2025 RESOLUTION REVISING THE 2024 IMPACT FEE ENACTMENT OF TIMPANOGOS SPECIAL SERVICE DISTRICT

RESOLUTION NO. 2025-01

A RESOLUTION REVISING THE 2024 IMPACT FEE ENACTMENT OF TIMPANOGOS SPECIAL SERVICE DISTRICT ADOPTING A REVISED IMPACT FEE EFFECTIVE JANUARY 1, 2026 ON NEW DEVELOPMENT ACTIVITY THAT DISCHARGES WASTEWATER INTO THE WASTEWATER COLLECTION AND TREATMENT SYSTEM OPERATED BY THE TIMPANOGOS SPECIAL SERVICE DISTRICT, APPROVING A SEWER IMPACT FEE ANALYSIS (DATED August 29, 2025), AND APPROVING A 2025 TECHNICAL MEMORANDUM AMENDMENT TO IMPACT FEES FACILITIES PLAN 2022 (DATED AUGUST 28, 2025).

BE IT RESOLVED BY THE ADMINISTRATIVE CONTROL BOARD OF THE TIMPANOGOS SPECIAL SERVICE DISTRICT

Section 1. Authority.

This Resolution is adopted pursuant to authority granted to the Timpanogos Special Service District (the "District") under state law.

Section 2. Purpose.

The purpose of this Resolution is to approve and adopt:, (A) the District's 2025 Amended Sewer Impact Fee Analysis prepared by Zions Public Finance and dated August 29, 2025 (the "2025 IFA"); (B) the District's 2025 Technical Memorandum Amendment to Impact Fee Facilities Plan 2025, prepared by Bowen Collins & Associates and dated August 28, 2025 (the "2025 IFFP"), and (C) this 2025 Resolution Revising the District's 2024 Impact Fee Enactment (this "Resolution" or "Enactment"). The 2025 IFA and the 2025 IFFP Amendment are attached hereto as Exhibits "A" and "B" respectively and are incorporated in this Resolution by reference.[1]

Section 3. Service Area.

In accordance with the 2025 IFFP Amendment and the 2025 IFA[2] adopted herein, the District has identified a single service area to serve all users of the system. The service area is comprised of: (a) the cities of Alpine, American Fork, Cedar Hills, Highland, Lehi, Pleasant Grove and Saratoga Springs; (b) those portions of the cities of Draper, Eagle Mountain, and Vineyard that are serviced by the District; and (c) any unincorporated property of Utah County that lies within the geographical boundaries of the District.

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[1] An Impact Fee Facilities Plan was adopted by the District in 2022; that IFFP was updated by a 2024 Technical Memorandum. The 2025 Technical Memorandum adopted by this Resolution is intended to update and supplement the 2022 IFFP and the 2024 Technical Memorandum.

[2] And also in accordance with prior (2023 and 2024) Impact Fee Facilities Plans/Technical Memoranda and Impact Fee Analyses.

Section 4. Condition of Development Activity.

The District has determined that it will not provide services for any additional use associated with new development activity that discharges wastewater into the District's wastewater collection and treatment system unless and until there is concurrency in the system to accept and treat the wastewater generated by the new development activity and until the impact fee enacted by this Resolution is paid in full. The local political subdivisions within the District's service area shall not give final development approval for new, non-standard development until they have received a "will serve" letter from the District that the new, non-standard development activity either was contemplated by the 2025 Technical Memorandum Amendment to the Impact Fee Facilities Plan 2022, and the 2025 Impact Fee Analysis or that the applicant has provided adequate assurance to build required, but unanticipated transmission or treatment capacity to service its proposed development; nor shall the said local political subdivisions issue any building permit for new development until they have collected the entire impact fee required by this Resolution. If any such entity authorizes new development activity that will utilize capacity in the District system without first obtaining a "will serve" letter, as applicable, and remitting the fee required by this Resolution, the District may exercise any available legal or equitable remedy, including without limitation, immediate discontinuation of any sewer collection and treatment service to the governmental entity or to any of its occupants or users, whether new or existing.[3]

Section 5. Payment to the District and City Audits.

