

BEAR RIVER WATER CONSERVANCY DISTRICT

SUMMARY OF BEAVER DAM WATER SYSTEM IMPACT FEE FACILITY PLAN AND IMPACT FEE ANALYSIS APRIL 2012 (Revised)

According to the State of Utah "Impact Fees Act" found in Title 11, Chapter 36a of the Utah Code, an impact fee is a one-time charge on new development to pay for expansion of the public facilities required to meet the demands of the new development. Impact fees may be charged for public water, sewer, roads, public safety and parks facilities.

The Beaver Dam Water Company recently transferred ownership of a small water system serving 22 existing connections in the Beaver Dam community in Box Elder County, Utah to Bear River Water Conservancy District (District). The existing system has extensive deficiencies that prevent the system from meeting minimum Utah Division of Drinking Water requirements for a public drinking water system. Funding was obtained from the Utah Drinking Water Board (\$685,000 loan with principal forgiveness of \$445,000) and the U.S. Army Corps of Engineers (\$1,000,000 grant) to pay for the construction of a new drinking water system that would correct all of the deficiencies in the existing system and provide capacity for 30 additional connections.

The District's proposed Impact Fees have been prepared according to the following steps:

1. The Impact Fee Facility Plan describes the proposed water system facilities projected to be necessary to serve future development. The Impact Fee Facility Plan includes a projection of the number of connections that are anticipated to be served by the new water system and documents the total construction cost for the water system project.
2. Impact fees can be charged to new connections for public facilities that meet the demands of new growth, but impact fees cannot be charged for improvements required to correct existing deficiencies. Since the entire water system is being reconstructed, both existing and future connections will benefit proportionally from the new system with the exception of the installation of existing service connections.

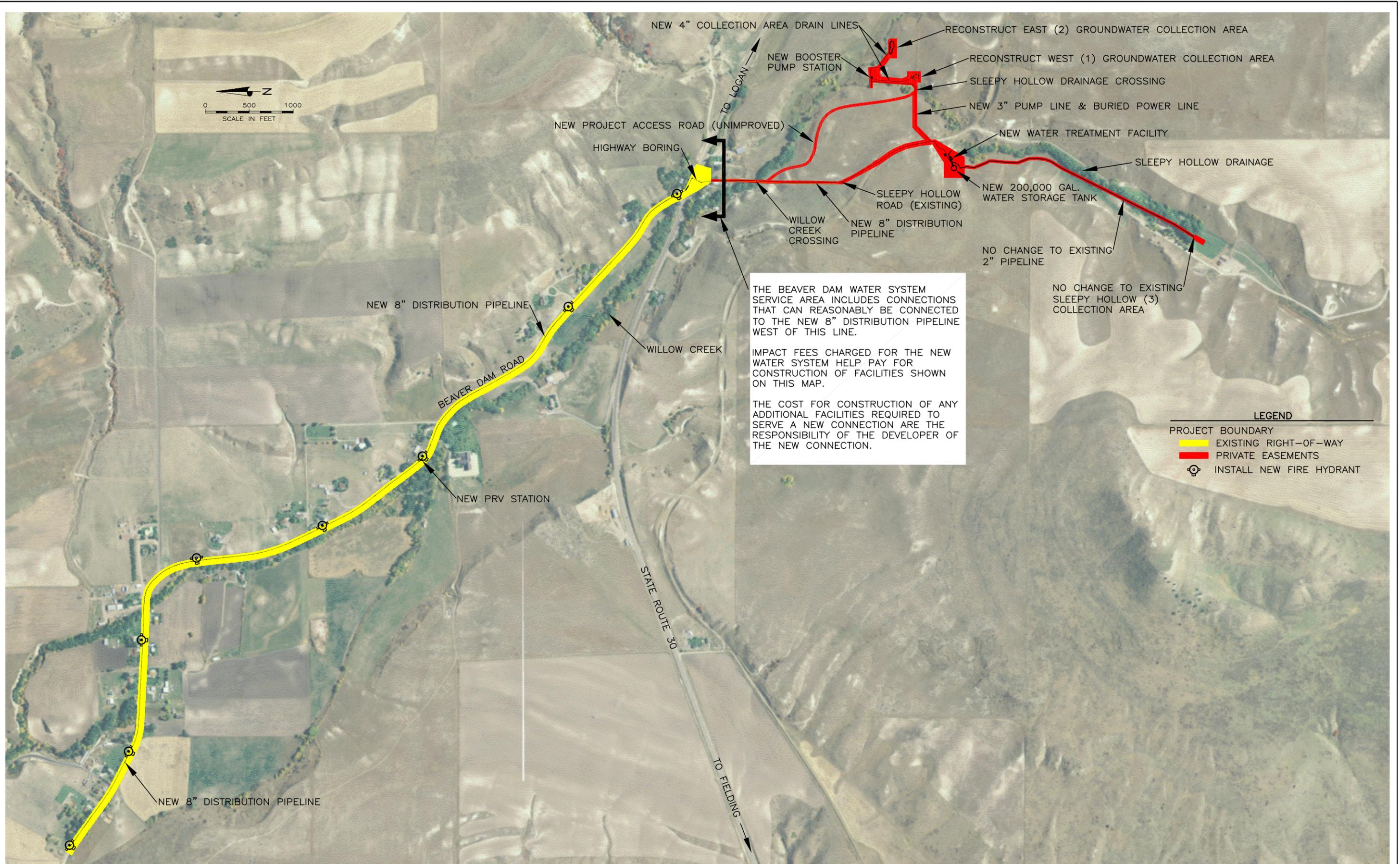
The proposed new water system includes re-development of two existing springs, construction of a new pump station, a new water treatment building, a new water storage tank, new pipelines, new fire hydrants, and a new pressure reducing valve station. The total cost of the project was determined to be \$1,690,000. It was determined that about 43% of this cost is attributable to existing connections with the remaining 57% of the cost for future connections.

3. The calculation of the Impact Fee was calculated as follows:

A significant portion of the project (\$1,445,000) will be paid for through funding that does not have to be repaid by either existing or future connections. Therefore, impact fees were calculated based on the remaining \$245,000 of the project that will be paid for by existing and future connections. The portion of this amount that is attributable to future connections is \$139,650 (57% of \$245,000). Dividing this by the number of future connections (30) results in a final recommended impact fee of \$4,655 per equivalent residential connection.

The attached figure shows the proposed new water system facilities identified in the Impact Fee Facility Plan and the service area of the water system.

FILE NAME: PROJECTS\091 - BRWCD\34.100 - BEAVER DAM ADMIN\ENG\IMPACT FEE AND RATE STUDY\CAD\SERVICE AREA FIG 1.DWG
 FILE DATE: 2/27/2012 15:27:20 (CAH)



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	DESIGNED	JLN	3						SCALE		BRWCD BRIGHAM CITY, UTAH	BEAVER DAM WATER SYSTEM SERVICE AREA FOR IMPACT FEES PROPOSED NEW DRINKING WATER SYSTEM	FIGURE 1 91.34.100
	DRAFTED	JVH	2					AS SHOWN					
	CHECKED	WSB	1										
	DATE	FEBRUARY 2012	NO.										
				NO.	DATE	REVISIONS		BY	APVD.				