

Impact Fee Resolution

West Corinne Water Company, Utah

Resolution Number:

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

WHEREAS, On January 11, 2023 West Corinne Water Company, Utah (the “Company”) posted notice through the Box Elder County Commission as to its intention to prepare an impact fee facilities plan (“IFFP”) and impact fee analyses (“IFA”) for culinary water impact fees and invited all interested parties to participate in the impact fee preparation process, consistent with UCA Section 11-36a-501;

WHEREAS, the Company is a Utah non-profit benefit corporation, authorized and organized under the provisions of Utah law and is authorized pursuant to the Impact Fees Act, Utah Code Ann. 11-36a-101 et seq. to adopt impact fees; and

WHEREAS, on January 11, 2023, the Company provided reasonable notice of the public hearing including on the Company’s Website in accordance with 17B-1-111 to consider the assumptions and conclusions of the Impact Fee Facilities Plans and the Impact Fee Analyses;

WHEREAS, on January 11, 2023, JUB Engineering, Inc. and EFG-Consulting LLC (the “Consultants”) certified their work under UCA section 11-36a-306(1) and (2);

WHEREAS, on January 11, 2023,, a copy of the IFFP and IFA and the proposed Impact Fee Resolution, along with a summary of the analyses that was designated to be understood by a lay person, were made available to the public and deposited at the Company’s administrative office and on the Company’s Website; and

WHEREAS, the Company Board (the “Board”) met in a regular meeting on February 02, 2023, to convene a public hearing and to consider adopting the IFFP and IFA, imposing culinary water impact fees, providing for the calculation and collection of such fees, and providing for an appeal process, accounting and reporting method and other related matters; and

WHEREAS, on February 02, 2023, the Board held a public hearing regarding the IFA and the Impact Fee Resolution; and

WHEREAS, on February 02, 2023, after considering the input of the public and stakeholders and relying on the professional advice and certification of the Consultants, the Company adopted the findings, conclusions, and recommendations of the culinary water IFFP

prepared by the Consultants, a copy of which is attached hereto as Exhibit “A” and incorporated herein by reference; and

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

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

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

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

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

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

1.4. In enacting and approving the IFA including the impact fees recommended and this Resolution, the Company has taken into consideration, and may consider on a case-by-case basis in the future, the future capital facilities and needs of the Company, the capital financial needs of the Company that are the result of the Company’s future facilities’ needs, the distribution of the burden of costs to different properties within the Company based on the use of water of the Company by such properties, the financial contribution of those properties and other properties similarly situated in the Company at the time of computation of the required fee and prior to the

enactment of this Resolution, all revenue sources available to the Company, and the impact on future facilities that will be required by growth and new development activities in the Company.

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

Section 2. Definitions.

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

2.2. “Service Area” shall mean that the entire geographic area of the Company’s boundaries as exhibited in the appendix of the IFFP and IFA.

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

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

Section 3. Adoption.

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

Section 4. Impact Fee Calculations.

4.1. *Impact Fees.* The impact fees imposed by this Resolution shall have one component; a future facilities impact fee. The Impact Fee shall be calculated as set forth below.

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

4.3. *Adjustment of Fees.* The Board may adjust either up (but not above the maximum allowable fee) or down the standard impact fees at the time the fee is charged in order to respond to an unusual circumstance in specific cases and to ensure that the fees are imposed fairly. The Board may adjust the amount of the fees to be imposed if the fee payer submits studies

and data clearly showing that the payment of an adjusted impact fee is more consistent with the true impact being placed on the system.

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

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

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

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

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

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

(c) no impact has resulted.

Section 5. Appeal.

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

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

5.3. Any person or entity required to pay an impact fee imposed under this article, who believes the fee does not meet the requirements of law may request and be granted a full administrative appeal of that grievance. An appeal shall be made to the Board within thirty (30) calendar days of the date of the action complained of, or the date when the complaining person reasonably should have become aware of the action.

5.4 The notice of the administrative appeal to the Board shall be filed and shall

contain the following information:

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

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

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

This Resolution shall be effective as of May 02, 2023 (90 days after its adoption by the Company as outlined in the Impact Fee Act).

Company Chair

Attested By:

Exhibit A – IFFP & IFA

Exhibit B – Impact Fee Schedule

The impact fee per ERC is \$29,918. For connections that demand a flow rate larger than one ERC, the Company reserves the right under the Impact Fee Act to use a multiplier to calculate the multiple ERC rate and adjust the impact fee accordingly.