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FINANCE
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OREM CITY, UTAH

NOVEMBER
2025

IMPACT FEE FACILITIES PLAN (IFFP) AND IMPACT FEE ANALYSIS (IFA)

PARKS & RECREATION, POLICE, FIRE,
TRANSPORTATION, CULINARY WATER,
WASTEWATER, AND STORM WATER

PREPARED BY:

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IMPACT FEE CERTIFICATION

IFFP CERTIFICATION

LRB Public Finance Advisors (formerly Lewis Young Robertson & Burningham, Inc.) and Orem City jointly certify that the attached 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;
 - 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;
 - c. an expense for overhead, unless the expense is calculated pursuant to a methodology that is consistent with generally accepted cost accounting practices and the methodological standards set forth by the federal Office of Management and Budget for federal grant reimbursement; and,
3. complies in each and every relevant respect with the Impact Fees Act.

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OREM CITY

IFA CERTIFICATION

LRB Public Finance Advisors certifies that the Impact Fee Analysis (IFA) prepared for parks, fire, police, wastewater, storm water, water, and transportation:

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;
 - 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;
 - c. an expense for overhead, unless the expense is calculated pursuant to a methodology that is consistent with generally accepted cost accounting practices and the methodological standards set forth by the federal Office of Management and Budget for federal grant reimbursement;
 - d. offsets costs with grants or other alternate sources of payment; and
3. complies with every relevant respect with the Impact Fees Act.

LRB Public Finance Advisors makes this certification with the following caveats:

1. All the recommendations for implementation of the IFFP made in the IFFP documents or in the IFA documents are followed by City Staff and elected officials.



2. If all or a portion of the IFFP or IFA are modified or amended, this certification is no longer valid.
3. All information provided to LRB is assumed to be correct, complete, and accurate. This includes information provided by the City as well as outside sources.

LRB PUBLIC FINANCE ADVISORS



DEFINITIONS

The following acronyms or abbreviations are used in this document:

- AF:** Acre Foot
- CFP:** Capital Facilities Plan
- ERU:** Equivalent Residential Units
- GAL:** Gallons
- GPM:** Gallons per Minute
- GPD:** Gallons per Day
- HH:** Households
- IFA:** Impact Fee Analysis
- IFFP:** Impact Fee Facilities Plan
- LOS:** Level of Service
- LRB:** LRB Public Finance Advisors
- MG:** Million Gallons
- SA:** Service Area
- SF:** Square Feet
- SWA:** Southwest Annexation Area



SECTION 1: EXECUTIVE SUMMARY

The purpose of this Impact Fee Facilities Plan (IFFP), with supporting Impact Fee Analysis (IFA), is to fulfill the requirements established in Utah Code Title 11 Chapter 36a, the "Impact Fees Act," and help Orem City (the City) fund necessary capital improvements for future growth. This document will address the future parks, fire, police, wastewater, storm water, water, and transportation infrastructure needed to serve the City through the next ten years, as well as the appropriate impact fees the City may charge to new growth to maintain the level of service (LOS).

- **Impact Fee Service Area:** The impact fees related to parks and recreation, police, fire, and transportation will be assessed within the proposed service area, which incorporates the entire municipal boundaries (City SA) and the Southwest Annexation area (SWA SA) as shown in **Figure 3.1**. The water impact fee is assessed to the City SA and SWA SA, with the SWA SA participating in both city-wide improvements and the SWA SA-specific improvements defined in the IFFP. The wastewater and storm water impact fees are also assessed to the City SA and SWA SA, in which the SWA SA is its own service area and assesses an independent impact fee. This document identifies the necessary future system improvements for the Service Area that will maintain the existing LOS into the future.
- **Demand Analysis:** The demand units utilized in this analysis include population and household growth, calls for service, equivalent residential units (ERUs), trip generation, and acreage. As new development and redevelopment occur within the City, increased demand is placed on City infrastructure. The system improvements identified in this study are designed to maintain the existing LOS for any new or redeveloped property within the City.
- **Level of Service:** The existing LOS is defined throughout each section of this document. Through the inventory of existing facilities, combined with the growth assumptions, this analysis identifies the LOS that is provided to a community's existing residents and ensures that future facilities maintain these standards. Any excess capacity identified within existing facilities can be apportioned to new development.
- **Excess Capacity:** The demand analysis, existing facility inventory, and LOS analysis allow for the development of a list of capital facilities necessary to serve new growth and to maintain the existing system. This list includes any excess capacity of existing facilities, as well as future system improvements necessary to maintain the LOS. The inclusion of excess capacity is known as a "buy-in." Any demand generated from new development that overburdens the existing system beyond the existing capacity justifies the construction of new facilities. This analysis calculates the buy-in component for each of the services evaluated.
- **Outstanding Debt:** The City issued the Series 2021A Water, Storm Sewer, & Sewer Revenue Bonds to fund utility system improvements and the Series 2014 and 2019 General Obligation Bonds to fund improvements related to transportation infrastructure. In addition, the City issued the 2024 Sales Tax Revenue Bonds to fund improvements to public safety facilities. The associated interest from these bonds is included in this analysis.
- **Capital Facilities Analysis:** Due to the projected new development and redevelopment within the City, additional capital improvements will be necessary as they relate to parks, fire, police, storm water, wastewater, water, and transportation infrastructure.



- **Funding of Future Facilities:** This analysis assumes future growth-related facilities will be funded through a combination of General Fund revenues, utility rate revenues and impact fee revenues. The analysis does not include future debt-related expenses at this time.

SUMMARY OF PROPOSED FEES

The impact fees proposed in this analysis will be assessed within the Service Area. The table below illustrates the calculated impact fees for parks, police, fire, storm water, wastewater, water, and transportation.

TABLE 1.1: MAXIMUM IMPACT FEE PER UNIT

	SINGLE FAMILY	MULTI-FAMILY	NON-RESIDENTIAL
Parks and Recreation	\$8,098	\$6,097	N/A
Police	\$436	\$368	\$358*
Fire	\$913	\$694	\$669*
Storm Water (City Area) per Acre	\$6,511	\$6,511	\$6,511
Storm Water (Annexation Area) per Acre	\$8,346	\$8,346	\$8,346
Wastewater (City Area) per ERU	\$5,629	\$5,629	\$5,629
Wastewater (Annexation Area) per ERU	\$4,855	\$4,855	\$4,855
Water (City Area) per ERU	\$6,995	\$6,995	\$6,995
Water (Annexation Area) per ERU	\$7,900	\$7,900	\$7,900
Transportation	\$1,296	\$927	See Table 1.2 Below

*Reflects general commercial impact fee. See Sections 5 and 6 for full non-residential impact fee schedule.

TABLE 1.2: TRANSPORTATION IMPACT FEE BY LAND USE TYPE

LAND USE CATEGORY	ITE CODE	DEMAND UNIT	AVERAGE DAILY TRIPS	ENTERING/ EXITING ADJUSTMENT	PASS BY REDUCTION	TOTAL TRIP ADJUSTMENT	TOTAL TRIPS	PROPOSED IMPACT FEE
Light Industrial	110	1,000 SF	4.87	50%	0%	50%	2.44	\$669
General Office	710	1,000 SF	10.84	50%	0%	50%	5.42	\$1,490
Commercial / Retail	820	1,000 SF	37.01	50%	29%	36%	13.14	\$3,612

NON-STANDARD IMPACT FEES

The Impact Fees Act¹ allows the City to assess an adjusted fee that more closely matches the true impact that a specific land use will have upon the City's infrastructure. This adjustment could result in a different impact fee if evidence suggests a particular user will create a different impact than what is standard for its category.

The formula for a non-standard impact fee should be included in the impact fee enactment (by resolution or ordinance). In addition, the impact fee enactment should contain the following elements:

- A provision establishing one or more service areas within which the local political subdivision or private entity calculates and imposes impact fees for various land use categories.
- 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 or the formula that the local political subdivision or private entity will use to calculate each impact fee.

¹ 11-36a-402(1)(c)



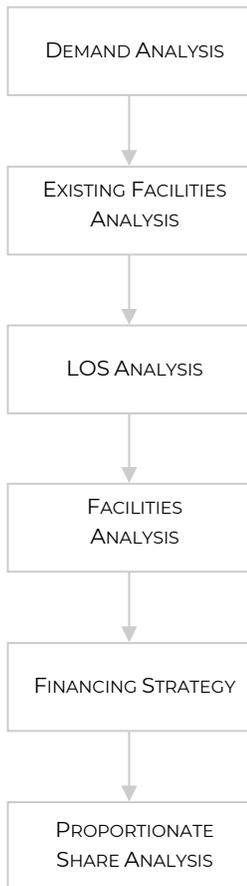
- A provision authorizing the local political subdivision or private entity to adjust the standard impact fee at the time the fee is charged to:
 - Respond to unusual circumstances in specific cases or a request for a prompt and individualized impact fee review for the development activity of the state, a school district, or a charter school and an offset or credit for a public facility for which an impact fee has been or will be collected.
 - Ensure that the impact fees are imposed fairly.
- A provision governing calculation of the amount of the impact fee to be imposed on a particular development that permits adjustment of the amount of the impact fee based upon studies and data submitted by the developer.
- A provision that allows a developer, including a school district or a charter school, to receive a credit against or proportionate reimbursement of an impact fee if the developer:
 - Dedicates land for a system improvement.
 - Builds and dedicates some or all of a system improvement.
 - Dedicates a public facility that the local political subdivision or private entity and the developer agree will reduce the need for a system improvement.
- A provision that requires a credit against impact fees 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; or,
 - Dedicated to the public and offset the need for an identified system improvement.

Other provisions of the impact fee enactment include exemption of fees for development activity attributable to low-income housing, the state, a school district, or a charter school. Exemptions may also include other development activities with a broad public purpose. If an exemption is provided, the entity should establish one or more sources of funds other than impact fees to pay for that development activity. The impact fee exemption for development activity attributable to a school district or charter school should be applied equally to either scenario.



SECTION 2: GENERAL IMPACT FEE METHODOLOGY

FIGURE 2.1: IMPACT FEE METHODOLOGY



The purpose of this study is to fulfill the requirements of the Impact Fees Act regarding the establishment of an IFA². The IFFP identifies the demands placed upon the City's existing facilities by future development and evaluate how these demands will be met by the City, as well as the future improvements required to maintain the existing LOS. The purpose of the IFA is to proportionately allocate the cost of the new facilities and any excess capacity to new development, while ensuring that all methods of financing are considered. The following elements are important considerations when completing an IFA.

DEMAND ANALYSIS

The demand analysis serves as the foundation for the IFFP and IFA. This element focuses on a specific demand unit related to each public service – the existing demand on public facilities and the future demand as a result of new development that will affect system facilities.

EXISTING FACILITY INVENTORY

In order to quantify the demands placed upon existing public facilities by new development activity, to the extent possible the IFFP provides an inventory of the City's existing system facilities. The inventory valuation should include the original construction cost and estimated useful life of each facility. The inventory of existing facilities is important to determine the excess capacity of existing facilities and the utilization of excess capacity by new development.

LEVEL OF SERVICE ANALYSIS

"Level of service" or LOS means the defined performance standard or unit of demand for each capital component of a public facility within a service area. Through the inventory of existing facilities, combined with the growth assumptions, this analysis identifies the existing LOS that is provided to a community's existing residents and ensures that future facilities maintain these standards.

EXCESS CAPACITY AND FUTURE CAPITAL FACILITIES ANALYSIS

The demand analysis, existing facility inventory and LOS analysis allow for the development of a list of capital projects necessary to serve new growth and to maintain the existing system. This list includes any excess capacity of existing facilities as well as future system improvements necessary to maintain the LOS. Any excess capacity identified within existing facilities can be apportioned to new development. Any demand generated from new development that overburdens the existing system beyond the existing capacity justifies the construction of new facilities.

²UC 11-36a-301,302,303,304



FINANCING STRATEGY

This analysis must also include a consideration of all revenue sources, including impact fees, future debt costs, alternative funding sources and the dedication of system improvements, which may be used to finance system improvements.³ In conjunction with this revenue analysis, there must be a determination that impact fees are necessary to achieve an equitable allocation of the costs of the new facilities between the new and existing users.⁴

PROPORTIONATE SHARE ANALYSIS

The written impact fee analysis is required under the Impact Fees Act and must identify the impacts placed on the facilities by development activity and how these impacts are reasonably related to the new development. The written impact fee analysis must include a proportionate share analysis, clearly detailing each cost component and the methodology used to calculate each impact fee. A local political subdivision or private entity may only impose impact fees on development activities when its plan for financing system improvements establishes that impact fees are necessary to achieve an equitable allocation of the costs borne in the past and to be borne in the future (UCA 11-36a-302).

IMPACT FEE METHODOLOGIES

There are two methods employed in this analysis to determine the maximum allowable impact fees: the Growth-Driven Approach or the Plan Based Approach.

GROWTH-DRIVEN (PERPETUATION OF EXISTING LOS)

The growth-driven method utilizes the existing level of service and perpetuates that level of service into the future. Impact fees are then calculated to provide sufficient funds for the entity to expand or provide additional facilities, as growth occurs within the community. Under this methodology, impact fees are calculated to ensure new development provides sufficient investment to maintain the current LOS standards in the community. This approach is often used for public facilities that are not governed by specific capacity limitations and do not need to be built before development occurs (i.e. park facilities).

NEW FACILITY – PLAN BASED (FEE BASED ON DEFINED CIP)

Impact fees can be calculated based on a defined set of capital costs specified for future development. The improvements are identified in a capital plan or impact fee facilities plan as growth-related system improvements. The total cost is divided by the total demand units the improvements are designed to serve. Under this methodology, it is important to identify the existing level of service and determine any excess capacity in existing facilities that could serve new growth. Impact fees are then calculated based on many variables centered on proportionality and level of service.

³ 11-36a-302(2)

⁴ 11-36a-302(3)



SECTION 3: OVERVIEW OF SERVICE AREA AND GENERAL DEMAND FIGURES

SERVICE AREAS

Utah Code requires the impact fee enactment to establish one or more service areas (SA) within which impact fees will be imposed.⁵ This document identifies the necessary future system improvements for the Service Areas that will maintain the existing LOS into the future. The impact fees related to parks and recreation, police, fire, and transportation will be assessed within the proposed service area, which incorporates the entire municipal boundaries and the City's annexation area as shown in **Figure 3.1**.

