10. Only the upsize cost from this may be paid for with impact fee funds. Upsize cost calculations are found in Table 3-11. Table 3-10 also contains the calculation parameters and calculations for the distribution Proposed LOS per ERC.

**Table 3-10
Regional Distribution ERC LOS**

Item	Distribution System
Local/Minimum Distribution Pipe Size	8 in
Existing Regional Volume	68,860 cf
Future Master Planned Regional Volume	164,199 cf
Existing Drinking Water ERCs	9,075 ERCs
Master Planned Drinking Water ERCs	19,240 ERCs
Existing Regional Volume LOS per ERC (cf)	8.8 cf
Required Regional Volume LOS per ERC (cf)	15.4 cf
Base Regional Volume LOS per ERC (cf)	8.8 cf
Proposed Indoor Regional Volume per ERC (cf)	15.4 cf
Proposed Outdoor Regional Volume per ERC (cf)	22.9 cf
Proposed Master Planned Regional Volume (cf)	233,060 cf
Proposed LOS Regional Volume per ERC (cf)	12.1 cf
% Impact Fee Reimbursable	72.66%

Table 3-11 contains the upsize percentages for System Improvement collection projects. They are calculated according to current day estimates for collection projects, dividing the cost difference of a regional collection pipe with appurtenances and local one by the cost of the regional. Since the costs are relative, it fairly applies to all project costs whether or not they are the same as the basis costs for the percentage calculations. The IF Percentage is calculated by applying the % Impact Fee Reimbursable in Table 3-10 to the Upsize Percentage.

**Table 3-11
Drinking Water Pipe Upsize Percentage**

Pipe Size	Upsize Percentage	IF Percentage
10" Drinking Water Pipe	12.45%	9.05%
12" Drinking Water Pipe	18.46%	13.41%
16" Drinking Water Pipe	32.83%	23.86%
18" Drinking Water Pipe	36.50%	26.52%
20" Drinking Water Pipe	40.44%	29.38%
24" Drinking Water Pipe	46.35%	33.68%
30" Drinking Water Pipe	56.33%	40.93%
36" Drinking Water Pipe	65.03%	47.25%

SERVICE AREA

The service area includes the existing City boundary and future areas as they are annexed into the City.

Master Planned Year refers to when, at growth rates projected by the MPO, all vacant land in the DWMP boundaries will be developed. It assumes no future changes to the DWMP boundaries but will be updated with each IFFP according to the current City DWMP.

IMPACT FEE FACILITIES PLAN

Figures 3-1 and 3-2 show the drinking water facilities needed to maintain the Proposed LOS as development occurs in the City. These facilities are determined from the CIPs in the DWMP and specific localized studies completed as development progresses or is proposed. Many of these projects will be constructed in phases as development occurs.

Using the drinking water CIPs and recent development needs, specific capital projects which have impact fee-eligible costs are identified in Table 3-12. These are projects that have been completed or are planned for construction in the next 6 years. All costs are actual or based on present day estimates.

If development requires any System Improvement projects before existing budgets can construct them, then developers may, if approved by the City, front the cost of the project and be reimbursed through impact fees or receive an impact fee credit. If development occurs in areas that trigger projects beyond the planning horizon of this IFFP then the City may add these projects once they are confident the projects will progress.

Table 3-12 lists the IFFP projects. It includes the percentage of each project required to remove the cost to solve existing system deficiencies and increased utilization if appropriate. These percentages are applied to the total cost of the project to determine the cost reimbursable by impact fees. If IFFP projects are bonded then the growth related interest of the bond are included in the IF & Interest Cost. The cost/ERC is determined by the product of the cost per capacity times the Proposed LOS required capacity. The total capacity and total cost are used to determine the cost per capacity unit.

**Table 3-12
Drinking Water Impact Fee Facilities Plan**

Source	Begin	Total Cost	IF %	IF & Interest Cost	Capacity	Excess Cap	LOS/ERC	Cost/gpd
Red Bridge Well	FY2021	\$4,087,818	100.00%	\$4,087,818	1,333 gpm	3,825 ERCs	488 gpd	\$2.13
Weighted Average								\$2.13
Storage	Begin	Total Cost	IF %	IF & Interest Cost	Capacity	Excess Cap	LOS/ERC	Cost/gal
1.5MG Lower Zone Tank	FY2027	\$1,968,344	100.00%	\$1,968,344	1.50 MG	3,145 ERCs	477 gpd	\$1.31
Weighted Average								\$1.31
Misc Facilities	Begin	Total Cost	IF %	IF & Interest Cost	Add ERCs	Begin ERCs	End ERCs	Cost/ERC
Payson View Highline Canal Crossing	FY2025	\$108,343	100.00%	\$108,343	9,925 ERCs	9,315 ERCs	19,240 ERCs	\$10.92
Patterson Booster Pump Station	FY2024	\$781,645	100.00%	\$781,645	10,165 ERCs	9,075 ERCs	19,240 ERCs	\$76.90
Arrowhead PRV	FY2019	\$17,432	86.80%	\$15,131	11,151 ERCs	8,089 ERCs	19,240 ERCs	\$1.36
Shop Expansion 3,010sf to 6,710 sf, 1/2 PI	FY2022	\$2,741,710	27.57%	\$755,911	10,662 ERCs	8,577 ERCs	19,240 ERCs	\$70.89
Total								\$160.06
Planning	Begin	Total Cost	IF %	IF & Interest Cost	Add ERCs	Begin ERCs	End ERCs	Cost/ERC
Impact Fee Studies	FY2022	\$79,333	100.00%	\$79,333	3,030 ERCs	8,577 ERCs	11,608 ERCs	\$26.18
Master Plan Studies	FY2022	\$118,501	100.00%	\$118,501	3,030 ERCs	8,577 ERCs	11,608 ERCs	\$39.10
Total								\$65.28
Distribution	Begin	Total Cost	IF %	IF & Interest Cost	Capacity	ERCs	LOS/ERC	Cost/cf
ULS Project Upsize 200' 6" to 12"	FY2024	\$44,800	18.46%	\$8,269	87 cf	6 ERCs	15.41 cf	\$94.76
Nebo & E Canyon 20" Line 1,293'	FY2023	\$550,197	40.44%	\$222,500	2,370 cf	154 ERCs	15.41 cf	\$93.90
Upper Zone 1,550' of 12in, 60' of 16in & Upsize 1,750' of 16in to 24in	FY2023	\$1,686,511	14.46%	\$243,946	5,626 cf	365 ERCs	15.41 cf	\$43.36
Weighted Average								\$58.73

Note: Project and study costs based on actual costs or present-day cost estimates

APPENDICES

APPENDIX A - NOTICE OF INTENT TO AMEND THE IFFP AND IFA

Figure A-1
City Website

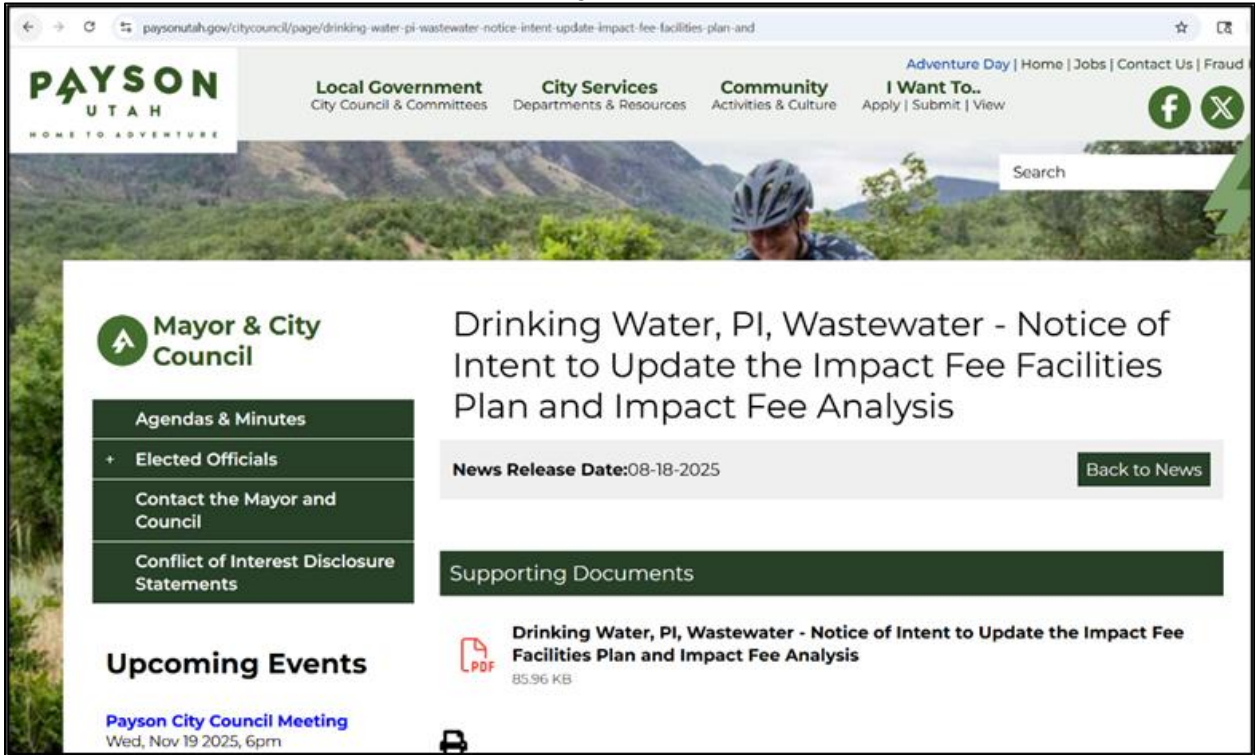


Figure A-2
Utah Public Notice Website



PUBLIC NOTICE WEBSITE

DIVISION OF ARCHIVES AND RECORDS SERVICE

Payson

City Council

Drinking Water, PI, Wastewater - Notice of Intent to Update the Impact Fee Facilities Plan and Impact Fee Analysis

Drinking Water, PI, Wastewater - Notice of Intent to Update the Impact Fee Facilities Plan and Impact Fee Analysis

SUBSCRIBE TO PUBLIC BODY

General Information

Government Type:

Municipality

Entity:

Payson

Public Body:

City Council

Notice Information

Add Notice to Calendar

Notice Title:

Notice Title:

Drinking Water, PI, Wastewater - Notice of Intent to Update the Impact Fee Facilities Plan and Impact Fee Analysis

Notice Tags:

impact fees

Notice Type(s):

Notice

Event Start Date & Time:

August 18, 2025 09:30 AM

Description/Agenda:

Payson City

Notice of Intent to Update the Impact Fee Facilities Plan (IFFP) and Impact Fee Analysis (IFA) Related to Drinking Water, Pressurized Irrigation Water, and Wastewater Collection System

Notice is hereby given that Payson City, a local municipality located in Utah County, Utah, intends to commence the preparation of an updated independent and comprehensive Impact Fee Facilities Plan and Impact Fee Analysis for Drinking Water, Pressurized Irrigation Water, and Wastewater Collection System. Therefore, pursuant to the provisions of Utah Code 11-36a-501 and 503, notice is hereby provided of the intent of Payson City to updated the Impact Fee Facilities Plan and an Impact Fee Analysis for the City. The geographic location where the proposed impact fee facilities will be located is the entire area within the Payson City municipal boundary.

The public is hereby invited to provide written comments or information to be considered in adopting the impact fee facilities plan and impact fee analysis. For information about the impact fee project or to submit your comments, please contact:

Travis Jockumsen, Public Works Director
Payson City Center
439 West Utah Avenue
Payson UT 84651
(801) 465-5232 travisj@paysonutah.gov

In compliance with the Americans with Disabilities Act, persons in need of special accommodations or services to participate shall notify the City; and the City will seek to provide assistance.

Notice of Special Accommodations (ADA):

N/A

Notice of Electronic or Telephone Participation:

N/A

Other Information:

N/A

Meeting Information

Meeting Location:

439 W Utah Avenue

Payson, UT 84651

[Show in Apple Maps](#)

[Show in Google Maps](#)

Contact Name:

Kim Holindrake

Contact Email:

kimh@paysonutah.gov

Contact Phone:

(801)465-5205

Notice Posting Details

APPENDIX B - NOTICE TO ADOPT OR AMEND AN IFFP AND IF ENACTMENT

11-36a-502 Notice to Adopt or Amend an Impact Fee Facilities Plan and 11-36a-503 Notice of Intent to Adopt an Impact Fee Enactment



Drinking Water Impact Fee Analysis



PAYSON

March 2026

**HANSEN
ALLEN
& LUCE_{inc}**
ENGINEERS

Payson

DRINKING WATER

IMPACT FEE ANALYSIS

(HAL Project No.: 412.27.100)

March 2026



ACKNOWLEDGMENTS

Several individuals contributed to the successful completion of this study. We sincerely appreciate the cooperation, assistance, and expertise provided by members of the project team:

The City of Payson

Travis Jockumsen, Public Works Director
Jonathan Knight, City Engineer
Joe Jamison, GIS
Cameron Phillips, Water System Operator

Hansen, Allen & Luce, Inc.

Steve Jones, Principal in Charge
Chris Thompson, Project Manager
Dana Tran, Project Engineer
Jason Biesinger, Project Engineer

ABBREVIATIONS, ACRONYMS, UNITS AND DEFINITIONS

ABBREVIATIONS

City	Payson City
------	-------------

ACRONYMS

CIP	Capital Improvement Plan
DWMP	Drinking Water Master Plan
ERC	Equivalent Residential Connection
GIS	Geographic Information System
HAL	Hansen, Allen & Luce, Inc.
LOS	Level of Service

UNITS

ac-ft	Acre Foot
cf	Cubic Foot
ft	Foot
in	Inch
ln-ft	Linear Foot
sq-ft	Square Foot

DEFINITIONS

Base LOS Data Year. The first data year LOS calculations were made.

Base LOS Fiscal Year. The first fiscal year LOS calculations were implemented.

Base Year LOS. The Base Year LOS reflects the originally calculated LOS provided to the residents. It is tracked so impact fees are not used to raise the LOS to existing residents.

Data Year. The Data Year is the previous full calendar year for which annual data is used for updating the IFFP and IFA.

Distribution LOS Parameter. The Distribution LOS Parameter was set by standard practice in the DWMP. Distribution facilities must be designed with capacity for peak day and fire flow demands.

Distribution Pipe. Distribution Pipe includes pipes that convey drinking water and are owned by the City.

Effective Date. The date, no less than 90 days after the Enactment Date, when the impact fees become effective.

Enactment Date. The Enactment Date is the date the City Council approves the IFFP, IFA, and Impact Fee Enactment Ordinance.

Equivalent Residential Connection (ERC). An ERC is defined by the average drinking water usage of an average single-family house.

Established LOS. The Established LOS is set by the City Council by the adoption of the IFFP, the IFA, and the Impact Fee Enactment Ordinance.

Existing LOS. The Existing LOS is the LOS currently provided to the existing City residents for the Data Year.

Local Distribution System. Local Distribution System is defined as distribution system constructed with Minimum Size Distribution Pipe or pipe smaller in diameter.

Master Plan LOS. The Master Plan LOS is the LOS for the entire City at the Master Planned Year. It indicates what the Existing LOS will be raised to with non-impact fee funds.

Minimum Size Distribution Pipe. The Minimum Size Distribution Pipe is defined as the minimum or local distribution pipe diameter. It is established by City standards according to standard practice and the City's ability to operate and maintain the drinking water system.

Project Improvements. Project Improvements are improvements required by development that the City determines not to define as System Improvements.

Proposed LOS. The Proposed LOS is the LOS recommended to the City Council by the IFFP and IFA to set as the Established LOS.

Proposed LOS for Existing. The LOS existing customers will have as a result of the Proposed LOS.

Regional Distribution System. Regional Distribution System is defined as the volume of distribution system pipe above that of a local or minimum pipe size.

Storage LOS Parameter. The Storage LOS Parameter was set by standard practice in the DWMP. Storage facilities must be designed with capacity for fire flow, equalization and emergency storage.

System Improvements. System Improvements are regional improvements determined by the City to be impact fee reimbursable. Cities are not required to define all regional facilities as System Improvements, but all System Improvements must be regional.

Volume LOS. The Volume LOS for both distribution and storage is based on the volume of Regional Pipe or Storage Facility per ERC.

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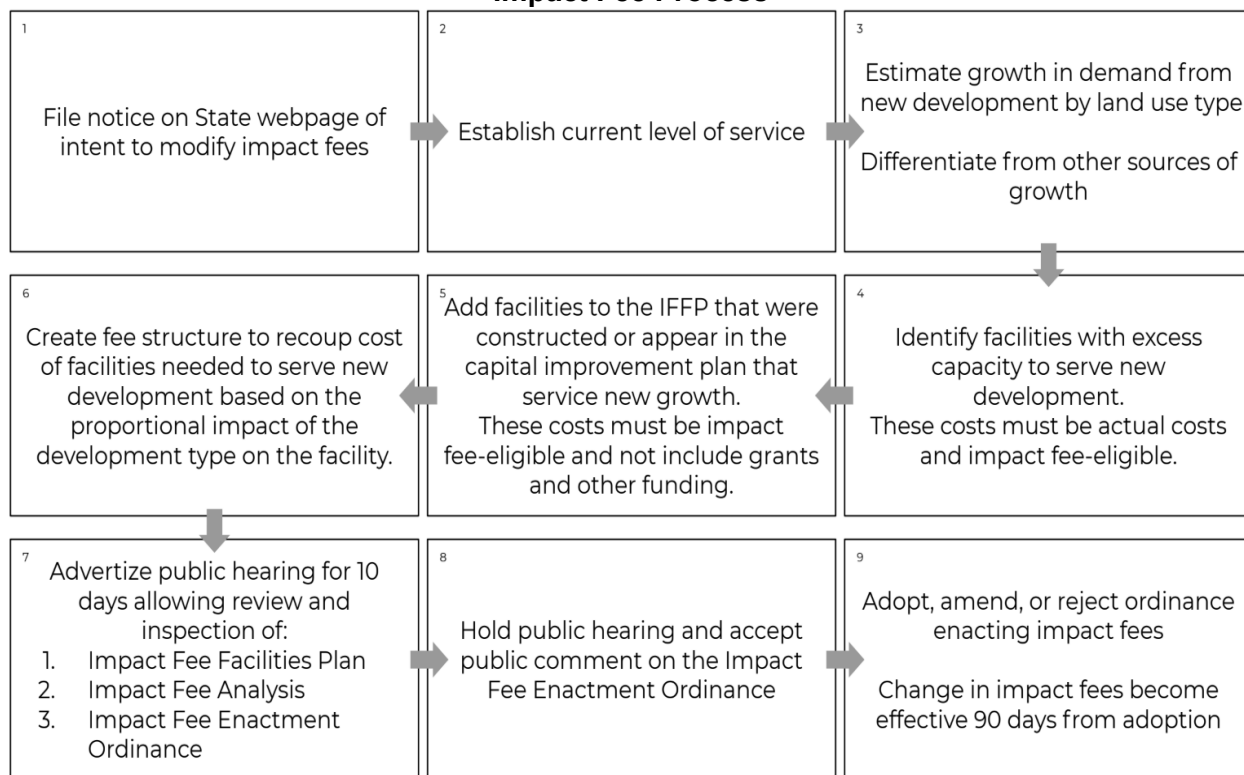
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CHAPTER 1 – INTRODUCTION

IMPACT FEE ENACTMENT PROCESS

Figure 1-1 outlines the impact fee enactment process.

**Figure 1-1
Impact Fee Process**



NOTICES

In accordance with Utah Code section 11-36a-502 Notice to Adopt or Amend an Impact Fee Facilities Plan and 11-36a-504 Notice of Intent to Adopt an Impact Fee Enactment, Payson City posted a notice of intent to prepare or amend an Impact Fee Facilities Plan and prepare an Impact Fee Analysis for the area within the City's policy boundary. It was posted on the Utah Public Notice Website and the local City website. See [Appendix A](#), Notices.

Utah Code 11-36a-401 requires that impact fees not go into effect until 90 days after the Enactment Date. These dates are found in Table 1-1. This table also includes the Data Year for this IFA and the IFFP it is based on. The fiscal year the Base LOS was set and the Data Year it was based on are also included in Table 1-1.

**Table 1-1
Enactment and Study Dates**

Data Year	Enactment Date	Effective Date	Base LOS Fiscal Year	Base LOS Data Year
2024	3/18/2026	7/1/2026	FY2026	2024

EXECUTIVE SUMMARY

Hansen Allen and Luce, Inc (HAL) completed an IFFP for the City. This IFA is based on that IFFP. The impact fees calculated in this analysis have been developed in accordance with Section 11-36A-304 of the Utah Impact Fees Act.

The impact fee calculated in this IFA is a one-time fee charged to new development to pay for the cost of infrastructure to serve that development. It was developed to ensure that the cost of that infrastructure is fairly apportioned to the different types of anticipated development.

Service Area

The service area includes the existing City boundary and future areas as they are annexed into the City. Master Planned Year refers to when, at projected growth rates, all vacant land in the DWMP boundaries would be developed. It assumes no future changes to the DWMP boundaries but will be updated with each future IFFP update according to the current City DWMP.

Level of Service

Table 1-2 summarizes the City drinking water LOS calculations as indicated in the IFFP.

**Table 1-2
Drinking Water Level of Service per ERC**

Indoor	Base Year LOS	Existing LOS	Proposed LOS	Proposed LOS for Existing	% Impact Fee Reimbursable
Source LOS/ERC	654.42 gpd	654.42 gpd	488.00 gpd	488.00 gpd	100.00%
Storage LOS/ERC	514.57 gal	514.57 gal	477.00 gal	477.00 gal	100.00%
Distribution LOS/ERC	8.80 cf	8.80 cf	15.41 cf	12.11 cf	72.66%
Outdoor	Base Year LOS	Existing LOS	Proposed LOS	Proposed LOS for Existing	% Impact Fee Reimbursable
Source LOS/ERC	3,965.73 gpd	3,965.73 gpd	1,224.00 gpd	1,224.00 gpd	100.00%
Storage LOS/ERC	1,907.47 gal	1,907.47 gal	1,430.00 gal	1,430.00 gal	100.00%
Distribution LOS/ERC	15.48 cf	15.48 cf	22.87 cf	19.04 cf	81.33%

Source: IFFP

If the Proposed LOS is higher than the Existing LOS, then the % Impact Fee Reimbursable amount in Table 1-3 needs to be applied to future System Improvement costs to calculate what can be paid for with or reimbursed from impact fee funds, otherwise 100% of the regional costs are reimbursable. This is calculated by dividing the Existing LOS by the Proposed LOS for Existing, the LOS that existing residents will be raised to because of the Proposed LOS. This ensures that impact fee funds do not pay to raise the LOS of existing residents. The IFFP costs of System Improvement projects or planning studies are based on actual costs for completed projects and present day cost estimates for future ones.

Impact Fee Credits

When the Proposed LOS is higher than the Existing LOS, impact fee credits are applied so new residents do not also pay an impact fee for costs to raise the Existing LOS. Also, bonds often include new and existing user costs. New users pay for their portion of the bond through impact fees. Existing users pay through their rates. Since new users have already paid for their portion of the facility through impact fees they receive a credit for what they will pay in user rates over the life of the bond. Tables 1-3 and 1-4 show the NPV credit calculations per ERC for any impact fee components that meet these criteria for a credit.

Table 1-3
Indoor Impact Fee Credits

Storage			
Year	Credit	NPV	Maximum Fee after Credit
FY2027	\$13.54	\$76.57	\$549.37
FY2028	\$13.19	\$72.41	\$553.53
FY2029	\$12.76	\$12.76	\$613.17
FY2030	\$12.37	\$42.64	\$583.29
FY2031	\$11.58	\$33.15	\$592.78
FY2032	\$11.49	\$22.14	\$603.80
FY2033	\$11.02	\$21.61	\$604.33
Distribution			
Year	Credit	NPV	Maximum Fee after Credit
FY2027	\$13.02	\$142.60	\$762.44
FY2028	\$12.84	\$140.67	\$764.37
FY2029	\$12.68	\$138.88	\$766.17
FY2030	\$12.53	\$137.21	\$767.83
FY2031	\$12.39	\$135.66	\$769.38
FY2032	\$12.26	\$134.22	\$770.82
Avg Mortgage Interest Rate for the Data Year			6.24%

Source: IFFP, Federal Home Loan Mortgage Corporation

Table 1-4
Outdoor Impact Fee Credits

Distribution			
Year	Credit	NPV	Maximum Fee after Credit
FY2027	\$13.14	\$249.69	\$1,093.49
FY2028	\$13.02	\$247.38	\$1,095.79
FY2029	\$12.91	\$245.23	\$1,097.95
FY2030	\$12.80	\$243.22	\$1,099.96
FY2031	\$12.70	\$241.34	\$1,101.83
FY2032	\$12.61	\$239.59	\$1,103.59
Avg Mortgage Interest Rate for the Data Year			6.24%

Source: IFFP, Federal Home Loan Mortgage Corporation

Maximum Allowable Impact Fee

Table 1-5 provides the maximum allowable impact fee for the drinking water system. Where appropriate, the maximum allowable fee is adjusted to reflect the proportional infrastructure needs of different lot size and land use types.

**Table 1-5
Maximum Allowable Drinking Water Impact Fee**

Indoor	Max Allowable Impact Fee	Max Allowable IF with Credits
Source Cost/ERC	\$1,039.25/ERC	\$1,039.25/ERC
Storage Cost/ERC	\$625.93/ERC	\$549.37/ERC
Misc Facilities Cost/ERC	\$160.06/ERC	\$160.06/ERC
Planning Cost/ERC	\$65.28/ERC	\$65.28/ERC
Distribution Cost/ERC	\$905.04/ERC	\$762.44/ERC
Maximum Allowable Impact Fee/ERC	\$2,795.57/ERC	\$2,576.40/ERC
Outdoor	Max Allowable Impact Fee	Max Allowable IF with Credits
Source Cost/ERC	\$2,606.64/ERC	\$2,606.64/ERC
Storage Cost/ERC	\$1,876.49/ERC	\$1,876.49/ERC
Misc Facilities Cost/ERC	\$160.06/ERC	\$160.06/ERC
Planning Cost/ERC	\$65.28/ERC	\$65.28/ERC
Distribution Cost/ERC	\$1,343.17/ERC	\$1,093.49/ERC
Maximum Allowable Impact Fee/ERC	\$6,051.65/ERC	\$5,801.96/ERC

The proposed first year impact fee with credits for an ERC is identified in Table 1-6. It also includes the proposed cost change and percent increase per ERC.

**Table 1-6
Residential Drinking Water Impact Fee per ERC with Credit**

ERC Meter Size	3/4, 1 in	
Maximum Allowable Impact Fee/ERC with Credits - Indoor	\$2,576.40/ERC	
Maximum Allowable Impact Fee/ERC with Credits - Outdoor	\$5,801.96/ERC	
Previous Impact Fee - Indoor	\$2,004.00/ERC	
Previous Impact Fee - Outdoor	\$1,964.00/ERC	
Proposed Impact Fee - Indoor	\$2,576.40/ERC	
Proposed Impact Fee - Outdoor	\$5,801.96/ERC	
Difference - Indoor	\$572.40/ERC	
Difference - Outdoor	\$3,837.96/ERC	
% Change - Indoor	28.56%	
% Change - Outdoor	195.42%	
Average Occupancy/ERC		3.64
Average Occupancy/Single Family Home	Factor: 1.0247	3.73
Average Occupancy/Multi-Family Home	Factor: 0.9533	3.47
Maximum Allowable Impact Fee/Single Family Home - Indoor	\$2,640.11	
Maximum Allowable Impact Fee/Multi-Family Home - Indoor	\$2,456.08	

The impact fee has been calculated based on 1 ERC which would correspond to a standard ¾" or 1" meter. Larger meters are assumed to serve more than 1 ERC and will have a higher corresponding impact fee. Table 1-7 indicates the impact fee rate schedule based on water meter size. The ERC factor is calculated based on American Water Works Association (AWWA) rated capacity for each meter size. Table 1-7 also indicates the impact fee rate schedule for outdoor drinking water based on lot size.