Each governmental entity that has entered a contract with the District for District services shall remit to the District all impact fees collected pursuant to this Resolution within 60 days following the month in which such fees are received. Any such impact fees collected that are not remitted to the District within such time shall accrue interest at the annual rate of 3%, calculated daily, which interest the governmental entity shall pay. The District shall have the right to verify that the impact fee collected by the city or governmental entity was calculated and collected properly. If the fee was improperly calculated or less than the entire accurate fee was collected, the city or governmental entity shall be responsible to pay to the District the difference between the amount collected and the entire accurate fee that should have been imposed and collected, together with interest thereon calculated at the rate of 3% per annum, calculated daily, which interest shall accrue beginning 60 days after the month in which the related development authorization was issued.[4]

Section 6. Fee Imposed and Formula.

New development activity will be charged an impact fee for the services provided by the District, based on equivalent residential units, or portions or multiples thereof, for development activity that will consume capacity in the District system. Effective January 1, 2026 (which date is more than 90 days after this Resolution is adopted), the impact fee to be charged shall be $7,023.00 for each equivalent residential unit. Said impact fee shall be charged for all development activity, including without limitation, each new structure or other improvement that will utilize system capacity, each connection for a use that was previously serviced by a septic system, or for any other

[3] See Section 1301 of the 2022 Amended and Restated Sewer Treatment Services Contract and Collection Maintenance Agreement.

[4] See, generally Article VII of the 2022 Amended and Restated Sewer Treatment Services Contract and Collection Maintenance Agreement, and specifically §705 of said Agreement.

similar use that utilizes system capacity. Any significant user, defined as dischargers of 25,000 gallons per day or more, that proposes new development activity that will increase its total discharge above the level previously used to calculate the original District impact fee, shall be charged an additional District impact fee, based on the fee defined herein, and an additional/increased impact fee shall be charged for new infrastructure that is required for new development activity, that is not contemplated in the current impact fee system, for each new equivalent residential unit (or portion thereof) for its increased consumption of District system capacity.

The District impact fee per equivalent residential unit shall be as summarized in the following table:

Year	Impact Fee (per ERU)
2026	$7,023.00
2027	$7,198.00
2028	$7,370.00
2029	$7,538.00

The District impact fee will be adjusted annually on January 1 of each year, in accordance with the table above.

Pursuant to this Resolution, an equivalent residential unit is equal to 239.1 gallons per day of total wastewater delivered to the District's treatment facility during the peak month. This value includes both the per unit allocation for domestic wastewater (205.8 gallons per day) and an allocation for infiltration (33.3 gallons per day) that is inherent in a well-maintained regional collection system. The impact fee for each permit for new non-residential development shall be calculated based on its projected indoor water use divided by 228.7 gallons per day and multiplied by the per ERU value above, or otherwise, as provided by Sections 7 and 8 below.

Section 7. Adjustments to Impact Fee.

Upon receipt of an application that is supported by a qualified independent fee analysis that is verified for its accuracy and its utility by the District, the District may, in its sole discretion, adjust the standard impact fee, or allow for specific impact fee credits, at the time the fee is charged to: (a) ensure that the impact fees are imposed fairly; and (b) respond to unusual circumstances in specific cases.

Section 8. Credit.

An applicant, may receive a credit against or proportionate reimbursement of an impact fee if the applicant:

a. dedicates land for an improvement to the system improvements designated in the District's approved Impact Fee Facilities Plan;

b. builds and dedicates some or all of an improvement to the District's system that is designated in the District's approved Impact Fee Facilities Plan; or

c. dedicates a public facility that the District and the developer agree will reduce the need for an improvement to the District's system improvements designated in the District's approved Impact Fee Facilities Plan.

Section 9. Effective Date.

This Resolution shall be effective on the date of passage by the Administrative Control Board; and the impact fee component of this Enactment shall take effect at 12:01 a.m. on January 1, 2026. The cities within the service area of the District shall impose, collect, and pay to the District the impact fee in effect on the date the political subdivision issues a building permit; any fee paid before January 1, 2026 will be the fee identified in Resolution 2024-07; any fee paid on or after January 1, 2026 shall be the fee identified in this Resolution.

ADOPTED AND APPROVED 18st day of September 2025.

TIMPANOGOS SPECIAL SERVICE DISTRICT

By: _____
Sullivan Love
Chair Administrative Control Board

Attest:

_____
Secretary

[Seal]

SCHEDULE OF EXHIBITS

EXHIBIT "A"

AMENDED SEWER IMPACT FEE ANALYSIS (DATED August 29, 2025)

EXHIBIT "B"

2025 TECHNICAL MEMORANDUM AMENDMENT TO IMPACT FEES FACILITIES PLAN 2022 (DATED AUGUST 28, 2025).