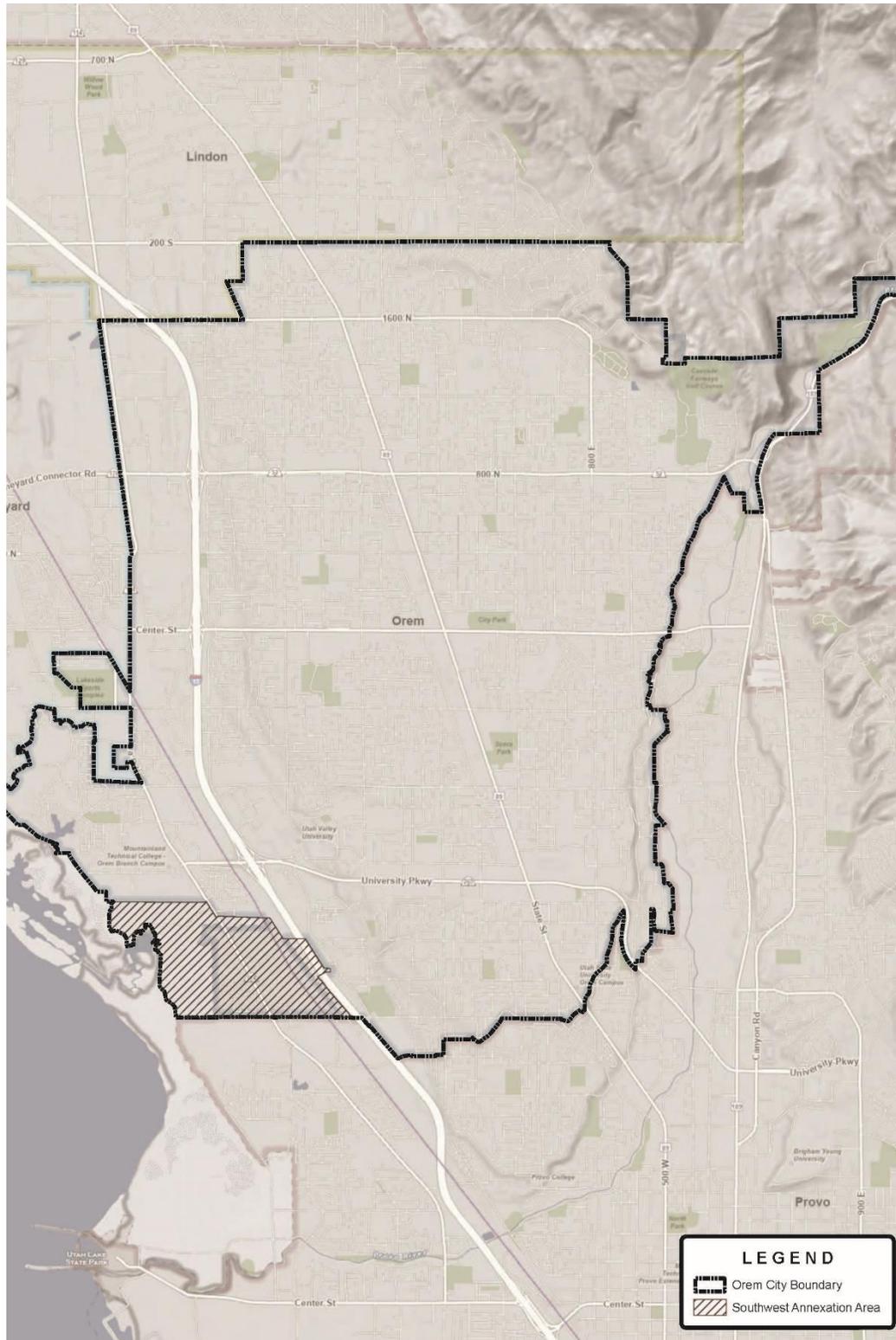
The water impact fee is assessed to two service areas: the City SA, which refers to all areas of the City water system, and the Southwest Annexation (SWA) SA. The City SA includes source production, storage, and major transmission facilities to all areas of the City, including the SWA SA. The Water IFFP identifies local distribution improvements in the SWA SA that will not benefit areas outside of the SWA SA. This results in new development in the SWA SA participating in both city-wide improvements and the SWA specific distribution improvements.

The wastewater and storm water impact fees are also assessed to two service areas (City SA and SWA SA). The Sewer and Storm Water IFFPs assume the SWA SA will continue to be its own service area and assess a SWA specific impact fee. For purposes of this analysis, the City SA wastewater and storm water impact fees cover the entire city but exclude the SWA Service Area.

⁵ UC 11-36a-402(1)(a)



FIGURE 3.1: OREM CITY IMPACT FEE SERVICE AREA MAP



DEMAND ANALYSIS

The demand units utilized in this analysis include acreage, water ERUs, wastewater ERUs, fire/EMS calls, police calls, trips, and population. As new development occurs within the City, it generates increased demand on City infrastructure. The system improvements identified in this study are designed to maintain the existing LOS for any new property within the City. **Tables 3.1 – 3.4** identify the existing development conditions within the City, as well as the anticipated new development forecasted to occur within the planning horizon along with the growth in demand units anticipated over a ten-year planning horizon.

TABLE 3.1: OREM CITY POPULATION PROJECTIONS

TYPE	UNITS/SF	2023	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Population⁶		99,076	100,092	101,122	102,165	103,222	104,293
Single Family	Units	17,646	17,752	17,859	17,966	18,074	18,182
Multifamily Units	Units	14,816	15,068	15,324	15,584	15,849	16,119
Residential Total	Units	32,462	32,820	33,182	33,550	33,923	34,301
Commercial	SF	7,573,330	7,649,063	7,725,554	7,802,809	7,880,838	7,959,646
Office	SF	3,631,262	3,667,575	3,704,250	3,741,293	3,778,706	3,816,493
Industrial	SF	7,631,444	7,707,758	7,784,836	7,862,684	7,941,311	8,020,724
Hospital/Group Care	SF	1,170,457	1,182,162	1,193,983	1,205,923	1,217,982	1,230,162
Other	SF	952,239	961,761	971,379	981,093	990,904	1,000,813

TABLE 3.1: OREM CITY POPULATION PROJECTIONS (CONT.)

TYPE	UNITS/SF	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	TOTAL IFFP NEW GROWTH
Population		105,378	106,478	107,591	108,720	109,864	10,788
Single Family	Units	18,291	18,401	18,511	18,622	18,734	1,088
Multifamily Units	Units	16,393	16,671	16,955	17,243	17,536	2,720
Residential Total	Units	34,684	35,072	35,466	35,865	36,270	3,808
Commercial	SF	8,039,242	8,119,635	8,200,831	8,282,839	8,365,668	792,338
Office	SF	3,854,658	3,893,204	3,932,136	3,971,458	4,011,172	379,910
Industrial	SF	8,100,932	8,181,941	8,263,760	8,346,398	8,429,862	798,418
Hospital/Group Care	SF	1,242,464	1,254,888	1,267,437	1,280,112	1,292,913	122,456
Other	SF	1,010,821	1,020,929	1,031,138	1,041,450	1,051,864	99,625

TABLE 3.2: OREM CITY TRIP PROJECTIONS

	TRIPS
Existing (2023)	330,808
2030	358,508
New Trips	27,700

Source: 2023 TMP

TABLE 3.3: OREM CITY ACREAGE PROJECTIONS

	CITY SA	SWA SA
2025 Developed Acres	10,674	56
2035 Developed Acres	10,891	256
New Acreage	217	200

Source: Storm Water IFFP, Tables 2 and 3

TABLE 3.4: OREM CITY SEWER ERU PROJECTIONS

	CITY SA	SWA SA
2020 ERUs	48,654	88
2030 ERUs	51,833	2,553
Buildout ERUs	57,146	2,553
IFFP ERUs	3,179	2,465

Source: Sewer IFFP, Table ES-1

TABLE 3.5: OREM CITY WATER ERU PROJECTIONS

	CITY SA (INCLUDES SWA SA)	SWA SA
2020 ERUs	40,406	88
2030 ERUs	45,161	2,507
Buildout ERUs	48,279	2,507
IFFP ERUs	4,755	2,419

Source: Water IFFP, Table ES-1

⁶ Includes vacant homes.



SECTION 4: PARKS & TRAILS IFFP AND IFA

The purpose of this section is to address the parks and trails IFFP, with supporting IFA, and to help the City plan for the necessary capital improvements for future growth. This section will address the future parks and trails needed to serve the City through the next ten years, as well as address the appropriate parks and trails impact fees the City may charge to new growth to maintain the existing LOS.

DEMAND ANALYSIS

The specific demand unit used for the Park IFFP and IFA is population. The population projections are based on several sources including Census, building permit, and City data. The total change in population from 2010 to 2020 was 11 percent, or 9,801 persons. This analysis assumes the population within the 10-year window will reach 109,864 by 2033. This is an increase of approximately 10,788 residents within the impact fee horizon. Because of this growth, the City will need to construct additional parks to maintain the existing LOS.

TABLE 4.1: POPULATION PROJECTIONS

YEAR	POPULATION
2023	99,076
2024	100,092
2025	101,122
2026	102,165
2027	103,222
2028	104,293
2029	105,378
2030	106,478
2031	107,591
2032	108,720
2033	109,864
IFFP DEMAND	10,788

The future population in the City is used to determine the additional park needs. The LOS standards for each of these types of improvements have been calculated, with a blended LOS determined for the future population, giving the City flexibility to provide future residents the types of improvements that are desired. If growth projections and land use change significantly in the future, the City will need to update the demand projections, the IFFP, and the impact fees.

EXISTING FACILITY INVENTORY AND EXCESS CAPACITY

The City's existing inventory for parks is shown in **Table 4.2**. See **Appendix A** for a detailed list of facilities and amenities. The City-owned acreage and estimated City-funded improvement illustrated below will be the basis for the LOS analysis discussed later in this section.

TABLE 4.2: PARK ASSETS SUMMARY

	EXISTING PARK TOTAL ACRES	CITY-OWNED ACREAGE	TOTAL LAND VALUE	TOTAL CITY-FUNDED IMPROVEMENTS
All Parks & Public Lands	307.10	260.60	\$149,845,000	\$85,038,224

Source: 2021 Parks, Recreation, Trails & Open Space Master Plan, Table 1

LAND VALUATION

Current costs are used to determine the actual cost, in today's dollars, of duplicating the current LOS for future development in the City and do not reflect the value of the existing improvements within the City. For the purposes of this analysis, the cost to acquire new land is approximately \$575,000 per acre, as assumed in the 2021 Parks, Recreation, Trails & Open Space Master Plan.

MANNER OF FINANCING EXISTING PUBLIC FACILITIES

The City's existing parks and public lands infrastructure has been funded through a combination of General Fund revenues, grants, other governmental funds, and donations. General Fund revenues include a mix of property taxes, sales taxes, federal and state grants, and any other available General Fund revenues. While the



City has received some donations to fund parks and trails facilities, all park land and improvements funded through donations have been excluded in the impact fee calculations.

LEVEL OF SERVICE ANALYSIS

The LOS for this analysis is based on maintaining the existing level of investment in current parks and trails. The LOS consists of two components—the land value per capita and the improvement value per capita funded by the City (or the cost to purchase the land and make improvements in today’s dollars)—resulting in a total value per capita for parks and trails. This approach uses current construction costs to determine the current value and allows the City to maintain the current LOS standard through the collection and expenditure of impact fees. **Table 4.3** below shows the LOS for parks and public lands within the Service Area.

TABLE 4.3: LEVEL OF SERVICE SUMMARY

	LAND VALUE PER CAPITA	IMPROVEMENT VALUE PER CAPITA	TOTAL VALUE PER CAPITA
All Parks	\$1,512	\$858	\$2,371

Note: Based on a baseline population of 99,076

The timing of construction for growth-related park facilities will depend on the rate of development and the availability of funding. For purposes of this analysis, a specific construction schedule is not required. The construction of park facilities can lag behind development without impeding continued development activity. This analysis assumes that construction of needed park facilities will proceed on a pay-as-you-go basis.

EXCESS CAPACITY

There is no buy-in component considered in this analysis.

FUTURE CAPITAL FACILITIES ANALYSIS

Future planning for parks and public lands is an ongoing process based on the changes in population and community preference. The City will purchase and improve parks and public lands to maintain the LOS defined in this document. Actual future improvements will be determined as development occurs and the opportunity to acquire and improve park land arises. Impact fees will only be assessed to maintain the existing LOS.

Based on the expected changes in population over the planning horizon, the City will need to invest approximately \$25.6 million in parks, including amenities, to maintain the existing LOS, as shown in **Table 4.4**. The City may invest in parks and trails at a higher level; however, impact fees cannot be used to increase the existing LOS.

TABLE 4.4: ILLUSTRATION OF PARKS AND TRAILS INVESTMENT NEEDED TO MAINTAIN LOS

	LAND VALUE PER CAPITA	IMPROVEMENT VALUE PER CAPITA	TOTAL VALUE PER CAPITA	POPULATION INCREASE IFFP HORIZON	COST TO PARKS & PUBLIC LANDS OVER IFFP HORIZON
All Parks	\$1,512	\$858	\$2,371	10,788	\$25,575,214

SYSTEM VS. PROJECT IMPROVEMENTS



System improvements are defined as existing and future public facilities designed to provide services to the community at large.⁷ Project improvements are improvements and facilities that are planned and designed to provide service for a specific development (resulting from a development activity) and considered necessary for the use and convenience of the occupants or users of that development.⁸ The Impact Fee Analysis may only include the costs of impacts on system improvements related to new growth within the proportionate share analysis. Only park facilities that serve the entire community are included in the LOS. The following park facility types are considered system improvements:

- Open Space, Trails, Greenbelt and Natural Lands;
- Mini, Neighborhood and Community Parks;
- Undeveloped Park Space;
- Special-Use Areas; and,
- Park Improvements and Amenities.

PROPOSED PARKS AND TRAILS IMPACT FEE

The calculation of the park impact fee is based on the growth-driven approach, which is based on the growth in residential demand. The growth-driven methodology utilizes the existing LOS and perpetuates that LOS into the future. Impact fees are then calculated to provide sufficient funds for the entity to expand or provide additional facilities, as growth occurs within the community. Under this methodology, impact fees are calculated to ensure new development provides sufficient investment to maintain the current LOS standards in the community. This approach is often used for public facilities that are not governed by specific capacity limitations and do not need to be built before development occurs (e.g., park facilities).