**Table 1-7
Proposed Drinking Water Impact Fee by Meter Size and Lot Size**

Indoor		
Meter Size	ERC	Impact Fee
Single Family Home ¾, 1 in	1.02	\$2,640.11
Single-Family Home 1 ½ in	2.05	\$5,410.77
Single-Family Home 2 in	3.28	\$8,657.22
Multi-Family Home	0.95	\$2,456.08
Non-Residential Development ¾, 1 in	1.00	\$2,576.40
Non-Residential Development 1 ½ in	2.00	\$5,152.81
Non-Residential Development 2 in	3.20	\$8,244.49
Non-Residential Development (Any Size Meter) ¹	Calculated Flow Option	\$5.28/gpd
Outdoor		
Lot Size	ERC	Impact Fee
ERC Lot with Park Space Added	1.00	\$5,801.96
1 Acre of Multi-Family Landscaped Area	7.04	\$40,858.85
ERC Lot without Park Space Added	0.79	\$4,576.19
1 Acre of Non-Residential Landscaped Area	5.55	\$32,226.70
Single Family Home Lot Size	Factor	Impact Fee
Less than 2,000 sq-ft	0.06	\$362.62
2,001-4,000 sq-ft	0.23	\$1,329.62
4,001-6,000 sq-ft	0.49	\$2,840.54
6,001-8,000 sq-ft	0.74	\$4,291.03
8,001-10,000 sq-ft	1.00	\$5,801.96
10,001-20,000 sq-ft	1.99	\$11,543.48
Greater than 20,001 sq-ft	3.52	\$20,397.50

¹City may require the calculated flow option if anticipated use does not match typical ERC use.

The drinking water impact fee is charged at the time of building permit issuance. Indoor drinking water impact fees are charged on a per-ERC basis. Outdoor drinking water impact fees are charged by lot size for single family homes and by irrigated acre for all other development.

CERTIFICATION

Hansen, Allen & Luce, Inc. certifies that this Impact Fee Analysis (IFA):

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

HANSEN, ALLEN & LUCE, INC.

CHAPTER 2 – DRINKING WATER IMPACT FEE

SERVICE AREA

The service area includes the existing City boundary and future areas as they are annexed into the City.

UPSIZE PERCENTAGE

Table 2-1 contains the upsize percentages for System Improvement distribution projects. They are calculated according to current day estimates for distribution projects, dividing the cost difference of a regional distribution pipe with appurtenances and local one by the cost of the regional. Since the costs are relative, it fairly applies to all project costs whether or not they are the same as the basis costs for the percentage calculations. The IF Percentage is calculated by applying the % Impact Fee Reimbursable in Table 3-10 to the Upsize Percentage.

**Table 2-1
Drinking Water Pipe Upsize Percentage**

Pipe Size	Upsize Percentage	IF Percentage
10" Drinking Water Pipe	12.45%	9.05%
12" Drinking Water Pipe	18.46%	13.41%
16" Drinking Water Pipe	32.83%	23.86%
18" Drinking Water Pipe	36.50%	26.52%
20" Drinking Water Pipe	40.44%	29.38%
24" Drinking Water Pipe	46.35%	33.68%
30" Drinking Water Pipe	56.33%	40.93%
36" Drinking Water Pipe	65.03%	47.25%

IMPACT FEE FACILITIES PLAN

Table 2-2 identifies projects and planning studies with impact fee-eligible costs. All costs are based on actual costs or use present-day cost estimates. There are 5 components to a drinking water impact fee: source, storage, miscellaneous facilities, planning, and distribution. The fees charged for source, storage, and distribution are based on LOS. The fees charged for miscellaneous facilities and planning are based on future ERCs served. Table 2-2 calculates the costs per LOS unit. The IF% removes the Project Improvement costs and costs of projects used to solve existing deficiencies.

Table 2-2
Drinking Water Impact Fee Facilities Plan

Source	Begin	Total Cost	IF %	IF & Interest Cost	Capacity	Excess Cap	LOS/ERC	Cost/gpd
Red Bridge Well	FY2021	\$4,087,818	100.00%	\$4,087,818	1,333 gpm	3,825 ERCs	488 gpd	\$2.13
Weighted Average								\$2.13
Storage	Begin	Total Cost	IF %	IF & Interest Cost	Capacity	Excess Cap	LOS/ERC	Cost/gal
1.5MG Lower Zone Tank	FY2027	\$1,968,344	100.00%	\$1,968,344	1.50 MG	3,145 ERCs	477 gpd	\$1.31
Weighted Average								\$1.31
Misc Facilities	Begin	Total Cost	IF %	IF & Interest Cost	Add ERCs	Begin ERCs	End ERCs	Cost/ERC
Payson View Highline Canal Crossing	FY2025	\$108,343	100.00%	\$108,343	9,925 ERCs	9,315 ERCs	19,240 ERCs	\$10.92
Patterson Booster Pump Station	FY2024	\$781,645	100.00%	\$781,645	10,165 ERCs	9,075 ERCs	19,240 ERCs	\$76.90
Arrowhead PRV	FY2019	\$17,432	86.80%	\$15,131	11,151 ERCs	8,089 ERCs	19,240 ERCs	\$1.36
Shop Expansion 3,010sf to 6,710 sf, 1/2 PI	FY2022	\$2,741,710	27.57%	\$755,911	10,662 ERCs	8,577 ERCs	19,240 ERCs	\$70.89
Total								\$160.06
Planning	Begin	Total Cost	IF %	IF & Interest Cost	Add ERCs	Begin ERCs	End ERCs	Cost/ERC
Impact Fee Studies	FY2022	\$79,333	100.00%	\$79,333	3,030 ERCs	8,577 ERCs	11,608 ERCs	\$26.18
Master Plan Studies	FY2022	\$118,501	100.00%	\$118,501	3,030 ERCs	8,577 ERCs	11,608 ERCs	\$39.10
Total								\$65.28
Distribution	Begin	Total Cost	IF %	IF & Interest Cost	Capacity	ERCs	LOS/ERC	Cost/cf
ULS Project Upsize 200' 6" to 12"	FY2024	\$44,800	18.46%	\$8,269	87 cf	6 ERCs	15.41 cf	\$94.76
Nebo & E Canyon 20" Line 1,293'	FY2023	\$550,197	40.44%	\$222,500	2,370 cf	154 ERCs	15.41 cf	\$93.90
Upper Zone 1,550' of 12in, 60' of 16in & Upsize 1,750' of 16in to 24in	FY2023	\$1,686,511	14.46%	\$243,946	5,626 cf	365 ERCs	15.41 cf	\$43.36
Weighted Average								\$58.73

Note: Project and study costs based on actual costs or present day cost estimates.
Source: IFFP

LEVEL OF SERVICE

Table 2-3 has the LOS calculations for the City drinking water source, storage and distribution systems as calculated in the IFFP.

Table 2-3
Drinking Water Level of Service per ERC

Indoor	Base Year LOS	Existing LOS	Proposed LOS	Proposed LOS for Existing	% Impact Fee Reimbursable
Source LOS/ERC	654.42 gpd	654.42 gpd	488.00 gpd	488.00 gpd	100.00%
Storage LOS/ERC	514.57 gal	514.57 gal	477.00 gal	477.00 gal	100.00%
Distribution LOS/ERC	8.80 cf	8.80 cf	15.41 cf	12.11 cf	72.66%
Outdoor	Base Year LOS	Existing LOS	Proposed LOS	Proposed LOS for Existing	% Impact Fee Reimbursable
Source LOS/ERC	3,965.73 gpd	3,965.73 gpd	1,224.00 gpd	1,224.00 gpd	100.00%
Storage LOS/ERC	1,907.47 gal	1,907.47 gal	1,430.00 gal	1,430.00 gal	100.00%
Distribution LOS/ERC	15.48 cf	15.48 cf	22.87 cf	19.04 cf	81.33%

If the Proposed LOS is higher than the Existing LOS, then the % Impact Fee Reimbursable amount in Table 1-3 needs to be applied to future System Improvement costs to calculate what can be paid for with or reimbursed from impact fee funds, otherwise 100% of the regional costs are reimbursable. This is calculated by dividing the Existing LOS by the Proposed LOS for Existing, the LOS that existing residents will be raised to because of the Proposed LOS. This ensures that impact fee funds do not pay to raise the LOS of existing residents. The IFFP costs of System Improvement projects or planning studies are based on actual costs for completed projects and present day cost estimates for future ones.

IMPACT FEE CREDITS

When the Proposed LOS is higher than the Existing LOS, impact fee credits are applied so new residents do not also pay an impact fee for costs to raise the Existing LOS. Also, bonds often include new and existing user costs. New users pay for their portion of the bond through impact fees. Existing users pay through their rates. Since new users have already paid for their portion of the facility through impact fees they receive a credit for what they will pay in user rates over the life of the bond. Tables 2-4 and 2-5 show the NPV credit calculations per ERC for any impact fee components that meet these criteria for a credit.

**Table 2-4
Indoor Impact Fee Credits**

Storage			
Year	Credit	NPV	Maximum Fee after Credit
FY2027	\$13.54	\$76.57	\$549.37
FY2028	\$13.19	\$72.41	\$553.53
FY2029	\$12.76	\$12.76	\$613.17
FY2030	\$12.37	\$42.64	\$583.29
FY2031	\$11.58	\$33.15	\$592.78
FY2032	\$11.49	\$22.14	\$603.80
FY2033	\$11.02	\$21.61	\$604.33
Distribution			
Year	Credit	NPV	Maximum Fee after Credit
FY2027	\$13.02	\$142.60	\$762.44
FY2028	\$12.84	\$140.67	\$764.37
FY2029	\$12.68	\$138.88	\$766.17
FY2030	\$12.53	\$137.21	\$767.83
FY2031	\$12.39	\$135.66	\$769.38
FY2032	\$12.26	\$134.22	\$770.82
Avg Mortgage Interest Rate for the Data Year			6.24%

Source: IFFP, Federal Home Loan Mortgage Corporation

**Table 2-5
Outdoor Impact Fee Credits**

Distribution			
Year	Credit	NPV	Maximum Fee after Credit
FY2027	\$13.14	\$249.69	\$1,093.49
FY2028	\$13.02	\$247.38	\$1,095.79
FY2029	\$12.91	\$245.23	\$1,097.95
FY2030	\$12.80	\$243.22	\$1,099.96
FY2031	\$12.70	\$241.34	\$1,101.83
FY2032	\$12.61	\$239.59	\$1,103.59
Avg Mortgage Interest Rate for the Data Year			6.24%

Source: IFFP, Federal Home Loan Mortgage Corporation

The costs that new residents will pay in user rates to increase the Existing LOS to the Master Plan LOS or to make bond payments for projects that benefit existing users in Table 2-2 are divided over the years to the Master Planned Year or end of bond payments. All costs are converted to present day costs and deducted from the component's impact fee.

IMPACT FEE COMPONENTS

The impact fee per ERC for each component of a drinking water system is shown in Table 2-6.

Table 2-6
Drinking Water Impact Fee Per ERC

Indoor	Cost	ERC Capacity	Cost/ERC	Cost/ERC with Credit
Source/Transmission	\$2.13/gpm	488.00 gpd/ERC	\$1,039.25/ERC	\$1,039.25/ERC
Storage	\$1.31/gal	477.00 gal/ERC	\$625.93/ERC	\$549.37/ERC
Misc Facilities	\$3,649,130.29	10,385 ERCs	\$160.06/ERC	\$160.06/ERC
Planning	\$197,834.09	3,030 ERCs	\$65.28/ERC	\$65.28/ERC
Distribution	\$58.73/cf	15.4 cf/ERC	\$905.04/ERC	\$762.44/ERC
Outdoor	Cost	ERC Capacity	Cost/ERC	Cost/ERC with Credit
Source/Transmission	\$2.13/gpm	1,224.00 gpd/ERC	\$2,606.64/ERC	\$2,606.64/ERC
Storage	\$1.31/gal	1,430.00 gal/ERC	\$1,876.49/ERC	\$1,876.49/ERC
Misc Facilities	\$3,649,130.29	10,385 ERCs	\$160.06/ERC	\$160.06/ERC
Planning	\$197,834.09	3,030 ERCs	\$65.28/ERC	\$65.28/ERC
Distribution	\$58.73/cf	22.9 cf/ERC	\$1,343.17/ERC	\$1,134.93/ERC

MAXIMUM ALLOWABLE IMPACT FEE

Table 2-7 provides the maximum allowable impact fee for the drinking water system. It is calculated by adding the costs for each component in Table 2-6.

Table 2-7
Maximum Allowable Drinking Water Impact Fee

Indoor	Max Allowable Impact Fee	Max Allowable IF with Credits
Source Cost/ERC	\$1,039.25/ERC	\$1,039.25/ERC
Storage Cost/ERC	\$625.93/ERC	\$549.37/ERC
Misc Facilities Cost/ERC	\$160.06/ERC	\$160.06/ERC
Planning Cost/ERC	\$65.28/ERC	\$65.28/ERC
Distribution Cost/ERC	\$905.04/ERC	\$762.44/ERC
Maximum Allowable Impact Fee/ERC	\$2,795.57/ERC	\$2,576.40/ERC
Outdoor	Max Allowable Impact Fee	Max Allowable IF with Credits
Source Cost/ERC	\$2,606.64/ERC	\$2,606.64/ERC
Storage Cost/ERC	\$1,876.49/ERC	\$1,876.49/ERC
Misc Facilities Cost/ERC	\$160.06/ERC	\$160.06/ERC
Planning Cost/ERC	\$65.28/ERC	\$65.28/ERC
Distribution Cost/ERC	\$1,343.17/ERC	\$1,093.49/ERC
Maximum Allowable Impact Fee/ERC	\$6,051.65/ERC	\$5,801.96/ERC

The proposed first year impact fee with credits for an ERC is identified in Table 2-8. It also includes the proposed cost change and percent increase per ERC.

Table 2-8
Residential Drinking Water Impact Fee First Year Fee Schedule with Credit

ERC Meter Size	3/4, 1 in	
Maximum Allowable Impact Fee/ERC with Credits - Indoor	\$2,576.40/ERC	
Maximum Allowable Impact Fee/ERC with Credits - Outdoor	\$5,801.96/ERC	
Previous Impact Fee - Indoor	\$2,004.00/ERC	
Previous Impact Fee - Outdoor	\$1,964.00/ERC	
Proposed Impact Fee - Indoor	\$2,576.40/ERC	
Proposed Impact Fee - Outdoor	\$5,801.96/ERC	
Difference - Indoor	\$572.40/ERC	
Difference - Outdoor	\$3,837.96/ERC	
% Change - Indoor	28.56%	
% Change - Outdoor	195.42%	
Average Occupancy/ERC		3.64
Average Occupancy/Single Family Home	Factor: 1.0247	3.73
Average Occupancy/Multi-Family Home	Factor: 0.9533	3.47
Maximum Allowable Impact Fee/Single Family Home - Indoor	\$2,640.11	
Maximum Allowable Impact Fee/Multi-Family Home - Indoor	\$2,456.08	

The ERC Ratio for different meter and lot sizes is found in Table 2-9. This factor would be applied to the Proposed Impact Fee/ERC in Table 2-8 for the first and Table 2-10 for subsequent years.

Table 2-9
Proposed Drinking Water Impact Fee by Meter Size and Lot Size

Indoor		
Meter Size	ERC	Impact Fee
Single Family Home 3/4, 1 in	1.02	\$2,640.11
Single-Family Home 1 1/2 in	2.05	\$5,410.77
Single-Family Home 2 in	3.28	\$8,657.22
Multi-Family Home	0.95	\$2,456.08
Non-Residential Development 3/4, 1 in	1.00	\$2,576.40
Non-Residential Development 1 1/2 in	2.00	\$5,152.81
Non-Residential Development 2 in	3.20	\$8,244.49
Non-Residential Development (Any Size Meter) ¹	Calculated Flow Option	\$5.28/gpd
Outdoor		
Lot Size	ERC	Impact Fee
ERC Lot with Park Space Added	1.00	\$5,843.40
1 Acre of Multi-Family Landscaped Area	7.04	\$41,150.69
ERC Lot without Park Space Added	0.79	\$4,608.88
1 Acre of Non-Residential Landscaped Area	5.55	\$32,456.88
Single Family Home Lot Size	Factor	Impact Fee
Less than 2,000 sq-ft	0.06	\$362.62
2,001-4,000 sq-ft	0.23	\$1,329.62
4,001-6,000 sq-ft	0.49	\$2,840.54
6,001-8,000 sq-ft	0.74	\$4,291.03
8,001-10,000 sq-ft	1.00	\$5,801.96
10,001-20,000 sq-ft	1.99	\$11,543.48
Greater than 20,001 sq-ft	3.52	\$20,397.50

¹City may require the calculated flow option if anticipated use does not match typical ERC use.

Table 2-10 shows the proposed impact fees per ERC with credits for the next 6 years. These credits reduce slightly per year according to the NPV credit calculations in Tables 2-4 and 2-5.

Table 2-10
Impact Fee Schedules with Credits

Year	Indoor Impact Fee/ERC	Indoor Impact Fee/gpd	Indoor Impact Fee/Single-Family Home	Indoor Impact Fee/Multi-Family Home	Outdoor Impact Fee/ERC
FY2027	\$2,576.40	\$5.28	\$2,640.11	\$2,456.08	\$5,801.96
FY2028	\$2,582.49	\$5.29	\$2,646.35	\$2,461.88	\$5,804.27
FY2029	\$2,643.93	\$5.42	\$2,709.30	\$2,520.45	\$5,806.42
FY2030	\$2,615.72	\$5.36	\$2,680.39	\$2,493.56	\$5,808.43
FY2031	\$2,626.76	\$5.38	\$2,691.70	\$2,504.08	\$5,810.30
FY2032	\$2,639.21	\$5.41	\$2,704.47	\$2,515.95	\$5,812.06

The drinking water impact fee is charged at the time of building permit issuance. Indoor drinking water impact fees are charged on a per-ERC basis. Outdoor drinking water impact fees are charged by lot size for single family homes and by irrigated acre for all other development.

CHAPTER 3 – ADOPTION, ACCOUNTING, EXPENDITURE, AND REFUNDS

ADOPTION

The Utah Impact Fees Act requires the preparation of an IFFP, impact fee analysis and impact fee enactment prior to adoption of an ordinance adopting or amending impact fees. The IFFP for storm drain was prepared to identify existing excess capacity, existing deficiencies, Existing LOS, Proposed LOS and newly constructed facilities that were required to serve new development in the City.

The written impact fee analysis, using the analysis from the IFFP, identifies the impacts placed on facilities by development activity and how the impacts are related to new development. The analysis also calculates the roughly proportional share of costs of each facility identified in the IFFP attributable to new development and establishes the relative benefit each group will receive from the improvement. The analysis also includes an executive summary of the impact fee analysis providing a brief overview of the impact fee structure, methodology and cost basis used.

The impact fee enactment must be adopted by the City Council to enact the proposed fees. The ordinance may not impose a fee higher than the maximum legal fee defined in the written analysis, but may adopt a fee that is lower than the maximum fee. In addition, the ordinance must:

- establish one or more service areas
- include a schedule of the impact fees or the formula by which the fee is derived
- include provisions allowing the City to adjust or modify the fee to take into account any changes or unusual circumstances to ensure that the fee is administered fairly
- include provisions to adjust the fee if independent research or studies determine that it should be different
- include a provision allowing charter and public schools to request the inclusion of facilities on the IFFP and in the calculation of the impact fee

By Utah Code 11-36a-504, the Ordinance may be adopted following a ten (10) day notice period and public hearing. Copies of the proposed Ordinance, written IFFP and Impact Fee Analysis must be made available to the public during the 10-day notice period for public review and inspection in designated public places including the City offices and any public libraries within the jurisdiction. A public hearing shall be held at the end of the 10-day notice period, at which point the Council may adopt, amend and adopt, or reject the Impact Fee Ordinance and proposed fee schedule.

ACCOUNTING

The Impact Fees Act requires that any entity imposing impact fees establish an interest bearing ledger account for each type of public facility for which an impact fee is collected. All impact fee receipts must be deposited into the appropriate account. Any interest earned in each account must remain in the corresponding account. At the end of each fiscal year, the City must prepare a report on each fund or account showing the source and amount of all monies collected, earned, and received by each account and each expenditure made from each account.

EXPENDITURE

The City may only expend impact fees for System Improvements identified in the IFFP. All funds collected must be spent or encumbered within six years of collection or the City must provide an extraordinary or compelling reason why the fees must be held longer and provide an ultimate date by which the impact fees collected will be expended. Any fees retained beyond the six years without an extraordinary or compelling reason must be refunded. The improvements financed by impact fees must be owned and operated by the City or another local public entity with which the City has contracted or will contract for services and improvements that will be operated on the City's behalf.

REFUNDS

By Utah Code 11-36a-603, the City is required to refund any impact fees collected, plus interest earned since collection if:

1. A developer who has paid impact fees does not proceed with the development and has filed a written request for a refund,
2. The fees have not been spent or encumbered within six years, or
3. The new development which has paid impact fees has not created an impact upon the system.

APPENDICES

APPENDIX A - NOTICE OF INTENT TO AMEND THE DRINKING WATER IFFP AND IFA

Figure A-1
City Website

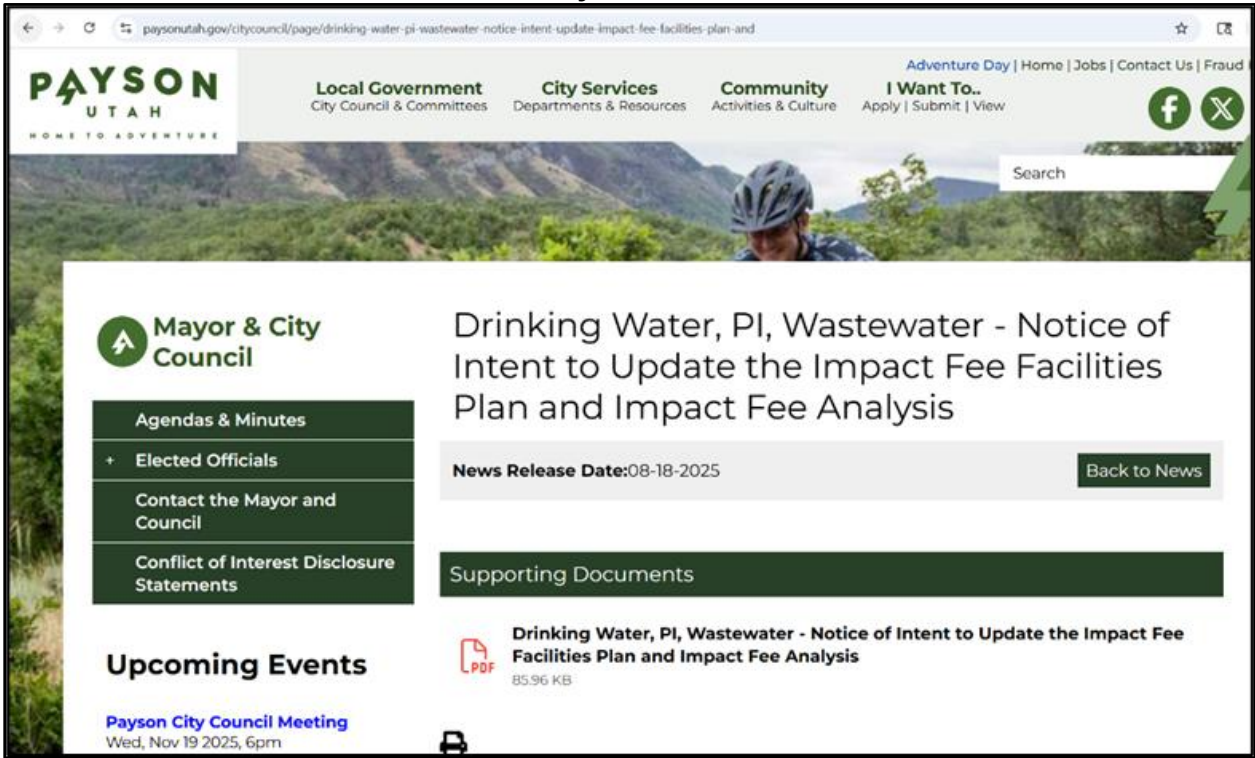


Figure A-2
Utah Public Notice Website



PUBLIC NOTICE WEBSITE

DIVISION OF ARCHIVES AND RECORDS SERVICE

Payson

City Council

Drinking Water, PI, Wastewater - Notice of Intent to Update the Impact Fee Facilities Plan and Impact Fee Analysis

Drinking Water, PI, Wastewater - Notice of Intent to Update the Impact Fee Facilities Plan and Impact Fee Analysis

SUBSCRIBE TO PUBLIC BODY

General Information

Government Type:

Municipality

Entity:

Payson

Public Body:

City Council

Notice Information

Add Notice to Calendar

Notice Title:

City of Payson

II

Drinking Water Impact Fee Analysis

Notice Title:

Drinking Water, PI, Wastewater - Notice of Intent to Update the Impact Fee Facilities Plan and Impact Fee Analysis

Notice Tags:

impact fees

Notice Type(s):

Notice

Event Start Date & Time:

August 18, 2025 09:30 AM

Description/Agenda:

Payson City

Notice of Intent to Update the Impact Fee Facilities Plan (IFFP) and Impact Fee Analysis (IFA) Related to Drinking Water, Pressurized Irrigation Water, and Wastewater Collection System

Notice is hereby given that Payson City, a local municipality located in Utah County, Utah, intends to commence the preparation of an updated independent and comprehensive Impact Fee Facilities Plan and Impact Fee Analysis for Drinking Water, Pressurized Irrigation Water, and Wastewater Collection System. Therefore, pursuant to the provisions of Utah Code 11-36a-501 and 503, notice is hereby provided of the intent of Payson City to updated the Impact Fee Facilities Plan and an Impact Fee Analysis for the City. The geographic location where the proposed impact fee facilities will be located is the entire area within the Payson City municipal boundary.

The public is hereby invited to provide written comments or information to be considered in adopting the impact fee facilities plan and impact fee analysis. For information about the impact fee project or to submit your comments, please contact:

Travis Jockumsen, Public Works Director
Payson City Center
439 West Utah Avenue
Payson UT 84651
(801) 465-5232 travisj@paysonutah.gov

In compliance with the Americans with Disabilities Act, persons in need of special accommodations or services to participate shall notify the City; and the City will seek to provide assistance.

Notice of Special Accommodations (ADA):

N/A

Notice of Electronic or Telephone Participation:

N/A

Other Information:

N/A

Meeting Information

Meeting Location:

439 W Utah Avenue

Payson, UT 84651

[Show in Apple Maps](#)

[Show in Google Maps](#)

Contact Name:

Kim Holindrake

Contact Email:

kimh@paysonutah.gov

Contact Phone:

(801)465-5205

Notice Posting Details

APPENDIX B - NOTICE TO ADOPT OR AMEND AN IFFP AND IF ENACTMENT



Pressurized Irrigation Impact Fee Facilities Plan



PAYSON

March 2026

**HANSEN
ALLEN
& LUCE_{inc}**
ENGINEERS

Payson

PRESSURIZED IRRIGATION IMPACT FEE FACILITY PLAN

(HAL Project No.: 412.27.200)

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ACKNOWLEDGMENTS

Several individuals contributed to the successful completion of this study. We sincerely appreciate the cooperation, assistance, and expertise provided by members of the project team:

The City of Payson

Travis Jockumsen, Public Works Director
Jonathan Knight, City Engineer
Joe Jamison, GIS
Cameron Phillips, Water System Operator

Hansen, Allen & Luce, Inc.

