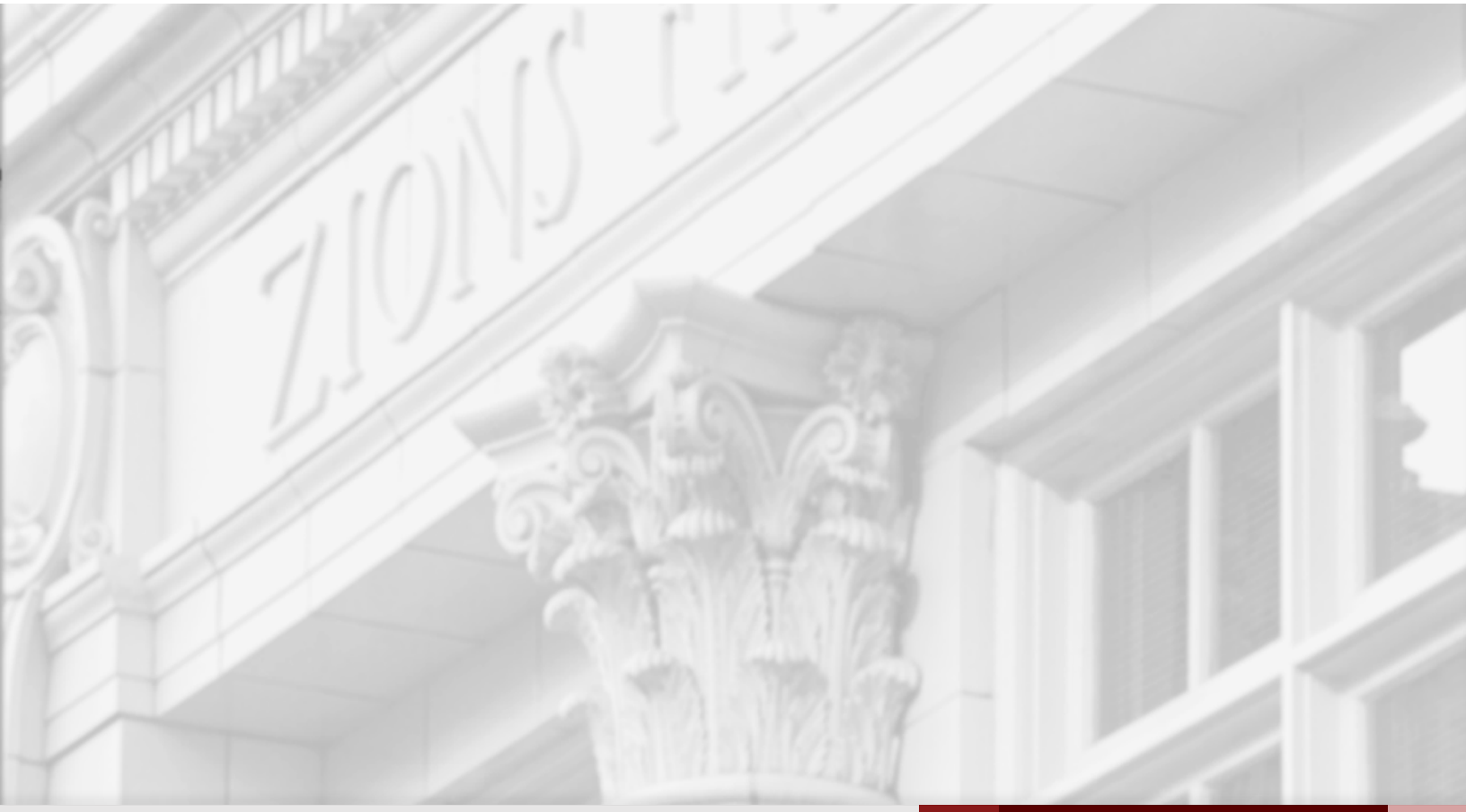

Zions Public Finance, Inc

for

Ogden Valley City

DRAFT

Ogden Valley City

Storm Drain Impact Fee Analysis

April 2026

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Executive Summary

Background

Ogden Valley City (City) has retained Zions Public Finance, Inc. (ZPFI) to prepare this Impact Fee Analysis (IFA) for the calculation of appropriate storm drain impact fees. This IFA relies on information in the Storm Drain Impact Fee Analysis (IFFP) produced by J-U-B Engineers, Inc. (JUB) dated March 2026.