PARKS AND TRAILS IMPACT FEE CALCULATION

Utilizing the estimated value per capita by park type and the value per capita to provide the same level of improvements, with the addition of the professional expense and the impact fee fund balance, the total fee per capita is shown in **Table 4.5** below. Based on the per capita fee, the proposed impact fee per household is summarized in **Table 4.6**.

TABLE 4.5: ESTIMATE OF IMPACT FEE VALUE PER CAPITA

	LAND VALUE PER CAPITA	IMPROVEMENT VALUE PER CAPITA	TOTAL VALUE PER CAPITA
All Parks	\$1,512	\$858	\$2,371
OTHER COMPONENTS OF FEE	ADDITIONAL VALUE	DEMAND SERVED	TOTAL VALUE PER CAPITA
Professional Expense	\$8,409	6,303	\$1
Impact Fee Interest Credit	(\$200,000)	10,788	(\$19)
ESTIMATE OF IMPACT FEE PER CAPITA			\$2,354

TABLE 4.6: PARK IMPACT FEE SCHEDULE

	PERSONS PER UNIT	PROPOSED FEE PER UNIT	EXISTING FEE PER UNIT	% CHANGE
Single Family	3.44	\$8,098	\$2,911	178%
Multi-Family (Including Mobile Homes)	2.59	\$6,097	\$2,570	137%

⁷ 11-36a-102(20)

⁸ 11-36a102(13)



NON-STANDARD IMPACT FEE

The proposed fees are based upon population growth. The City reserves the right under the Impact Fees Act to assess an adjusted fee that more closely matches the true impact that the land use will have upon park facilities.⁹ This adjustment could result in a higher impact fee if the City determines that a particular user may create a greater impact than what is standard for its land use. The City may also decrease the impact fee if the developer can provide documentation, evidence, or other credible analysis that the proposed impact will be lower than what is proposed in this analysis. The formula for determining a non-standard impact fee is found below.

FORMULA FOR NON-STANDARD RESIDENTIAL PARK IMPACT FEES:

Estimated Population per Unit x \$2,354 = Impact Fee per Unit

⁹ 11-36a-402(1)(c)



SECTION 5: POLICE IFFP AND IFA

The purpose of this section is to address the Police IFFP, with supporting IFA, and to help the City plan the necessary capital improvements for future growth. This section will address the future police infrastructure needed to serve the City through the next ten years, as well as address the appropriate police impact fees the City may charge to new growth to maintain the existing LOS.

DEMAND

This element focuses on the specific demand unit related to police services – calls for service. The demand analysis identifies the existing demand on public facilities and the future demand generated from new development. The demand analysis also provides projected annual growth in demand units over the planning horizon of the IFFP. Call data used to determine the average calls for residential and non-residential development is from FY 2023.

The annual call volume for the City for 2023 was 71,376 calls for service. **Table 5.1** illustrates the call ratio per developed unit. The call ratio analysis establishes the existing LOS for residential and non-residential land uses. A review of existing businesses in the City shows a mix of business types. This suggests the call data is based on a variety of businesses that reflect a cross-section of the types of businesses that will likely continue to develop in the City.

TABLE 5.1: HISTORIC POLICE CALL DATA BY LAND USE CATEGORY

	MEASUREMENT	DEVELOPED UNITS OR 1,000 SF	HISTORIC CALLS	EXISTING LOS (CALLS PER DEVELOPED UNIT)
Residential				
Single Family	per Unit	17,646	21,476	1.22
Multifamily	per Unit	14,816	15,231	1.03
Subtotal Residential:		32,462	36,707	1.13
Non-Residential				
Commercial	per 1,000 sf	7,573	7,566	1.00
Office	per 1,000 sf	3,631	1,424	0.39
Industrial	per 1,000 sf	7,631	2,176	0.29
Hospital/Group Care	per 1,000 sf	1,170	897	0.77
Other	per 1,000 sf	952	654	0.69
Subtotal Non-Residential:			12,717	
Public & Outside City Boundary			21,952	
TOTAL			71,376	
TOTAL ATTRIBUTED			49,424	

In order to determine the demand placed upon existing public facilities by new development, this analysis projects the additional call volume that undeveloped land uses will generate. An in-depth analysis has been prepared to determine the number of developed units or acres of land in each zoning category, and the number of calls per unit or acre of land has been assigned to each land use category. **Table 5.2** illustrates the projected future police calls based upon the number of historic calls by land use category.



TABLE 5.2: POLICE CALL PROJECTIONS BY LAND USE CATEGORY

	MEASUREMENT	UNDEVELOPED UNITS OR 1,000 SF	IFFP ADDITIONAL CALLS*	TOTAL COMBINED CALLS**
Residential				
Single Family	per Unit	1,088	1,324	22,800
Multifamily	per Unit	2,720	2,797	18,028
Subtotal Residential:		3,808	4,121	40,828
Non-Residential				
Commercial	per 1,000 sf	792	792	8,358
Office	per 1,000 sf	380	149	1,573
Industrial	per 1,000 sf	798	228	2,404
Hospital/Group Care	per 1,000 sf	122	94	991
Other	per 1,000 sf	100	68	722
Subtotal Non-Residential:		2,193	1,331	14,048
Public & Outside City Boundary			2,422	24,374
TOTAL			7,874	79,250
TOTAL ATTRIBUTED			5,452	54,876

*IFFP Additional Calls are calculated based on the Existing LOS as shown in **Table 5.1**, multiplied by the Undeveloped Units.

Based on the sum of "Historic Calls" as shown in **Table 5.1 and the "IFFP Additional Calls" in **Table 5.2**.

EXISTING FACILITIES INVENTORY

In order to quantify the demands placed upon existing public facilities by new development activity, the IFFP provides an inventory of the City's existing facilities. The inventory of existing facilities is important to properly determine the excess capacity of existing facilities and the utilization of excess capacity by new development. As shown in **Table 5.3**, there is a total of 27,905 building square feet attributed to police. According to existing financial records, the total original value attributed to police facilities is \$5,377,906.

TABLE 5.3: POLICE EXISTING FACILITIES

	TOTAL FACILITY SF	SF ATTRIBUTED TO POLICE	POLICE % OF TOTAL FACILITY
Public Safety Building	32,134	27,905	86.8%

Source: 2018 Police IFFP, p. 10

LEVEL OF SERVICE

Level of service for police facilities focuses on the specific demand unit related to police services – calls for service. The demand analysis identifies the existing demand on public facilities and the anticipated future demand generated from new development, based on historic trends. The demand analysis considers growth in demand units over the planning horizon of the IFFP and ultimate build-out. Call data used to determine the average calls for residential and non-residential development is from 2023.

The LOS for purposes of this analysis is calls per development type. **Table 5.4** illustrates the existing square footage level of service. The current square footage LOS for police is 0.39 SF / call. Based on the historic LOS, the City anticipates an additional 7,874 calls attributed to new development.



TABLE 5.4: POLICE LEVEL OF SERVICE

METRIC	VALUE
Total Police SF	27,905
Total Police Calls	71,376
SF per Call	0.39
Additional IFFP Calls	7,874
ADDITIONAL SF NEEDED	3,078

EXCESS CAPACITY

The existing facilities are considered to be at capacity. As a result, additional facilities will be required to serve new development, as described below.

FUTURE CAPITAL FACILITIES ANALYSIS

This analysis assumes the City will need to construct new facilities to mitigate the impacts of new development to maintain the square footage LOS. Based on the square footage LOS calculated in **Table 5.4**, a total of 3,078 SF of police facilities will be required through the IFFP horizon which will serve 7,874 police calls for service.

TABLE 5.5: POLICE FUTURE FACILITIES

DESCRIPTION OF FACILITIES	YEAR	SF	COST	CONST. YEAR COST	LOS SF	LOS %	% TO IFFP	COST TO IFFP
New Facilities	2025	4,229	\$2,500,000	\$2,500,000	3,078	72.8%	100.0%	\$1,819,725

The City anticipates remodeling existing facility space to meet the level of service needs described above. The 2024 Sales Tax Revenue Bonds will be used to fund improvements to public safety facilities, as shown in **Table 5.6**.

TABLE 5.6: ALLOCATION OF 2024 SALES TAX REVENUE BONDS

BOND SERIES	PRINCIPAL	COUPON	INTEREST	TOTAL P+I
Series 2024 Sales Tax Revenue Bonds	\$9,200,000	-	\$5,362,583	\$14,562,583
ALLOCATION METHODOLOGY	SERVICE	COST	ALLOCATION	INTEREST TO SERVICE
Fire Training Facility	Fire	\$7,310,388	74.5%	\$3,996,026
Public Safety Building Remodel	Police/Health	\$2,500,000	25.5%	\$1,366,557
TOTAL		\$9,810,388	100.0%	\$5,362,583

PROPOSED POLICE IMPACT FEE

The police impact fee is based on the plan-based methodology. Using this approach, impact fees are calculated based on a defined set of capital costs specified for future development. The improvements are identified in a capital plan or impact fee facilities plan as growth-related system improvements. The City's existing facilities are proportionately allocated to the new development calls for service, providing an equitable distribution of the existing and proposed facilities that will serve development. The total cost is divided by the total demand units the improvements are designed to serve. Under this methodology, it is important to identify the existing level of service and determine any excess capacity in existing facilities that could serve new growth. Impact fees are then calculated based on many variables centered on proportionality and level of service.



It is assumed that new development will benefit from existing and future facilities. **Tables 5.7** and **5.8** illustrate the proportionate share analysis and cost per call calculations for police facilities. The police impact fee proposed in this analysis will be assessed throughout the entire service area, which incorporates the entire municipal boundaries and the City's annexation area.

TABLE 5.7: ESTIMATE OF POLICE IMPACT FEE COST PER CALL

	ESTIMATED COST	ALLOCATED TO IFFP	COST TO IFFP	IF ELIGIBLE	COST TO IMPACT FEE	DEMAND SERVED	COST PER CALL
Cost to Improve Existing Public Safety Building	\$2,500,000	72.8%	\$1,819,725	100.0%	\$1,819,725	7,874	\$231
Financing Cost Related to Expansion	\$1,366,557	72.8%	\$994,704	100.0%	\$994,704	7,874	\$126
Impact Fee Analysis	\$8,409	100.0%	\$8,409	100.0%	\$8,409	7,874	\$1
TOTAL IMPACT FEE COST					\$2,822,838		\$358

TABLE 5.8: MAXIMUM POLICE IMPACT FEE SCHEDULE

	COST PER CALL	CALLS PER UNIT	PROPOSED IMPACT FEE PER UNIT	EXISTING IMPACT FEE PER UNIT	% CHANGE
Single Family Residential (per dwelling unit)	\$358.00	1.22	\$436.00	\$120.69	261%
Multifamily Residential (per dwelling unit)	\$358.00	1.03	\$368.00	\$119.79	207%
Commercial (per 1000 square feet)	\$358.00	1.00	\$358.00	\$83.30	330%
Office (per 1000 square feet)	\$358.00	0.39	\$140.00	\$56.24	149%
Industrial (per 1000 square feet)	\$358.00	0.29	\$102.00	\$83.30	22%
Hospital/Group Care (per 1000 square feet)	\$358.00	0.77	\$274.00	NA	NA
Other (per 1000 square feet)	\$358.00	0.69	\$246.00	\$71.86	242%

NON-STANDARD POLICE IMPACT FEES

The City reserves the right under the Impact Fees Act to assess an adjusted fee that more closely matches the true impact that the land use will have upon police facilities.¹⁰ This adjustment could result in a different fee if the City determines that a particular user may create different impact than what is standard for its land use. The City may also decrease the impact fee if the developer can provide documentation, evidence, or other credible analysis that the proposed impact will be lower than what is proposed in this analysis. The formula for determining a non-standard impact fee, assuming the fair share approach, is found below.

FORMULA FOR NON-STANDARD POLICE IMPACT FEES:

Estimate of Annual Call Volume per Unit x \$358 = Impact Fee per Unit

¹⁰ UC 11-36a-402(1)(c)



SECTION 6: FIRE IFFP AND IFA

This section will address the Fire IFFP, and supporting IFA, to help the City plan for the necessary capital improvements for future growth. This will address the fire infrastructure and apparatus, both existing and future, needed to serve the City through the next ten years, as well as address the appropriate fire impact fees the City may charge to new growth to maintain the existing LOS.

DEMAND

The primary demand unit related to the Fire IFA is growth in calls for service. The annual call volume for the City for 2022 was 7,975 calls for service. Call data used to determine the average calls for residential and non-residential development is from 2022.

TABLE 6.1: HISTORIC FIRE CALL DATA BY LAND USE CATEGORY

	MEASUREMENT	DEVELOPED UNITS OR 1,000 SF	HISTORIC CALLS	EXISTING LOS (CALLS PER DEVELOPED UNIT)
Residential				
Single Family	per Unit	17,646	2,575	0.15
Multifamily	per Unit	14,816	1,650	0.11
Subtotal Residential:		32,462	4,225	0.13
Non-Residential				
Commercial	per 1,000 sf	7,573	560	0.07
Office	per 1,000 sf	3,631	204	0.06
Industrial	per 1,000 sf	7,631	82	0.01
Hospital/Group Care	per 1,000 sf	1,170	1,434	1.23
Other	per 1,000 sf	952	49	0.05
Subtotal Non-Residential:			2,329	
Public & Outside City Boundary			1,420	
TOTAL			7,975	
TOTAL ATTRIBUTED			6,555	

In order to determine the demand placed upon existing public facilities by new development, this analysis projects the additional call volume that undeveloped land uses will generate. An in-depth analysis has been prepared to determine the number of developed units or acres of land in each zoning category, and the number of calls per unit or acre of land has been assigned to each land use category. **Table 6.2** illustrates the projected future fire calls based upon the number of historic calls by land use category.

TABLE 6.2: FIRE CALL PROJECTIONS BY LAND USE CATEGORY

	MEASUREMENT	UNDEVELOPED UNITS OR 1,000 SF	IFFP ADDITIONAL CALLS*	TOTAL COMBINED CALLS**
Residential				
Single Family	per Unit	1,088	159	2,734
Multifamily	per Unit	2,720	302	1,952
Subtotal Residential:		3,808	461	4,686
Non-Residential				
Commercial	per 1,000 sf	792	59	619
Office	per 1,000 sf	380	21	225
Industrial	per 1,000 sf	798	9	91
Hospital/Group Care	per 1,000 sf	122	150	1,584
Other	per 1,000 sf	100	5	54



	MEASUREMENT	UNDEVELOPED UNITS OR 1,000 SF	IFFP ADDITIONAL CALLS*	TOTAL COMBINED CALLS**
Subtotal Non-Residential:		2,193	244	2,573
Public & Outside City Boundary			153	1,573
TOTAL			858	8,833
TOTAL ATTRIBUTED			705	7,260

*IFFP Additional Calls are calculated based on the Existing LOS as shown in **Table 6.1**, multiplied by the Undeveloped Units.