Steve Jones, Principal in Charge
Chris Thompson, Project Manager
Dana Tran, Project Engineer
Jason Biesinger, Project Engineer

ABBREVIATIONS, ACRONYMS, UNITS AND DEFINITIONS

ABBREVIATIONS

City	Payson City
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ACRONYMS

CIP	Capital Improvement Plan
ERC	Equivalent Residential Connection
GIS	Geographic Information System
HAL	Hansen, Allen and Luce, Inc.
IF	Impact Fee
LOS	Level of Service
MAG	Mountainland Association of Governments
MPO	Metropolitan Planning Organization
PI	Pressurized Irrigation

UNITS

ac-ft	Acre Foot
cf	Cubic Foot
ft	Foot
in	Inch
ln-ft	Linear Foot
sq-ft	Square Foot

DEFINITIONS

Base LOS Data Year. The first data year LOS calculations were made.

Base LOS Fiscal Year. The first fiscal year LOS calculations were implemented.

Base Year LOS. The Base Year LOS reflects the originally calculated LOS provided to the residents. It is tracked so impact fees are not used to raise the LOS to existing residents.

Data Year. The Data Year is the previous full calendar year for which annual data is used for updating the IFFP and IFA.

Distribution LOS Parameter. The Distribution LOS Parameter was set by standard practice in the PI Master Plan. Distribution facilities must be designed with capacity for peak day demands.

Distribution Pipe. Distribution Pipe includes main lines that convey PI water and are owned by the City.

Effective Date. The date, no less than 90 days after the Enactment Date, when the impact fees become effective for impact fees that are increasing.

Enactment Date. The Enactment Date is the date the City Council approves the IFFP, IFA, and Impact Fee Enactment Ordinance.

Equivalent Residential Connection (ERC). An ERC is defined by the average PI usage of an average single-family house.

Established LOS. The Established LOS is set by the City Council by the adoption of the IFFP, the IFA, and the Impact Fee Enactment Ordinance.

Existing LOS. The Existing LOS is the LOS currently provided to the existing City residents for the Data Year.

Local Distribution System. Local Distribution System is defined as distribution system constructed with Minimum Size Distribution Pipe or pipe smaller in diameter.

Master Plan LOS. The Master Plan LOS is the LOS for the entire City at the Master Planned Year. It indicates what the Existing LOS will be raised to with non-impact fee funds.

Minimum Size Distribution Pipe. The Minimum Size Distribution Pipe is defined as the minimum or local distribution pipe diameter. It is established by City standards according to standard practice and the City's ability to operate and maintain the pressurized irrigation system.

Project Improvements. Project Improvements are improvements required by development that the City determines not to define as System Improvements.

Proposed LOS. The Proposed LOS is the LOS recommended to the City Council by the IFFP and IFA to set as the Established LOS.

Proposed LOS for Existing. The LOS existing customers will have as a result of the Proposed LOS.

Regional Distribution System. Regional Distribution System is defined as the volume of distribution system pipe above that of a local or minimum pipe size.

Storage LOS Parameter. The Storage LOS Parameter was set by standard practice in the PI Master Plan. Storage facilities must be designed with capacity for equalization storage.

System Improvements. System Improvements are regional improvements determined by the City to be impact fee reimbursable. Cities are not required to define all regional facilities as System Improvements, but all System Improvements must be regional.

Volume LOS. The Volume LOS for both distribution and storage is based on the volume of Regional Pipe or Storage Facility per ERC.

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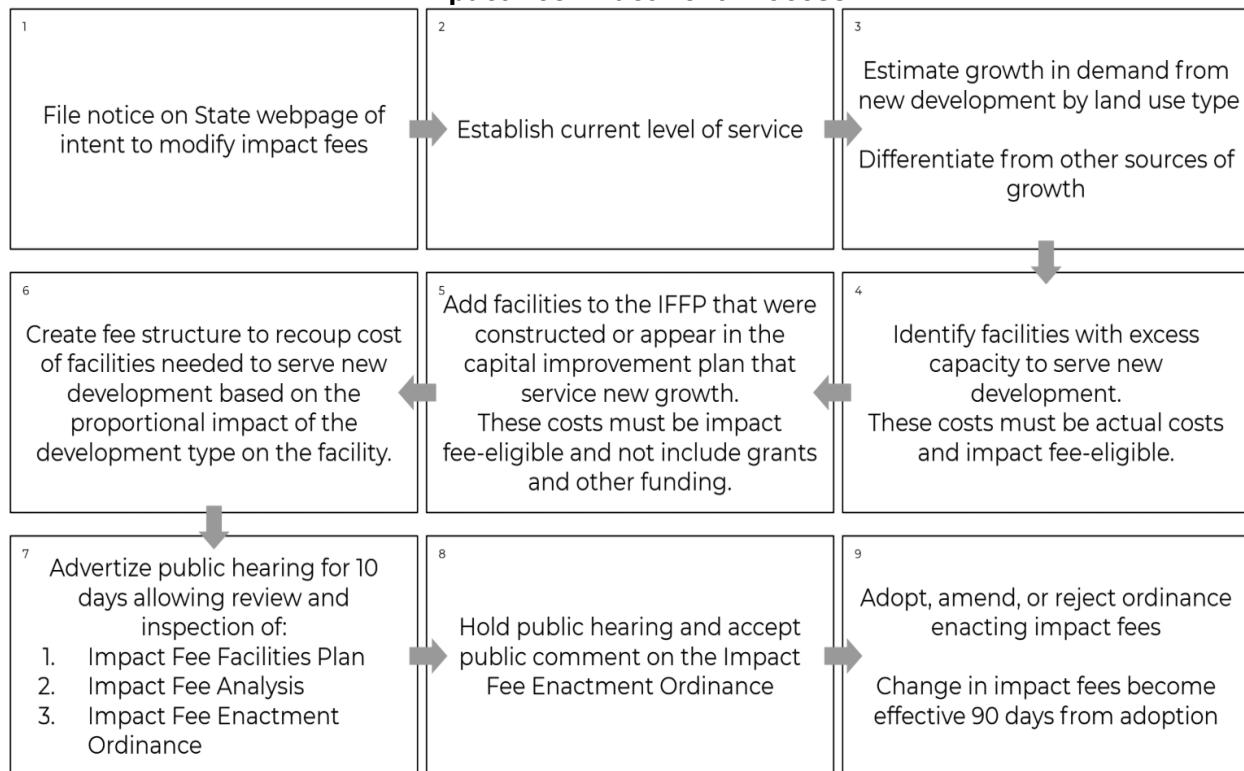
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CHAPTER 1 – INTRODUCTION

IMPACT FEE ENACTMENT PROCESS

Figure 1-1 outlines the impact fee enactment process.

Figure 1-1
Impact Fee Enactment Process



NOTICES

In accordance with Utah Code section 11-36a-501 Notice of Intent to Prepare an Impact Fee Facilities Plan and 11-36a-503 Notice of Intent to Prepare an Impact Fee Assessment, Payson City posted a notice of intent to prepare or amend an Impact Fee Analysis for the area within the City's policy declaration boundary. It was posted on the Utah Public Notice Website and the local City website. See [Appendix A](#).

In accordance with Utah Code section 11-36a-502 Notice to Adopt or Amend an Impact Fee Facilities Plan and 11-36a-504 Notice of Intent to Adopt an Impact Fee Enactment, Payson City posted a notice of intent to prepare or amend an Impact Fee Facilities Plan and prepare an Impact Fee Analysis for the area within the City's policy boundary. It was posted on the Utah Public Notice Website and the local City website. See Appendix B.

EXECUTIVE SUMMARY

In 2020 HAL completed a pressurized irrigation system model and the PI Master Plan for the City. This IFFP is based on that model and PI Master Plan and any update studies conducted since. Recommendations for Source, Storage, and Distribution System Improvements are based on the model requirements to meet the PI Master Plan Source, Storage, and Distribution LOS Parameters. Consor maintains the City's current water model and has provided updates for development requests.

The City has adopted impact fees based on the cost of capital facilities needed to meet the demand of new development according to the LOS Parameters set by the City in the PI Master Plan and this IFFP. Impact fees are not used to increase the LOS for existing residents.

Service Area

The service area includes the existing City boundary and future areas as they are annexed into the City. Master Planned Year refers to when, at growth rates projected by the MPO, the state and the City, all vacant land in the PI Master Plan boundaries would be developed. It assumes no future changes to the PI Master Plan boundaries but will be updated with each future IFFP according to the current City PI Master Plan.

Impact Fee Facilities Plan

Table 1-1 identifies projects and planning studies with impact fee-eligible costs. All costs are based on actual costs or use present day cost estimates. There are 5 components to a pressurized irrigation impact fee: source, storage, miscellaneous facilities, planning, and distribution. The fees charged for source, storage, and distribution are based on LOS. The fees charged for miscellaneous facilities and planning are based on ERCs served. The IF % removes the Project Improvement costs and costs of projects used to solve existing deficiencies.

**Table 1-1
Pressurized Irrigation Impact Fee Facilities Plan**

Source/Transmission	Begin	Total Cost	IF %	IF & Interest Cost	Capacity	Excess Cap	LOS/ERC	Cost/gpm
Spring Lake Pump Rehabilitation	FY2022	\$850,740	30.00%	\$255,222	300 gpm	1,176 ERCs	0.85 gpm	\$850.74
Weighted Average								\$850.74
Storage	Begin	Total Cost	IF %	IF & Interest Cost	Capacity	Excess Cap	LOS/ERC	Cost/gal
Weighted Average								N/A
Misc Facilities	Begin	Total Cost	IF %	IF & Interest Cost	ERCs	Begin ERCs	End ERCs	Cost/ERC
Payson View Highline Canal Crossing	FY2025	\$175,890	100.00%	\$175,890	5,697 ERCs	5,825 ERCs	11,522 ERCs	\$30.87
Lower to Upper PI Pond Pump Station	FY2013	\$616,892	100.00%	\$616,892	7,159 ERCs	4,363 ERCs	11,522 ERCs	\$86.18
Shop Expansion 3,010sf to 6,710 sf, 1/2 PI	FY2016	\$2,741,710	27.57%	\$755,911	6,961 ERCs	4,561 ERCs	11,522 ERCs	\$108.60
Total								\$225.65
Planning	Begin	10-Year Cost	IF %	IF & Interest Cost	ERCs	Begin ERCs	End ERCs	Cost/ERC
Impact Fee Studies	FY2022	\$77,233	100.00%	\$77,233	2,063 ERCs	5,046 ERCs	7,109 ERCs	\$37.44
Master Plan Studies	FY2022	\$105,501	100.00%	\$105,501	2,063 ERCs	5,046 ERCs	7,109 ERCs	\$51.14
Total								\$88.57
Distribution	Begin	Total Cost	IF %	IF & Interest Cost	Capacity	LOS/ERC	ERCs	Cost/cf
Hiatt Creek B1 (1950 West) 295' of 12"	FY2025	\$33,825	36.80%	\$12,448	129 cf	22.87 cf	6 ERCs	\$96.70
ULS Main St Turnout 2300' 24" Line	FY2027	\$799,875	46.35%	\$370,702	6,423 cf	22.87 cf	281 ERCs	\$57.72
Weighted Average								\$58.48

Note: Project and study costs based on actual costs or present-day cost estimates

Level of Service

Tables 1-2 and 1-3 set the LOS Parameters and LOS calculations for the City pressurized irrigation source, storage, and distribution systems. All systems have LOS categories defined in the Definitions.

Table 1-2
Pressurized Irrigation LOS Parameters

Category	Parameter	Source
Maximum Operating Pressure (psi)	115 psi	Master Plan Level of Service (Table 1-2)
Minimum Operating Pressure (psi)	30 psi	Master Plan Level of Service (Table 1-2)
Minimum or Local Pipe Size (in)	8 in	City Standards
Residential Service Meter Size (in)	1 in	City Standards
Minimum Required Source Capacity	Peak Day of a Peak Year Flow	2020 Pressurized Irrigation Master Plan
Minimum Required Annual Source Capacity	Peak Year Annual Demand	2020 Pressurized Irrigation Master Plan
Minimum Required LOS Equalization Storage per ERC (gal)	Average Day of a Peak Year	2020 Pressurized Irrigation Master Plan
Emergency Storage (% of Equalization Storage)	0%	2020 Pressurized Irrigation Master Plan

Table 1-3
Pressurized Irrigation Level of Service per ERC

Category	Base Year LOS	Existing LOS	Proposed LOS	% Impact Fee Reimbursable
Source LOS/ERC	2.75 gpm	2.75 gpm	0.85 gpm	100.00%
Storage LOS/ERC	1,907 gal	1,907 gal	1,430 gal	100.00%
Distribution LOS/ERC	15.5 cf	15.5 cf	22.9 cf	81.33%

If the Proposed LOS is higher than the Existing LOS, then the % Impact Fee Reimbursable amount in Table 1-3 needs to be applied to future System Improvement costs to calculate what can be paid for with or reimbursed from impact fee funds, otherwise 100% of the regional costs are reimbursable. This ensures that impact fee funds do not pay to raise the LOS of existing residents. The IFFP costs of System Improvement projects or planning studies are based on actual costs for completed projects and present day cost estimates for future ones.

CERTIFICATION

Utah Impact Fee Act requires certification for the IFFP. Hansen, Allen & Luce provides this certification with the understanding that the recommendations in the IFFP are followed by City Staff and elected officials. If all or a portion of the IFFP is modified or amended, or if assumptions presented in this analysis change substantially, this certification is no longer valid. All information provided to Hansen, Allen & Luce, Inc. is assumed to be correct, complete, and accurate.

IFFP Certification

Hansen, Allen & Luce, Inc. certifies that this 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; or
 - 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; and
3. complies in each and every relevant respect with the Impact Fees Act.

HANSEN, ALLEN & LUCE, INC.

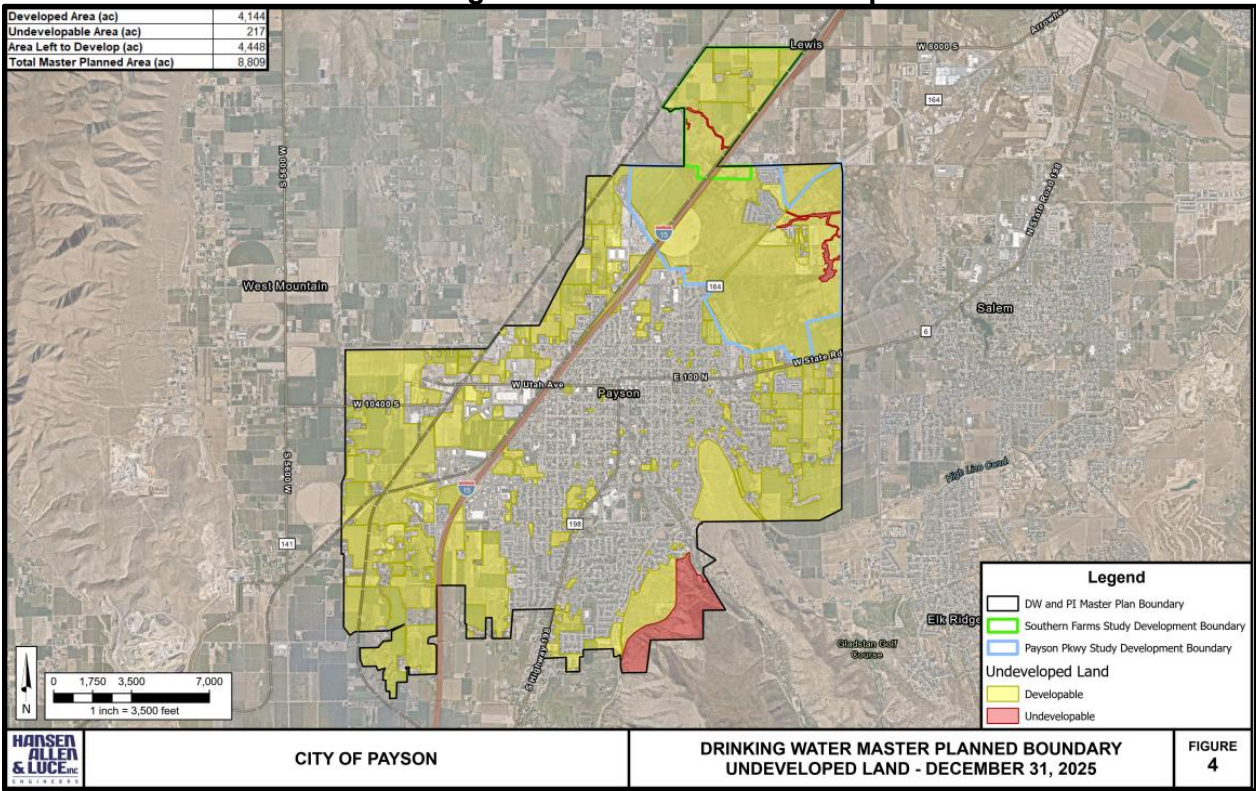
CHAPTER 2 – DEMOGRAPHICS AND GROWTH

UNDEVELOPED LAND

Payson City is located in southern Utah County, Utah. While it has roots in agriculture, Payson’s economy has diversified to include other industries such as healthcare, industrial manufacturing, food service, and retail sales. Payson grew at a slow pace from its inception in 1850 until about 1970, when growth began to accelerate. Growth has become even more rapid in recent years as the population in Utah County has expanded, and areas further north have built out or become more expensive.

The City GIS was used to find developed, undeveloped, and undevelopable land within the PI Master Plan boundary. Developed land includes parks and existing roads. Undevelopable land includes, but is not limited to, land that cannot be developed because of wetlands and steep terrains. All these areas are shown in Figure 2-1.

Figure 2-1
Pressurized Irrigation Master Plan Undeveloped Land



POPULATION

In Table 2-1 growth projections from the City and the Mountainland Association of Governments (MAG) Metropolitan Planning Organization (MPO) were used to estimate growth by Census. These projections were used to estimate annual growth for this study.

Table 2-1
Census Population Projections

Population Criteria	1990	2000	2010	2020	2030	2040	2050	2060
Payson	9,790	12,848	18,294	21,101	27,598	38,838	60,188	81,538
10-Year Growth Rate	1.73%	2.76%	3.60%	1.44%	2.72%	3.48%	4.48%	3.08%
Utah County	263,590	368,536	518,872	679,188	861,852	1,080,082	1,297,515	1,504,433
Growth Rate	1.91%	3.41%	3.48%	2.73%	2.41%	2.28%	1.85%	1.49%
Payson as % of Utah County	3.7%	3.49%	3.53%	3.11%	3.20%	3.60%	4.64%	5.4%
Payson Yearly Growth Rate	3.1%	4.2%	1.5%	3.1%	2.4%	3.0%	3.7%	2.7%

DATA YEAR AND MASTER PLANNED

Table 2-2 summarizes development information for the land area master planned in the PI Master Plan for the IFFP Data Year. The Master Planned Year is estimated by applying the MPO growth rates to the developed area until the area left to develop is gone.

Table 2-2
Projected Master Planned Development

Land Use		% Total
Developed Area	8,658 acres	97.55%
Undevelopable Area	217 acres	2.45%
Total Master Plan Land Area	8,875 acres	100.00%
Data Year	2024	
Master Planned Households	16,535	
Master Planned Year	2045	

Source: City GIS and PI Master Plan

MPO, state, and City growth projections were used to estimate the end of Data Year and Master Planned Year population in Table 2-3 and Table 2-4. Statistics were calculated using data from the City GIS, Census and the MPO MAG.

Table 2-3
End of Data Year Developed Land and Population Summary

Data Year	2024
Population	23,700
Households	6,511
Single-Family Home Persons per Household	3.75
Multi-Family Household Persons per Household	3.47
Average Household Size	3.64
Average Single Family Home Lot Size	0.34 acres
Developed Area	4,144 acres
Undevelopable Area	217 acres
Area Left to Develop	4,448 acres
Total Master Plan Land Area	8,809 acres

Sources: City GIS, Census, and MAG MPO

Table 2-4
Population - End of Data Year and Master Planned

	2024	2045
Payson	23,700	49,513
Growth Rate	2.82%	4.51%
Utah County	752,254	1,188,799
Growth Rate	2.49%	1.86%
Payson as % of Utah County	3.15%	4.16%

Sources: City GIS, Census, MAG MPO

IRRIGATED ACREAGE

Outdoor water demands are based on irrigated acreage. Existing irrigated acreage percentages were estimated using multi-spectral aerial imagery analysis as shown in Figure 2-2. The units used for the pressurized irrigation impact fee is per Equivalent Residential Connection (ERC) or acre. The ERC was determined by calculating the irrigated acreage within a residential parcel and applying that to the average residential parcel size. Table 2-5 shows the irrigated acreage by lot size calculated from this study.

Figure 2-2
ERC Irrigated Acreage Percentage



Table 2-5
Irrigated Acres by Residential Lot Size

Lot Size	Acres	Irrigated Acres	ERC
Average Single Family Residential Lot	0.21 acres	0.14 acres	1.00 ERCs
1 Acre of Landscaped Area	1.00 acre	1.00 acre	7.04 ERCs
Lot Size	% Landscaped	Irrigated Area	Factor
Less than 2,000 sq-ft	15.00%	300 sq-ft	0.06
2,001-4,000 sq-ft	36.67%	1,100 sq-ft	0.23
4,001-6,000 sq-ft	47.00%	2,350 sq-ft	0.49
6,001-8,000 sq-ft	50.71%	3,550 sq-ft	0.74
8,001-10,000 sq-ft	53.33%	4,800 sq-ft	1.00
10,001-20,000 sq-ft	63.67%	9,550 sq-ft	1.99
Greater than 20,001 sq-ft	67.50%	16,875 sq-ft	3.52

Table 2-6 shows the calculations for an ERC. An additional .03 irrigated acres are added to each ERC for parks and open space. To simplify calculations, an ERC ratio to the average lot was calculated to apply to calculate ERCs. These ratios are found in Table 2-5 for single family residential units and 2-6 for multi-family residential and non-residential development.

Table 2-6
Equivalent Residential Connection Lot

Average Single Family Home Lot Size (acres)	0.21 acres
% Irrigated Area	53.33%
ERC Irrigated Acreage	0.11 acres
ERC Parks and Open Space Irrigated Acres	0.03 acres
Total ERC IF Irrigated Acres	0.14 acres
ERC Ratio per Acre of Irrigated Area for Multi-Family Development	7.04
ERC Ratio per Acre of Irrigated Area for Non-Residential Development	5.55

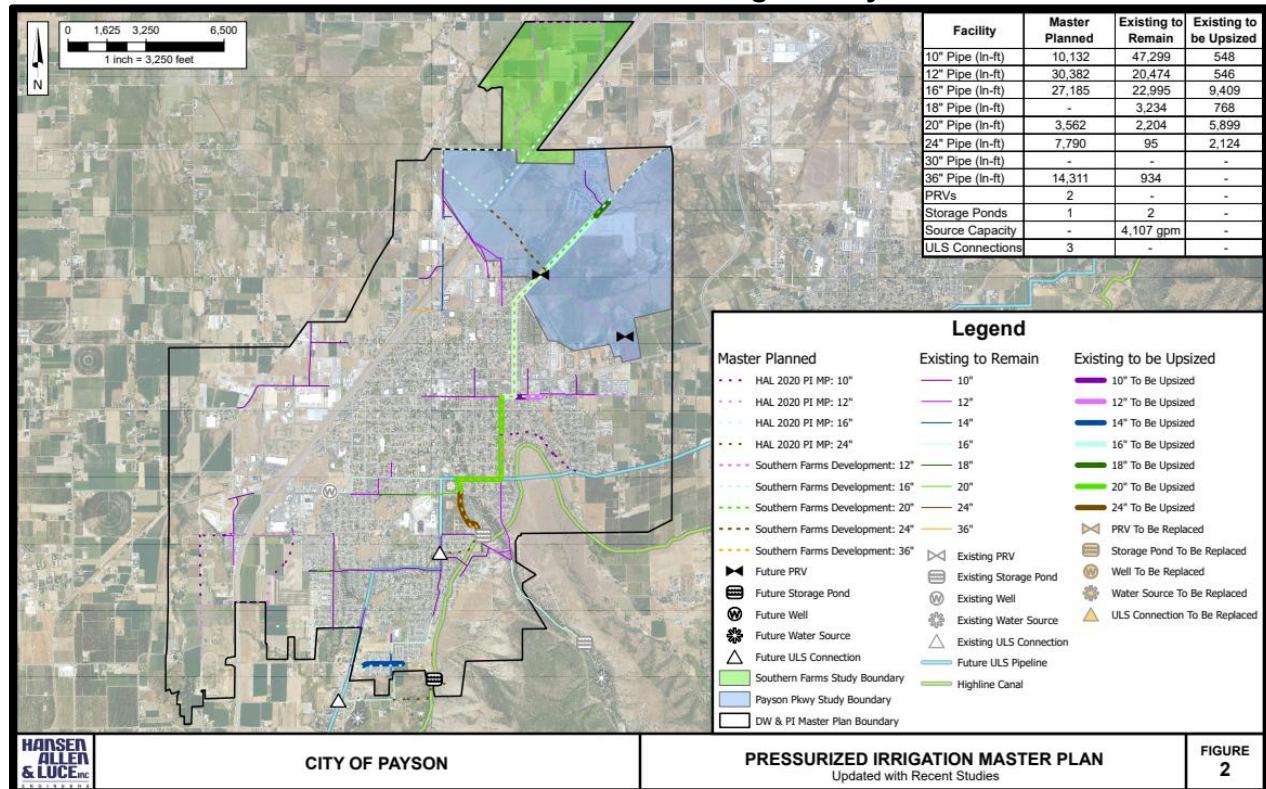
Source: City GIS

CHAPTER 3 – IMPACT FEE FACILITIES PLAN

OVERVIEW

HAL completed a system model and PI Master Plan for the City. Master planned future system improvements are based on the model requirements to meet the LOS Parameters established in the PI Master Plan according to industry standards. See Table 1-2. These improvements and existing regional improvements are shown in Figures 3-1 and 3-2. Figure 3-1 also includes any updates from more recent studies.