The City was incorporated in December 2025, bringing together an unincorporated area of Weber County (County). To date, the City and County are finalizing details regarding assets and service provision.

An impact fee is a one-time fee imposed on new development activity to mitigate the impact of new development on capital facilities. The recommended impact fee structure presented in this analysis has been prepared to satisfy the Impact Fees Act, Utah Code Ann. § 11-36a-101 et. seq., and represents the maximum impact fees the City may assess. The City will be required to use revenue sources other than impact fees to fund any projects that constitute repair and replacement, cure any existing deficiencies, or increase the level of service for existing users.

Population Growth

Demand for storm drain facilities comes from residential and commercial development and the associated population growth. The growth is represented in the growth of Equivalent Service Unit (ESU). Population grown in the City is estimated as follows:

TABLE 1: OGDEN VALLEY CITY ESU PROJECTED GROWTH, 2026 – 2035

Year	Total ESUs
2026	3,817
2027	3,882
2028	3,948
2029	4,015
2030	4,083
2031	4,153
2032	4,223
2033	4,295
2034	4,368
2035	4,443
ERC Growth, 2026 – 2035	**626**

Source: Ogden Valley City Storm Drain IFFP 2026 (J-U-B- Engineers, Inc.)

Service Area

There is one service area which matches the boundaries of the City for the purpose of calculating storm drain impact fees.

Level of Service

Level of service (LOS) defines the storm drain capital facility demands that a typical ESU will require and should pay for with impact fees. The existing and proposed service levels are detailed in **Table 2**.

TABLE 2: EXISTING LEVEL OF SERVICE

Description	Level of Service Description
Existing Performance Standard	
Initial Systems	10-year storm event
Major Systems	100-year storm event
Storm Water Pipes	
Initial Systems	10-year storm event
Major Systems	100-year storm event
Regional Detention Basin Capacity	100-year storm event
Storm Water Demand per Acre	0.10 CFS/acre

Source: J-U-B Engineers, Inc.

Excess Capacity

Existing facilities with excess capacity can be included in an IFA so that new development can buy into the existing, excess capacity. There is no existing excess capacity as the City desires to at least maintain existing service levels.

Other Costs

Other eligible costs include the cost of preparing the Storm Drain IFA.

Credits for Projects that Benefit Existing Development

The IFFP has identified a portion of the new construction costs that will benefit existing development. Therefore, a credit must be made so that new development does not pay twice – once in the form of impact fees and then again through rates over time to pay for the portion of the system improvements that benefit existing development.

Credits for Outstanding Bonds

The City currently has no outstanding debt used to pay for storm drain improvements.

Storm Drain System Impact Fee Calculation

Utah Code 11-36a-304(1)(d) and (e) and (2)(a) and (b)

The maximum impact fee for 2026 is $2,472.35 per ESU after credits are made for the construction of new projects that will partially benefit existing development.

TABLE 3: MAXIMUM IMPACT FEE PER ESU – 2026

Summary of Maximum Impact Fee in 2026	Amount
New Construction Costs	$2,449.19
Consultant Costs	$23.16
Gross Cost per ESU before Credits	**$2,472.35**
Credits for Existing Development	($896.57)
Maximum Storm Drain Impact Fee per ESU in 2026	**$1,575.78**

Although the gross cost per ESU of $2,472.35 remains constant year over year, the impact fee credits decline each year as fewer payments remain for the new construction projects that benefit existing development. Plus, more ESUs (due to growth) are sharing costs and payments.

The average maximum impact fee over the next five years (2026-2030) is **$1,738.59**.