Based on the sum of "Historic Calls" as shown in **Table 6.1 and the "IFFP Additional Calls" in **Table 6.2**.

EXISTING FACILITIES INVENTORY

In order to quantify the demands placed upon existing public facilities by new development activity, the IFFP provides an inventory of the City's existing facilities. The inventory of existing facilities is important to properly determine the excess capacity of existing facilities and the utilization of excess capacity by new development. As shown in **Table 6.3**, there is a total of 31,052 building square feet, with a portion of City Hall administrative space attributed to fire.

TABLE 6.3: EXISTING FIRE FACILITIES

	SF	% TO FIRE	TOTAL FIRE SF
Fire Station #1	6,845	100%	6,845
Fire Station #2	6,485	100%	6,485
Fire Station #3	12,279	100%	12,279
City Hall Administrative	5,443	100%	5,443
TOTAL FACILITIES	31,052		31,052

Source: Orem City Depreciation Schedule

The Impact Fees Act allows cities to include in the calculation of the impact fee any fire trucks and apparatuses with a cost of greater than \$500,000. The table below lists the qualifying apparatus included in the City's depreciation statement. The City reported an additional apparatus value of \$3,013,533.

TABLE 6.4: EXISTING FIRE APPARATUS

ASSET DESCRIPTION	PURCHASE FISCAL YEAR	ORIGINAL COST
Pierce Fire Truck - Velocity	2013	\$533,061
Pierce Ladder Fire Truck - Enforcer	2019	\$847,779
Pierce Fire Truck - Tiller 33	2023	\$812,924
Pierce Enforcer Apparatus	2021	\$819,769
	Subtotal Apparatus	\$3,013,533
	Subtotal Facilities	\$4,108,389
	TOTAL FIRE FACILITIES	\$7,121,922

Source: Orem City Depreciation Schedule

MANNER OF FINANCING EXISTING PUBLIC FACILITIES

No historical financing costs are included in this analysis related to fire.

LEVEL OF SERVICE

The LOS for purposes of this analysis is calls per development type. **Table 6.5** illustrates the existing square footage level of service. The current square footage LOS for fire is 3.89 SF / call.



TABLE 6.5: FIRE LEVEL OF SERVICE

	FIRE FACILITY LOS	APPARATUS LOS
Total Fire SF/Count	31,052	4
Total Fire Calls	7,975	2,329
SF/Count per Call	3.89	0.002
Additional IFFP Calls	858	244
ADDITIONAL SF/COUNT NEEDED	3,340	0.42

FUTURE CAPITAL FACILITIES ANALYSIS

The City will need to construct new facilities to mitigate the impacts of new development to maintain the square footage LOS. Based on the square footage LOS, a total of 3,340 SF of fire facilities will be required through the IFFP horizon, as shown in **Table 6.6**, which will serve 858 fire calls for service. **Table 6.7** includes costs for a training facility that will serve all development through buildout.

TABLE 6.6: FUTURE FIRE FACILITIES

	YEAR	SF/ACRE	COST	CONST. YEAR COST*	% TO FIRE	COST TO FIRE	SF TO IFFP	% TO IFFP	COST TO IFFP
New Facilities (SF)	2026	3,340	\$3,339,824	\$3,612,353	100.0%	\$3,612,353	3,340	100.0%	\$3,612,353
Land (Acres)	2026	2.00	\$1,431,000	\$1,547,770	100.0%	\$1,547,770		47.7%	\$738,468
TOTAL FACILITIES			\$4,770,824	\$5,160,123		\$5,160,123			\$4,350,821

This analysis applies only the needed SF to maintain the existing LOS. The City anticipates they will build a facility of approximately 7K SF, which is larger than the 3,340 SF shown above. As a result, the proportionate allocation of land is applied in the calculation of Cost to IFFP.

*Inflation at 4%

TABLE 6.7: FUTURE FIRE TRAINING FACILITIES

	YEAR	COST	CONST. YEAR COST	% TO FIRE	COST TO FIRE	% TO IFFP*	COST TO IFFP
New Facilities	2026	\$7,310,388	\$7,310,388	100.0%	\$7,310,388	8.9%	\$651,236

*This analysis assumes the training facility will serve all development through buildout. Using projected sewer ERUs at buildout, a total of 9,629 calls for service are projected through buildout. The IFFP calls of 858 represent 9 percent of the total.

In addition to physical facilities, the City will need to acquire additional fire suppression equipment. According to the Impact Fees Act, Section 102, Paragraph 17, public safety impact fee calculations may include a fire suppression vehicle costing in excess of \$500,000. A total of \$679,813 is included in this analysis for fire suppression vehicles. This cost is allocated only to non-residential development.

TABLE 6.8: FUTURE FIRE APPARATUS

	YEAR	COUNT	COST	CONST. YEAR COST	% TO FIRE	COST TO FIRE	COUNT TO IFFP	% TO IFFP	COST TO IFFP
Future Apparatus	2026	0.42	\$628,525	\$679,813	100.0%	\$679,813	0.42	100.0%	\$679,813

Assumes an average cost per apparatus of \$1.5M.

The City anticipates constructing the fire training facility using the 2024 Sales Tax Revenue Bonds as shown in **Table 6.9**.



TABLE 6.9: ALLOCATION OF 2024 SALES TAX REVENUE BONDS

BOND SERIES	PRINCIPAL	COUPON	INTEREST	TOTAL P+I
Series 2024 Sales Tax Revenue Bonds	\$9,200,000	-	\$5,362,583	\$14,562,583
ALLOCATION METHODOLOGY	SERVICE	COST	ALLOCATION	INTEREST TO SERVICE
Fire Training Facility	Fire	\$7,310,388	74.5%	\$3,996,026
Public Safety Building Remodel	Police/Health	\$2,500,000	25.5%	\$1,366,557
TOTAL		\$9,810,388	100.0%	\$5,362,583

PROPOSED FIRE IMPACT FEE

The fire impact fees proposed in this analysis will be assessed within the entire service area. The fire impact fee utilizes the plan-based approach, which is based on a defined set of capital costs specified for future development. The City’s proposed future facilities are proportionately allocated to future development based on the existing LOS. It is anticipated that the combined existing and future facilities will be used to respond to calls for service from new development activity. The fire impact fees proposed in this analysis will be assessed throughout the entire service area, which incorporates the entire municipal boundaries and the City’s annexation area.

TABLE 6.10: ESTIMATE OF IMPACT FEE COST PER CALL

	ESTIMATED COST	ALLOCATED TO IFFP	COST TO IFFP	IF ELIGIBLE	COST TO IMPACT FEE	DEMAND SERVED	COST PER CALL
Future Facilities (Land and Building)	\$4,350,821	100.0%	\$4,350,821	100.0%	\$4,350,821	858	\$5,072
Fire Training Facility	\$7,310,388	8.9%	\$651,236	100.0%	\$651,236	858	\$759
Financing of Facilities	\$3,996,026	8.9%	\$355,981	100.0%	\$355,981	858	\$415
Impact Fee Analysis	\$8,409	100.0%	\$8,409	100.0%	\$8,409	858	\$10
TOTAL FACILITY IMPACT FEE COST					\$5,366,447		\$6,256
Future Apparatus	\$679,813	100.0%	\$679,813	100.0%	\$679,813	244	\$2,786
TOTAL APPARATUS					\$679,813		\$2,786

FIRE IMPACT FEE BY LAND USE TYPE

The cost per call is then multiplied by the actual demand unit of measurement or calls per unit for each development type as shown in **Table 6.11**. The total cost per call includes the cost per call for facilities and professional expense.

TABLE 6.11: MAXIMUM FIRE IMPACT FEE SCHEDULE

	COST PER CALL	CALLS PER UNIT	PROPOSED IMPACT FEE PER UNIT	EXISTING IMPACT FEE PER UNIT	% CHANGE
Single Family Residential (per dwelling unit)	\$6,256	0.146	\$913.00	\$217.70	319%
Multifamily Residential (per dwelling unit)	\$6,256	0.111	\$694.00	\$168.24	313%
Commercial (per 1000 square feet)	\$9,042	0.074	\$669.00	\$132.50	405%
Office (per 1000 square feet)	\$9,042	0.056	\$506.00	\$238.69	112%
Industrial (per 1000 square feet)	\$9,042	0.011	\$99.00	\$132.50	-25%
Hospital/Group Care (per 1000 square feet)	\$9,042	1.225	\$11,076.00	NA	NA
Other (per 1000 square feet)	\$9,042	0.051	\$461.00	\$101.92	352%



NON-STANDARD FIRE IMPACT FEES

The City reserves the right under the Impact Fees Act to assess an adjusted fee that more closely matches the true impact that the land use will have upon fire facilities.¹¹ This adjustment could result in a different impact fee if the City determines that a particular user may create a different impact than what is standard for its land use. The City may also decrease the impact fee if the developer can provide documentation, evidence, or other credible analysis that the proposed impact will be lower than what is proposed in this analysis. The formula for determining a non-standard impact fee is found below.

FORMULA FOR NON-STANDARD FIRE IMPACT FEES:

Residential: Estimate of Annual Call Volume per Unit x \$6,256 = Impact Fee per Unit

Non-Residential: Estimate of Annual Call Volume per Unit x \$9,042 (\$6,256 facilities fee + \$2,786 apparatus fee) = Impact Fee per Unit

¹¹ UC 11-36a-402(1)(c)



SECTION 7: TRANSPORTATION IFA

The transportation impact fees proposed in this analysis will be assessed throughout the entire service area, which incorporates the entire municipal boundaries and the City's annexation area. Transportation impact fees are justified when trips are added to system-wide roadways. The fees can be assessed on future projects when new system-wide roadways are needed to meet the demands of growth and on existing roadways that have excess capacity and can serve growth without compromising level of service standards set forth. WCG completed the Transportation IFFP, and this, along with information from the City and the existing 2023 Orem Transportation Master Plan (TMP) completed by Horrocks, provides the information utilized in the analysis for the purposes of calculating impact fees. The IFFP was last updated February 2024.

DEMAND

The primary demand unit related to the transportation impact fee is growth in trips. It is anticipated that the City will experience an increase of 27,700 trips by 2030.

EXISTING FACILITY INVENTORY

According to the TMP, the existing system consists of the following amenities:

- Roadways (Lane Miles)
- Trails and Bikeways
- Sidewalks
- Crosswalk Lights
- Curb and Gutter
- Accessible Ramps
- Traffic Signals
- Street Lighting

The total value of these improvements, based on the City's existing depreciation statements, equals \$137M.

MANNER OF FINANCING EXISTING PUBLIC FACILITIES

The City's existing road infrastructure has been funded through a combination of utility rate revenues and other governmental funds, including debt service. The City issued the Series 2014 and 2019 General Obligation Bonds to fund improvements to the City's transportation system. The outstanding bond balance is used to offset the buy-in calculation, as shown in **Table 7.2**.

LEVEL OF SERVICE (LOS) ANALYSIS

LOS assesses the level of congestion on a roadway segment or intersection. LOS is measured using a letter grade A through F, where A represents free flowing traffic with absolutely no congestion and F represents grid lock. The demand units utilized in this analysis are based on undeveloped residential and commercial land and the new trips generated from these land-use types. As residential and commercial growth occurs within the City, additional trips will be generated within the transportation system. The transportation capital

TABLE 7.1: PROJECTED GROWTH IN DEMAND UNITS

	TRIPS
Existing (2023)	330,808
2030	358,508
NEW TRIPS	27,700

Source: 2023 TMP

TABLE 7.2: EXISTING FACILITIES SUMMARY

	TOTAL ORIGINAL VALUE
Total Original Value	\$136,691,716
Less Project Improvements	(\$52,943,682)
Less GO Bond Funded	(\$27,655,000)
TOTAL SYSTEM Value	\$56,093,034

Source: City Depreciation Schedule
 "Total System Value" figure excludes project improvements and general obligation bond funded improvements.



improvements identified in this study are based on maintaining the current LOS as defined by the 2024 IFFP. As stated in the IFFP, the proposed LOS threshold for Orem is LOS D. Therefore, improvements are recommended and eligible for impact fees for roadways that are projected to operate at LOS E or F in the future.

EXCESS CAPACITY

The determination of a buy-in component related to existing infrastructure is based on proportionate trips generated within the IFFP planning horizon. According to City records, the transportation system is valued at \$56M (excluding buildings, equipment, and outstanding bonds), which is used to determine the appropriate buy-in fee. It is anticipated that new development will benefit from the existing transportation network constructed within the Service Area. Approximately seven percent of the total demand on the system will occur within the IFFP planning horizon. As a result, \$4.1M of the total original system cost is included in this analysis, based on the original cost of system improvements as identified in the City's financial records.

FUTURE CAPITAL FACILITIES ANALYSIS

The IFFP identifies the growth-related projects needed within the next ten years. Capital projects related to curing existing deficiencies were not included in the calculation of the impact fees. Total future projects applicable to new development are shown below. **Table 7.3** illustrates the estimated cost of future capital roadway improvements within the service area, as identified in the IFFP. The total construction-year cost related to new growth is \$30,261,800. The total cost attributable to the IFFP is \$546,323.

TABLE 7.3: 2030 ROADWAY FUTURE CAPITAL PROJECTS

PROJECT	TYPE	FUTURE FUNCTIONAL CLASS	TOTAL ESTIMATED PROJECT COST*	OTHER OUTSIDE FUNDING SOURCES **	% TO GROWTH	IMPACT FEE ELIGIBLE COST
1200 West (Sandhill Road to Center Street)	Widening	Arterial (5-lane)	\$12,905,000	\$12,031,332	15.0%	\$131,050
1600 West (Connection to Geneva Rd.)	New Roadway	Collector (2-lane)	\$2,658,600	-	13.0%	\$345,618
Lakeview Parkway (Geneva Road to Southern Border)	New Roadway	Arterial (5-lane)	\$14,698,200	\$13,703,132	7.0%	\$69,655
TOTAL NEW ROADWAYS			\$30,261,800	\$25,734,464		\$546,323

* Project costs account for inflation.