Figure 3-1
Master Planned Pressurized Irrigation System



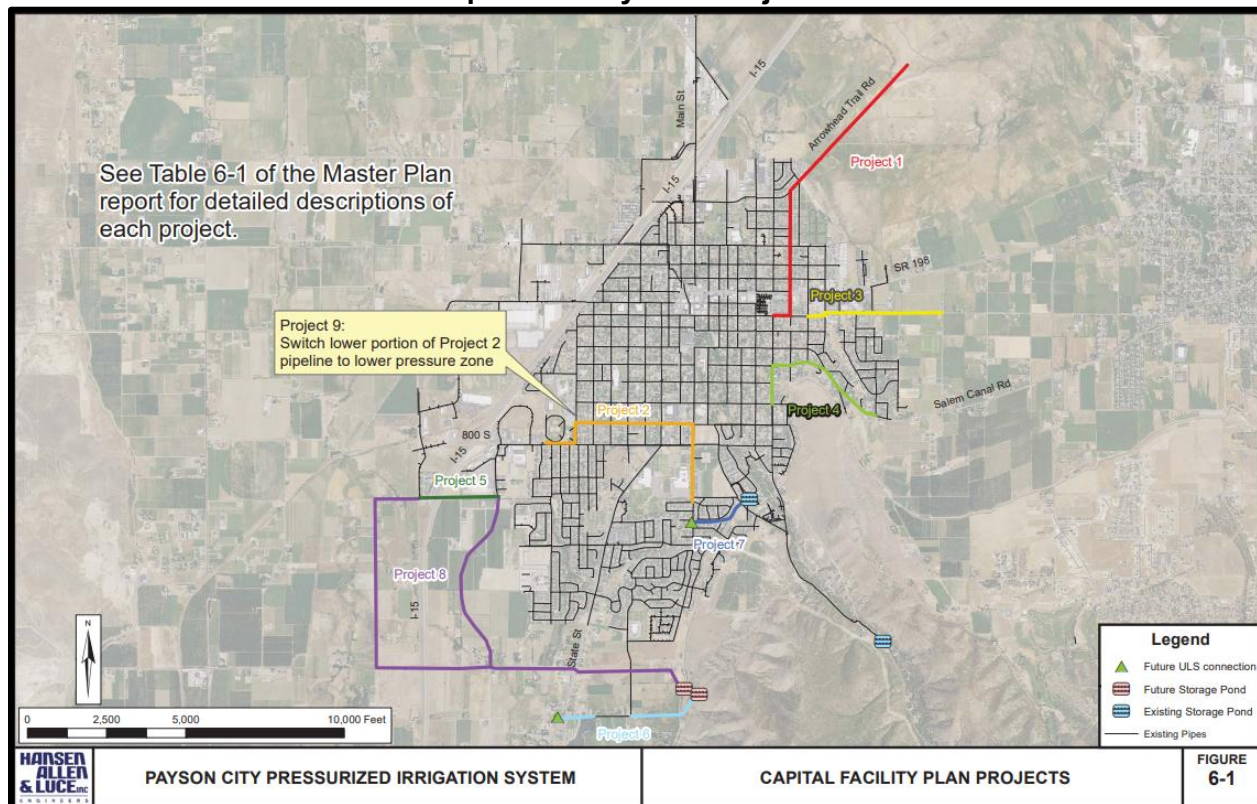
The following projects found in Tables 3-1, 3-2, and 3-3 are identified in the PI Master Plan to be needed for future growth. They are also shown graphically on Figures 3-1 and 3-2. For more detail on each project, see the PI Master Plan.

Table 3-1
Source CIP Projects

PI Master Plan Map ID	Project	Cost
2	Connect 800 S Well to Upper City Pressure Zone	\$1,539,000
6	Connect ULS pipeline to storage pond	\$2,518,000
7	Connect ULS pipeline to Upper and Lower City	\$607,000
Total		\$4,664,000

Source: 2020 PI Master Plan

**Figure 3-2
Capital Facility Plan Projects**



Source: 2020 PI Master Plan

**Table 3-2
Storage CIP Projects**

PI Master Plan Map ID	Project	Cost
8	Construct storage pond in Lower City Pressure Zone	\$3,388,000
Total		\$3,388,000

Source: 2020 PI Master Plan

**Table 3-3
Distribution CIP Projects**

PI Master Plan Map ID	Length	Diameter	Cost
1	9,900 ln-ft	16 in	\$1,072,000
3	4,300 ln-ft	12 in	\$134,000
4	1,200 ln-ft	12 in	\$862,000
4	4,000 ln-ft	10 in	
5	2,500 ln-ft	12 in	\$735,000
Total			\$2,803,000

Source: 2020 PI Master Plan

The following sections give detail on the impact fee calculations for each of the five components of a pressurized irrigation impact fee:

1. Source
2. Storage
3. Misc Facilities
4. Planning
5. Distribution

All IFFP projects and costs are summarized into these components.

SOURCE

The City pressurized irrigation sources include wells, creeks, and canals. It can be received through irrigation or district canals and pipelines. Some outdoor usage is currently supplied by the drinking water system.

Table 3-4 contains the existing pressurized irrigation sources and their capacity.

**Table 3-4
Existing Pressurized Irrigation System Sources**

Source	Peak Flow	Average Flow	Reliable/Dry Year Flow	Peak Flow Annual Capacity	Average Flow Annual Capacity	Reliable/Dry Year Annual Capacity
Highline Canal - Lower PI Pond	5,036 gpm	5,036 gpm	5,036 gpm	3,050 ac-ft	3,050 ac-ft	3,050 ac-ft
Highline Canal - Dry Creek (Peteetneet Creek)	350 gpm	350 gpm	350 gpm	278 ac-ft	278 ac-ft	278 ac-ft
Highline Canal - Red Bridge Turnout	5,036 gpm	5,036 gpm	5,036 gpm	3,050 ac-ft	3,050 ac-ft	3,050 ac-ft
Dry Creek - Upper Pond Turnout (Peteetneet Creek)	1,925 gpm	1,002 gpm	236 gpm	1,925 ac-ft	797 ac-ft	188 ac-ft
Dry Creek - Forebay (Golf Course Meters)	702 gpm	300 gpm	164 gpm	702 ac-ft	238 ac-ft	131 ac-ft
Gladstan Well (Golf Course Well)	965 gpm	965 gpm	965 gpm	965 ac-ft	768 ac-ft	768 ac-ft
Well No. 4 (940 W 800 S) DW Backup	1,191 gpm	1,191 gpm	1,191 gpm	1,191 ac-ft	947 ac-ft	947 ac-ft
Spring Lake	1,495 gpm	800 gpm	500 gpm	1,495 ac-ft	636 ac-ft	636 ac-ft
ULS East	8,022 gpm	8,022 gpm	8,022 gpm	5,124 ac-ft	5,124 ac-ft	5,124 ac-ft
ULS (1240 S Main St)	8,022 gpm	8,022 gpm	8,022 gpm	5,124 ac-ft	5,124 ac-ft	5,124 ac-ft
Total Source Capacity	19,686 gpm	17,665 gpm	16,465 gpm	31,756 ac-ft	28,496 ac-ft	26,560 ac-ft
Proposed LOS Flow / Peak Year Volume per ERC	0.85 gpm	0.85 gpm	0.85 gpm	0.612 ac-ft	0.612 ac-ft	0.612 ac-ft
Proposed Total LOS Flow / Peak Year Volume	5,082 gpm	5,082 gpm	5,082 gpm	3,658 ac-ft	3,658 ac-ft	3,658 ac-ft
Total Excess Source Capacity	14,604 gpm	12,584 gpm	11,383 gpm	28,097 ac-ft	24,838 ac-ft	22,901 ac-ft
Backup Source - Well No. 1	1,200 gpm	1,200 gpm	1,200 gpm	1,936 ac-ft	1,936 ac-ft	1,936 ac-ft
Backup Source - ULS	5,036 gpm	5,036 gpm	5,036 gpm	8,123 ac-ft	8,123 ac-ft	8,123 ac-ft
Total with Backup Sources	20,536 gpm	18,515 gpm	17,315 gpm	38,486 ac-ft	35,227 ac-ft	33,291 ac-ft

Each source was assessed a capacity in terms of gallons per minute and acre-feet per year. Demands on each component were computed by applying the level of service to the amount of ERCs and irrigated areas served by each component. The difference between the capacity of the component and the demand on the component is the component's remaining capacity. The existing excess capacity is shown in Table 3-5.

**Table 3-5
Source Existing Excess Capacity**

Capacity	Proposed LOS per ERC	Current ERCs	Prop LOS Capacity	Excess LOS Capacity	Available ERCs
16,465 gpm	0.85 gpm	5,979 ERCs	5,082 gpm	11,383 gpm	13,392 ERCs
Proposed LOS Fiscal Year					FY2026
Capacity	Proposed LOS per ERC	Master Planned ERCs	Prop LOS Capacity	Excess LOS Capacity	Available ERCs
16,465 gpm	0.85 gpm	11,522 ERCs	9,793 gpm	6,671 gpm	7,849 ERCs
Master Planned Fiscal Year					FY2045
First Year without Excess Capacity					FY2064

Table 3-6 contains the calculation parameters and calculations for the source Proposed LOS per ERC.

**Table 3-6
Source ERC LOS**

Existing Source Capacity	16,465 gpm
Existing Pressurized Irrigation ERCs	5,979 ERCs
Master Planned Pressurized Irrigation ERCs	11,522 ERCs
Additional Master Planned ERCs	5,543 ERCs
Base LOS	2.75 gpm
Base LOS Fiscal Year	FY2026
Existing LOS	2.75 gpm
Proposed LOS per ERC	0.85 gpm
% IF Reimbursable	100.00%

STORAGE

Payson currently operates two irrigation ponds. The purpose of storage within the pressurized irrigation water system is to provide equalization storage for those periods where demand exceeds the source supply. Equalization storage requirements were based on irrigated acreage and the level of service determined based on analysis of water usage data.

Table 3-7 lists the existing storage facilities and their requirements.

**Table 3-7
Existing Storage Facilities and Capacity**

Facility	Capacity
Upper Pond	3.26 MG
Lower Pond	8.15 MG
Total	11.40 MG

The existing excess capacity for storage is shown in Table 3-8.

Table 3-8
Storage Existing Excess Capacity

Capacity	Proposed LOS per ERC	Current ERCs	Prop LOS Capacity	Excess LOS Capacity	Available ERCs
11.40 MG	1,430 gal	5,979 ERCs	8.55 MG	2.85 MG	1,996 ERCs
Proposed LOS Fiscal Year					FY2026
Capacity	Proposed LOS per ERC	Master Planned ERCs	Prop LOS Capacity	Excess LOS Capacity	Available ERCs
11.40 MG	1,430 gal	11,522 ERCs	16.48 MG	-5.07 MG	-3,547 ERCs
Master Planned Fiscal Year					FY2045
First Year without Excess Capacity					FY2036

Table 3-9 contains the calculation parameters and calculations for the storage Proposed LOS per ERC.

Table 3-9
Storage ERC LOS

Existing Storage Capacity	11.40 MG
Existing Pressurized Irrigation ERCs	5,979 ERCs
Master Planned Pressurized Irrigation ERCs	11,522 ERCs
Additional Master Planned ERCs	5,543 ERCs
Base LOS	1,907 gal
Base LOS Year	FY2026
Existing LOS	1,907 gal
Proposed LOS	1,430 gal
% IF Reimbursable	100.00%

MISC FACILITIES

Misc facilities include pressurized irrigation related projects that do not tie directly to source, storage, or distribution LOS. They may include but are not limited to buildings, storage yards, pump stations, or public works buildings. The growth related portion of these miscellaneous facilities attributed to the pressurized irrigation system can be paid for or reimbursed by impact fees. Individual analysis of cost per ERC is conducted for each facility project. Present day facility cost estimates are used to estimate future facility costs.

PLANNING

Master plan, IFFP, and IFA consultant planning work can be paid for or reimbursed with impact fees. These planning costs from 4 years previous to 6 years in the future are divided by the ERC increase over the 10-year period to calculate the planning component of the impact fee per ERC. Present day planning costs are used to estimate future planning expenses.

DISTRIBUTION

Pipe diameters range from 4 inches to 36 inches, with the majority being 6 and 8 inches in diameter. The function of the larger pipes in the system is regional. They fill the storage ponds and meet peak day and fire flow demands. Smaller pipes facilitate local distribution.

The Minimum Size Distribution Pipe or local/Project Improvement pipe size is defined in Table 3-10. Only the upsize cost from this may be paid for with impact fee funds. Upsize cost calculations are found in Table 3-11. Table 3-10 also contains the calculation parameters and calculations for the distribution Proposed LOS per ERC.

Table 3-10
Regional Distribution ERC LOS

Local/Minimum Distribution Pipe Size	8 in
Existing Regional Volume	92,567 cf
Future Master Planned Regional Volume	87,005 cf
Existing Pressurized Irrigation ERCs	5,979 ERCs
Master Planned Pressurized Irrigation ERCs	11,522 ERCs
Existing Regional Volume LOS per ERC (cf)	15.48 cf
Base Regional Volume LOS per ERC (cf)	15.48 cf
Proposed Regional Volume per ERC (cf)	22.87 cf
Proposed Master Planned Regional Volume (cf)	219,350 cf
Proposed Master Planned LOS Regional Volume per ERC (cf)	19.04 cf
% Impact Fee Reimbursable	81.33%

Table 3-11 contains the upsize percentages for System Improvement collection projects. They are calculated according to current day estimates for collection projects, dividing the cost difference of a regional collection pipe with appurtenances and local one by the cost of the regional. Since the costs are relative, it fairly applies to all project costs whether or not they are the same as the basis costs for the percentage calculations. The IF Percentage is calculated by applying the % Impact Fee Reimbursable in Table 3-10 to the Upsize Percentage.

Table 3-11
Pressurized Irrigation Pipe Upsize Percentage

Pipe Size	Upsize Percentage	IF Percentage
10 in Pressurized Irrigation Pipe	12.45%	10.13%
12 in Pressurized Irrigation Pipe	18.46%	15.01%
16 in Pressurized Irrigation Pipe	32.83%	26.71%
18 in Pressurized Irrigation Pipe	36.50%	29.69%
20 in Pressurized Irrigation Pipe	40.44%	32.89%
24 in Pressurized Irrigation Pipe	46.35%	37.69%
30 in Pressurized Irrigation Pipe	56.33%	45.81%
36 in Pressurized Irrigation Pipe	65.03%	52.89%

SERVICE AREA

The service area includes the existing City boundary and future areas as they are annexed into the City.

Master Planned Year refers to when, at growth rates projected by the MPO, all vacant land in the PI Master Plan boundaries will be developed. It assumes no future changes to the PI Master Plan boundaries but will be updated with each IFFP according to the current City PI Master Plan.

IMPACT FEE FACILITIES PLAN

Figures 3-1 and 3-2 show the pressurized irrigation facilities needed to maintain the Proposed LOS and LOS Parameters as development occurs in the City. These facilities are determined from the CIPs in the PI Master Plan and specific localized studies completed as development progresses or is proposed. Many of these projects will be constructed in phases as development occurs.

Using the pressurized irrigation CIPs and recent development needs, specific capital projects which have impact fee-eligible costs are identified in Table 3-12. These are projects that have been completed or are planned for construction in the next 6 years. All costs are actual or based on present day estimates.

If development requires any System Improvement projects before existing budgets can construct them, then developers may, if approved by the City, front the cost of the project and be reimbursed through impact fees or receive an impact fee credit. If development occurs in areas that trigger projects beyond the planning horizon of this IFFP then the City may add these projects once they are confident the projects will progress.

Table 3-12 lists the IFFP projects. It includes the percentage of each project required to remove the cost to solve existing system deficiencies and increased utilization if appropriate. These percentages are applied to the total cost of the project to determine the cost reimbursable by impact fees. If IFFP projects are bonded then the growth related interest of the bond are included in the IF & Interest Cost. The cost/ERC is determined by the product of the cost per capacity times the Proposed LOS required capacity. The total capacity and total cost are used to determine the cost per capacity unit.

**Table 3-12
Pressurized Irrigation Impact Fee Facilities Plan**

Source/Transmission	Begin	Total Cost	IF %	IF & Interest Cost	Capacity	Excess Cap	LOS/ERC	Cost/gpm
Spring Lake Pump Rehabilitation	FY2022	\$850,740	30.00%	\$255,222	300 gpm	1,176 ERCs	0.85 gpm	\$850.74
Weighted Average								\$850.74
Storage	Begin	Total Cost	IF %	IF & Interest Cost	Capacity	Excess Cap	LOS/ERC	Cost/gal
Weighted Average								N/A
Misc Facilities	Begin	Total Cost	IF %	IF & Interest Cost	ERCs	Begin ERCs	End ERCs	Cost/ERC
Payson View Highline Canal Crossing	FY2025	\$175,890	100.00%	\$175,890	5,697 ERCs	5,825 ERCs	11,522 ERCs	\$30.87
Lower to Upper PI Pond Pump Station	FY2013	\$616,892	100.00%	\$616,892	7,159 ERCs	4,363 ERCs	11,522 ERCs	\$86.18
Shop Expansion 3,010sf to 6,710 sf, 1/2 PI	FY2016	\$2,741,710	27.57%	\$755,911	6,961 ERCs	4,561 ERCs	11,522 ERCs	\$108.60
Total								\$225.65
Planning	Begin	10-Year Cost	IF %	IF & Interest Cost	ERCs	Begin ERCs	End ERCs	Cost/ERC
Impact Fee Studies	FY2022	\$77,233	100.00%	\$77,233	2,063 ERCs	5,046 ERCs	7,109 ERCs	\$37.44
Master Plan Studies	FY2022	\$105,501	100.00%	\$105,501	2,063 ERCs	5,046 ERCs	7,109 ERCs	\$51.14
Total								\$88.57
Distribution	Begin	Total Cost	IF %	IF & Interest Cost	Capacity	LOS/ERC	ERCs	Cost/cf
Hiatt Creek B1 (1950 West) 295' of 12"	FY2025	\$33,825	36.80%	\$12,448	129 cf	22.87 cf	6 ERCs	\$96.70
ULS Main St Turnout 2300' 24" Line	FY2027	\$799,875	46.35%	\$370,702	6,423 cf	22.87 cf	281 ERCs	\$57.72
Weighted Average								\$58.48

Note: Project and study costs based on actual costs or present-day cost estimates.

APPENDICES

APPENDIX A - NOTICE OF INTENT TO AMEND THE DW, PI, & WW IFFP AND IFA

Figure A-1
City Website

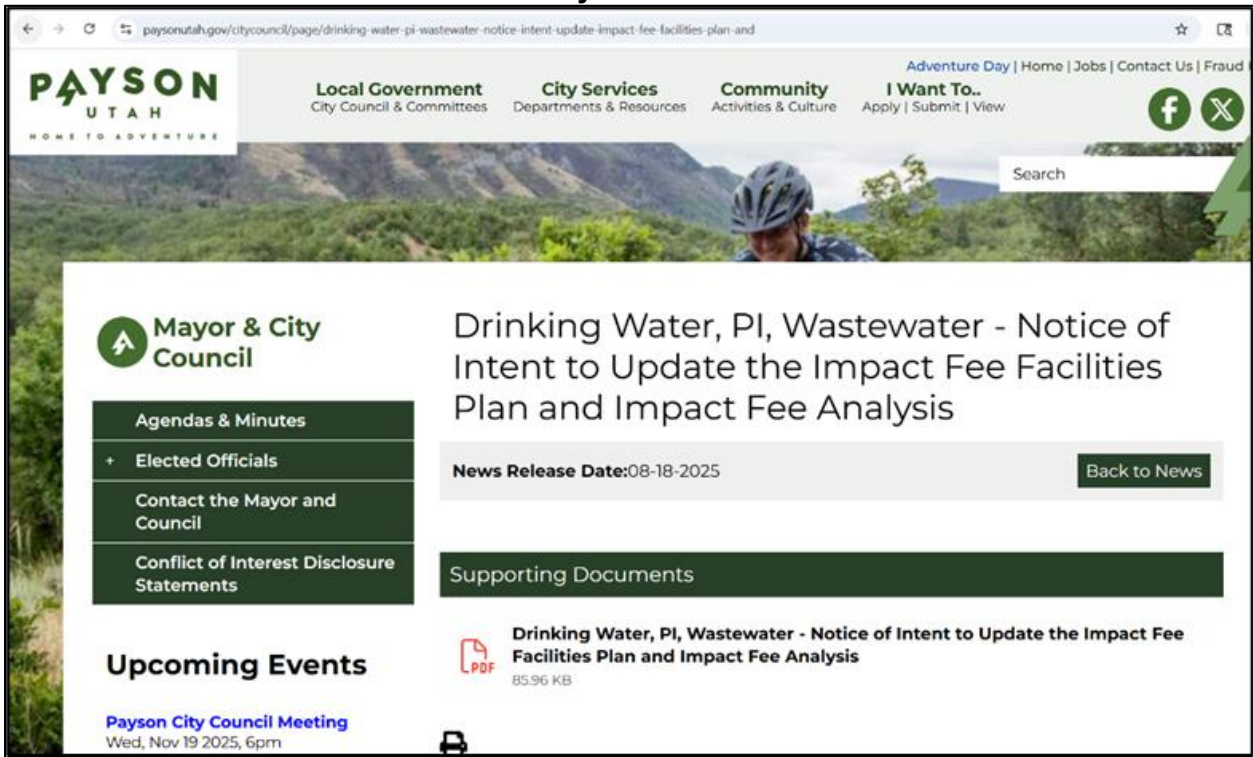


Figure A-2
Utah Public Notice Website



PUBLIC NOTICE WEBSITE

DIVISION OF ARCHIVES AND RECORDS SERVICE

Payson

City Council

Drinking Water, PI, Wastewater - Notice of Intent to Update the Impact Fee Facilities Plan and Impact Fee Analysis

Drinking Water, PI, Wastewater - Notice of Intent to Update the Impact Fee Facilities Plan and Impact Fee Analysis

SUBSCRIBE TO PUBLIC BODY

General Information

Government Type:

Municipality

Entity:

Payson

Public Body:

City Council

Notice Information

Add Notice to Calendar

Notice Title:

Notice Title:

Drinking Water, PI, Wastewater - Notice of Intent to Update the Impact Fee Facilities Plan and Impact Fee Analysis

Notice Tags:

impact fees

Notice Type(s):

Notice

Event Start Date & Time:

August 18, 2025 09:30 AM

Description/Agenda:

Payson City

Notice of Intent to Update the Impact Fee Facilities Plan (IFFP) and Impact Fee Analysis (IFA) Related to Drinking Water, Pressurized Irrigation Water, and Wastewater Collection System

Notice is hereby given that Payson City, a local municipality located in Utah County, Utah, intends to commence the preparation of an updated independent and comprehensive Impact Fee Facilities Plan and Impact Fee Analysis for Drinking Water, Pressurized Irrigation Water, and Wastewater Collection System. Therefore, pursuant to the provisions of Utah Code 11-36a-501 and 503, notice is hereby provided of the intent of Payson City to updated the Impact Fee Facilities Plan and an Impact Fee Analysis for the City. The geographic location where the proposed impact fee facilities will be located is the entire area within the Payson City municipal boundary.

The public is hereby invited to provide written comments or information to be considered in adopting the impact fee facilities plan and impact fee analysis. For information about the impact fee project or to submit your comments, please contact:

Travis Jockumsen, Public Works Director
Payson City Center
439 West Utah Avenue
Payson UT 84651
(801) 465-5232 travisj@paysonutah.gov

In compliance with the Americans with Disabilities Act, persons in need of special accommodations or services to participate shall notify the City; and the City will seek to provide assistance.

Notice of Special Accommodations (ADA):

N/A

Notice of Electronic or Telephone Participation:

N/A

Other Information:

N/A

Meeting Information

Meeting Location:

439 W Utah Avenue

Payson, UT 84651

[Show in Apple Maps](#)

[Show in Google Maps](#)

Contact Name:

Kim Holindrake

Contact Email:

kimh@paysonutah.gov

Contact Phone:

(801)465-5205

Notice Posting Details

APPENDIX B - NOTICE TO ADOPT OR AMEND AN IFFP AND IF ENACTMENT

11-36a-502 Notice to Adopt or Amend an Impact Fee Facilities Plan and 11-36a-503 Notice of Intent to Adopt an Impact Fee Enactment



Pressurized Irrigation Impact Fee Analysis



PAYSON

March 2026

**HANSEN
ALLEN
& LUCE_{INC}**
ENGINEERS

Payson

PRESSURIZED IRRIGATION

IMPACT FEE ANALYSIS

(HAL Project No.: 412.27.200)

March 2026



ACKNOWLEDGMENTS

Several individuals contributed to the successful completion of this study. We sincerely appreciate the cooperation, assistance, and expertise provided by members of the project team:

The City of Payson

Travis Jockumsen, Public Works Director
Jonathan Knight, City Engineer
Joe Jamison, GIS
Cameron Phillips, Water System Operator

Hansen, Allen & Luce, Inc.

Steve Jones, Principal in Charge
Chris Thompson, Project Manager
Dana Tran, Project Engineer
Jason Biesinger, Project Engineer

ABBREVIATIONS, ACRONYMS, UNITS AND DEFINITIONS

ABBREVIATIONS

City	Payson City
------	-------------

ACRONYMS

CIP	Capital Improvement Plan
ERC	Equivalent Residential Connection
GIS	Geographic Information System
HAL	Hansen, Allen & Luce, Inc.
LOS	Level of Service
PI	Pressurized Irrigation

UNITS

ac-ft	Acre Foot
cf	Cubic Foot
ft	Foot
in	Inch
ln-ft	Linear Foot
sq-ft	Square Foot

DEFINITIONS

Base LOS Data Year. The first data year LOS calculations were made.

Base LOS Fiscal Year. The first fiscal year LOS calculations were implemented.

Base Year LOS. The Base Year LOS reflects the originally calculated LOS provided to the residents. It is tracked so impact fees are not used to raise the LOS to existing residents.

Data Year. The Data Year is the previous full calendar year for which annual data is used for updating the IFFP and IFA.

Distribution LOS Parameter. The Distribution LOS Parameter was set by standard practice in the PI Master Plan. Distribution facilities must be designed with capacity for peak day demands.

Distribution Pipe. Distribution Pipe includes main lines that convey PI water and are owned by the City.

Effective Date. The date, no less than 90 days after the Enactment Date, when the impact fees become effective for impact fees that are increasing.

Enactment Date. The Enactment Date is the date the City Council approves the IFFP, IFA, and Impact Fee Enactment Ordinance.

Equivalent Residential Connection (ERC). An ERC is defined by the average PI usage of an average single-family house.

Established LOS. The Established LOS is set by the City Council by the adoption of the IFFP, the IFA, and the Impact Fee Enactment Ordinance.

Existing LOS. The Existing LOS is the LOS currently provided to the existing City residents for the Data Year.

Local Distribution System. Local Distribution System is defined as distribution system constructed with Minimum Size Distribution Pipe or pipe smaller in diameter.

Master Plan LOS. The Master Plan LOS is the LOS for the entire City at the Master Planned Year. It indicates what the Existing LOS will be raised to with non-impact fee funds.

Minimum Size Distribution Pipe. The Minimum Size Distribution Pipe is defined as the minimum or local distribution pipe diameter. It is established by City standards according to standard practice and the City's ability to operate and maintain the pressurized irrigation system.

Project Improvements. Project Improvements are improvements required by development that the City determines not to define as System Improvements.

Proposed LOS. The Proposed LOS is the LOS recommended to the City Council by the IFFP and IFA to set as the Established LOS.

Proposed LOS for Existing. The LOS existing customers will have as a result of the Proposed LOS.

Regional Distribution System. Regional Distribution System is defined as the volume of distribution system pipe above that of a local or minimum pipe size.

Storage LOS Parameter. The Storage LOS Parameter was set by standard practice in the PI Master Plan. Storage facilities must be designed with capacity for equalization storage.

System Improvements. System Improvements are regional improvements determined by the City to be impact fee reimbursable. Cities are not required to define all regional facilities as System Improvements, but all System Improvements must be regional.

Volume LOS. The Volume LOS for both distribution and storage is based on the volume of Regional Pipe or Storage Facility per ERC.