TABLE 4: SUMMARY OF MAXIMUM IMPACT FEE – 2026-2035

Year	ESUs	Credit for Existing Development	Payment per ESU	NPV* - Credit	Gross Fee per ESU	Maximum Fee per ESU
2026	3,817	($474,357.00)	($124.27)	($896.57)	$2,472.35	$1,575.78
2027	3,882	($474,357.00)	($122.19)	($817.13)	$2,472.35	$1,655.22
2028	3,948	($474,357.00)	($120.15)	($735.79)	$2,472.35	$1,736.56
2029	4,015	($474,357.00)	($118.15)	($652.43)	$2,472.35	$1,819.92
2030	4,083	($474,357.00)	($116.18)	($566.90)	$2,472.35	$1,905.45
2031	4,153	($474,357.00)	($114.22)	($479.07)	$2,472.35	$1,993.28
2032	4,223	($474,357.00)	($112.33)	($388.80)	$2,472.35	$2,083.55
2033	4,295	($474,357.00)	($110.44)	($295.91)	$2,472.35	$2,176.43
2034	4,368	($474,357.00)	($108.60)	($200.27)	$2,472.35	$2,272.08
2035	4,443	($474,357.00)	($106.77)	($101.68)	$2,472.35	$2,370.67

*NPV = net present value discounted at 5 percent

Manner of Financing

Utah Code 11-36a-304(2)(c)(d)(e)(f)(g)(h)

An impact fee is a one-time fee that is implemented by a local government on new development to help fund and pay for all or a portion of the costs of public facilities that are needed to serve new development. Additionally, impact fees allow new growth to share in the cost of existing facilities that have excess capacity.

Impact Fee Credits

There are no bonds outstanding. Some of the future planned improvements will benefit existing development, therefore a credit must be made to ensure that new development does not pay more than its fair share.

Extraordinary Costs and Time Price Differential

It is not anticipated that there will be any extraordinary costs in servicing newly developed storm drain facilities.

Chapter 1: Utah Code Legal Requirements

Preparation of Impact Fee Analysis

Utah Code requires that "each local political subdivision… intending to impose an impact fee shall prepare a written analysis (Impact Fee Analysis or IFA) of each impact fee" (Utah Code 11-36a-303). This IFA follows all legal requirements as outlined below. The City has retained ZPFI to prepare this IFA in accordance with legal requirements.

The required Storm Drain IFFP was prepared by JUB.

Costs to be Included in the Impact Fee

The impact fees proposed in this analysis are calculated based upon:

- New capital infrastructure for storm drain systems that will serve new development; and
- Professional and planning expenses related to the construction of system improvements that will serve new development.

The costs that cannot be included in the impact fee are as follows:

- Costs for projects that cure system deficiencies;
- Costs for projects that increase the Level of Service (LOS) above that which is currently provided;
- Operations and maintenance costs;
- Costs of facilities funded by grants or other funds that the City does not have to repay; and
- Costs of reconstruction of facilities that do not have capacity to serve new growth.

Utah Code Legal Requirements

Section 11-36a-304 of the Utah Code outlines the requirements of an impact fee analysis which is required to identify the following:

i. Anticipated impact on or consumption of any existing capacity of a public facility by the anticipated development activity;
ii. Anticipated impact on system improvements required by the anticipated development activity to maintain the established level of service for each public facility;
iii. How anticipated impacts are reasonably related to the anticipated development activity;
iv. The proportionate share of:
    a. Costs for existing capacity that will be recouped; and
    b. Costs of impacts on system improvement that are reasonably related to the new development activity; and
v. How the impact fee was calculated.