** AG STIP (State Transportation Improvement Program), UDOT, adjacent cities, or other external funding sources.

Source: 2024 Transportation IFFP, p. 17

Table 7.4 illustrates the estimated cost of future capital intersection improvements within the service area. The total construction-year cost related to new growth is \$5,915,004. The total cost attributable to the IFFP is \$2,962,199.

TABLE 7.4: 2030 INTERSECTION FUTURE CAPITAL PROJECTS

PROJECT	IMPROVEMENT	TOTAL ESTIMATED PROJECT COST*	OTHER OUTSIDE FUNDING SOURCES **	% CUT-THROUGH	% TO GROWTH	IMPACT FEE ELIGIBLE COST
1200 South and 400 West	Enlarge Roundabout	\$3,000,000	\$2,796,900	5.0%	95.0%	\$192,945
400 S and 400 E	New Signal	\$1,295,549	\$0	5.0%	95.0%	\$1,230,772
400 N and 800 E	New Signal	\$438,010	\$0	5.0%	95.0%	\$416,110
1200 North and 800 West	Roundabout	\$727,043	\$0	5.0%	95.0%	\$690,691



PROJECT	IMPROVEMENT	TOTAL ESTIMATED PROJECT COST*	OTHER OUTSIDE FUNDING SOURCES **	% CUT-THROUGH	% TO GROWTH	IMPACT FEE ELIGIBLE COST
1430 South and Sandhill Road	New Signal	\$454,402	\$0	5.0%	95.0%	\$431,682
TOTAL NEW INTERSECTION		\$5,915,004	\$2,796,900			\$2,962,199

* Project costs account for inflation.

** AG STIP (State Transportation Improvement Program), UDOT, adjacent cities, or other external funding sources.

Source: 2024 Transportation IFFP, p. 18

PROPOSED TRANSPORTATION IMPACT FEE

The proportionate share analysis determines the cost assignable to new development based on the proposed capital projects and the new growth served by the proposed projects. The impact fee per trip is shown in **Table 7.5** below. The professional expense includes the cost to update the IFFP and IFA. This cost is spread over the demand anticipated within the next six years.

TABLE 7.5: ESTIMATE OF IMPACT FEE COST PER TRIP

	TOTAL COST	ALLOCATION TO IFFP	COST TO IFFP	TRIPS SERVED	COST PER TRIP
Existing Facilities	\$56,093,034	7.3%	\$4,077,777	27,700	\$147
Future Roadways	\$30,261,800	1.8%	\$546,323	27,700	\$20
Future Intersections	\$5,915,004	50.1%	\$2,962,199	27,700	\$107
Professional Expense	\$29,636	100.0%	\$29,636	27,700	\$1
TOTAL COST PER TRIP					\$275

The proposed impact fee per unit, for various land use categories, is shown in **Table 7.6**.

TABLE 7.6: PROPOSED IMPACT FEE BY LAND USE TYPE

LAND USE CATEGORY	ITE CODE	AVERAGE DAILY TRIPS	DEMAND UNIT	ENTERING / EXITING ADJUSTMENT	PASS BY REDUCTION	TOTAL TRIP ADJUSTMENT	TOTAL TRIPS	PROPOSED IMPACT FEE	EXISTING FEE	% CHANGE
Single-Family	210	9.43	HU	50%	0%	50%	4.72	\$1,296	\$459	182%
Multi-Family	220	6.74	HU	50%	0%	50%	3.37	\$927	\$285	226%
Light Industrial	110	4.87	1,000 SF	50%	0%	50%	2.44	\$669	N/A	N/A
Industrial Park	130	3.37	1,000 SF	50%	0%	50%	1.69	\$463	\$390	19%
Manufacturing	140	4.75	1,000 SF	50%	0%	50%	2.38	\$653	\$335	95%
Warehousing	150	1.71	1,000 SF	50%	0%	50%	0.86	\$235	N/A	N/A
Assisted Living	254	4.19	1,000 SF	50%	0%	50%	2.10	\$576	\$101	470%
Hotel	310	7.99	Rooms	50%	0%	50%	4.00	\$1,098	\$275	299%
Motel	320	3.35	Rooms	50%	0%	50%	1.68	\$461	N/A	N/A
Elementary School	520	2.27	Student	50%	0%	50%	1.14	\$312	N/A	N/A
High School	525	1.94	Student	50%	0%	50%	0.97	\$267	N/A	N/A
Church	560	7.60	1,000 SF	50%	0%	50%	3.80	\$1,045	\$252	314%
Day Care	565	47.62	1,000 SF	50%	0%	50%	23.81	\$6,546	\$5,664	16%
Hospital	610	10.77	1,000 SF	50%	0%	50%	5.39	\$1,480	\$427	247%
General Office	710	10.84	1,000 SF	50%	0%	50%	5.42	\$1,490	\$684	118%
Research & Dev Center	760	11.08	1,000 SF	50%	0%	50%	5.54	\$1,523	N/A	N/A
Business Park	770	12.44	1,000 SF	50%	0%	50%	6.22	\$1,710	\$578	196%



LAND USE CATEGORY	ITE CODE	AVERAGE DAILY TRIPS	DEMAND UNIT	ENTERING / EXITING ADJUSTMENT	PASS BY REDUCTION	TOTAL TRIP ADJUSTMENT	TOTAL TRIPS	PROPOSED IMPACT FEE	EXISTING FEE	% CHANGE
Commercial / Retail	820	37.01	1,000 SF	50%	29%	36%	13.14	\$3,612	\$1,124	221%

Source: Trip Generation, Institute of Transportation Engineers (ITE), 11th Edition.

NON-STANDARD IMPACT FEES

The City reserves the right under the Impact Fees Act¹² to assess an adjusted fee that more closely matches the true impact that a specific land use will have upon the City's transportation system. This adjustment could result in a different impact fee if evidence suggests a particular user will create a different impact than what is standard for its category. The City may also decrease the impact fee if the developer can provide documentation, evidence, or other credible analysis that the proposed impact will be lower than what is proposed in this analysis.

FORMULA FOR NON-STANDARD TRANSPORTATION IMPACT FEES:

Estimate of Trips per Unit x 50% Entering/Exiting Adjustment x Pass By Adjustment Factors x \$275 = Impact Fee per Unit

¹² 11-36a-402(1)(c)



SECTION 8: CULINARY WATER IFA

Impact fees are calculated based on many variables centered on proportionality and LOS. Future demands were identified previously in this document, and this section will discuss the existing and proposed level of service, the availability of excess capacity, the needed future facilities to serve new development, and the appropriate impact fee to be assessed to new development to maintain the existing LOS. The information utilized in this analysis is based off the City's existing 2021 Water Master Plan and 2021 Water Impact Fee Facilities Plan completed by BC&A. The Master Plan and IFFP were last amended in February 2025.

DEMAND

The primary demand unit related to the water IFA is equivalent residential units (ERUs). It is anticipated that 4,755 ERUs will be added to the system in the next ten years, including the SWA SA.

Table 8.1 distinguishes growth from new development in the SWA SA, which anticipates an additional 2,419 ERUs in the next ten years. New development in this area will need to participate in funding both the citywide improvements and the SWA SA specific distribution improvements outlined in the IFFP.

EXISTING FACILITIES INVENTORY

Tables 8.2 and **8.3** illustrate the existing source and storage facilities by component. The City's culinary water is supplied by springs, wells, and surface water treated at the Don A. Christiansen Regional Water Treatment Plant (DACRWTP), which is a combination of reservoir storage and natural river flow according to the Water Master Plan. There are two springs located in Provo Canyon and nine groundwater wells throughout the City. All sources have a combined design production capacity of 74.37 MGD. Orem's tanks have a combined total storage capacity of 21.95 million gallons. A recently completed ten-million-gallon storage tank will be online in 2027 bringing the total storage capacity to 31.95 million gallons.

TABLE 8.1: PROJECTED GROWTH IN DEMAND UNITS

	CITY SA (INCLUDES SWA SA)	SWA SA
2020 ERUs	40,406	88
2030 ERUs	45,161	2,507
Buildout ERUs	48,279	2,507
IFFP ERUs	4,755	2,419
New ERUs through BO	7,873	2,419

Source: Water IFFP, Table ES-1

TABLE 8.2: EXISTING SOURCE FACILITIES

	PEAK PRODUCTION (MGD)
Springs	3.14
Wells	29.23
DACRWTP	42
TOTAL	74.37

Source: Water Master Plan, Table 4-8

TABLE 8.3: EXISTING STORAGE FACILITIES

TANK NAME	EQUALIZATION / EMERGENCY STORAGE REQUIREMENT (GALLONS)	FIRE FLOW STORAGE (GALLONS)	TOTAL STORAGE REQUIRED	AVAILABLE STORAGE
Cherapple	43,178	240,000	283,178	400,000
Upper Tanks	2,930,324	-	2,930,324	4,000,000
WTP	5,379,216	720,000	6,099,216	9,550,000
Lower Tanks	22,263,391	-	22,263,391	8,000,000
TOTAL	30,616,109	960,000	31,576,109	21,950,000

Source: Water Master Plan, Table 5-1



LEVEL OF SERVICE

Impact fees cannot be used to finance an increase in the level of service (LOS) to current or future users of capital improvements. Therefore, it is important to identify the water LOS to ensure that the new capacities of projects financed through impact fees do not exceed the established standard. The City's provided LOS, as defined in the Water IFFP, is 1,796 GPD per ERU for source and 682.4 gallons per ERU for storage.

EXCESS CAPACITY

An analysis of current capacity based on the proposed LOS illustrates that there is excess capacity related to source facilities and no available capacity within the existing system related to storage. This analysis does include a proportionate share analysis and buy-in component for the distribution system (see **Table 8.9**).

MANNER OF FINANCING EXISTING PUBLIC FACILITIES

The City's existing water infrastructure has been funded through a combination of utility rate revenues and other governmental funds. This analysis also includes debt financing costs related to existing facilities as shown in the impact fee calculation.

The City issued the Series 2005B Water & Storm Sewer Revenue Bonds and the 2013 Water & Storm Sewer Revenue Refunding Bonds, which refunded the Series 2005A bonds, to fund the City's portion of the cost for a water tank, installation of water lines, and improvements to the storm sewer system. The Series 2016 Water & Storm Sewer Revenue Refunding Bonds fund the cost of the 2008 Project, which installed six miles of water lines throughout the City. The City also issued the 2021A Water, Sewer, & Storm Sewer Revenue Bonds for improvements throughout the City's system. **Table 8.6** illustrates the allocation of interest of these bonds to each fund, as well as the allocation to the specific water system components within the water fund, based on construction costs.

TABLE 8.4: CALCULATION OF SOURCE EXCESS CAPACITY

	MGD	ERUs SERVED*	% OF CAPACITY
Current Sources	74.37	41,407	100.0%
Current Demand	72.57	40,406	97.6%
EXCESS CAPACITY	1.80	1,001	2.4%
IFFP Demand	8.54	4,755	11.5%
Remaining Capacity	-	-	0.0%

*Based on LOS of 1,796 gpd/ERU.

TABLE 8.5: CALCULATION OF STORAGE EXCESS CAPACITY

	GALLONS	ERUs SERVED*	% OF CAPACITY
Total Capacity	53,526,109		
Fire Storage	960,000		
Emergency/Equalization	30,616,109		
Available Storage	21,950,000	32,166	100.0%
Demand	27,573,054	40,406	125.6%
EXCESS CAPACITY	(5,623,054)	(8,240)	0.0%
IFFP Demand	3,244,812	4,755	14.8%
Remaining Capacity	-	-	0.0%

*Based on LOS of 682.4 gallons per ERU.

TABLE 8.6: BOND ALLOCATION

	SERIES 2005B	SERIES 2013 REFUNDING OF 2005A	SERIES 2016 REFUNDING OF 2008	SERIES 2021A
BOND ALLOCATION BY FUND				
WATER	100.0%	66.5%	100.0%	70.5%
Sewer	0.0%	0.0%	0.0%	23.8%
Storm Sewer	0.0%	33.5%	0.0%	5.6%
WATER FUND BOND ALLOCATION BY COMPONENT				
Water Tanks	100.0%	45.4%	0.0%	37.7%
Water Lines	0.0%	54.6%	100.0%	35.6%
Water Source	0.0%	0.0%	0.0%	26.7%



FUTURE CAPITAL FACILITIES ANALYSIS

The Water IFFP calls for approximately \$60.4 million of future water system improvements within the 10-year planning horizon for the City SA, with an additional \$1.9 million of future distribution improvements for the SWA SA. This IFFP considers only projects that will be constructed in the ten-year time horizon, and the water impact fees will be based on these numbers. The estimated costs attributed to new growth were analyzed based on existing development versus future development patterns. From this analysis, a portion of future development costs were attributed to new growth and included in the impact fee analysis. **Table 8.7** summarizes the City SA capital plans and **Table 8.8** summarizes the SWA SA capital plans. The construction year calculation includes 4.5 percent inflation based on the year of each project outlined in the IFFP.

TABLE 8.7: PROJECTED COSTS ALLOCATED TO THE CITY SERVICE AREA

PROJECT DESCRIPTION	TYPE	ESTIMATED PROJECT YEAR	TOTAL ESTIMATED PROJECT COST (2023\$)	% TO GROWTH	COST TO GROWTH	CONST. YEAR COST TO GROWTH**
Heritage Park Pump Station	Distribution	2025	\$10,659,000	22.1%	\$2,360,207	\$2,360,207
New pipes connecting Heritage Well, Tank and Pump Station to system	Distribution	2024	\$2,371,000	77.5%	\$1,837,525	\$1,920,214
Heritage Park Phase 1 Gravity Line to Springwater P.Z.	Distribution	2024	\$2,868,000	77.5%	\$2,222,700	\$2,322,722
1600 N - Upsize existing 12-inch pipe to 16-inch	Distribution	2031*	\$495,000	5.5%	\$27,220	\$38,710
1600 N - Install new parallel 12- inch	Distribution	2031*	\$2,987,000	0.5%	\$14,227	\$20,232
10M gallon tank in Heritage Park (400 S)	Storage	2024	\$20,925,000	33.6%	\$7,038,905	\$7,038,905
Reuse Project (Water source related costs only)	Source	2025	\$7,870,176	79.3%	\$6,242,098	\$6,816,527
Heritage Park Well (400 S)	Source	2025	\$4,903,000	79.3%	\$3,888,732	\$4,063,725
1600 N Well	Source	2029	\$4,355,500	79.3%	\$3,454,492	\$4,498,647
Well #1 replacement in Hillcrest Park	Source	2028	\$3,000,000	0.0%	\$0	\$0
TOTAL CITY SA			\$60,433,676		\$27,086,106	\$29,079,888

Source: Water IFFP, Table 10

*Year updated to 2031 from 2028 per discussion with City staff.