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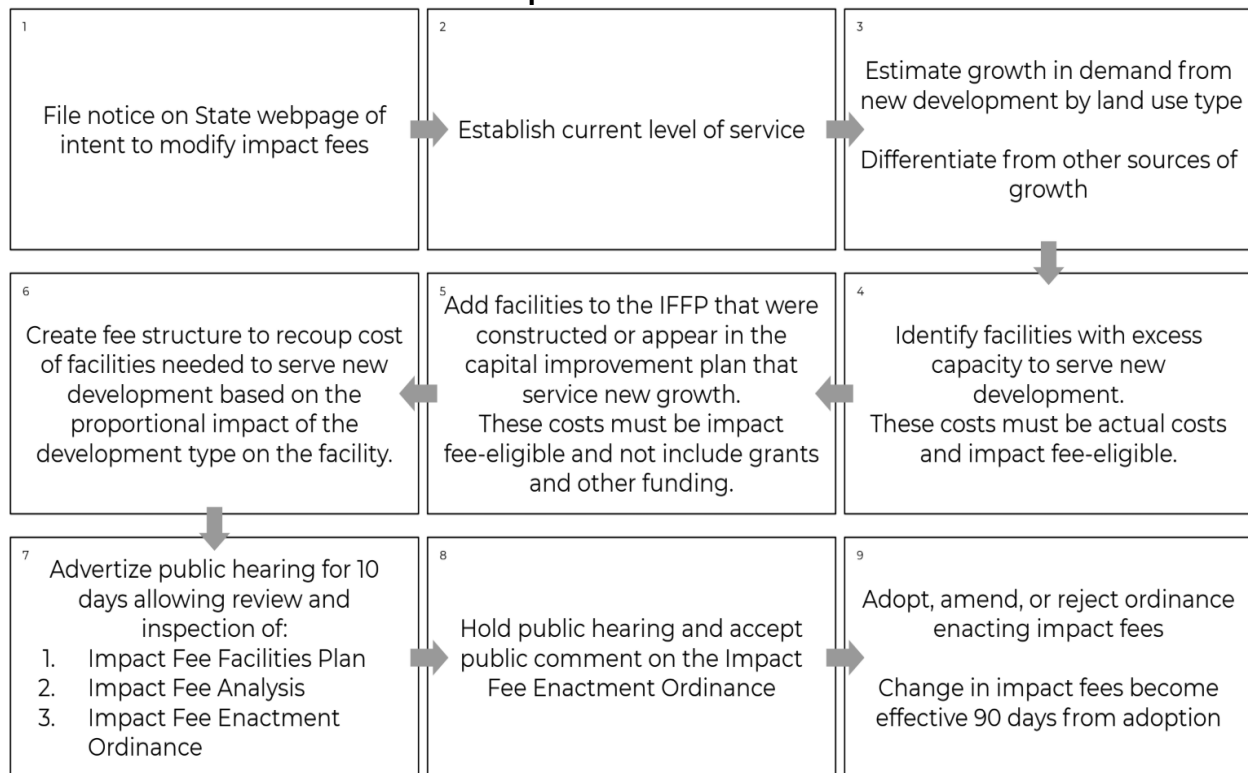
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CHAPTER 1 – INTRODUCTION

IMPACT FEE ENACTMENT PROCESS

Figure 1-1 outlines the impact fee enactment process.

**Figure 1-1
Impact Fee Process**



NOTICES

In accordance with Utah Code section 11-36a-502 Notice to Adopt or Amend an Impact Fee Facilities Plan and 11-36a-504 Notice of Intent to Adopt an Impact Fee Enactment, Payson City posted a notice of intent to prepare or amend an Impact Fee Facilities Plan and prepare an Impact Fee Analysis for the area within the City's policy boundary. It was posted on the Utah Public Notice Website and the local City website. See [Appendix A](#), Notices.

Utah Code 11-36a-401 requires that impact fees not go into effect until 90 days after the Enactment Date. These dates are found in Table 1-1. This table also includes the Data Year for this IFA and the IFFP it is based on. The fiscal year the Base LOS was set and the Data Year it was based on are also included in Table 1-1.

**Table 1-1
Enactment and Study Dates**

Data Year	Enactment Date	Effective Date	Base LOS Fiscal Year	Base LOS Data Year
2024	3/18/2026	7/1/2026	FY2026	2024

EXECUTIVE SUMMARY

Hansen Allen and Luce, Inc (HAL) completed an IFFP for the City. This IFA is based on that IFFP. The impact fees calculated in this analysis have been developed in accordance with Section 11-36A-304 of the Utah Impact Fees Act.

The impact fee calculated in this IFA is a one-time fee charged to new development to pay for the cost of infrastructure to serve that development. It was developed to ensure that the cost of that infrastructure is fairly apportioned to the different types of anticipated development.

Service Area

The service area includes the existing City boundary and future areas as they are annexed into the City. Master Planned Year refers to when, at projected growth rates, all vacant land in the PI Master Plan boundaries would be developed. It assumes no future changes to the PI Master Plan boundaries but will be updated with each future IFFP update according to the current City PI Master Plan.

Level of Service

Table 1-2 summarizes the City pressurized irrigation LOS calculations as indicated in the IFFP.

**Table 1-2
Pressurized Irrigation Level of Service per ERC**

Category	Base Year LOS	Existing LOS	Proposed LOS	% Impact Fee Reimbursable
Source LOS/ERC	2.75 gpm	2.75 gpm	0.85 gpm	100.00%
Storage LOS/ERC	1,907 gal	1,907 gal	1,430 gal	100.00%
Distribution LOS/ERC	15.5 cf	15.5 cf	22.9 cf	81.33%

Source: IFFP

If the Proposed LOS is higher than the Existing LOS, then the % Impact Fee Reimbursable amount in Table 1-2 needs to be applied to future System Improvement costs to calculate what can be paid for with or reimbursed from impact fee funds, otherwise 100% of the regional costs are reimbursable. This ensures that impact fee funds do not pay to raise the LOS of existing residents. The IFFP costs of System Improvement projects or planning studies are based on actual costs for completed projects and present day cost estimates for future ones.

Impact Fee Credits

When the Proposed LOS is higher than the Existing LOS, impact fee credits are applied so new residents do not also pay an impact fee for costs to raise the Existing LOS. Also, bonds often include new and existing user costs. New users pay for their portion of the bond through impact fees. Existing users pay through their rates. Since new users have already paid for their portion

of the facility through impact fees they receive a credit for what they will pay in user rates over the life of the bond. Table 1-3 shows the NPV credit calculations per ERC for any impact fee components that meet these criteria for a credit.

**Table 1-3
Impact Fee Credits**

Distribution			
Year	Credit per ERC	NPV	Maximum Fee after Credit
FY2027	\$13.14	\$249.69	\$1,087.81
FY2028	\$13.02	\$247.38	\$1,090.12
FY2029	\$12.91	\$245.23	\$1,092.27
FY2030	\$12.80	\$243.22	\$1,094.28
FY2031	\$12.70	\$241.34	\$1,096.15
FY2032	\$12.61	\$239.59	\$1,097.91
Average Mortgage Interest Rate for the Data Year			6.24%

Source: IFFP, Federal Home Loan Mortgage Corporation

Maximum Allowable Impact Fee

Table 1-4 provides the maximum allowable impact fee for the pressurized irrigation system. Where appropriate, the maximum allowable fee is adjusted to reflect the proportional infrastructure needs of different lot size and land use types.

**Table 1-4
Maximum Allowable Pressurized Irrigation Impact Fee per ERC**

Item	Max Allowable Impact Fee	Max Allowable with Credits
Source Cost/ERC	\$723.13/ERC	\$723.13/ERC
Storage Cost/ERC	\$0.00/ERC	\$0.00/ERC
Misc Facilities Cost/ERC	\$225.65/ERC	\$225.65/ERC
Planning Cost/ERC	\$88.57/ERC	\$88.57/ERC
Distribution Cost/ERC	\$1,337.50/ERC	\$1,087.81/ERC
Maximum Allowable Impact Fee/ERC	\$2,374.84/ERC	\$2,125.15/ERC

The proposed first year impact fee with credits for an ERC is identified in Table 1-5. It also includes the proposed cost change and percent increase per ERC.

**Table 1-5
Pressurized Irrigation Impact Fee per ERC with Credit**

ERC Meter Size	1 in
Maximum Allowable Impact Fee/ERC	\$2,125.15/ERC
Previous Impact Fee	\$1,443.00/ERC
Proposed Impact Fee	\$2,125.15/ERC
Difference	\$682.15/ERC
% Change	47.27%

The pressurized irrigation impact fee is charged at the time of building permit issuance. It is charged by lot size for single family homes and by irrigated acre for all other development according to Table 1-6.

**Table 1-6
Impact Fee by Area and Single Family Residential Lot Size**

Lot Size	Acres	Irrigated Acres	ERC	Impact Fee
ERC Lot with Park Space Added	0.21 acres	0.14 acres	1.00 ERCs	\$2,125.15
1 Acre of Multi-Family Landscaped Area	1.00 acre	1.00 acre	7.04 ERCs	\$14,965.87
ERC Lot without Park Space Added	0.21 acres	0.11 acres	0.79 ERCs	\$1,676.18
1 Acre of Non-Residential Landscaped Area	1.00 acre	1.00 acre	5.55 ERCs	\$9,310.25
Single Family Home Lot Size	Landscaped %	Landscaped Area	Factor	Impact Fee
Less than 2,000 sq-ft	15.00%	300 sq-ft	0.06	\$132.82
2,001-4,000 sq-ft	36.67%	1,100 sq-ft	0.23	\$487.01
4,001-6,000 sq-ft	47.00%	2,350 sq-ft	0.49	\$1,040.44
6,001-8,000 sq-ft	50.71%	3,550 sq-ft	0.74	\$1,571.73
8,001-10,000 sq-ft	53.33%	4,800 sq-ft	1.00	\$2,125.15
10,001-20,000 sq-ft	63.67%	9,550 sq-ft	1.99	\$4,228.17
Greater than 20,001 sq-ft	67.50%	16,875 sq-ft	3.52	\$7,471.24

CERTIFICATION

Hansen, Allen & Luce, Inc. certifies that this Impact Fee Analysis (IFA):

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

HANSEN, ALLEN & LUCE, INC.

CHAPTER 2 – PRESSURIZED IRRIGATION IMPACT FEE

SERVICE AREA

The service area includes the existing City boundary and future areas as they are annexed into the City.

UPSIZE PERCENTAGE

Table 2-1 contains the upsize percentages for System Improvement distribution projects. They are calculated according to current day estimates for distribution projects, dividing the cost difference of a regional distribution pipe with appurtenances and local one by the cost of the regional. Since the costs are relative, it fairly applies to all project costs whether or not they are the same as the basis costs for the percentage calculations. The IF Percentage is calculated by applying the % Impact Fee Reimbursable in Table 3-10 to the Upsize Percentage.

Table 2-1
Pressurized Irrigation Pipe Upsize Percentage

Pipe Size	Upsize Percentage	IF Percentage
10 in Pressurized Irrigation Pipe	12.45%	10.13%
12 in Pressurized Irrigation Pipe	18.46%	15.01%
16 in Pressurized Irrigation Pipe	32.83%	26.71%
18 in Pressurized Irrigation Pipe	36.50%	29.69%
20 in Pressurized Irrigation Pipe	40.44%	32.89%
24 in Pressurized Irrigation Pipe	46.35%	37.69%
30 in Pressurized Irrigation Pipe	56.33%	45.81%
36 in Pressurized Irrigation Pipe	65.03%	52.89%

IMPACT FEE FACILITIES PLAN

Table 2-2 identifies projects and planning studies with impact fee-eligible costs. All costs are based on actual costs or use present-day cost estimates. There are 5 components to a pressurized irrigation impact fee: source, storage, miscellaneous facilities, planning, and distribution. The fees charged for source, storage, and distribution are based on LOS. The fees charged for miscellaneous facilities and planning are based on future ERCs served. Table 2-2 calculates the costs per LOS unit. The IF% removes the Project Improvement costs and costs of projects used to solve existing deficiencies.

Table 2-2
Pressurized Irrigation Impact Fee Facilities Plan

Source/Transmission	Begin	Total Cost	IF %	IF & Interest Cost	Capacity	Excess Cap	LOS/ERC	Cost/gpm
Spring Lake Pump Rehabilitation	FY2022	\$850,740	30.00%	\$255,222	300 gpm	1,176 ERCs	0.85 gpm	\$850.74
Weighted Average								\$850.74
Storage	Begin	Total Cost	IF %	IF & Interest Cost	Capacity	Excess Cap	LOS/ERC	Cost/gal
Weighted Average								N/A
Misc Facilities	Begin	Total Cost	IF %	IF & Interest Cost	ERCs	Begin ERCs	End ERCs	Cost/ERC
Payson View Highline Canal Crossing	FY2025	\$175,890	100.00%	\$175,890	5,697 ERCs	5,825 ERCs	11,522 ERCs	\$30.87
Lower to Upper PI Pond Pump Station	FY2013	\$616,892	100.00%	\$616,892	7,159 ERCs	4,363 ERCs	11,522 ERCs	\$86.18
Shop Expansion 3,010sf to 6,710 sf, 1/2 PI	FY2016	\$2,741,710	27.57%	\$755,911	6,961 ERCs	4,561 ERCs	11,522 ERCs	\$108.60
Total								\$225.65
Planning	Begin	10-Year Cost	IF %	IF & Interest Cost	ERCs	Begin ERCs	End ERCs	Cost/ERC
Impact Fee Studies	FY2022	\$77,233	100.00%	\$77,233	2,063 ERCs	5,046 ERCs	7,109 ERCs	\$37.44
Master Plan Studies	FY2022	\$105,501	100.00%	\$105,501	2,063 ERCs	5,046 ERCs	7,109 ERCs	\$51.14
Total								\$88.57
Distribution	Begin	Total Cost	IF %	IF & Interest Cost	Capacity	LOS/ERC	ERCs	Cost/cf
Hiatt Creek B1 (1950 West) 295' of 12"	FY2025	\$33,825	36.80%	\$12,448	129 cf	22.87 cf	6 ERCs	\$96.70
ULS Main St Turnout 2300' 24" Line	FY2027	\$799,875	46.35%	\$370,702	6,423 cf	22.87 cf	281 ERCs	\$57.72
Weighted Average								\$58.48

Source: IFFP

LEVEL OF SERVICE

Table 2-3 has the LOS calculations for the City pressurized irrigation source, storage and distribution systems as calculated in the IFFP.

Table 2-3
Pressurized Irrigation Level of Service per ERC

Category	Base Year LOS	Existing LOS	Proposed LOS	% Impact Fee Reimbursable
Source LOS/ERC	2.75 gpm	2.75 gpm	0.85 gpm	100.00%
Storage LOS/ERC	1,907 gal	1,907 gal	1,430 gal	100.00%
Distribution LOS/ERC	15.5 cf	15.5 cf	22.9 cf	81.33%

If the Proposed LOS is higher than the Existing LOS, then the % Impact Fee Reimbursable amount in Table 2-3 needs to be applied to future System Improvement costs to calculate what can be paid for with or reimbursed from impact fee funds, otherwise 100% of the regional costs are reimbursable. This ensures that impact fee funds do not pay to raise the LOS of existing residents. The IFFP costs of System Improvement projects or planning studies are based on actual costs for completed projects and present day cost estimates for future ones.

IMPACT FEE CREDITS

When the Proposed LOS is higher than the Existing LOS, impact fee credits are applied so new residents do not also pay an impact fee for costs to raise the Existing LOS. Also, bonds often include new and existing user costs. New users pay for their portion of the bond through impact fees. Existing users pay through their rates. Since new users have already paid for their portion of the facility through impact fees they receive a credit for what they will pay in user rates over the life of the bond. Table 2-4 shows the NPV credit calculations per ERC for any impact fee components that meet these criteria for a credit.

Table 2-4
Impact Fee Credits

Distribution			
Year	Credit per ERC	NPV	Maximum Fee after Credit
FY2027	\$13.14	\$249.69	\$1,087.81
FY2028	\$13.02	\$247.38	\$1,090.12
FY2029	\$12.91	\$245.23	\$1,092.27
FY2030	\$12.80	\$243.22	\$1,094.28
FY2031	\$12.70	\$241.34	\$1,096.15
FY2032	\$12.61	\$239.59	\$1,097.91
Average Mortgage Interest Rate for the Data Year			6.24%

Source: IFFP, Federal Home Loan Mortgage Corporation

The costs that new residents will pay in user rates to increase the Existing LOS to the Master Plan LOS or to make bond payments for projects that benefit existing users in Table 2-2 are divided over the years to the Master Planned Year or end of bond payments. All costs are converted to present day costs and deducted from the component's impact fee.

IMPACT FEE COMPONENTS

The impact fee per ERC for each component of a pressurized irrigation system is shown in Table 2-5.

Table 2-5
Pressurized Irrigation Impact Fee Per ERC

Type	Cost	ERC Capacity	Cost/ERC	Cost/ERC with Credit
Source/Transmission	\$850.74/gpm	0.85 gpm/ERC	\$723.13/ERC	\$723.13/ERC
Storage	\$0.00/gal	1,430 gal	\$0.00/ERC	\$0.00/ERC
Misc Facilities	\$1,548,693.10	6,863 ERCs	\$225.65/ERC	\$225.65/ERC
Planning	\$182,734.09	2,063 ERCs	\$88.57/ERC	\$88.57/ERC
Distribution	\$58.48	22.87 cf	\$1,337.50/ERC	\$1,087.81/ERC

MAXIMUM ALLOWABLE IMPACT FEE

Table 2-6 provides the maximum allowable impact fee for the pressurized irrigation system. It is calculated by adding the costs for each component in Table 2-5.

Table 2-6
Maximum Allowable Pressurized Irrigation Impact Fee per ERC

Item	Max Allowable Impact Fee	Max Allowable with Credits
Source Cost/ERC	\$723.13/ERC	\$723.13/ERC
Storage Cost/ERC	\$0.00/ERC	\$0.00/ERC
Misc Facilities Cost/ERC	\$225.65/ERC	\$225.65/ERC
Planning Cost/ERC	\$88.57/ERC	\$88.57/ERC
Distribution Cost/ERC	\$1,337.50/ERC	\$1,087.81/ERC
Maximum Allowable Impact Fee/ERC	\$2,374.84/ERC	\$2,125.15/ERC

The proposed first year impact fee with credits for an ERC is identified in Table 2-7. It also includes the proposed cost change and percent increase per ERC.

Table 2-7
Pressurized Irrigation Impact Fee per ERC with Credit

ERC Meter Size	1 in
Maximum Allowable Impact Fee/ERC	\$2,125.15/ERC
Previous Impact Fee	\$1,443.00/ERC
Proposed Impact Fee	\$2,125.15/ERC
Difference	\$682.15/ERC
% Change	47.27%

The ERC Ratio for different lot sizes is found in Table 2-8. This factor would be applied to the Proposed Impact Fee/ERC in Table 2-7 for the first and Table 2-9 for subsequent years.

Table 2-8
Proposed Pressurized Irrigation Impact Fee by Irrigated Area

Lot Size	ERC	Impact Fee
ERC Lot with Park Space Added	1.00 ERCs	\$2,125.15
1 Acre of Landscaped Area	7.04 ERCs	\$14,965.87

Source: IFFP

Table 2-9 shows the proposed impact fees per ERC with credits for the next 6 years. These credits reduce slightly per year according to the NPV credit calculations in Table 2-4.

Table 2-9
Impact Fee Schedules with Credits

Year	Single Family Residential
FY2027	\$2,125.15
FY2028	\$2,127.46
FY2029	\$2,129.62
FY2030	\$2,131.63
FY2031	\$2,133.50
FY2032	\$2,135.25

The pressurized irrigation impact fee is charged at the time of building permit issuance. It is charged by lot size for single family homes and by irrigated acre for all other development according to Table 2-10.

Table 2-10
Impact Fee by Area and Single Family Residential Lot Size

Lot Size	Acres	Irrigated Acres	ERC	Impact Fee
ERC Lot with Park Space Added	0.21 acres	0.14 acres	1.00 ERCs	\$2,125.15
1 Acre of Multi-Family Landscaped Area	1.00 acre	1.00 acre	7.04 ERCs	\$14,965.87
ERC Lot without Park Space Added	0.21 acres	0.11 acres	0.79 ERCs	\$1,676.18
1 Acre of Non-Residential Landscaped Area	1.00 acre	1.00 acre	5.55 ERCs	\$9,310.25
Single Family Home Lot Size	Landscaped %	Landscaped Area	Factor	Impact Fee
Less than 2,000 sq-ft	15.00%	300 sq-ft	0.06	\$132.82
2,001-4,000 sq-ft	36.67%	1,100 sq-ft	0.23	\$487.01
4,001-6,000 sq-ft	47.00%	2,350 sq-ft	0.49	\$1,040.44
6,001-8,000 sq-ft	50.71%	3,550 sq-ft	0.74	\$1,571.73
8,001-10,000 sq-ft	53.33%	4,800 sq-ft	1.00	\$2,125.15
10,001-20,000 sq-ft	63.67%	9,550 sq-ft	1.99	\$4,228.17
Greater than 20,001 sq-ft	67.50%	16,875 sq-ft	3.52	\$7,471.24

CHAPTER 3 – ADOPTION, ACCOUNTING, EXPENDITURE, AND REFUNDS

ADOPTION

The Utah Impact Fees Act requires the preparation of an IFFP, impact fee analysis and impact fee enactment prior to adoption of an ordinance adopting or amending impact fees. The IFFP for storm drain was prepared to identify existing excess capacity, existing deficiencies, Existing LOS, Proposed LOS and newly constructed facilities that were required to serve new development in the City.

The written impact fee analysis, using the analysis from the IFFP, identifies the impacts placed on facilities by development activity and how the impacts are related to new development. The analysis also calculates the roughly proportional share of costs of each facility identified in the IFFP attributable to new development and establishes the relative benefit each group will receive from the improvement. The analysis also includes an executive summary of the impact fee analysis providing a brief overview of the impact fee structure, methodology and cost basis used.

The impact fee enactment must be adopted by the City Council to enact the proposed fees. The ordinance may not impose a fee higher than the maximum legal fee defined in the written analysis, but may adopt a fee that is lower than the maximum fee. In addition, the ordinance must:

- establish one or more service areas
- include a schedule of the impact fees or the formula by which the fee is derived
- include provisions allowing the City to adjust or modify the fee to take into account any changes or unusual circumstances to ensure that the fee is administered fairly
- include provisions to adjust the fee if independent research or studies determine that it should be different
- include a provision allowing charter and public schools to request the inclusion of facilities on the IFFP and in the calculation of the impact fee

By Utah Code 11-36a-504, the Ordinance may be adopted following a ten (10) day notice period and public hearing. Copies of the proposed Ordinance, written IFFP and Impact Fee Analysis must be made available to the public during the 10-day notice period for public review and inspection in designated public places including the City offices and any public libraries within the jurisdiction. A public hearing shall be held at the end of the 10-day notice period, at which point the Council may adopt, amend and adopt, or reject the Impact Fee Ordinance and proposed fee schedule.

ACCOUNTING

The Impact Fees Act requires that any entity imposing impact fees establish an interest bearing ledger account for each type of public facility for which an impact fee is collected. All impact fee receipts must be deposited into the appropriate account. Any interest earned in each account must remain in the corresponding account. At the end of each fiscal year, the City must prepare a report on each fund or account showing the source and amount of all monies collected, earned, and received by each account and each expenditure made from each account.

EXPENDITURE

The City may only expend impact fees for System Improvements identified in the IFFP. All funds collected must be spent or encumbered within six years of collection or the City must provide an extraordinary or compelling reason why the fees must be held longer and provide an ultimate date by which the impact fees collected will be expended. Any fees retained beyond the six years without an extraordinary or compelling reason must be refunded. The improvements financed by impact fees must be owned and operated by the City or another local public entity with which the City has contracted or will contract for services and improvements that will be operated on the City's behalf.

REFUNDS

By Utah Code 11-36a-603, the City is required to refund any impact fees collected, plus interest earned since collection if:

1. A developer who has paid impact fees does not proceed with the development and has filed a written request for a refund,
2. The fees have not been spent or encumbered within six years, or
3. The new development which has paid impact fees has not created an impact upon the system.

APPENDICES

APPENDIX A - NOTICE OF INTENT TO AMEND THE PRESSURIZED IRRIGATION IFFP AND IFA

Figure A-1
City Website

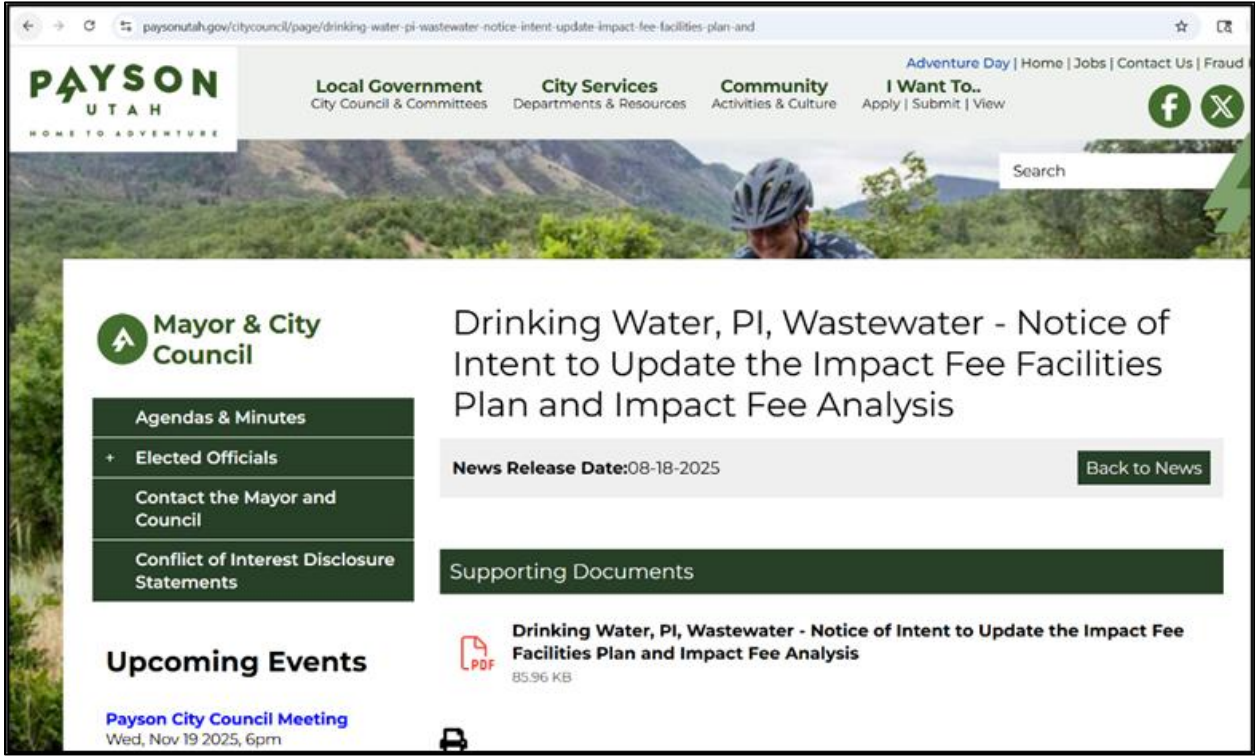


Figure A-2
Utah Public Notice Website

PUBLIC NOTICE WEBSITE
DIVISION OF ARCHIVES AND RECORDS SERVICE

Payson / City Council

Drinking Water, PI, Wastewater - Notice of Intent to Update the Impact Fee Facilities Plan and Impact Fee Analysis

Drinking Water, PI, Wastewater - Notice of Intent to Update the Impact Fee Facilities Plan and Impact Fee Analysis

SUBSCRIBE TO PUBLIC BODY

General Information

Government Type:
Municipality

Entity:
Payson

Public Body:
[City Council](#)

Notice Information

Add Notice to Calendar

Notice Title:

Notice Title:

Drinking Water, PI, Wastewater - Notice of Intent to Update the Impact Fee Facilities Plan and Impact Fee Analysis

Notice Tags:

impact fees

Notice Type(s):

Notice

Event Start Date & Time:

August 18, 2025 09:30 AM

Description/Agenda:

Payson City

Notice of Intent to Update the Impact Fee Facilities Plan (IFFP) and Impact Fee Analysis (IFA) Related to Drinking Water, Pressurized Irrigation Water, and Wastewater Collection System

Notice is hereby given that Payson City, a local municipality located in Utah County, Utah, intends to commence the preparation of an updated independent and comprehensive Impact Fee Facilities Plan and Impact Fee Analysis for Drinking Water, Pressurized Irrigation Water, and Wastewater Collection System. Therefore, pursuant to the provisions of Utah Code 11-36a-501 and 503, notice is hereby provided of the intent of Payson City to updated the Impact Fee Facilities Plan and an Impact Fee Analysis for the City. The geographic location where the proposed impact fee facilities will be located is the entire area within the Payson City municipal boundary.