Further, in analyzing whether or not the proportionate share of the costs of public facilities are reasonably related to the new development activity, the local political subdivision or private entity, as the case may be, shall identify, if applicable:

i. The cost of each existing public facility that has excess capacity to serve the anticipated development resulting from the new development activity;
ii. The cost of system improvements for each public facility;
iii. Other than impact fees, the manner of financing for each public facility such as user charges, special assessments, bonded indebtedness, general taxes, or federal grants;
iv. The relative extent to which development activity will contribute to financing the excess capacity of and system improvements for each existing public facility, by means such as user charges, special assessments, or payment from the proceeds of general taxes;
v. The relative extent to which development activity will contribute to the cost of existing public facilities and system improvements in the future;
vi. The extent to which the development activity is entitled to a credit against impact fees because the development activity will dedicate system improvements or public facilities that will offset the demand for system improvements, inside or outside the proposed development;
vii. Extraordinary costs, if any, in servicing the newly developed properties; and

viii. The time-price differential inherent in fair comparisons of amounts paid at different times.

Calculating Impact Fees

Utah Code 11-36a-305 states that for purposes of calculating an impact fee, a local political subdivision or private entity may include the following:

i. Construction contract price;
ii. Cost of acquiring land, improvements, materials, and fixtures;
iii. Cost for planning, surveying, and engineering fees for services provided for and directly related to the construction of the system improvements; and
iv. For a political subdivision, debt service charges if the political subdivision might use impact fees as a revenue stream to pay the principal and interest on bonds, notes or other obligations issued to finance the costs of the system improvements; and
v. One or more expenses for overhead.

Additionally, the Code states that each political subdivision or private entity shall base impact fee amounts on realistic estimates and the assumptions underlying those estimates shall be disclosed in the impact fee analysis.

Certification of Impact Fee Analysis

Utah Code 11-36a-306 states that an impact fee analysis shall include a written certification from the person or entity that prepares the impact fee analysis. This certification is included at the conclusion of this analysis.

Impact Fee Enactment

Utah Code 11-36a-202 states that a local political subdivision or private entity wishing to impose impact fees shall pass an impact fee enactment in accordance with Section 11-36a-402. Additionally, an impact fee imposed by an impact fee enactment may not exceed the highest fee justified by the impact fee analysts. An impact fee enactment may not take effect until 90 days after the day on which the impact fee enactment is approved.

Notice of Intent to Prepare Impact Fee Analysis

A local political subdivision must provide written notice of its intent to prepare an IFA before preparing the Analysis (Utah Code 11-36a-503(1)). This notice must be posted on the Utah Public Notice website. The City has complied with this noticing requirement for the IFA by posting notice.

Chapter 2: Impact Fee Analysis

Utah Code requires municipalities to include only system improvements for the purpose of calculating impact fees. Project improvements cannot be used to establish levels of service eligible to be maintained through impact fees.

This IFA is organized based on the legal requirements of Utah Code 11-36a-304.

Impact on Consumption of Existing Capacity

Utah Code 11-36a-304(1)(a)

"An impact fee analysis shall identify the anticipated impact on or consumption of any existing capacity of a public facility by the anticipated development activity."

The Storm Drain IFFP prepared by JUB is based on prior IFFPs prepared for Weber County. This document states "The excess capacity is the difference between the maximum drainage capacity that the City currently has and the current drainage demand. The 2017 IFFP (CRS, 2017) did not consider excess capacity due to the difficulty of determining actual costs that were incurred in the installation of existing infrastructure."[1]

Due to this, the current IFFP and IFA do not include calculations for existing excess capacity.

Impact on System Improvements by Anticipated Development Activity

Utah Code 11-36a-304(1)(b)

"An impact fee analysis shall identify the anticipated impact on system improvements required by the anticipated development activity to maintain the established level of service for each public facility."

The City will need to acquire additional facilities to maintain its existing service levels. Service levels will decline because of ESU growth unless new facilities are constructed or acquired. Impact fees will be used to maintain the existing service levels for storm drain facilities.

The means by which the City will meet growth demands include constructing the following projects as set forth in the IFFP. This will occur through requiring new development to pay for its fair share of new construction projects.

The cost of new capital facility construction projects over the next 10 years total $1,533,190 as summarized in **Table 5**. A detailed list of all proposed construction projects is included as **Appendix A**.