**Inflated at 4.5 percent.

TABLE 8.8: PROJECTED COSTS ALLOCATED TO THE SOUTHWEST ANNEXATION SERVICE AREA

PROJECT DESCRIPTION	TYPE	ESTIMATED PROJECT YEAR	TOTAL ESTIMATED PROJECT COST (2023\$)	% TO GROWTH	COST TO GROWTH	CONST. YEAR COST TO GROWTH*
2,000 ft of new pipe associated with the 2000 S road project	Distribution	2025	\$425,000	96.4%	\$409,896	\$447,617
2650 ft of new pipe associated with the Lakeview Parkway road project	Distribution	2028	\$830,000	96.4%	\$800,503	\$997,572
2100 ft of new pipe associated with the Geneva Road widening project	Distribution	2026	\$675,000	96.4%	\$651,011	\$742,912
TOTAL SWA SA			\$1,930,000		\$1,861,410	\$2,188,100

Source: Water IFFP, Table 11

*Inflated at 4.5 percent.



PROPOSED CULINARY WATER IMPACT FEE

This analysis has identified the future demand, the existing and proposed LOS, the availability of excess capacity, and the future facilities needed to serve new development. The following section identifies the appropriate impact fee to be assessed to new development to maintain the existing LOS.

CULINARY WATER IMPACT FEE CALCULATION

Impact fees can be calculated based on a defined set of costs specified for future development, usually defined within a Master Plan, Capital Improvement Plan and/or IFFP. The total project costs are divided by the total demand units the projects are designed to serve. Under this methodology, it is important to identify the existing LOS and determine any excess capacity in existing facilities that could serve new growth. Impact fees are then calculated based on many variables centered on proportionality share and LOS.

The water impact fee is assessed to two service areas: the City SA and the SWA SA. The water system facilities described in this document serve the entire City and the SWA SA. The Water IFFP identifies additional distribution improvements that only apply to the SWA SA. Therefore, the water impact fee calculated for the SWA SA reflects the impact fee calculated in **Table 8.9** plus the fee calculated in **Table 8.10**.

CITY SERVICE AREA

The culinary water impact fees proposed in **Table 8.9** will be assessed throughout the entire City SA, including the SWA SA. **Table 8.9** illustrates the appropriate impact fee to maintain the existing LOS, based on the assumptions within this document. The maximum allowable impact fee assignable to new development per ERU is also shown in **Table 8.9**, based on the applicable buy-in, future facility, and other costs identified in this analysis. The professional expense includes the cost to update the IFFP and IFA. This cost is allocated based on the City SA's proportion of future facilities costs (97 percent) outlined in the IFFP. This cost is spread over the demand anticipated within the next ten years for each area.

TABLE 8.9: CULINARY WATER IMPACT FEE PER UNIT – CITY SERVICE AREA

	TOTAL COST	% ELIGIBLE COST	TOTAL ELIGIBLE VALUE	% TO IFA DEMAND	COST TO IFA	ERUs SERVED	COST PER ERU
BUY-IN							
Source Buy-In	\$9,000,156	11.5%	\$1,033,533	100.0%	\$1,033,533	4,755	\$217
Storage Buy-In	\$20,687,827	0.0%	\$0	100.0%	\$0	4,755	\$0
Distribution Buy-In	\$23,486,472	13.3%	\$3,133,095	100.0%	\$3,133,095	4,755	\$659
Buy-In Subtotal	\$53,174,455		\$4,166,628		\$4,166,628		\$876
FUTURE FACILITIES							
Source New Facilities	\$23,128,604	66.5%	\$15,378,899	100.0%	\$15,378,899	4,755	\$3,234
Storage New Facilities	\$20,925,000	33.6%	\$7,038,905	100.0%	\$7,038,905	4,755	\$1,480
Distribution New Facilities	\$21,085,509	31.6%	\$6,662,083	100.0%	\$6,662,083	4,755	\$1,401
Future Facilities Subtotal	\$65,139,113		\$29,079,888		\$29,079,888		\$6,115
OTHER COSTS							
Professional Expense	\$17,122	100.0%	\$17,122	100.0%	\$17,122	4,755	\$4
Other Costs Subtotal	\$17,122		\$17,122		\$17,122		\$4
TOTAL CITY SA IMPACT FEE							\$6,995
Prior Impact Fee							\$1,603

SOUTHWEST ANNEXATION SERVICE AREA

The culinary water impact fees proposed in **Table 8.10** will be assessed to the SWA SA in addition to the City SA fee found in **Table 8.9**. The professional expense includes the proportionate cost to the SWA SA to update the



IFFP and IFA. This cost is allocated based on the SWA SA's proportion of future facilities costs (three percent) outlined in the IFFP. This cost is spread over the demand anticipated within the next ten years for each area.

TABLE 8.10: CULINARY WATER IMPACT FEE PER UNIT – SOUTHWEST ANNEXATION SERVICE AREA

	TOTAL COST	% ELIGIBLE COST	TOTAL ELIGIBLE VALUE	% TO IFA DEMAND	COST TO IFA	ERUs SERVED	COST PER ERU
FUTURE FACILITIES							
Distribution New Facilities	\$2,268,729	96%	\$2,188,100	100%	\$2,188,100	2,419	\$905
Future Facilities Subtotal	\$2,268,729		\$2,188,100		\$2,188,100		\$905
OTHER COSTS							
Professional Expense	\$547	100%	\$547	100%	\$547	2,419	\$0
Other Costs Subtotal	\$547		\$547		\$547		\$0
SUBTOTAL IMPACT FEE							\$905
TOTAL SWA SA IMPACT FEE							\$7,900
Prior Impact Fee							\$3,004

WATER IMPACT FEE BY METER SIZE

Tables 8.11 and 8.12 show the maximum allowable impact fee per meter size for the two service areas.

TABLE 8.11: WATER IMPACT FEE PER METER SIZE – CITY SERVICE AREA

METER SIZE	ERU MULTIPLIER	PROPOSED FEE PER ERU	EXISTING FEE	% CHANGE
¾" Meter	1.00	\$6,995	\$1,603	336%
1" Meter	1.67	\$11,682	\$2,677	336%
1.5" Meter	3.33	\$23,293	\$5,338	336%
2" Meter	5.33	\$37,283	\$8,544	336%
3" Meter	11.67	\$81,632	\$16,030	409%
4" Meter	20.00	\$139,900	\$32,060	336%
6" Meter	41.67	\$291,482	\$66,797	336%
8" Meter	53.33	\$373,043	\$85,440	337%
10" Meter	76.67	\$536,307	\$154,963	246%
12" Meter	103.33	\$722,793	NA	NA

TABLE 8.12: WATER IMPACT FEE PER METER SIZE – SOUTHWEST ANNEXATION SERVICE AREA

METER SIZE	ERU MULTIPLIER	PROPOSED FEE PER ERU	EXISTING FEE	% CHANGE
¾" Meter	1.00	\$7,900	\$3,004	163%
1" Meter	1.67	\$13,193	\$5,017	163%
1.5" Meter	3.33	\$26,307	\$10,004	163%
2" Meter	5.33	\$42,107	\$16,012	163%
3" Meter	11.67	\$92,193	\$30,041	207%
4" Meter	20.00	\$158,000	\$60,081	163%
6" Meter	41.67	\$329,193	\$125,180	163%
8" Meter	53.33	\$421,307	\$160,117	163%
10" Meter	76.67	\$605,693	\$290,404	109%
12" Meter	103.33	\$816,307	NA	NA



NON-STANDARD IMPACT FEE

The proposed fees are based upon growth in ERUs within the City. The City reserves the right under the Impact Fees Act to assess an adjusted fee that more closely matches the true impact that the land use will have upon the water system.¹³ This adjustment could result in a higher impact fee if the City determines that a particular user may create a greater impact than what is standard for its land use. The City may also decrease the impact fee if the developer can provide documentation, evidence, or other credible analysis that the proposed impact will be lower than what is proposed in this analysis. The formula for determining a non-standard impact fee is found below.

FORMULA FOR NON-STANDARD CULINARY WATER IMPACT FEES:

City Service Area: Number of ERUs x \$6,995 = Impact Fee per Unit

Southwest Annexation Service Area: Number of ERUs x (\$6,995 + \$905) = Impact Fee per Unit

WATER SUPPLY IMPACT FEE

The water supply impact fee is based on the Central Utah Water Conservancy District supply cost. The total supply cost is \$47,054,654, according to the City. The supply cost is designed to supply 13,723 AF of water. Based on the current supply LOS of 0.849 AF per ERU, the cost per ERU is estimated at \$2,911.

TABLE 8.13: WATER SUPPLY LEVEL OF SERVICE AND COST PER ERU

	COST	AF SERVED	COST PER AF
Water Supply Contract	\$47,054,654	13,723	\$3,429
AF per ERU Multiplier (LOS)	0.849		
Cost per ERU	\$2,911		

TABLE 8.14: WATER SUPPLY IMPACT FEE PER METER SIZE – CITY SERVICE AREA AND ANNEXATION AREA

METER SIZE	ERU MULTIPLIER	PROPOSED FEE PER ERU	EXISTING FEE	% CHANGE
¾" Meter	1.00	\$2,911	\$2,804	4%
1" Meter	1.67	\$4,862	\$4,682	4%
1.5" Meter	3.33	\$9,694	\$9,336	4%
2" Meter	5.33	\$15,516	\$14,944	4%
3" Meter	11.67	\$33,973	\$28,037	21%
4" Meter	20.00	\$58,223	\$56,074	4%
6" Meter	41.67	\$121,307	\$116,830	4%
8" Meter	53.33	\$155,250	\$149,521	4%
10" Meter	76.67	\$223,196	\$271,033	-18%
12" Meter	103.33	\$300,807	NA	NA

¹³ 11-36a-402(1)(c)



SECTION 9: WASTEWATER IFA

Impact fees are calculated based on many variables centered on proportionality and LOS. Future demands were identified previously in this document, and this section will discuss the existing and proposed level of service, the availability of excess capacity, the needed future facilities to serve new development, and the appropriate impact fee to be assessed to new development to maintain the existing LOS. This analysis deals with both the City's sewer collection system and the treatment facility. The information utilized in this analysis is based on the City's existing Sewer Master Plan and Sewer Impact Fee Facilities Plan completed by BC&A. The Master Plan and IFFP were last amended in March 2025.

DEMAND

The demand unit related to wastewater is ERUs. The City's sewer system services 48,742 ERUs. It is anticipated that 3,179 City SA ERUs and 2,465 SWA SA ERUs will be added to the system in the next ten years, totaling 5,644 new system-wide ERUs.

EXISTING FACILITIES INVENTORY

The collection system collects sewer flows from all areas within the service area, as well as portions of the county within reach of City sewer collection system outfall lines that the City operates and maintains. The existing system consists of approximately 1.6M feet of sewer pipes and over 7,000 manholes. Also in operation are eight lift stations that are owned and operated by the City. A total of \$17.5M in original system value and interest expense is included in this analysis when determining buy-in value. The table below illustrates the total value attributed to each service area as defined in the IFFP.

TABLE 9.1: PROJECTED GROWTH IN DEMAND UNITS

	CITY SA	SWA SA	TOTAL
2020 ERUs	48,654	88	48,742
2030 ERUs	51,833	2,553	54,386
Buildout ERUs	57,146	2,553	59,699
IFFP ERUs	3,179	2,465	5,644
New ERUs through BO	8,492	2,465	10,957

Source: Sewer IFFP, Table ES-1

TABLE 9.2: VALUE OF EXISTING COLLECTION FACILITIES

	YEAR BUILT	ORIGINAL VALUE	ASSOCIATED INTEREST	TOTAL BUY-IN	ATTRIBUTED TO CITY SA	ATTRIBUTED TO SWA SA
Pre 2016 Collection System Projects	<2016	\$8,759,882	\$0	\$8,759,882	100.0%	-
Chambery to Springwater Phase 1	2018	\$2,326,992	\$323,518	\$2,650,510	33.3%	66.7%
Carterville Lift Station	2018	\$1,745,280	\$380,919	\$2,126,199	100.0%	-
Lakeview Fields Lift Station and Forcemain	2018	\$790,645	\$0	\$790,645	-	100.0%
Spring Water Lift Station	2018	\$2,853,415	\$253,946	\$3,107,361	48.4%	51.6%
TOTAL		\$16,476,215	\$958,383	\$17,434,597		

Source: City Depreciation Schedule
City Maintenance Division Manager
Sewer IFFP, Table 4 and 5

The Orem Water Reclamation Facility (OWRF) has a total capacity of 13.5 MGD. The facility consists of an activated sludge water treatment process and has a solids treatment system including dissolved air flotation sludge thickening, two-stage anaerobic digestion, return and waste activated sludge systems and sludge belt presses. The facility serves the City's municipal boundaries and its annexation area. The value of the treatment facility is approximately \$33M according to the City's depreciation statements.



TABLE 9.3: VALUE OF EXISTING TREATMENT FACILITIES

	ORIGINAL VALUE	INTEREST	TOTAL BUY-IN	% TO AREA	ORIGINAL VALUE TO AREA
City SA	\$33,146,162	\$2,996,563	\$36,142,724	95.7%	\$34,596,494
SWA SA				4.3%	\$1,546,231

Source: Sewer IFFP, Table 6

LEVEL OF SERVICE

Impact fees cannot be used to finance an increase in the level of service (LOS) to current or future users of capital improvements. Therefore, it is important to identify the sewer LOS to ensure that the new capacities of projects financed through impact fees do not exceed the established standard. This analysis considers the level of service at 214.6 GPD per ERU for treatment, as defined in the Sewer IFFP. The LOS set for collection is based on pipeline capacity such that peak flow depth is approximately equal to a depth over diameter ratio of 0.65.

EXCESS CAPACITY

The IFFP evaluated the use of collection capacity to determine the percentage of existing collection capacity used by existing and future development in the City SA and SWA SA. The tables below illustrate the calculated percentages defined in the IFFP.