The public is hereby invited to provide written comments or information to be considered in adopting the impact fee facilities plan and impact fee analysis. For information about the impact fee project or to submit your comments, please contact:

Travis Jockumsen, Public Works Director
Payson City Center
439 West Utah Avenue
Payson UT 84651
(801) 465-5232 travisj@paysonutah.gov

In compliance with the Americans with Disabilities Act, persons in need of special accommodations or services to participate shall notify the City; and the City will seek to provide assistance.

Notice of Special Accommodations (ADA):

N/A

Notice of Electronic or Telephone Participation:

N/A

Other Information:

N/A

Meeting Information

Meeting Location:

439 W Utah Avenue
Payson, UT 84651

[Show in Apple Maps](#)

[Show in Google Maps](#)

Contact Name:

Kim Holindrake

Contact Email:

kimh@paysonutah.gov

Contact Phone:

(801)465-5205

Notice Posting Details

APPENDIX B - NOTICE TO ADOPT OR AMEND AN IFFP AND IF ENACTMENT



Wastewater Impact Fee Facilities Plan



PAYSON

March 2026

**HANSEN
ALLEN
& LUCE^{INC}**
ENGINEERS

Payson

WASTEWATER IMPACT FEE FACILITY PLAN

(HAL Project No.: 412.27.300)

March 2026



ACKNOWLEDGMENTS

Several individuals contributed to the successful completion of this study. We sincerely appreciate the cooperation, assistance, and expertise provided by members of the project team:

The City of Payson

Travis Jockumsen, Public Works Director
Jonathan Knight, City Engineer
Joe Jamison, GIS
Cameron Phillips, Water System Operator

Hansen, Allen & Luce, Inc.

Steve Jones, Principal in Charge
Chris Thompson, Project Manager
Dana Tran, Project Engineer
Jason Biesinger, Project Engineer

ABBREVIATIONS, ACRONYMS, UNITS AND DEFINITIONS

ABBREVIATIONS

City	Payson City
------	-------------

ACRONYMS

CIP	Capital Improvement Plan
ERC	Equivalent Residential Connection
GIS	Geographic Information System
HAL	Hansen, Allen and Luce, Inc.
IF	Impact Fee
LOS	Level of Service
MAG	Mountainland Association of Governments
MPO	Metropolitan Planning Organization
WW	Wastewater
WWMP	Wastewater Master Plan
WRF	Wastewater Reclamation Facility

UNITS

ac-ft	Acre Foot
cf	Cubic Foot
ft	Foot
in	Inch
ln-ft	Linear Foot
sq-ft	Square Foot

DEFINITIONS

Base LOS Data Year. The first data year LOS calculations were made.

Base LOS Fiscal Year. The first fiscal year LOS calculations were implemented.

Base Year LOS. The Base Year LOS reflects the originally calculated LOS provided to the residents. It is tracked so impact fees are not used to raise the LOS to existing residents.

Data Year. The Data Year is the previous full calendar year for which annual data is used for updating the IFFP and IFA.

Collection LOS Parameter. The Collection LOS Parameter was set by standard practice in the WWMP.

Collection Pipe. Collection Pipe includes main lines that collect wastewater and are owned by the City.

Effective Date. The date, no less than 90 days after the Enactment Date, when the impact fees become effective for impact fees that are increasing.

Enactment Date. The Enactment Date is the date the City Council approves the IFFP, IFA, and Impact Fee Enactment Ordinance.

Equivalent Residential Connection (ERC). An ERC is defined by the average wastewater usage of an average single-family house.

Established LOS. The Established LOS is set by the City Council by the adoption of the IFFP, the IFA, and the Impact Fee Enactment Ordinance.

Existing LOS. The Existing LOS is the LOS currently provided to the existing City residents for the Data Year.

Local Collection System. Local Collection System is defined as collection system constructed with Minimum Size Collection Pipe or pipe smaller in diameter.

Master Plan LOS. The Master Plan LOS is the LOS for the entire City at the Master Planned Year. It indicates what the Existing LOS will be raised to with non-impact fee funds.

Minimum Size Collection Pipe. The Minimum Size Collection Pipe is defined as the minimum or local collection pipe diameter. It is established by City standards according to standard practice and the City's ability to operate and maintain the wastewater system.

Project Improvements. Project Improvements are improvements required by development that the City determines not to define as System Improvements.

Proposed LOS. The Proposed LOS is the LOS recommended to the City Council by the IFFP and IFA to set as the Established LOS.

Proposed LOS for Existing. The LOS existing customers will have as a result of the Proposed LOS.

Regional Collection System. Regional Collection System is defined as the volume of collection system pipe above that of a local or minimum pipe size.

Treatment LOS Parameter. The Treatment LOS Parameter was set by standard practice in the WWMP. Treatment facilities must be designed to meet state permits.

System Improvements. System Improvements are regional improvements determined by the City to be impact fee reimbursable. Cities are not required to define all regional facilities as System Improvements, but all System Improvements must be regional.

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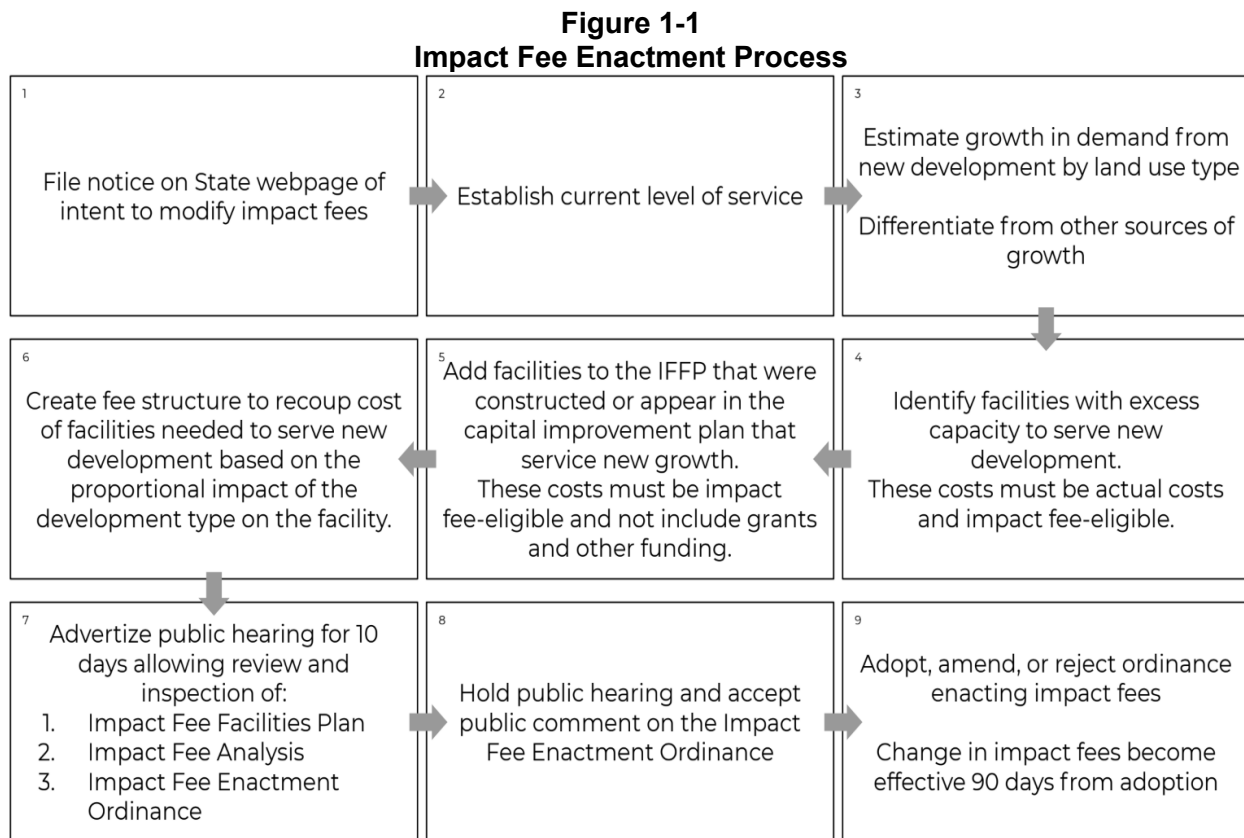
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CHAPTER 1 – INTRODUCTION

IMPACT FEE ENACTMENT PROCESS

Figure 1-1 outlines the impact fee enactment process.



NOTICES

In accordance with Utah Code section 11-36a-501 Notice of Intent to Prepare an Impact Fee Facilities Plan and 11-36a-503 Notice of Intent to Prepare an Impact Fee Assessment, Payson City posted a notice of intent to prepare or amend an Impact Fee Analysis for the area within the City's policy declaration boundary. It was posted on the Utah Public Notice Website and the local City website. See [Appendix A](#).

In accordance with Utah Code section 11-36a-502 Notice to Adopt or Amend an Impact Fee Facilities Plan and 11-36a-504 Notice of Intent to Adopt an Impact Fee Enactment, Payson City posted a notice of intent to prepare or amend an Impact Fee Facilities Plan and prepare an Impact Fee Analysis for the area within the City's policy boundary. It was posted on the Utah Public Notice Website and the local City website. See Appendix B.

EXECUTIVE SUMMARY

In 2020 Bowen Collins completed a wastewater system model and the WWMP for the City. This IFFP is based on that model and WWMP and any update studies conducted since. Recommendations for Treatment and Collection System Improvements are based on the model requirements to meet the WWMP Treatment and Collection LOS Parameters. Consor maintains the City's current water model and has provided updates for development requests.

The City has adopted impact fees based on the cost of capital facilities needed to meet the demand of new development according to the LOS Parameters set by the City in the WWMP and this IFFP. Impact fees are not used to increase the LOS for existing residents.

Service Area

The service area includes the existing City boundary and future areas as they are annexed into the City. Master Planned Year refers to when, at growth rates projected by the MPO, the state and the City, all vacant land in the WWMP boundaries would be developed. It assumes no future changes to the WWMP boundaries but will be updated with each future IFFP according to the current City WWMP.

Impact Fee Facilities Plan

Table 1-1 identifies projects and planning studies with impact fee-eligible costs. All costs are based on actual costs or use present day cost estimates. There are 4 components to a wastewater impact fee: treatment, miscellaneous facilities, planning, and collection. The fees charged for treatment and collection are based on LOS. The fees charged for miscellaneous facilities and planning are based on ERCs served. The IF% removes the Project Improvement costs and costs of projects used to solve existing deficiencies.

Table 1-1
Wastewater Impact Fee Facilities Plan

Treatment	Begin	Total Cost	IF %	IF & Interest Cost	Add Capacity	ERC Capacity	Excess Cap	Cost/gpd
2022 to 2026 WRF Upgrade (Bonds)	FY2022	\$84,944,653	54.88%	\$74,827,540	2.25 mgd	18,280 ERCs	8,130 ERCs	\$33.26
TOTAL								\$33.26
Misc Facilities	Begin	Total Cost	IF %	IF & Interest Cost	Add ERCs	Begin ERCs	End ERCs	Cost/ERC
Upgrade Wasatch Mental Health Lift Station	FY2027	\$422,730	100.00%	\$422,730	12,696 ERCs	10,760 ERCs	23,456 ERCs	\$33.30
TOTAL								\$33.30
Planning	Begin	10-Year Cost	IF %	IF & Interest Cost	ERCs	Begin ERCs	End ERCs	Cost/ERC
Impact Fee Studies	FY2022	\$108,858	100.00%	\$108,858	2,799 ERCs	9,539 ERCs	12,338 ERCs	\$38.89
Master Plan Studies	FY2022	\$109,501	100.00%	\$109,501	2,799 ERCs	9,539 ERCs	12,338 ERCs	\$39.12
TOTAL								\$78.02
Collection	Begin	Total Cost	IF %	IF & Interest Cost	Capacity	LOS per ERC	ERCs	Cost/cf
Main St 900N Upsize 5,200' 24" to 36" (2019 Sewer Bond)	FY2019	\$2,232,449	61.26%	\$1,615,039	20,420 cf	13.26 cf	1,540 ERCs	\$79.09
Red Bridge - Sewer Outfall 7,415' 21"	FY2021	\$3,753,072	55.00%	\$2,064,190	15,247 cf	13.26 cf	1,150 ERCs	\$135.38
800S High School Upsize 900' 8" to 12"	FY2024	\$637,929	8.40%	\$53,586	393 cf	13.26 cf	30 ERCs	\$136.46
Hiatt Crk B1 1950W 435' 21"	FY2025	\$143,200	56.40%	\$80,765	894 cf	13.26 cf	67 ERCs	\$90.30
WEIGHTED AVERAGE								\$103.52

Note: Project and study costs based on actual costs or present-day cost estimates

Level of Service

Tables 1-2 and 1-3 set the LOS Parameters and LOS calculations for the City wastewater treatment and collection systems. All systems have LOS categories defined in the Definitions.

Table 1-2
Wastewater LOS Parameters

Category	Parameter	Source
Maximum Peak Hour Flow Depth - 10" Pipes or Smaller	50%	2020 Payson City Wastewater Master Plan (Page 5-2)
Maximum Peak Hour Flow Depth - 12" Pipes or Larger	75%	2020 Payson City Wastewater Master Plan (Page 5-2)
Lift Station Pump Peak Hour Capacity Excluding Standby Pump (%)	85%	2020 Payson City Wastewater Master Plan (Page 5-2)
WRF Treatment Avg Day Capacity (mgd)	4.10 mgd	Payson WRF Design Outline
WRF Average Day BOD5 Load Capacity (ppd)	11,626 ppd	Payson WRF Design Outline
WRF Average Day Ammonia Load Capacity (ppd)	1,606 ppd	Payson WRF Design Outline
WRF Average Day TSS Load Capacity (ppd)	8,840 ppd	Payson WRF Design Outline
WRF Average Day TKN Load Capacity (ppd)	2,007 ppd	Payson WRF Design Outline
WRF Average Day Phosphorus Load Capacity (ppd)	334 ppd	Payson WRF Design Outline
WRF Average Day TN Load Capacity (ppd)	2,007 ppd	Payson WRF Design Outline

Table 1-3
Wastewater Level of Service per ERC

Category	Base Year LOS	Existing LOS	Proposed LOS	% Impact Fee Reimbursable
Treatment	450.59 gpd	450.59 gpd	220.00 gpd	100.00%
Collection	22.23 cf	22.23 cf	13.26 cf	100.00%

Source: IFFP

If the Proposed LOS is higher than the Existing LOS, then the % Impact Fee Reimbursable amount in Table 1-3 needs to be applied to future System Improvement costs to calculate what can be paid for with or reimbursed from impact fee funds, otherwise 100% of the regional costs are reimbursable. This ensures that impact fee funds do not pay to raise the LOS of existing residents. The IFFP costs of System Improvement projects or planning studies are based on actual costs for completed projects and present day cost estimates for future ones.

CERTIFICATION

Utah Impact Fee Act requires certification for the IFFP. Hansen, Allen & Luce provides this certification with the understanding that the recommendations in the IFFP are followed by City Staff and elected officials. If all or a portion of the IFFP is modified or amended, or if assumptions presented in this analysis change substantially, this certification is no longer valid. All information provided to Hansen, Allen & Luce, Inc. is assumed to be correct, complete, and accurate.

IFFP Certification

Hansen, Allen & Luce, Inc. certifies that this 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; or
 - 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; and
3. complies in each and every relevant respect with the Impact Fees Act.

HANSEN, ALLEN & LUCE, INC.

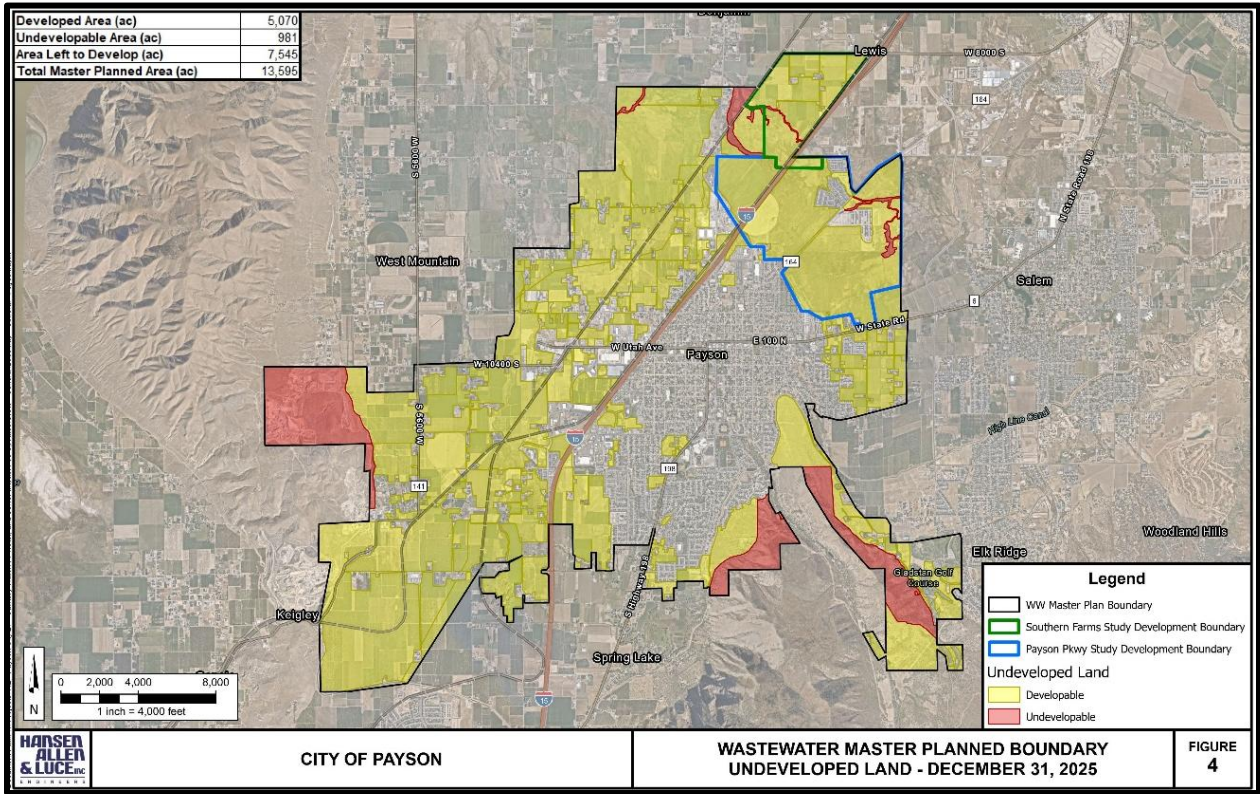
CHAPTER 2 – DEMOGRAPHICS AND GROWTH

UNDEVELOPED LAND

Payson City is located in southern Utah County, Utah. While it has roots in agriculture, Payson’s economy has diversified to include other industries such as healthcare, industrial manufacturing, food service, and retail sales. Payson grew at a slow pace from its inception in 1850 until about 1970, when growth began to accelerate. Growth has become even more rapid in recent years as the population in Utah County has expanded, and areas further north have built out or become more expensive.

The City GIS was used to find developed, undeveloped, and undevelopable land within the WWMP boundary. Developed land includes parks and existing roads. Undevelopable land includes, but is not limited to, land that cannot be developed because of wetlands and steep terrains. All these areas are shown in Figure 2-1.

Figure 2-1
Wastewater Master Plan Undeveloped Land



POPULATION

In Table 2-1 growth projections from the City and the Mountainland Association of Governments (MAG) Metropolitan Planning Organization (MPO) were used to estimate growth by Census. These projections were used to estimate annual growth for this study.

Table 2-1
Census Population Projections

Population Criteria	1990	2000	2010	2020	2030	2040	2050	2060
Payson	9,790	12,848	18,294	21,101	27,598	38,838	60,188	81,538
10-Year Growth Rate	1.73%	2.76%	3.60%	1.44%	2.72%	3.48%	4.48%	3.08%
Utah County	263,590	368,536	518,872	679,188	861,852	1,080,082	1,297,515	1,504,433
Growth Rate	1.91%	3.41%	3.48%	2.73%	2.41%	2.28%	1.85%	1.49%
Payson as % of Utah County	3.7%	3.49%	3.53%	3.11%	3.20%	3.60%	4.64%	5.4%
Payson Yearly Growth Rate	3.1%	4.2%	1.5%	3.1%	2.4%	3.0%	3.7%	2.7%

DATA YEAR AND MASTER PLANNED

Table 2-2 summarizes development information for the land area master planned in the WWMP for the IFFP Data Year. The Master Planned Year is estimated by applying the MPO growth rates to the developed area until the area left to develop is gone.

Table 2-2
Projected Master Planned Development

Land Use		% Total
Developed Area	12,615 acres	92.78%
Undevelopable Area	981 acres	7.22%
Total Master Plan Land Area	13,596 acres	100.00%
Data Year	2024	
Master Planned Households	16,535	
Master Planned Year	2050	

Source: City GIS and DWMP

MPO, state, and City growth projections were used to estimate the end of Data Year and Master Planned Year population in Table 2-3 and Table 2-4. Statistics were calculated using data from the City GIS, Census and the MPO MAG.

Table 2-3
End of Data Year Developed Land and Population Summary

Data Year	2024
Population	23,700
Households	6,511
Single-Family Home Persons per Household	3.75
Multi-Family Household Persons per Household	3.47
Average Household Size	3.64
Developed Area	5,070 acres
Undevelopable Area	981 acres
Area Left to Develop	7,545 acres
Total Master Plan Land Area	13,596 acres

Sources: City GIS, Census, and MAG MPO

Table 2-4
Population - End of Data Year and Master Planned

	2024	2050
Payson	23,700	60,188
Growth Rate	2.82%	3.68%
Utah County	752,254	1,297,515
Growth Rate	2.49%	1.70%
Payson as % of Utah County	3.15%	4.64%

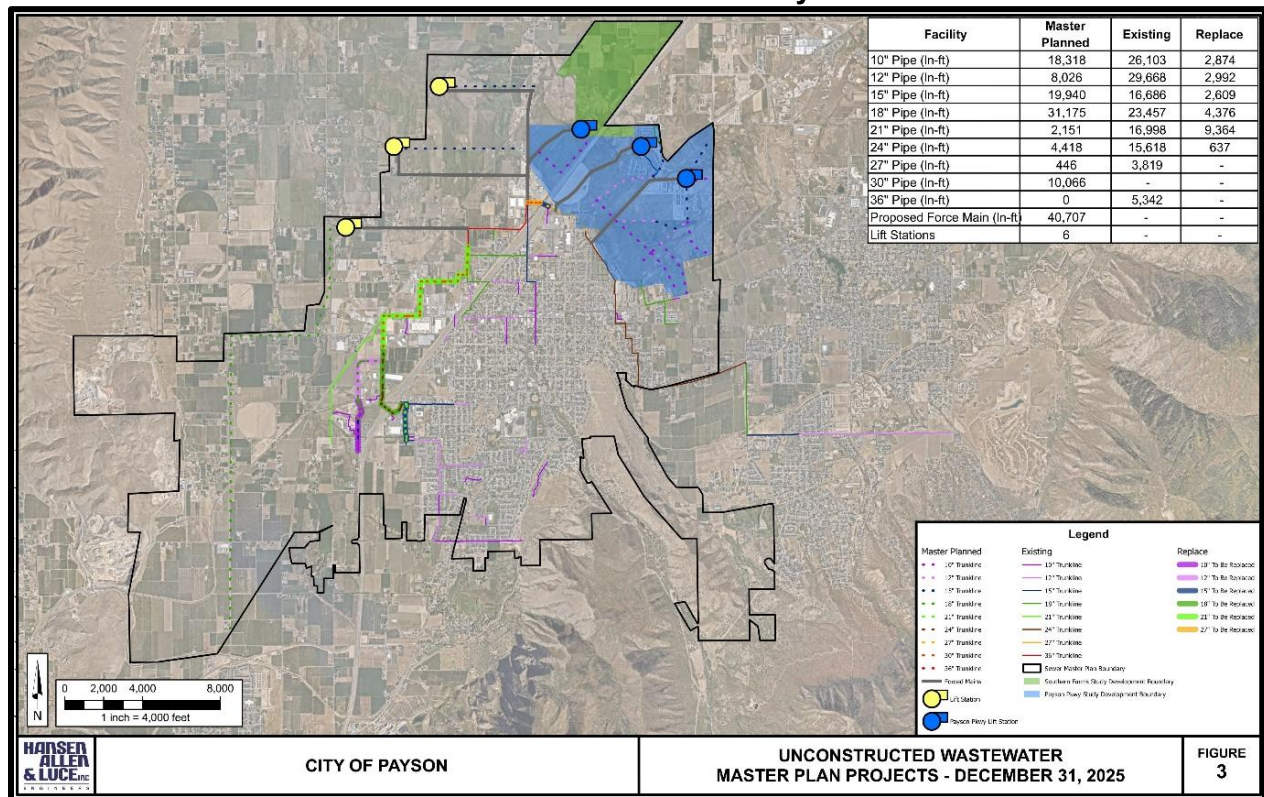
Sources: City GIS, Census, MAG MPO

CHAPTER 3 – IMPACT FEE FACILITIES PLAN

OVERVIEW

Bowen Collins completed a system model and WWMP for the City wastewater collection system. Master planned future system improvements are based on the model requirements to meet the LOS Parameters established in the WWMP according to industry standards. See Table 1-2. These improvements and existing regional improvements are shown in Figures 3-1 and 3-2. Figure 3-1 also includes any updates from more recent studies.

Figure 3-1
Master Planned Wastewater System



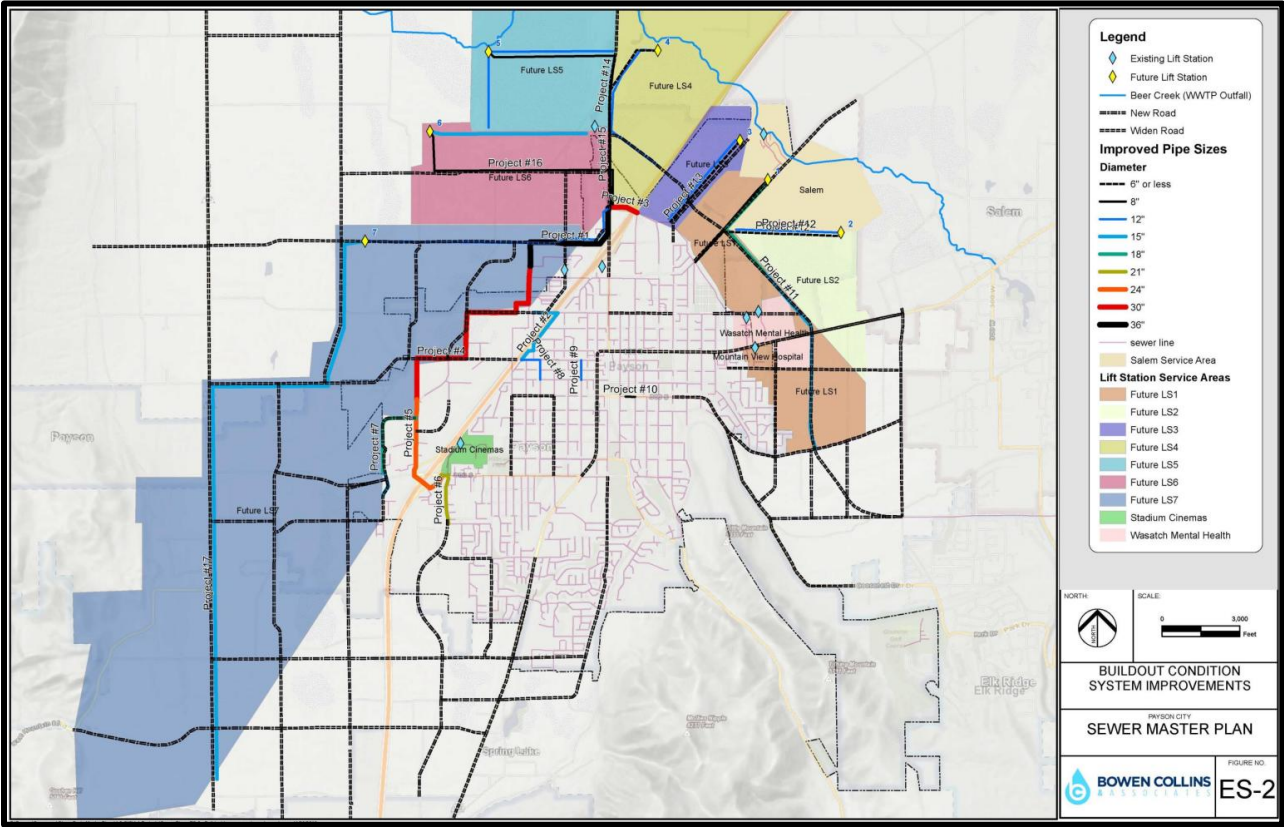
The following projects found in Tables 3-1 and 3-2 are identified in the WWMP to be needed for future growth. They are also shown graphically on Figures 3-1 and 3-2. For more detail on each project, see the WWMP.