TABLE 5: NEW CONSTRUCTION IMPROVEMENTS – SUMMARY

Project Category	Percent	Amount
Projects Benefitting Existing Development	56.89%	$4,743,570
Projects Benefiting New Growth - 10-years	18.39%	$1,533,190
Projects Benefiting New Growth - Beyond 10-years	24.72%	$2,061,240
Totals	**100.00%**	**$8,338,000**

Source: Ogden Valley City Storm Drain IFFP 2026 (J-U-B- Engineers, Inc.)

Relationship of Anticipated Impacts to Anticipated Development Activity

Utah Code 11-36a-304(1)(c)

"An impact fee analysis shall subject to Subsection (2), demonstrate how the anticipated impacts described in Subsections (1)(a) and (b) are reasonably related to the anticipated development activity."

The demand placed on existing storm drain facilities by new development activity is attributable to ESU growth. The City has 3,817 ESUs in 2026 and because of anticipated development activity will

[1] Ogden Valley City Impact Fee Facilities Plan – Storm Drain, J-U-B Engineers, Inc., Page 7.

grow to 4,443 ESUs in 2035 – an increase of 626 ESUs. As growth occurs because of increased development activity, more storm drain facilities are needed to maintain existing service levels.

Chapter 3: Proportionate Share Analysis

Utah Code 11-36a-304(1)(d)(i)(ii)

"An impact fee analysis shall estimate the proportionate share of costs for existing capacity that will be recouped; and the costs of impacts on system improvements that are reasonably related to the new development activity."

Costs Reasonably Related to Development Activity

The cost of new system improvements required to maintain the service levels related to new development activity are based on the costs of system facilities, credits for projects benefiting existing development, and the consultant fees for the preparation of the Impact Fee Analysis.

New Improvements

To maintain service levels, additional improvements are required. These have been identified to total $8,338,000, with $1,553,190 attributable to new development within the next 10 years. The total cost per ESU is $2,449.19.

TABLE 6: NEW IMPROVEMENT COST PER ESU

Description	Amount
Cost to 10-yr Growth	$1,553,190
Growth in ESUs 2026-2035	626
Cost per ESU	**$2,449.19**

Consultant Costs

The Impact Fees Act allows for fees charged to include the reimbursement of consultant costs incurred in the preparation of the impact fee. Costs for both ZPFI and JUB are included in the preparation of the IFA and IFFP.

TABLE 7: CONSULTANT COST PER ESU

Description	Amount
ZPFI	$6,500
JUB	$8,000
Growth in ESUs 2026-2035	626
Cost per ESU	**$23.16**

Gross Cost per ESU

The total gross cost per ESU is calculated by summing all the component costs, with a total cost per ESU of $2,472.35.

TABLE 8: TOTAL PER ESU

Description	Amount
New Construction	$2,449.19
Consultant Costs	$23.16
Growth in ESUs 2026-2035	626
Cost per ESU	**$2,472.35**

Credits Against Impact Fees

To ensure that new development does not pay more than its fair share, credits must be made for any outstanding debt, current impact fee fund balance, or for projects that will benefit existing development. According to the City, there is no outstanding debt nor an impact fee fund balance.

However, JUB identified portions of the new improvement projects that will benefit existing development. Therefore, credits must also be made for the proportionate share of new projects that benefit existing development in order that new development is not charged twice – once through the impact fee and then through rates over time. The proportionate share of new projects benefiting existing development is calculated as $4,743,570. This cost is anticipated to be paid for with increased rates, spread over 10 years, and therefore new development must be credited so that it does not pay the full impact fee as well as higher rates.