TABLE 9.4: COLLECTION SYSTEM EXCESS CAPACITY – CITY SA

	ORIGINAL COST	% TO 10 YEAR USE	\$ TO NEW DEVELOPMENT
Pre 2016 Collection System Projects	\$8,759,882	5.6%	\$487,049
Chamberly to Springwater Phase 1	\$882,620	27.4%	\$241,750
Carterville Lift Station	\$2,126,199	2.4%	\$51,029
Spring Water Lift Station	\$1,503,963	36.4%	\$547,743
TOTAL CITY SA	\$13,272,664		\$1,327,571

Source: Sewer IFFP, Table 4

TABLE 9.5: COLLECTION SYSTEM EXCESS CAPACITY – SWA SA

	ORIGINAL COST	% TO 10 YEAR USE	\$ TO NEW DEVELOPMENT
Chamberly to Springwater Phase 1	\$1,767,890	96.6%	\$1,707,075
Lakeview Fields Lift Station and Force Main	\$790,645	96.6%	\$763,447
Spring Water Lift Station	\$1,603,398	96.6%	\$1,548,241
TOTAL SWA SA	\$4,161,934		\$4,018,763

Source: Sewer IFFP, Table 5

The existing treatment facility has sufficient capacity that will serve future development as stated in the IFFP. Therefore, the IFFP proportionally distributes costs of capacity based on flow projections as shown in **Table 9.6**.

TABLE 9.6: TREATMENT SYSTEM EXCESS CAPACITY

	CITY SA	SWA SA
Original Treatment Value	\$34,596,494	\$1,546,231
Use by Growth in Next 10 Years	5.4%	4.1%
Value to New Development	\$1,860,602	\$63,874

Source: Sewer IFFP, Table 6

MANNER OF FINANCING EXISTING PUBLIC FACILITIES

The City's existing sewer infrastructure has been funded through a combination of utility rate revenues and other governmental funds. The City issued the Series 2021A Water, Storm Sewer, & Sewer Revenue Bonds to fund improvements to the City's system, including a tertiary treatment and water reuse process at the Orem Water Reclamation Facility and two sewer lift stations. Approximately \$4.M (23.8 percent) of the Series 2021A interest is allocated to the sewer system. Based on



construction costs, 68 percent of the interest allocated to the sewer system is attributed to treatment and 32 percent to collection, as shown in **Table 9.2 and 9.3**. The associated interest is included in the calculation of the impact fee in **Table 9.7**.

TABLE 9.7: BOND ALLOCATION

	SERIES 2005B	SERIES 2013 REFUNDING OF 2005A	SERIES 2016 REFUNDING OF 2008	SERIES 2021A
BOND ALLOCATION BY FUND				
Water	100.0%	66.5%	100.0%	70.5%
SEWER	0.0%	0.0%	0.0%	23.8%
Storm Sewer	0.0%	33.5%	0.0%	5.6%
WATER FUND BOND ALLOCATION BY COMPONENT				
Water Tanks	100.0%	45.4%	0.0%	37.7%
Water Lines	0.0%	54.6%	100.0%	35.6%
Water Source	0.0%	0.0%	0.0%	26.7%

FUTURE CAPITAL FACILITIES ANALYSIS

The Sewer IFFP illustrates the future sewer system improvements within the 10-year planning horizon for the City SA and the SWA SA. This IFFP considers only projects that will be constructed in the ten-year time horizon, and the wastewater impact fees will be based on these numbers. The estimated costs attributed to new growth were analyzed based on existing development versus future development patterns. From this analysis, a portion of future development costs were attributed to new growth and included in the impact fee analysis. **Table 9.8** summarizes the capital costs based on each service area by component. The construction year calculation includes 4.5 percent inflation based on the year of each project outlined in the IFFP. **Appendix B** illustrates the full capital projects list from the Sewer IFFP.

TABLE 9.8: PROJECT COSTS ALLOCATED BY TYPE AND SERVICE AREA

	CITY AREA PORTION				SWA SA PORTION			
	TOTAL PROJECT COST (2023\$)	% TO GROWTH	COST TO GROWTH	CONST. YEAR COST TO GROWTH*	TOTAL PROJECT COST (2023\$)	% TO GROWTH	COST TO GROWTH	CONST. YEAR COST TO GROWTH*
Collection	\$1,901,000	7.1%	\$134,747	\$191,624	\$892,000	96.6%	\$861,352	\$940,618
Treatment	\$129,581,076	9.1%	\$11,749,964	\$14,501,038	\$5,820,748	96.6%	\$5,620,754	\$6,936,768
TOTAL	\$131,482,076		\$11,884,711	\$14,692,662	\$6,712,748		\$6,482,106	\$7,877,385

Source: Sewer IFFP, Tables 8 and 9

*Inflated at 4.5 percent.

PROPOSED WASTEWATER IMPACT FEE

This analysis has identified the future demand, the existing and proposed LOS, the availability of excess capacity, and the future facilities needed to serve new development. The following section identifies the appropriate impact fee to be assessed to new development to maintain the existing LOS.

WASTEWATER IMPACT FEE CALCULATION

The 2024 Sewer IFFP, with additional information from the 2021 Sewer Master Plan, with updates in 2024, outlines the recommended capital projects that will maintain the established LOS. The total project costs are divided by the total demand units the projects are designed to serve. Under this methodology, it is important to identify the existing LOS and determine any excess capacity in existing facilities that could serve new growth. Impact fees are then calculated based on many variables centered on proportionality share and LOS.



The wastewater impact fee is assessed to two service areas: the City SA and the SWA SA. The Sewer IFFP assumes the SWA SA will continue to be its own service area and assess a SWA-specific impact fee. Therefore, the City SA wastewater impact fee covers the entire city but excludes the area of the SWA SA.

CITY SERVICE AREA

The wastewater impact fees proposed in **Table 9.9** will be assessed throughout the City SA, excluding the area of the SWA SA. The “total impact fee” shown—**\$5,629** per ERU—is the maximum allowable per-unit impact fee to maintain the existing LOS, based on the assumptions identified in this document, including the applicable buy-in, future facility, and other costs.

TABLE 9.9: WASTEWATER IMPACT FEE PER UNIT – CITY SERVICE AREA

	TOTAL COST	% ELIGIBLE COST	TOTAL ELIGIBLE VALUE	% TO IFA DEMAND	COST TO IFA	ERUS SERVED	COST PER ERU
BUY-IN							
Treatment Buy-In	\$36,142,724	95.7%	\$34,596,494	5.4%	\$1,860,602	3,179	\$585
Collection Buy-In	\$16,643,952	79.7%	\$13,272,664	10.0%	\$1,327,571	3,179	\$418
Buy-In Subtotal	\$52,786,676		\$47,869,157		\$3,188,173		\$1,003
FUTURE FACILITIES							
Treatment IFFP Cost	\$151,322,954	9.6%	\$14,501,038	100.0%	\$14,501,038	3,179	\$4,562
Collection IFFP Cost	\$2,703,413	7.1%	\$191,624	100.0%	\$191,624	3,179	\$60
Future Facilities Subtotal	\$154,026,368		\$14,692,662		\$14,692,662		\$4,622
OTHER							
Professional Expense	\$11,502	100.0%	\$11,502	100.0%	\$11,502	3,179	\$4
Other Costs Subtotal	\$11,502		\$11,502		\$11,502		\$4
TOTAL IMPACT FEE							\$5,629
Prior Impact Fee							\$847

SOUTHWEST ANNEXATION SERVICE AREA

The wastewater impact fees proposed below will be assessed to the SWA SA. The maximum allowable impact fee assignable to new development within the SWA SA is **\$4,855** per ERU, based on the applicable future facilities and other costs identified in this analysis.

TABLE 9.10: WASTEWATER IMPACT FEE PER UNIT – SOUTHWEST ANNEXATION SERVICE AREA

	TOTAL COST	% ELIGIBLE COST	TOTAL ELIGIBLE VALUE	% TO IFA DEMAND	COST TO IFA	ERUS SERVED	COST PER ERU
BUY-IN							
Treatment Buy-In	\$36,142,724	4.3%	\$1,546,231	4.1%	\$63,874	2,465	\$26
Collection Buy-In	\$6,548,516	63.6%	\$4,161,934	96.6%	\$4,018,763	2,465	\$1,630
Buy-In Subtotal	\$42,691,241		\$5,708,165		\$4,082,637		\$1,656
FUTURE FACILITIES							
Treatment IFFP Cost	\$6,797,387	102.1%	\$6,936,768	100.0%	\$6,936,768	2,465	\$2,814
Collection IFFP Cost	\$974,086	96.6%	\$940,618	100.0%	\$940,618	2,465	\$382
Future Facilities Subtotal	\$7,771,473		\$7,877,385		\$7,877,385		\$3,196
OTHER							
Professional Expense	\$6,167	100.0%	\$6,167	100.0%	\$6,167	2,465	\$3



	TOTAL COST	% ELIGIBLE COST	TOTAL ELIGIBLE VALUE	% TO IFA DEMAND	COST TO IFA	ERUs SERVED	COST PER ERU
Other Costs Subtotal	\$6,167		\$6,167		\$6,167		\$3
TOTAL IMPACT FEE							\$4,855
Prior Impact Fee							\$4,877

NON-STANDARD IMPACT FEE

The City reserves the right under the Impact Fees Act¹⁴ to assess an adjusted fee that more closely matches the true impact that the land use will have upon the wastewater system. This adjustment could result in a lower impact fee if evidence suggests a particular user will create a different impact than what is standard for its category. The formula for a non-standard impact fee calculation is shown below.

FORMULA FOR NON-STANDARD WASTEWATER IMPACT FEES:

City Service Area: Estimate of ERUs x \$5,629 = Impact Fee per Unit

Southwest Annexation Service Area: Estimate of ERUs x \$4,855 = Impact Fee per Unit

¹⁴ 11-36a-402(1)(c)



SECTION 10: STORM WATER IFA

The purpose of this section is to address the storm water IFFP, with supporting IFA, and to help the City plan for the necessary capital improvements for future growth. This section will address the future storm water infrastructure needed to serve the City. The improvement plan included in this section considers improvements necessary for the next twenty years, while the impact fee calculations and analysis address the appropriate storm water impact fees the City may charge to new growth to maintain the existing LOS over the next ten years. The information utilized in this analysis is based on the City's Storm Water Impact Fee Facilities Plan completed by BC&A. This IFFP was last updated in February 2025.

DEMAND

The demand unit used in this analysis is acreage. As residential and commercial growth occurs within the Service Area, the impervious surfaces within the City will increase, resulting in additional run-off. The storm drain capital improvements identified in this study are based on maintaining the current level of service as defined in the IFFP. The proposed impact fees are based upon the projected growth in developed acreage, which is used to

quantify the impact that future users will have upon the City's system. By 2035, it is estimated that the acreage for the City SA will increase to 11,237 and the acreage within the SWA SA will increase to 256.

TABLE 10.1: PROJECTED GROWTH IN DEMAND UNITS

	CITY SA	SWA SA
2025 Developed Acreage	10,674	56
2035 Developed Acreage	10,891	256
Buildout Developed Acreage	11,237	256
IFFP DEMAND	217	200
Source: Storm Water IFFP, Tables 2 and 3		

EXISTING FACILITIES INVENTORY

To quantify the demands placed upon existing public facilities by new development activity, the City's existing depreciation schedule provides an inventory of the City's existing facilities. The inventory of existing facilities is important to properly determine the excess capacity of existing facilities and the utilization of excess capacity by new development. A total of \$33M in original system value is considered in this analysis when determining buy-in value, with \$19.6M being attributed to existing facilities constructed before 2016, \$6.1M attributed to existing facilities constructed after 2016, and 7.7M in interest expense (See **Table 10.2**).

LEVEL OF SERVICE

Impact fees cannot be used to finance an increase in the level of service to current or future users of capital improvements. Therefore, it is important to identify the storm drain level of service to ensure that the new capacities of projects financed through impact fees do not exceed the established standard. The IFFP states on page 2 that the storm drain system is designed to handle the 10-year design event. In addition, the City's detention LOS is based on a 25-year storm event. On page 3, the IFFP states that Orem City policy requires all development to limit runoff to 60 gpm/acre.

EXCESS CAPACITY

The IFFP evaluated existing and future development patterns to determine the percentage of existing capacity used by existing and future development in the City SA and SWA SA. According to the IFFP, 97.92 percent of capacity is used by existing development, with the 10-year new growth calculated to use 0.80 percent for facilities constructed before 2016. For facilities constructed after 2016, 10-year new growth is projected to use 3.79 percent of existing capacity. The SWA SA does not have existing facilities to contribute to existing capacity.



TABLE 10.2: SYSTEM EXCESS CAPACITY – CITY SA

	ORIGINAL COST	ASSOCIATED INTEREST	TOTAL BUY-IN	% TO 10-YEAR USE	\$ TO NEW DEVELOPMENT
Facilities Constructed Prior to 2016	\$19,612,272	\$4,987,492*	\$24,599,765	0.8%	\$196,798
Facilities Constructed 2016 to 2024	\$6,076,853	\$2,696,895**	\$8,773,748	3.8%	\$332,525
TOTAL CITY SA	\$25,689,125	\$7,684,387	\$33,373,512		\$529,323

*Series 2013 Interest

**Series 2021A Interest

Sources: Storm Water IFFP, p. 5

Orem City Depreciation Schedule

MANNER OF FINANCING EXISTING PUBLIC FACILITIES

The City's existing infrastructure has been funded through a combination of utility rate revenues and other governmental funds. This analysis also includes debt financing costs related to existing facilities as shown in the impact fee calculation. The City issued the 2013 Water & Storm Sewer Revenue Refunding Bonds, which refunded the Series 2005A bonds, to fund the City's portion of the cost for a water tank, installation of water lines, and improvements to the storm sewer system. The City also issued the 2021A Water, Sewer, & Storm Sewer Revenue Bonds for improvements throughout the City's system. **Table 10.3** illustrates the allocation of interest of these bonds to each fund.

TABLE 10.3: BOND ALLOCATION

	SERIES 2005B	SERIES 2013 REFUNDING OF 2005A	SERIES 2016 REFUNDING OF 2008	SERIES 2021A
BOND ALLOCATION BY FUND				
Water	100.0%	66.5%	100.0%	70.5%
Sewer	0.0%	0.0%	0.0%	23.8%
STORM SEWER	0.0%	33.5%	0.0%	5.6%

FUTURE CAPITAL FACILITIES ANALYSIS

The following table identifies the system improvements needed to maintain the stated LOS, according to the City, for the City SA and SWA SA within the 10-year planning horizon. The estimated costs attributed to new growth were analyzed based on existing development versus future development patterns. From this analysis, a portion of future development costs were attributed to new growth and included in the impact fee analysis. **Table 10.4** summarizes the capital costs based on each service area. The construction year calculation includes four percent inflation based on the year of each project outlined in the IFFP. **Appendix C** illustrates the full capital projects list from the Storm Water IFFP.