Table 3-1
Treatment CIP Projects

Project Number	Project	Cost
Alternative 10	WRF Upgrade	\$19,940,144
Total		\$19,940,144

Source: 2020 Payson City WWMP

Figure 3-2
Buildout Condition System Improvements



Source: 2020 Payson City WWMP

**Table 3-2
Collection CIP Projects**

WWMP Project Number	Project	Length	Diameter	Cost
3	East Outfall to WWTP	1,099 In-ft	30 in	\$726,000
4	American Way, 400 S to 800 N	9,394 In-ft	30 in	\$6,164,000
5	American Way, 800 S to 400 S	4,419 In-ft	24 in	\$2,323,000
6	Turf Farm Road, 1150 S to 800 S	2,150 In-ft	21 in	\$1,038,000
7	1700 W, 1130 S to 400 S	4,238 In-ft	18 in	\$1,823,000
8	600 W, 200 S to Utah Ave	2,960 In-ft	10 in	\$996,000
9	250 W, 200 S to Utah Ave	756 In-ft	10 in	\$254,000
10	300 S, 300 E to 200 E	372 In-ft	8 in	\$118,000
12.1	Lift Station 2 Gravity	4,046 In-ft	12 in	\$1,007,000
12.2	Lift Station 2 Pressure Force Main	6,273 In-ft	6 in	\$1,393,000
13.1	Lift Station 3 Gravity	4,158 In-ft	10 in	\$980,000
13.2	Lift Station 3 Pressure Force Main	4,155 In-ft	6 in	\$922,000
14.1	Lift Station 4 Gravity	6,356 In-ft	12 in	\$2,256,000
14.2	Lift Station 4 Pressure Force Main	7,186 In-ft	6 in	\$2,287,000
15.1	Lift Station 5 Gravity	7,722 In-ft	12 in	\$1,924,000
15.2	Lift Station 5 Pressure Force Main	10,786 In-ft	8 in	\$2,394,000
16.1	Lift Station 6 Gravity	6,028 In-ft	15 in	\$1,730,000
16.2	Lift Station 6 Pressure Force Main	9,767 In-ft	8 in	\$2,169,000
17.1	Lift Station 7 Gravity	25,954 In-ft	15 in	\$7,445,000
17.2	Lift Station 7 Pressure Force Main	10,477 In-ft	10 in	\$2,468,000
Total				\$40,417,000

Source: 2020 Payson City WWMP

The following sections give detail on the impact fee calculations for each of the four components of a wastewater impact fee:

1. Treatment
2. Misc Facilities
3. Planning
4. Collection

All IFFP projects and costs are summarized into these components.

TREATMENT

The Payson Wastewater Reclamation Facility (WRF) is located at 1062 North Main Street and was first constructed in the early 1960s. The treatment plant discharges to Beer Creek which contributes to the Benjamin Slough before reaching Utah Lake. Some of the effluent from the WRF is also used for cooling tower water in the Payson Power Plant.

Table 3-3 contains the existing WRF capacity.

**Table 3-3
Existing WRF Capacity**

Item	Capacity
WRF Treatment Avg Day Capacity (mgd)	4.10 mgd
WRF Average Day BOD5 Load Capacity (ppd)	11,626 ppd
WRF Average Day Ammonia Load Capacity (ppd)	1,606 ppd
WRF Average Day TSS Load Capacity (ppd)	8,840 ppd
WRF Average Day TKN Load Capacity (ppd)	2,007 ppd
WRF Average Day Phosphorus Load Capacity (ppd)	334 ppd
WRF Average Day TN Load Capacity (ppd)	2,007 ppd

The difference between the capacity of the component and the demand on the component is the component's remaining capacity. The existing excess capacity is shown in Table 3-4.

**Table 3-4
Treatment Existing Excess Capacity**

Item	FY2026
WRF Flow Capacity	4.10 mgd
Proposed LOS - Average Day Flow	2.31 mgd
Available Capacity - Average Day	1.79 mgd
ERCs Available - Average Day	8,130 ERCs

Table 3-5 contains the calculation parameters and calculations for the treatment Proposed LOS per ERC.

**Table 3-5
Treatment ERC LOS**

Existing WRF Capacity	4.10 mgd
Existing Wastewater ERCs	10,506 ERCs
Master Planned Wastewater ERCs	23,456 ERCs
Additional ERCs Master Planned	12,950 ERCs
Base LOS	450.59 gpd
Base LOS Fiscal Year	FY2026
Existing LOS	450.59 gpd
Proposed LOS	220.00 gpd
% IF Reimbursable	100.00%

MISC FACILITIES

Misc facilities include wastewater related projects that do not tie directly to treatment or collection LOS. They may include but are not limited to buildings, storage yards, pump stations, or public works buildings. The growth related portion of these miscellaneous facilities attributed to the wastewater system can be paid for or reimbursed by impact fees. Individual analysis of cost per ERC is conducted for each facility project. Present day facility cost estimates are used to estimate future facility costs.

PLANNING

Master plan, IFFP, and IFA consultant planning work can be paid for or reimbursed with impact fees. These planning costs from 4 years previous to 6 years in the future are divided by the ERC increase over the 10-year period to calculate the planning component of the impact fee per ERC. Present day planning costs are used to estimate future planning expenses.

COLLECTION

The collection portion of the sanitary sewer system includes main line pipes. The pipe sizes vary from 6 inches to 36 inches in diameter. The design flows can be found in the City WWMP. The local or minimum collection pipe size is defined in Table 3-6. Only the upsize cost from this may be paid for with impact fee funds. Upsize cost calculations are found in Table 3-7. Table 3-6 calculates the Proposed LOS per ERC.

**Table 3-6
Regional Collection System ERC LOS**

Item	Collection System
Local/Minimum Collection Pipe Size	8 in
Existing Regional Volume	233,521 cf
Master Planned Regional Volume	101,693 cf
Existing Wastewater ERCs	10,011 ERCs
Master Planned Wastewater ERCs	23,456 ERCs
Existing Regional Volume LOS per ERC (cf)	22.23 cf
Base Regional Volume LOS per ERC (cf)	22.23 cf
Proposed Regional Volume per ERC (cf)	13.26 cf
% Impact Fee Reimbursable	100.00%

Table 3-7 contains the upsize percentages for System Improvement collection projects. They are calculated according to current day estimates for collection projects, dividing the cost difference of a regional collection pipe with appurtenances and local one by the cost of the regional. Since the costs are relative, it fairly applies to all project costs whether or not they are the same as the basis costs for the percentage calculations.

**Table 3-7
Wastewater Pipe Upsize Percentage**

Pipe Size	Upsize Percentage	IF Percentage
10 in Sewer Pipe	4.04%	4.04%
12 in Sewer Pipe	8.40%	8.40%
15 in Sewer Pipe	16.32%	16.32%
18 in Sewer Pipe	27.65%	27.65%
21 in Sewer Pipe	34.66%	34.66%
24 in Sewer Pipe	40.67%	40.67%
27 in Sewer Pipe	47.04%	47.04%
30 in Sewer Pipe	52.16%	52.16%
36 in Sewer Pipe	61.26%	61.26%
42 in Sewer Pipe	67.76%	67.76%
48 in Sewer Pipe	73.04%	73.04%

SERVICE AREA

The service area includes the existing City boundary and future areas as they are annexed into the City.

Master Planned Year refers to when, at growth rates projected by the MPO, all vacant land in the WWMP boundaries will be developed. It assumes no future changes to the WWMP boundaries but will be updated with each IFFP according to the current City WWMP.

IMPACT FEE FACILITIES PLAN

Figures 3-1 and 3-2 show the wastewater facilities needed to maintain the Proposed LOS and LOS Parameters as development occurs in the City. These facilities are determined from the CIPs in the WWMP and specific localized studies completed as development progresses or is proposed. Many of these projects will be constructed in phases as development occurs.

Using the wastewater CIPs and recent development needs, specific capital projects which have impact fee-eligible costs are identified in Table 3-8. These are projects that have been completed or are planned for construction in the next 6 years. All costs are actual or based on present day estimates.

If development requires any System Improvement projects before existing budgets can construct them, then developers may, if approved by the City, front the cost of the project and be reimbursed through impact fees or receive an impact fee credit. If development occurs in areas that trigger projects beyond the planning horizon of this IFFP then the City may add these projects once they are confident the projects will progress.

Table 3-8 lists the IFFP projects. It includes the percentage of each project required to solve existing system deficiencies and increased utilization if appropriate. These percentages are applied to the total cost of the project to determine the cost reimbursable by impact fees. The cost/ERC is determined by the product of the cost per capacity times the Proposed LOS required capacity. The total capacity and total cost are used to determine the cost per capacity unit.

**Table 3-8
Wastewater Impact Fee Facilities Plan**

Treatment	Begin	Total Cost	IF %	IF & Interest Cost	Add Capacity	ERC Capacity	Excess Cap	Cost/ERC
2022 to 2026 WRF Upgrade (Bonds)	FY2022	\$84,944,653	54.88%	\$74,827,540	2.25 mgd	18,280 ERCs	8,130 ERCs	\$33.26
TOTAL								\$33.26
Misc Facilities	Begin	Total Cost	IF %	IF & Interest Cost	Add ERCs	Begin ERCs	End ERCs	Cost/ERC
Upgrade Wasatch Mental Health Lift Station	FY2027	\$422,730	100.00%	\$422,730	12,696 ERCs	10,760 ERCs	23,456 ERCs	\$33.30
TOTAL								\$33.30
Planning	Begin	10-Year Cost	IF %	IF & Interest Cost	ERCs	Begin ERCs	End ERCs	Cost/ERC
Impact Fee Studies	FY2022	\$108,858	100.00%	\$108,858	2,799 ERCs	9,539 ERCs	12,338 ERCs	\$38.89
Master Plan Studies	FY2022	\$109,501	100.00%	\$109,501	2,799 ERCs	9,539 ERCs	12,338 ERCs	\$39.12
TOTAL								\$78.02
Collection	Begin	Total Cost	IF %	IF & Interest Cost	Capacity	LOS per ERC	ERCs	Cost/cf
Main St 900N Upsize 5,200' 24" to 36" (2019 Sewer Bond)	FY2019	\$2,232,449	61.26%	\$1,615,039	20,420 cf	13.26 cf	1,540 ERCs	\$79.09
Red Bridge - Sewer Outfall 7,415' 21"	FY2021	\$3,753,072	55.00%	\$2,064,190	15,247 cf	13.26 cf	1,150 ERCs	\$135.38
800S High School Upsize 900' 8" to 12"	FY2024	\$637,929	8.40%	\$53,586	393 cf	13.26 cf	30 ERCs	\$136.46
Hiatt Crk B1 1950W 435' 21"	FY2025	\$143,200	56.40%	\$80,765	894 cf	13.26 cf	67 ERCs	\$90.30
WEIGHTED AVERAGE								\$103.52

Note: Project and study costs based on actual costs or present-day cost estimates

APPENDICES

APPENDIX A - NOTICE OF INTENT TO AMEND THE DW, PI, & WW IFFP AND IFA

Figure A-1
City Website

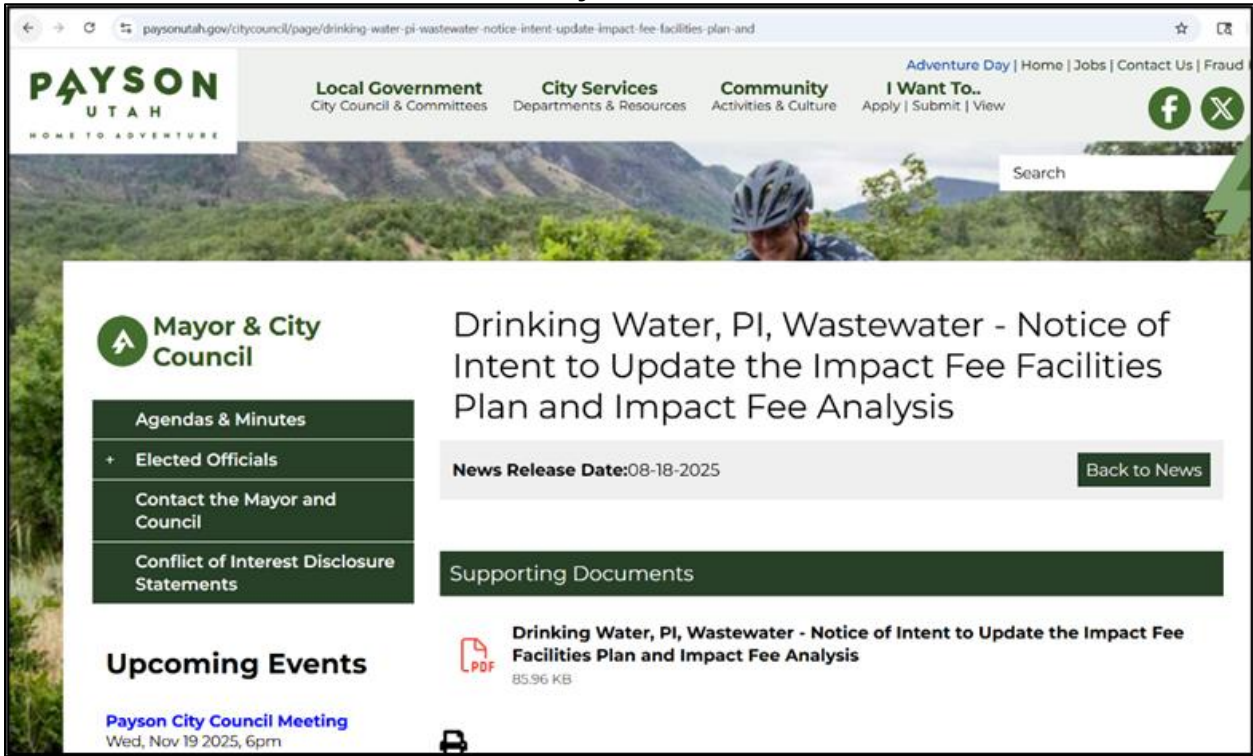


Figure A-2
Utah Public Notice Website



PUBLIC NOTICE WEBSITE

DIVISION OF ARCHIVES AND RECORDS SERVICE

Payson

City Council

Drinking Water, PI, Wastewater - Notice of Intent to Update the Impact Fee Facilities Plan and Impact Fee Analysis

Drinking Water, PI, Wastewater - Notice of Intent to Update the Impact Fee Facilities Plan and Impact Fee Analysis

SUBSCRIBE TO PUBLIC BODY

General Information

Government Type:

Municipality

Entity:

Payson

Public Body:

City Council

Notice Information

Add Notice to Calendar

Notice Title:

Notice Title:

Drinking Water, PI, Wastewater - Notice of Intent to Update the Impact Fee Facilities Plan and Impact Fee Analysis

Notice Tags:

impact fees

Notice Type(s):

Notice

Event Start Date & Time:

August 18, 2025 09:30 AM

Description/Agenda:

Payson City

Notice of Intent to Update the Impact Fee Facilities Plan (IFFP) and Impact Fee Analysis (IFA) Related to Drinking Water, Pressurized Irrigation Water, and Wastewater Collection System

Notice is hereby given that Payson City, a local municipality located in Utah County, Utah, intends to commence the preparation of an updated independent and comprehensive Impact Fee Facilities Plan and Impact Fee Analysis for Drinking Water, Pressurized Irrigation Water, and Wastewater Collection System. Therefore, pursuant to the provisions of Utah Code 11-36a-501 and 503, notice is hereby provided of the intent of Payson City to updated the Impact Fee Facilities Plan and an Impact Fee Analysis for the City. The geographic location where the proposed impact fee facilities will be located is the entire area within the Payson City municipal boundary.

The public is hereby invited to provide written comments or information to be considered in adopting the impact fee facilities plan and impact fee analysis. For information about the impact fee project or to submit your comments, please contact:

Travis Jockumsen, Public Works Director
Payson City Center
439 West Utah Avenue
Payson UT 84651
(801) 465-5232 travisj@paysonutah.gov

In compliance with the Americans with Disabilities Act, persons in need of special accommodations or services to participate shall notify the City; and the City will seek to provide assistance.

Notice of Special Accommodations (ADA):

N/A

Notice of Electronic or Telephone Participation:

N/A

Other Information:

N/A

Meeting Information

Meeting Location:

439 W Utah Avenue
Payson, UT 84651

[Show in Apple Maps](#)

[Show in Google Maps](#)

Contact Name:

Kim Holindrake

Contact Email:

kimh@paysonutah.gov

Contact Phone:

(801)465-5205

Notice Posting Details

APPENDIX B - NOTICE TO ADOPT OR AMEND AN IFFP AND IF ENACTMENT

11-36a-502 Notice to Adopt or Amend an Impact Fee Facilities Plan and 11-36a-503 Notice of Intent to Adopt an Impact Fee Enactment



Wastewater Impact Fee Analysis



PAYSON

March 2026

**HANSEN
ALLEN
& LUCE_{inc}**
ENGINEERS

Payson

WASTEWATER

IMPACT FEE ANALYSIS

(HAL Project No.: 412.27.300)

March 2026



ACKNOWLEDGMENTS

Several individuals contributed to the successful completion of this study. We sincerely appreciate the cooperation, assistance, and expertise provided by members of the project team:

The City of Payson

Travis Jockumsen, Public Works Director
Jonathan Knight, City Engineer
Joe Jamison, GIS
Cameron Phillips, Water System Operator

Hansen, Allen & Luce, Inc.

Steve Jones, Principal in Charge
Chris Thompson, Project Manager
Dana Tran, Project Engineer
Jason Biesinger, Project Engineer

ABBREVIATIONS, ACRONYMS, UNITS AND DEFINITIONS

ABBREVIATIONS

City	Payson City
------	-------------

ACRONYMS

CIP	Capital Improvement Plan
ERC	Equivalent Residential Connection
GIS	Geographic Information System
HAL	Hansen, Allen and Luce, Inc.
IF	Impact Fee
LOS	Level of Service
MAG	Mountainland Association of Governments
MPO	Metropolitan Planning Organization
WW	Wastewater
WWMP	Wastewater Master Plan
WRF	Wastewater Reclamation Facility

UNITS

ac-ft	Acre Foot
cf	Cubic Foot
ft	Foot
in	Inch
ln-ft	Linear Foot
sq-ft	Square Foot

DEFINITIONS

Base LOS Data Year. The first data year LOS calculations were made.

Base LOS Fiscal Year. The first fiscal year LOS calculations were implemented.

Base Year LOS. The Base Year LOS reflects the originally calculated LOS provided to the residents. It is tracked so impact fees are not used to raise the LOS to existing residents.

Data Year. The Data Year is the previous full calendar year for which annual data is used for updating the IFFP and IFA.

Collection LOS Parameter. The Collection LOS Parameter was set by standard practice in the WWMP.

Collection Pipe. Collection Pipe includes main lines that collect wastewater and are owned by the City.

Effective Date. The date, no less than 90 days after the Enactment Date, when the impact fees become effective for impact fees that are increasing.

Enactment Date. The Enactment Date is the date the City Council approves the IFFP, IFA, and Impact Fee Enactment Ordinance.

Equivalent Residential Connection (ERC). An ERC is defined by the average wastewater usage of an average single-family house.

Established LOS. The Established LOS is set by the City Council by the adoption of the IFFP, the IFA, and the Impact Fee Enactment Ordinance.

Existing LOS. The Existing LOS is the LOS currently provided to the existing City residents for the Data Year.

Local Collection System. Local Collection System is defined as collection system constructed with Minimum Size Collection Pipe or pipe smaller in diameter.

Master Plan LOS. The Master Plan LOS is the LOS for the entire City at the Master Planned Year. It indicates what the Existing LOS will be raised to with non-impact fee funds.

Minimum Size Collection Pipe. The Minimum Size Collection Pipe is defined as the minimum or local collection pipe diameter. It is established by City standards according to standard practice and the City's ability to operate and maintain the wastewater system.

Project Improvements. Project Improvements are improvements required by development that the City determines not to define as System Improvements.

Proposed LOS. The Proposed LOS is the LOS recommended to the City Council by the IFFP and IFA to set as the Established LOS.

Proposed LOS for Existing. The LOS existing customers will have as a result of the Proposed LOS.

Regional Collection System. Regional Collection System is defined as the volume of collection system pipe above that of a local or minimum pipe size.

Treatment LOS Parameter. The Treatment LOS Parameter was set by standard practice in the WWMP. Treatment facilities must be designed to meet state permits.

System Improvements. System Improvements are regional improvements determined by the City to be impact fee reimbursable. Cities are not required to define all regional facilities as System Improvements, but all System Improvements must be regional.

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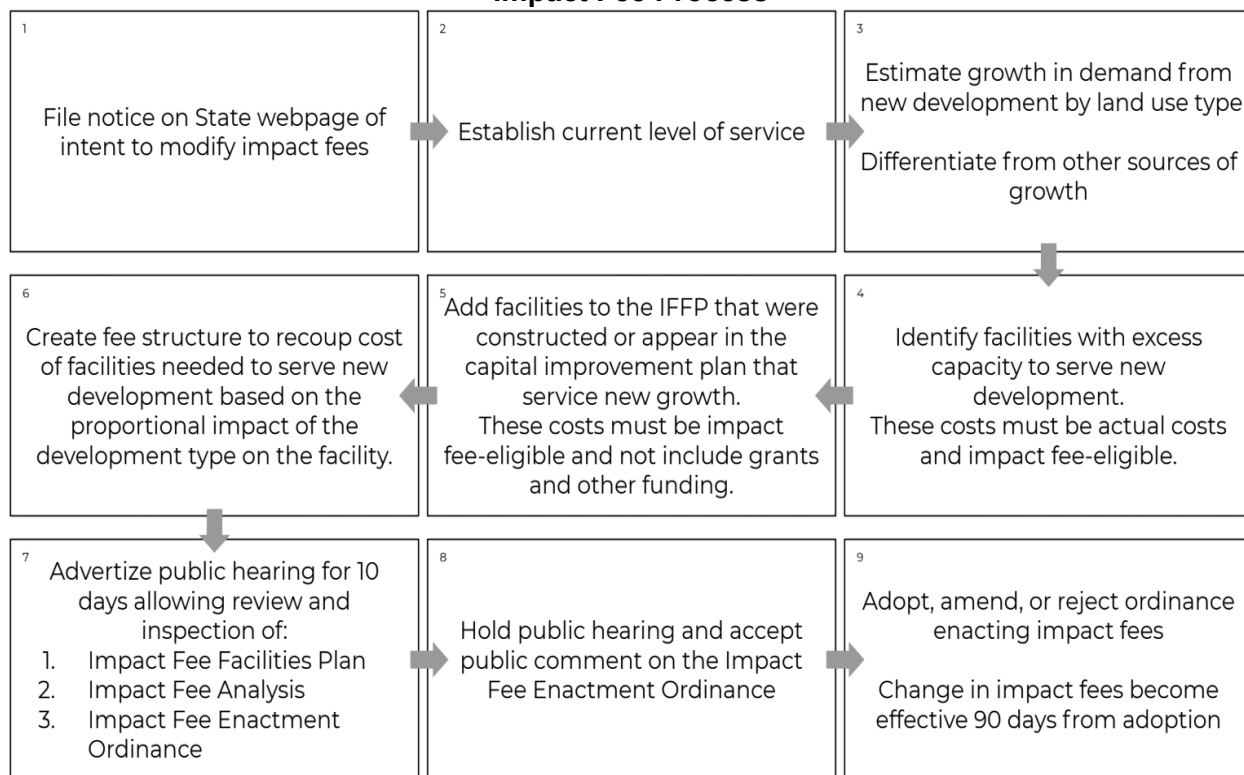
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CHAPTER 1 – INTRODUCTION

IMPACT FEE ENACTMENT PROCESS

Figure 1-1 outlines the impact fee enactment process.

**Figure 1-1
Impact Fee Process**



NOTICES

In accordance with Utah Code section 11-36a-502 Notice to Adopt or Amend an Impact Fee Facilities Plan and 11-36a-504 Notice of Intent to Adopt an Impact Fee Enactment, Payson City posted a notice of intent to prepare or amend an Impact Fee Facilities Plan and prepare an Impact Fee Analysis for the area within the City's policy boundary. It was posted on the Utah Public Notice Website and the local City website. See Appendix A, Notices.

Utah Code 11-36a-401 requires that impact fees not go into effect until 90 days after the Enactment Date. These dates are found in Table 1-1. This table also includes the Data Year for this IFA and the IFFP it is based on. The fiscal year the Base LOS was set and the Data Year it was based on are also included in Table 1-1.

**Table 1-1
Enactment and Study Dates**

Data Year	Enactment Date	Effective Date	Base LOS Fiscal Year	Base LOS Data Year
2024	3/18/2026	7/1/2026	FY2026	2024

EXECUTIVE SUMMARY

Hansen Allen and Luce, Inc (HAL) completed an IFFP for the City. This IFA is based on that IFFP. The impact fees calculated in this analysis have been developed in accordance with Section 11-36A-304 of the Utah Impact Fees Act.

The impact fee calculated in this IFA is a one-time fee charged to new development to pay for the cost of infrastructure to serve that development. It was developed to ensure that the cost of that infrastructure is fairly apportioned to the different types of anticipated development.

Service Area

The service area includes the existing City boundary and future areas as they are annexed into the City. Master Planed Year refers to when, at projected growth rates, all vacant land in the WWMP boundaries would be developed. It assumes no future changes to the WWMP boundaries but will be updated with each future IFFP update according to the current City WWMP.

Level of Service

Table 1-2 summarizes the City wastewater LOS calculations as indicated in the IFFP.

**Table 1-2
Wastewater Level of Service per ERC**

Category	Base Year LOS	Existing LOS	Proposed LOS	% Impact Fee Reimbursable
Treatment	450.59 gpd	450.59 gpd	220.00 gpd	100.00%
Collection	22.23 cf	22.23 cf	13.26 cf	100.00%

Source: IFFP

If the Proposed LOS is higher than the Existing LOS, then the % Impact Fee Reimbursable amount in Table 1-2 needs to be applied to future System Improvement costs to calculate what can be paid for with or reimbursed from impact fee funds, otherwise 100% of the regional costs are reimbursable. This ensures that impact fee funds do not pay to raise the LOS of existing residents. The IFFP costs of System Improvement projects or planning studies are based on actual costs for completed projects and present day cost estimates for future ones.

Impact Fee Credits

When the Proposed LOS is higher than the Existing LOS, impact fee credits are applied so new residents do not also pay an impact fee for costs to raise the Existing LOS. Also, bonds often include new and existing user costs. New users pay for their portion of the bond through impact fees. Existing users pay through their rates. Since new users have already paid for their portion of the facility through impact fees they receive a credit for what they will pay in user rates over the

life of the bond. Table 1-3 shows the NPV credit calculations per ERC for any impact fee components that meet these criteria for a credit.