TABLE 9: CREDITS FOR PROJECTS BENEFITTING EXISTING DEVELOPMENT

Year	ESUs	Payment	Payment per ESU	NPV* - Credit
2026	3,817	($474,357.00)	($124.27)	($896.57)
2027	3,882	($474,357.00)	($122.19)	($817.13)
2028	3,948	($474,357.00)	($120.15)	($735.79)
2029	4,015	($474,357.00)	($118.15)	($652.43)
2030	4,083	($474,357.00)	($116.18)	($566.90)
2031	4,153	($474,357.00)	($114.22)	($479.07)
2032	4,223	($474,357.00)	($112.33)	($388.80)
2033	4,295	($474,357.00)	($110.44)	($295.91)
2034	4,368	($474,357.00)	($108.60)	($200.27)
2035	4,443	($474,357.00)	($106.77)	($101.68)

*NPV = net present value discounted at 5 percent

Maximum Impact Fees

The calculated maximum impact fee per ESU that can be charged in 2026 is $1,575.78.

TABLE 10: MAXIMUM IMPACT FEE PER ESU – 2026

Summary of Maximum Impact Fee in 2026	Amount
New Construction Costs	$2,449.19
Consultant Costs	$23.16
Gross Cost per ESU before Credits	**$2,472.35**
Credits for Existing Development	($896.57)
Maximum Fee per ESU in 2026	**$1,575.78**

Although the gross fee of $2,472.35 remains constant year over year, the impact fee credits decline each year as fewer payments remain for the new construction projects that benefit existing development. Plus, more ESUs (due to growth) are sharing costs and payments.

The average maximum impact fee over the next five years (2026-2030) is $1,738.59.

TABLE 11: SUMMARY OF MAXIMUM IMPACT FEE – 2026-2035

Year	ESUs	Credit for Existing Development	Payment per ESU	NPV* - Credit	Gross Fee per ESU	Maximum Fee per ESU
2026	3,817	($474,357.00)	($124.27)	($896.57)	$2,472.35	$1,575.78
2027	3,882	($474,357.00)	($122.19)	($817.13)	$2,472.35	$1,655.22
2028	3,948	($474,357.00)	($120.15)	($735.79)	$2,472.35	$1,736.56
2029	4,015	($474,357.00)	($118.15)	($652.43)	$2,472.35	$1,819.92
2030	4,083	($474,357.00)	($116.18)	($566.90)	$2,472.35	$1,905.45
2031	4,153	($474,357.00)	($114.22)	($479.07)	$2,472.35	$1,993.28
2032	4,223	($474,357.00)	($112.33)	($388.80)	$2,472.35	$2,083.55
2033	4,295	($474,357.00)	($110.44)	($295.91)	$2,472.35	$2,176.43
2034	4,368	($474,357.00)	($108.60)	($200.27)	$2,472.35	$2,272.08
2035	4,443	($474,357.00)	($106.77)	($101.68)	$2,472.35	$2,370.67

*NPV = net present value discounted at 5 percent

Manner of Financing

Utah Code 11-36a-304(2)(c)(d)(e)(f)(g)(h)

"An impact fee analysis shall identify, if applicable: other than impact fees, the manner of financing for each public facility such as user charges, special assessments, bonded indebtedness, federal taxes, or federal grants."

An impact fee is a one-time fee that is implemented by a local government on new development to help fund and pay for all or a portion of the costs of public facilities that are needed to serve new development. These fees are usually implemented to help reduce the economic burden on local jurisdictions that are trying to deal with population and commercial growth within the area. As a matter of policy and legislative discretion, a local government may choose to have new development pay the full cost of its share of new public facilities if the facilities would not be needed except to service new development. However, local governments may use other sources of revenue to pay for the new facilities required to service new development and use impact fees to recover the cost difference between the total cost and the other sources of revenue. Additionally, impact fees allow new growth to share in the cost of existing facilities that have excess capacity.

At the current time, no other sources of funding other than impact fees have been identified, but to the extent that any are identified and received in the future, then impact fees will be reduced accordingly.

Additional system-wide storm drain improvements beyond those funded through impact fees that are desired to maintain a higher proposed level of service will be paid for by the community through other revenue sources such as user charges, special assessments, GO bonds, general taxes, etc.

Extraordinary Costs and Time Price Differential

Credits may be paid back to developers who have constructed or directly funded items that are included in the IFFP or donated to the City in lieu of impact fees, including the dedication of land for system improvements. This situation does not apply to developer exactions or improvements required to offset density or as a condition for development. Any item for which a developer receives

credit should be included in the IFFP and must be agreed upon with the City before construction begins.

It is not anticipated that there will be any extraordinary costs in servicing newly developed storm drain improvements.

Certification

Zions Public Finance, Inc. certifies that the attached impact fee analysis:

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.

Appendix A – New Construction Improvements

TABLE 12 : NEW CONSTRUCTION IMPROVEMENTS – DETAILED

Project Description	Estimated Cost	Cost to Existing	Cost to 10-year Growth	Cost Beyond 10-year Growth
Install 36" Culvert	$28,000	$10,080	$7,280	$10,640
Increase Capacity along Drainage Channel	$413,000	$136,290	$115,640	$161,070
Install (2) 8'X8' Box Culverts	$208,000	$116,480	$39,520	$52,000
Install Drainage for neighborhood	$433,000	$229,490	$86,600	$116,910
Install (4) Box Culverts	$279,000	$186,930	$39,060	$53,010
Install (3) Box Culverts	$221,000	$148,070	$30,940	$41,990
Install 72" Culvert	$101,000	$33,330	$28,280	$39,390
Increase Capacity along Drainage Channel	$311,000	$258,130	$21,770	$31,100
Increase Capacity along Drainage Channel	$540,000	$361,800	$75,600	$102,600
Install (2) Box Culverts	$159,000	$92,220	$30,210	$36,570
Install (2) Box Culverts	$528,000	$306,240	$100,320	$121,440
Increase Capacity along Drainage Channel	$595,000	$368,900	$101,150	$124,950
Install 72" Culvert	$90,000	$35,100	$24,300	$30,600
Increase Capacity along Drainage Channel	$1,211,000	$811,370	$169,540	$230,090
Install 48" Culvert	$35,000	$6,300	$12,250	$16,450
Install (3) Box Culverts	$264,000	$176,880	$36,960	$50,160
Install (2) Culverts	$56,000	$18,480	$15,680	$21,840
Install 30" Culvert; Channel Upgrades	$21,000	$6,930	$5,880	$8,190
Install 48" Culvert; Channel Upgrades	$42,000	$13,860	$11,760	$16,380
Install 30" Culvert	$34,000	$11,220	$9,520	$13,260
Install (2) Culverts	$36,000	$11,880	$10,080	$14,040
Install 30" Culvert	$137,000	$91,790	$19,180	$26,030
Install (3) 48" Culverts	$104,000	$86,320	$7,280	$10,400
Install 8' X 8' Box Culvert	$103,000	$51,500	$25,750	$25,750
Install 18" Culvert	$14,000	$11,620	$980	$1,400
Install 30" Culvert	$24,000	$10,080	$5,760	$8,160

Project Description	Estimated Cost	Cost to Existing	Cost to 10-year Growth	Cost Beyond 10-year Growth
Install (2) 30" Culverts	$83,000	$51,460	$14,110	$17,430
Reroute culvert	$28,000	$24,640	$1,400	$1,960
Install Culvert	$28,000	$9,240	$7,840	$10,920
Install Culverts	$54,000	$30,240	$10,260	$13,500
Install Culvert	$16,000	$13,280	$1,120	$1,600
Upsize Pipe to 24"	$25,000	$20,750	$1,750	$2,500
Install Pipes	$317,000	$212,390	$44,380	$60,230
Upsize Pipe at Sheep Creek Ph. 2&3	$28,000	$10,920	$7,560	$9,520
Continue 36" Pipe	$1,470,000	$617,400	$352,800	$499,800
Increase Capacity; Regional Detention	$110,000	$46,200	$26,400	$37,400
Increase capacity	$110,000	$68,200	$18,700	$23,100
Upsize Culverts	$82,000	$47,560	$15,580	$18,860
Totals	**$8,338,000**	**$4,743,570**	**$1,533,190**	**$2,061,240**

Source: Ogden Valley City Storm Drain IFFP 2026 (J-U-B- Engineers, Inc.)