Table 1-3
Impact Fee Credits

Treatment	2019 Bond		2022 DWQ Bond		2022 Bank of UT Bond		2023 Bank of UT Bond		Treatment Impact Fee
Year	Credit	NPV	Credit	NPV	Credit	NPV	Credit	NPV	Maximum Fee after Credit
FY2027	\$3.95	\$36.55	\$21.21	\$217.59	\$18.94	\$194.37	\$111.67	\$1,177.50	\$5,690.46
FY2028	\$3.86	\$33.98	\$20.71	\$204.74	\$18.50	\$182.88	\$109.05	\$1,111.13	\$5,783.74
FY2029	\$3.77	\$31.41	\$20.23	\$191.85	\$18.07	\$171.37	\$106.51	\$1,044.66	\$5,877.19
FY2030	\$3.68	\$28.81	\$19.76	\$178.91	\$17.65	\$159.82	\$104.04	\$978.02	\$5,970.90
FY2031	\$3.56	\$26.20	\$19.11	\$165.92	\$17.07	\$148.21	\$100.63	\$911.12	\$6,065.01
FY2032	\$3.44	\$23.60	\$18.49	\$153.05	\$16.52	\$136.71	\$97.39	\$844.94	\$6,158.16
FY2033	\$3.34	\$21.02	\$17.91	\$140.28	\$16.00	\$125.30	\$94.32	\$779.32	\$6,250.56
FY2034	\$3.23	\$18.43	\$17.36	\$127.56	\$15.50	\$113.95	\$91.40	\$714.11	\$6,342.42
FY2035	\$3.13	\$15.84	\$16.83	\$114.89	\$15.03	\$102.63	\$88.61	\$649.18	\$6,433.93
FY2036	\$3.04	\$13.25	\$16.32	\$102.23	\$14.58	\$91.32	\$85.95	\$584.39	\$6,525.28
FY2037	\$2.95	\$10.64	\$15.84	\$89.56	\$14.15	\$80.00	\$83.41	\$519.62	\$6,616.64
FY2038	\$2.86	\$8.02	\$15.38	\$76.85	\$13.74	\$68.65	\$80.99	\$454.75	\$6,708.20
FY2039	\$2.78	\$5.38	\$14.94	\$64.09	\$13.34	\$57.25	\$78.66	\$389.65	\$6,800.11
FY2040	\$2.70	\$2.70	\$14.51	\$51.24	\$12.96	\$45.77	\$76.43	\$324.20	\$6,892.56
FY2041			\$13.87	\$38.29	\$12.39	\$34.20	\$73.01	\$258.30	\$6,985.68
FY2042			\$13.27	\$25.46	\$11.85	\$22.74	\$69.86	\$193.16	\$7,075.11
FY2043			\$12.71	\$12.71	\$11.35	\$11.35	\$66.94	\$128.54	\$7,163.86
FY2044							\$64.22	\$64.22	\$7,252.25
Average Mortgage Interest Rate for the Data Year									6.24%

Source: IFFP, Federal Home Loan Mortgage Corporation

Maximum Allowable Impact Fee

Table 1-4 provides the maximum allowable impact fee for the wastewater system. Where appropriate, the maximum allowable fee is adjusted to reflect the proportional infrastructure needs of different lot size and land use types.

Table 1-4
Maximum Allowable Wastewater Impact Fee per ERC

Item	Max Allowable Impact Fee	Max Allowable with Credits
Treatment Cost/ERC	\$7,316.47/ERC	\$5,690.46/ERC
Misc Facilities Cost/ERC	\$33.30/ERC	\$33.30/ERC
Planning Cost/ERC	\$78.02/ERC	\$78.02/ERC
Collection Cost/ERC	\$1,372.64/ERC	\$1,372.64/ERC
Maximum Allowable Impact Fee/ERC	\$8,800.42/ERC	\$7,174.41/ERC

The proposed first year impact fee with credits for an ERC is identified in Table 1-5. It also includes the proposed cost change and percent increase per ERC.

Table 1-5
Wastewater Impact Fee with Credit

Maximum Allowable Impact Fee/ERC	\$8,800.42/ERC	
Maximum Allowable Impact Fee/ERC with Credit	\$7,174.41/ERC	
Previous Impact Fee/ERC	\$7,177.00/ERC	
Proposed Impact Fee/ERC	\$7,174.41/ERC	
Difference	-\$2.59/ERC	
% Change	-0.04%	
Average Occupancy/ERC		3.64
Average Occupancy/Single Family Home	Factor: 1.0247	3.73
Average Occupancy/Multi-Family Home	Factor: 0.9533	3.47
Maximum Allowable Impact Fee/Single Family Home	\$7,351.80	
Maximum Allowable Impact Fee/Multi-Family Home	\$6,839.34	

The impact fee has been calculated based on 1 ERC which would correspond to a standard 1" meter. Larger meters are assumed to serve more than 1 ERC and will have a higher corresponding impact fee. Table 1-6 indicates the impact fee rate schedule based on water meter size. The ERC factor is calculated based on American Water Works Association (AWWA) rated capacity for each meter size.

Table 1-6
Proposed Wastewater

Meter Size	ERCs	Impact Fee
Single Family Home 3/4, 1 in	1.02	\$7,351.80
Single-Family Home 1 1/2 in	2.05	\$15,067.15
Single-Family Home 2 in	3.28	\$24,107.44
Multi-Family Home	0.95	\$7,008.45
Non-Residential Development 3/4, 1 in	1.00	\$7,174.41
Non-Residential Development 1 1/2 in	2.00	\$14,348.82/ERC
Non-Residential Development 2 in	3.20	\$22,958.11/ERC
Non-Residential Development (Any Size Meter) ¹	Effluent Flow Option	\$32.61/gpd

¹City may require an effluent flow option for any non-residential connection.

The wastewater impact fee is charged at the time of building permit issuance. Wastewater impact fees are charged on a per-ERC basis.

CERTIFICATION

Hansen, Allen & Luce, Inc. certifies that this Impact Fee Analysis (IFA):

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

HANSEN, ALLEN & LUCE, INC.

CHAPTER 2 – WASTEWATER IMPACT FEE

SERVICE AREA

The service area includes the existing City boundary and future areas as they are annexed into the City.

UPSIZE PERCENTAGE

Table 2-1 contains the upsize percentages for System Improvement collection projects. They are calculated according to current day estimates for collection projects, dividing the cost difference of a regional collection pipe with appurtenances and local one by the cost of the regional. Since the costs are relative, it fairly applies to all project costs whether or not they are the same as the basis costs for the percentage calculations.

Table 2-1
Wastewater Pipe Upsize Percentage

Pipe Size	Upsize Percentage	IF Percentage
10" Sewer Pipe	4.04%	4.04%
12" Sewer Pipe	8.40%	8.40%
15" Sewer Pipe	16.32%	16.32%
18" Sewer Pipe	27.65%	27.65%
21" Sewer Pipe	34.66%	34.66%
24" Sewer Pipe	40.67%	40.67%
27" Sewer Pipe	47.04%	47.04%
30" Sewer Pipe	52.16%	52.16%
36" Sewer Pipe	61.26%	61.26%
42" Sewer Pipe	67.76%	67.76%
48" Sewer Pipe	73.04%	73.04%

IMPACT FEE FACILITIES PLAN

Table 2-2 identifies projects and planning studies with impact fee-eligible costs. All costs are based on actual costs or use present-day cost estimates. There are 4 components to a sanitary sewer impact fee: treatment, miscellaneous facilities, planning, and collection. The fees charged for treatment and collection are based on LOS. The fees charged for miscellaneous facilities and planning are based on future ERCs served. Table 2-2 calculates the costs per LOS unit. The IF% removes the Project Improvement costs and costs of projects used to solve existing deficiencies.

Table 2-2
Wastewater Impact Fee Facilities Plan

Treatment	Begin	Total Cost	IF %	IF & Interest Cost	Add Capacity	ERC Capacity	Excess Cap	Cost/ERC
2022 to 2026 WRF Upgrade (Bonds)	FY2022	\$84,944,653	54.88%	\$74,827,540	2.25 mgd	18,280 ERCs	8,130 ERCs	\$33.26
TOTAL								\$33.26
Misc Facilities	Begin	Total Cost	IF %	IF & Interest Cost	Add ERCs	Begin ERCs	End ERCs	Cost/ERC
Upgrade Wasatch Mental Health Lift Station	FY2027	\$422,730	100.00%	\$422,730	12,696 ERCs	10,760 ERCs	23,456 ERCs	\$33.30
TOTAL								\$33.30
Planning	Begin	10-Year Cost	IF %	IF & Interest Cost	ERCs	Begin ERCs	End ERCs	Cost/ERC
Impact Fee Studies	FY2022	\$108,858	100.00%	\$108,858	2,799 ERCs	9,539 ERCs	12,338 ERCs	\$38.89
Master Plan Studies	FY2022	\$109,501	100.00%	\$109,501	2,799 ERCs	9,539 ERCs	12,338 ERCs	\$39.12
TOTAL								\$78.02
Collection	Begin	Total Cost	IF %	IF Cost	Capacity	LOS per ERC	ERCs	Cost/cf
Main St 900N Upsize 5,200' 24" to 36" (2019 Sewer Bond)	FY2019	\$2,232,449	61.26%	\$1,615,039	20,420 cf	13.26 cf	1,540 ERCs	\$79.09
Red Bridge - Sewer Outfall 7,415' 21"	FY2021	\$3,753,072	55.00%	\$2,064,190	15,247 cf	13.26 cf	1,150 ERCs	\$135.38
800S High School Upsize 900' 8" to 12"	FY2024	\$637,929	8.40%	\$53,586	393 cf	13.26 cf	30 ERCs	\$136.46
Hiatt Crk B1 1950W 435' 21"	FY2025	\$143,200	56.40%	\$80,765	894 cf	13.26 cf	67 ERCs	\$90.30
WEIGHTED AVERAGE								\$103.52

Note: Project and study costs based on actual costs or present day cost estimates.
Source: IFFP

LEVEL OF SERVICE

Table 2-3 has the LOS calculations for the City wastewater treatment and collection systems as calculated in the IFFP.

Table 2-3
Wastewater Level of Service per ERC

Category	Base Year LOS	Existing LOS	Proposed LOS	% Impact Fee Reimbursable
Treatment	450.59 gpd	450.59 gpd	220.00 gpd	100.00%
Collection	22.23 cf	22.23 cf	13.26 cf	100.00%

If the Proposed LOS is higher than the Existing LOS, then the % Impact Fee Reimbursable amount in Table 2-3 needs to be applied to future System Improvement costs to calculate what can be paid for with or reimbursed from impact fee funds, otherwise 100% of the regional costs are reimbursable. This ensures that impact fee funds do not pay to raise the LOS of existing residents. The IFFP costs of System Improvement projects or planning studies are based on actual costs for completed projects and present day cost estimates for future ones.

IMPACT FEE CREDITS

When the Proposed LOS is higher than the Existing LOS, impact fee credits are applied so new residents do not also pay an impact fee for costs to raise the Existing LOS. Also, bonds often include new and existing user costs. New users pay for their portion of the bond through impact fees. Existing users pay through their rates. Since new users have already paid for their portion of the facility through impact fees they receive a credit for what they will pay in user rates over the life of the bond. Table 1-3 shows the NPV credit calculations per ERC for any impact fee components that meet these criteria for a credit.

**Table 2-4
Impact Fee Credits**

Treatment	2019 Bond		2022 DWQ Bond		2022 Bank of UT Bond		2023 Bank of UT Bond		Treatment Impact Fee
Year	Credit	NPV	Credit	NPV	Credit	NPV	Credit	NPV	Maximum Fee after Credit
FY2027	\$3.95	\$36.55	\$21.21	\$217.59	\$18.94	\$194.37	\$111.67	\$1,177.50	\$5,690.46
FY2028	\$3.86	\$33.98	\$20.71	\$204.74	\$18.50	\$182.88	\$109.05	\$1,111.13	\$5,783.74
FY2029	\$3.77	\$31.41	\$20.23	\$191.85	\$18.07	\$171.37	\$106.51	\$1,044.66	\$5,877.19
FY2030	\$3.68	\$28.81	\$19.76	\$178.91	\$17.65	\$159.82	\$104.04	\$978.02	\$5,970.90
FY2031	\$3.56	\$26.20	\$19.11	\$165.92	\$17.07	\$148.21	\$100.63	\$911.12	\$6,065.01
FY2032	\$3.44	\$23.60	\$18.49	\$153.05	\$16.52	\$136.71	\$97.39	\$844.94	\$6,158.16
FY2033	\$3.34	\$21.02	\$17.91	\$140.28	\$16.00	\$125.30	\$94.32	\$779.32	\$6,250.56
FY2034	\$3.23	\$18.43	\$17.36	\$127.56	\$15.50	\$113.95	\$91.40	\$714.11	\$6,342.42
FY2035	\$3.13	\$15.84	\$16.83	\$114.89	\$15.03	\$102.63	\$88.61	\$649.18	\$6,433.93
FY2036	\$3.04	\$13.25	\$16.32	\$102.23	\$14.58	\$91.32	\$85.95	\$584.39	\$6,525.28
FY2037	\$2.95	\$10.64	\$15.84	\$89.56	\$14.15	\$80.00	\$83.41	\$519.62	\$6,616.64
FY2038	\$2.86	\$8.02	\$15.38	\$76.85	\$13.74	\$68.65	\$80.99	\$454.75	\$6,708.20
FY2039	\$2.78	\$5.38	\$14.94	\$64.09	\$13.34	\$57.25	\$78.66	\$389.65	\$6,800.11
FY2040	\$2.70	\$2.70	\$14.51	\$51.24	\$12.96	\$45.77	\$76.43	\$324.20	\$6,892.56
FY2041			\$13.87	\$38.29	\$12.39	\$34.20	\$73.01	\$258.30	\$6,985.68
FY2042			\$13.27	\$25.46	\$11.85	\$22.74	\$69.86	\$193.16	\$7,075.11
FY2043			\$12.71	\$12.71	\$11.35	\$11.35	\$66.94	\$128.54	\$7,163.86
FY2044							\$64.22	\$64.22	\$7,252.25
Average Mortgage Interest Rate for the Data Year									6.24%

Source: IFFP, Federal Home Loan Mortgage Corporation

The costs that new residents will pay in user rates to increase the Existing LOS to the Buildout LOS or to make bond payments for projects that benefit existing users in Table 2-2 are divided over the years to the Master Planned Year or end of bond payments. All costs are converted to present day costs and deducted from the component's impact fee.

IMPACT FEE COMPONENTS

The impact fee per ERC for each component of a wastewater system is shown in Table 2-5.

**Table 2-5
Wastewater Impact Fee Per ERC**

Type	Cost	ERC Capacity	Cost/ERC	Cost/ERC with Credit
Treatment	\$33.26/gpd	220 gpd/ERC	\$7,316.47/ERC	\$5,690.46/ERC
Misc Facilities	\$422,730	13,917 ERCs	\$33.30/ERC	\$33.30/ERC
Planning	\$218,359	5,598 ERCs	\$78.02/ERC	\$78.02/ERC
Collection	\$103.52/cf	13.26 cf/ERC	\$1,372.64/ERC	\$1,372.64/ERC

MAXIMUM ALLOWABLE IMPACT FEE

Table 2-6 provides the maximum allowable impact fee for the wastewater system. It is calculated by adding the costs for each component in Table 2-5.

**Table 2-6
Maximum Allowable Wastewater Impact Fee**

Item	Max Allowable Impact Fee	Max Allowable with Credits
Treatment Cost/ERC	\$7,316.47/ERC	\$5,690.46/ERC
Misc Facilities Cost/ERC	\$33.30/ERC	\$33.30/ERC
Planning Cost/ERC	\$78.02/ERC	\$78.02/ERC
Collection Cost/ERC	\$1,372.64/ERC	\$1,372.64/ERC
Maximum Allowable Impact Fee/ERC	\$8,800.42/ERC	\$7,174.41/ERC

The proposed first year impact fee with credits for an ERC is identified in Table 2-7. It also includes the proposed cost change and percent increase per ERC and single family and multi-family occupancy adjustments from the average occupancy.

Table 2-7
Wastewater Impact Fee with Credit

Maximum Allowable Impact Fee/ERC	\$8,800.42/ERC
Maximum Allowable Impact Fee/ERC with Credit	\$7,174.41/ERC
Previous Impact Fee/ERC	\$7,177.00/ERC
Proposed Impact Fee/ERC	\$7,174.41/ERC
Difference	-\$2.59/ERC
% Change	-0.04%
Average Occupancy/ERC	3.64
Average Occupancy/Single Family Home	Factor: 1.0247 3.73
Average Occupancy/Multi-Family Home	Factor: 0.9533 3.47
Maximum Allowable Impact Fee/Single Family Home	\$7,351.80
Maximum Allowable Impact Fee/Multi-Family Home	\$6,839.34

Source for Occupancy Data: Census

The ERC Ratio for different meter sizes is found in Table 2-8. This factor would be applied to the Proposed Impact Fee/ERC in Table 2-7 for the first and Table 2-9 for subsequent years.

Table 2-8
Proposed Non-Residential Wastewater Impact Fee by Meter Size

Meter Size	ERCs	Impact Fee
Single Family Home 3/4, 1 in	1.02	\$7,351.80
Single-Family Home 1 1/2 in	2.05	\$15,067.15
Single-Family Home 2 in	3.28	\$24,107.44
Multi-Family Home	0.95	\$7,008.45
Non-Residential Development 3/4, 1 in	1.00	\$7,174.41
Non-Residential Development 1 1/2 in	2.00	\$14,348.82/ERC
Non-Residential Development 2 in	3.20	\$22,958.11/ERC
Non-Residential Development (Any Size Meter) ¹	Effluent Flow Option	\$32.61/gpd

¹City may require the effluent flow option for any non-residential connection.

Table 2-9 shows the proposed impact fees per ERC with credits for the next 6 years. These credits reduce slightly per year according to the NPV credit calculations in Table 2-4.

Table 2-9
Impact Fee Schedules with Credits

Year	Impact Fee/ERC	Impact Fee/gpd	Impact Fee/ Single Family Home	Impact Fee/ Multi-Family Home
FY2027	\$7,174.41	\$32.61	\$7,351.80	\$6,839.34
FY2028	\$7,267.70	\$33.03	\$7,447.39	\$6,928.27
FY2029	\$7,361.14	\$33.46	\$7,543.14	\$7,017.35
FY2030	\$7,454.85	\$33.89	\$7,639.18	\$7,106.69
FY2031	\$7,548.97	\$34.31	\$7,735.62	\$7,196.40
FY2032	\$7,642.11	\$34.74	\$7,831.07	\$7,285.20

The wastewater impact fee is charged at the time of building permit issuance. Wastewater impact fees are charged on a per-ERC, per gallons per day, or per single family or multi-family home basis.

CHAPTER 3 – ADOPTION, ACCOUNTING, EXPENDITURE, AND REFUNDS

ADOPTION

The Utah Impact Fees Act requires the preparation of an IFFP, impact fee analysis and impact fee enactment prior to adoption of an ordinance adopting or amending impact fees. The IFFP for storm drain was prepared to identify existing excess capacity, existing deficiencies, Existing LOS, Proposed LOS and newly constructed facilities that were required to serve new development in the City.

The written impact fee analysis, using the analysis from the IFFP, identifies the impacts placed on facilities by development activity and how the impacts are related to new development. The analysis also calculates the roughly proportional share of costs of each facility identified in the IFFP attributable to new development and establishes the relative benefit each group will receive from the improvement. The analysis also includes an executive summary of the impact fee analysis providing a brief overview of the impact fee structure, methodology and cost basis used.

The impact fee enactment must be adopted by the City Council to enact the proposed fees. The ordinance may not impose a fee higher than the maximum legal fee defined in the written analysis, but may adopt a fee that is lower than the maximum fee. In addition, the ordinance must:

- establish one or more service areas
- include a schedule of the impact fees or the formula by which the fee is derived
- include provisions allowing the City to adjust or modify the fee to take into account any changes or unusual circumstances to ensure that the fee is administered fairly
- include provisions to adjust the fee if independent research or studies determine that it should be different
- include a provision allowing charter and public schools to request the inclusion of facilities on the IFFP and in the calculation of the impact fee

By Utah Code 11-36a-504, the Ordinance may be adopted following a ten (10) day notice period and public hearing. Copies of the proposed Ordinance, written IFFP and Impact Fee Analysis must be made available to the public during the 10-day notice period for public review and inspection in designated public places including the City offices and any public libraries within the jurisdiction. A public hearing shall be held at the end of the 10-day notice period, at which point the Council may adopt, amend and adopt, or reject the Impact Fee Ordinance and proposed fee schedule.

ACCOUNTING

The Impact Fees Act requires that any entity imposing impact fees establish an interest bearing ledger account for each type of public facility for which an impact fee is collected. All impact fee receipts must be deposited into the appropriate account. Any interest earned in each account must remain in the corresponding account. At the end of each fiscal year, the City must prepare a report on each fund or account showing the source and amount of all monies collected, earned, and received by each account and each expenditure made from each account.

EXPENDITURE

The City may only expend impact fees for System Improvements identified in the IFFP. All funds collected must be spent or encumbered within six years of collection or the City must provide an extraordinary or compelling reason why the fees must be held longer and provide an ultimate date by which the impact fees collected will be expended. Any fees retained beyond the six years without an extraordinary or compelling reason must be refunded. The improvements financed by impact fees must be owned and operated by the City or another local public entity with which the City has contracted or will contract for services and improvements that will be operated on the City's behalf.

REFUNDS

By Utah Code 11-36a-603, the City is required to refund any impact fees collected, plus interest earned since collection if:

1. A developer who has paid impact fees does not proceed with the development and has filed a written request for a refund,
2. The fees have not been spent or encumbered within six years, or
3. The new development which has paid impact fees has not created an impact upon the system.

APPENDICES

APPENDIX A - NOTICE OF INTENT TO AMEND THE WASTEWATER IFFP AND IFA

Figure A-1
City Website

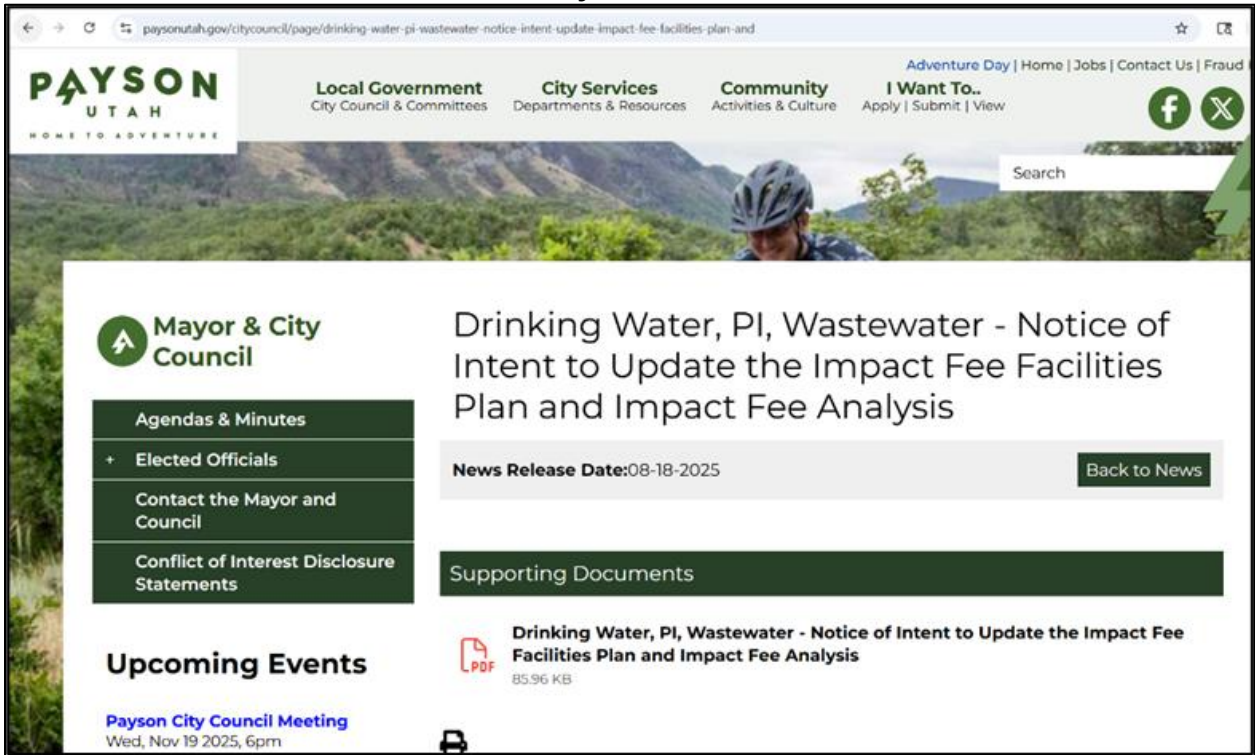


Figure A-2
Utah Public Notice Website



PUBLIC NOTICE WEBSITE

DIVISION OF ARCHIVES AND RECORDS SERVICE

Payson

City Council

Drinking Water, PI, Wastewater - Notice of Intent to Update the Impact Fee Facilities Plan and Impact Fee Analysis

Drinking Water, PI, Wastewater - Notice of Intent to Update the Impact Fee Facilities Plan and Impact Fee Analysis

SUBSCRIBE TO PUBLIC BODY

General Information

Government Type:

Municipality

Entity:

Payson

Public Body:

City Council

Notice Information

Add Notice to Calendar

Notice Title:

City of Payson

II

Wastewater Impact Fee Analysis

Notice Title:

Drinking Water, PI, Wastewater - Notice of Intent to Update the Impact Fee Facilities Plan and Impact Fee Analysis

Notice Tags:

impact fees

Notice Type(s):

Notice

Event Start Date & Time:

August 18, 2025 09:30 AM

Description/Agenda:

Payson City

Notice of Intent to Update the Impact Fee Facilities Plan (IFFP) and Impact Fee Analysis (IFA) Related to Drinking Water, Pressurized Irrigation Water, and Wastewater Collection System

Notice is hereby given that Payson City, a local municipality located in Utah County, Utah, intends to commence the preparation of an updated independent and comprehensive Impact Fee Facilities Plan and Impact Fee Analysis for Drinking Water, Pressurized Irrigation Water, and Wastewater Collection System. Therefore, pursuant to the provisions of Utah Code 11-36a-501 and 503, notice is hereby provided of the intent of Payson City to updated the Impact Fee Facilities Plan and an Impact Fee Analysis for the City. The geographic location where the proposed impact fee facilities will be located is the entire area within the Payson City municipal boundary.

The public is hereby invited to provide written comments or information to be considered in adopting the impact fee facilities plan and impact fee analysis. For information about the impact fee project or to submit your comments, please contact:

Travis Jockumsen, Public Works Director
Payson City Center
439 West Utah Avenue
Payson UT 84651
(801) 465-5232 travisj@paysonutah.gov

In compliance with the Americans with Disabilities Act, persons in need of special accommodations or services to participate shall notify the City; and the City will seek to provide assistance.

Notice of Special Accommodations (ADA):

N/A

Notice of Electronic or Telephone Participation:

N/A

Other Information:

N/A

Meeting Information

Meeting Location:

439 W Utah Avenue
Payson, UT 84651

[Show in Apple Maps](#)

[Show in Google Maps](#)

Contact Name:

Kim Holindrake

Contact Email:

kimh@paysonutah.gov

Contact Phone:

(801)465-5205

Notice Posting Details

APPENDIX B - NOTICE TO ADOPT OR AMEND AN IFFP AND IF ENACTMENT