TABLE 10.4: PROJECT COSTS ALLOCATED BY SERVICE AREA

	CITY AREA PORTION				SWA SA PORTION			
	TOTAL PROJECT COST (2025\$)	% TO GROWTH	COST TO GROWTH	CONST. YEAR COST TO GROWTH**	TOTAL PROJECT COST (2025\$)	% TO GROWTH**	COST TO GROWTH	CONST. YEAR COST TO GROWTH***
Total	\$34,839,347*	2.1%	\$738,079	\$867,232	\$3,178,703*	65.83%	\$2,092,603	\$1,668,278

Source: Storm Water IFFP, Tables 4 and 5

*Impact Fee Studies cost excluded. Calculated in Table 10.5.

** At the direction of the City, Geneva Road Widening Project – A is excluded as a cost to growth.

***Inflated at four percent. Figures adjusted from IFFP based on City input to reflect contract allocations.



PROPOSED STORM WATER IMPACT FEE

This analysis has identified the future demand, the existing and proposed LOS, the availability of excess capacity, and the future facilities needed to serve new development. The following section identifies the appropriate impact fee to be assessed to new development to maintain the existing LOS.

STORM WATER IMPACT FEE CALCULATION

The storm water impact fee is assessed to two service areas: the City SA and the SWA SA.

CITY SERVICE AREA

The storm water impact fees proposed in **Table 10.5** will be assessed throughout the City SA and do not include the SWA SA. The proposed impact fee—\$6,511 per acre—is the appropriate impact fee to maintain the existing LOS and the maximum allowable impact fee assignable to new development. It is based on the assumptions identified in this document, including the applicable buy-in, future facility, and other costs.

TABLE 10.5: STORM WATER IMPACT FEE PER UNIT – CITY SERVICE AREA

	TOTAL COST	% ELIGIBLE COST	TOTAL ELIGIBLE VALUE	IFFP DEMAND (ACRES)	COST PER ACRE
Existing Storm Water System	\$33,373,512	1.6%	\$529,323	217	\$2,439
Future Storm Water Projects	\$40,886,996	2.1%	\$867,232	217	\$3,996
Professional Expense	\$16,599	100.0%	\$16,599	217	\$76
TOTAL	\$74,277,108		\$1,413,154		\$6,511
				Prior Impact Fee	\$2,390

SOUTHWEST ANNEXATION SERVICE AREA

The storm water impact fees proposed below will be assessed to the SWA SA. The maximum allowable per-unit impact fee assignable to new development within the SWA SA is **\$8,346** per acre, based on the applicable future facilities and other costs identified in this analysis.

TABLE 10.6: STORM WATER IMPACT FEE PER UNIT – SOUTHWEST ANNEXATION SERVICE AREA

	TOTAL COST	% ELIGIBLE COST	TOTAL ELIGIBLE VALUE	IFFP DEMAND (ACRES)	COST PER ACRE
Future Storm Water Projects	\$2,635,532	63.3%	\$1,668,278	200	\$8,341
Professional Expense	\$1,070	100.0%	\$1,070	200	\$5
TOTAL	\$2,636,602		\$1,669,348		\$8,346
				Prior Impact Fee	\$11,242

NON-STANDARD IMPACT FEE

The City reserves the right under the Impact Fees Act¹⁵ to assess an adjusted fee that more closely matches the true impact that the land use will have upon the storm water system. This adjustment could result in a lower impact fee if evidence suggests a particular user will create a different impact than what is standard for its category. The formula for a non-standard impact fee calculation is shown below.

FORMULA FOR NON-STANDARD STORM WATER IMPACT FEES:

City Service Area: Total Acres x \$6,511 = Impact Fee

Southwest Annexation Service Area: Total Acres x \$8,346 = Impact Fee

¹⁵ 11-36a-402(1)(c)



SECTION 11: GENERAL IMPACT FEE CONSIDERATIONS

SYSTEM VS. PROJECT IMPROVEMENTS

System improvements are defined as existing and future public facilities designed to provide services to service areas within the community at large.¹⁶ Project improvements are improvements and facilities that are planned and designed to provide service for a specific development (resulting from a development activity) and considered necessary for the use and convenience of the occupants or users of that development.¹⁷ To the extent possible, this analysis only includes the costs of system improvements related to new growth within the proportionate share analysis.

FUNDING OF FUTURE FACILITIES

The IFFP must include a consideration of all revenue sources, including impact fees and the dedication of system improvements, which may be used to finance system improvements.¹⁸ In conjunction with this revenue analysis, there must be a determination that impact fees are necessary to achieve an equitable allocation of the costs of the new facilities between the new and existing users.¹⁹

In considering the funding of future facilities, the City has determined the portion of future projects that will be funded by impact fees as growth-related, system improvements. No other revenues from other government agencies, grants or developer contributions have been identified within the IFFP to help offset future capital costs. If these revenues become available in the future, the impact fee analysis should be revised. It is anticipated that future project improvements will be funded by the developer. These costs have not been included in the calculation of the impact fee.

Other revenues such as utility rate revenues will be necessary to fund non-growth-related projects and to fund growth-related projects when sufficient impact fee revenues are not available. In the latter case, impact fee revenues will be used to repay utility rate revenues for growth-related projects. A brief description of alternative financing options is included below.

- **Utility Rate Revenues:** Utility rate revenues serve as the primary funding mechanism within enterprise funds. Rates are established to ensure appropriate coverage of all operations and maintenance expenses, debt service coverage, and capital project needs. Impact fee revenues are generally considered non-operating revenues and help offset future capital costs.
- **Grants, Donations, and Other Contributions:** Grants and donations are not expected as a future funding source. The impact fees should be adjusted if grant monies are received. New development may be entitled to a reimbursement for any grants or donations received for growth-related projects, or for developer-funded IFFP projects.
- **Debt Financing:** The City does not anticipate the need to utilize debt financing to fund future capital facility projects. Should the City desire to fund future projects through debt financing, the Impact Fees

¹⁶ 11-36a-102(21)

¹⁷ 11-36a-102(14)

¹⁸ 11-36a-302(2)

¹⁹ 11-36a-302(3)



Act allows for the costs related to the financing of future capital projects to be included in the impact fee. However, the impact fee analysis should be updated to reflect this inclusion.

EQUITY OF IMPACT FEES

Impact fees are intended to recover the costs of capital infrastructure that relate to future growth. The impact fee calculations are structured for impact fees to fund 100 percent of the growth-related facilities identified in the proportionate share analysis of each impact fee calculation as presented in the impact fee analysis. Even so, there may be years that impact fee revenues cannot cover the annual growth-related expenses. In those years, other revenues, such as General Fund revenues, will be used to make up any annual deficits. Any borrowed funds are to be repaid in their entirety through impact fees.

NECESSITY OF IMPACT FEES

An entity may only impose impact fees on development activity if the entity's plan for financing system improvements establishes that impact fees are necessary to achieve parity between existing and new development. This analysis has identified the improvements to public facilities and the funding mechanisms to complete the suggested improvements. Impact fees are identified as a necessary funding mechanism to help offset the costs of capital improvements related to new growth. In addition, alternative funding mechanisms have been identified to help offset the cost of future capital improvements.

PROPOSED CREDITS OWED TO DEVELOPMENT

The Impact Fees Act requires a local political subdivision or private entity to ensure that the impact fee enactment allows a developer, including a school district or a charter school, to receive a credit against or proportionate reimbursement of an impact fee if the developer: (a) dedicates land for a system improvement; (b) builds and dedicates some or all of a system improvement; or (c) dedicates a public facility that the local political subdivision or private entity and the developer agree will reduce the need for a system improvement.²⁰ The facilities must be considered system improvements or be dedicated to the public, and offset the need for an improvement identified in the IFFP.

CONSIDERATION OF ALL REVENUE SOURCES

The Impact Fees Act requires the proportionate share analysis to demonstrate that impact fees paid by new development are the most equitable method of funding growth-related infrastructure.

EXPENDITURE OF IMPACT FEES

Legislation requires that impact fees should be spent or encumbered within six years after each impact fee is paid. Impact fees collected in the next six years should be spent on those projects outlined in the IFFP as growth-related costs to maintain the LOS. Impact fees collected as a buy-in to existing facilities can be allocated to the General Fund to repay the City for historic investment.

GROWTH-DRIVEN EXTRAORDINARY COSTS

The City does not anticipate any extraordinary costs necessary to provide services to future development.

SUMMARY OF TIME PRICE DIFFERENTIAL

The Impact Fees Act allows for the inclusion of a time price differential to ensure that the future value of costs incurred at a later date are accurately calculated to include the costs of construction inflation. This analysis

²⁰ 11-36a-402(2)



includes an inflation component to reflect the future cost of facilities. The impact fee analysis should be updated regularly to account for changes in cost estimates over time.



APPENDIX A: PARK INVENTORY

TABLE A.1: OREM CITY PARK INVENTORY

AREA	TYPE	TOTAL ACRES	LESS DETENTION	LESS GIFTED	FINAL ACRES	% CITY OWNED	% IFA ELIGIBLE	IMPACT FEE ELIGIBLE	LAND VALUE	PLAYGROUNDS	LARGE PAVILIONS	MEDIUM / SMALL PAVILIONS	RESTROOMS	SAND VOLLEYBALL COURTS	PICKLEBALL COURTS	TENNIS COURTS	FUTSAL COURTS	BASKETBALL COURTS	BASEBALL/ SOFTBALL FIELDS	MULTI-PURPOSE FIELDS	TURF FIELDS
UNIT MEASUREMENT										COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT
UNIT VALUE										\$275,000	\$200,000	\$100,000	\$300,000	\$40,000	\$250,000	\$175,000	\$225,000	\$150,000	\$750,000	\$300,000	\$550,000
City Park	Regional	23.4	0.00	0.00	23.40	100.00%	100.00%	23.40	\$13,455,000	1.00	1.00	1.00	2.00	-	-	-	-	-	6.00	-	-
Community Park	Regional	37.9	0.00	0.00	37.90	82.85%	82.85%	31.40	\$18,055,000	1.00	3.00	-	2.00	-	-	9.00	-	-	5.00	1.00	-
Lakeside Sports Park	Regional	55.7	0.00	0.00	55.70	82.05%	82.05%	45.70	\$26,277,500	2.00	1.00	7.00	1.00	-	-	-	-	-	5.00	6.00	2.00
Mt. Timpanogos Park	Regional	15.5	0.00	0.00	15.50	100.00%	100.00%	15.50	\$8,912,500	-	2.00	6.00	3.00	-	-	-	-	-	-	-	-
Palisade Park	Regional	21.4	0.00	0.00	21.40	100.00%	100.00%	21.40	\$12,305,000	1.00	1.00	3.00	1.00	-	-	2.00	-	-	-	8.00	-
Scera Park	Regional	25.3	0.00	0.00	25.30	100.00%	100.00%	25.30	\$14,547,500	2.00	1.00	4.00	2.00	-	-	-	-	-	-	-	-
IHC Fields	Community	9.9	0.00	0.00	9.90	100.00%	100.00%	9.90	\$5,692,500	-	-	-	-	-	-	-	-	-	-	3.00	-
Nielsen's Grove	Community	20.6	0.00	0.00	20.60	100.00%	100.00%	20.60	\$11,845,000	2.00	1.00	11.00	1.00	-	-	-	-	-	-	-	-
Sharon Park	Community	5.2	0.00	0.00	5.20	100.00%	100.00%	5.20	\$2,990,000	1.00	1.00	-	1.00	-	6.00	-	-	-	-	-	-
Skate Park	Community	2.8	0.00	0.00	2.80	100.00%	100.00%	2.80	\$1,610,000	-	-	-	1.00	-	-	-	-	-	-	-	-
Windsor Park	Community	11.0	0.00	0.00	11.00	100.00%	100.00%	11.00	\$6,325,000	1.00	2.00	-	1.00	-	-	3.00	-	1.00	2.00	-	-
Bonneville Park	Neighborhood	5.2	0.00	0.00	5.20	100.00%	100.00%	5.20	\$2,990,000	1.00	1.00	1.00	1.00	-	4.00	1.00	-	1.00	-	-	-
Cascade Park	Neighborhood	5.8	0.00	0.00	5.80	100.00%	100.00%	5.80	\$3,335,000	1.00	1.00	1.00	1.00	1.00	-	2.00	-	1.00	1.00	-	-
Cherryhill Park	Neighborhood	3.3	0.00	0.00	3.30	100.00%	100.00%	3.30	\$1,897,500	1.00	1.00	-	1.00	-	-	2.00	-	-	-	-	-
Foothill Park	Neighborhood	3.6	0.00	0.00	3.60	100.00%	100.00%	3.60	\$2,070,000	1.00	1.00	-	1.00	-	-	2.00	-	-	-	-	-
Geneva Park	Neighborhood	3.8	0.00	0.00	3.80	100.00%	100.00%	3.80	\$2,185,000	1.00	1.00	1.00	1.00	-	-	2.00	2.00	1.00	-	4.00	-
Hillcrest Park	Neighborhood	9.5	0.00	0.00	9.50	100.00%	100.00%	9.50	\$5,462,500	2.00	1.00	-	1.00	-	-	-	-	-	-	-	-
Northridge Park	Neighborhood	5.0	0.00	0.00	5.00	100.00%	100.00%	5.00	\$2,875,000	1.00	1.00	1.00	1.00	-	-	2.00	-	-	-	2.00	-
Springwater Park	Neighborhood	9.8	2.00	0.00	7.80	100.00%	100.00%	7.80	\$4,485,000	1.00	1.00	-	1.00	-	-	1.00	-	1.00	-	3.00	-
Timpanogos Detention Field	Neighborhood	4.8	0.00	0.00	4.80	100.00%	0.00%	0.00	\$0	-	-	-	1.00	-	-	-	-	-	-	1.00	-
Westmore Park	Neighborhood	4.1	0.00	0.00	4.10	100.00%	100.00%	4.10	\$2,357,500	1.00	1.00	3.00	1.00	-	-	-	-	-	-	-	-
Cherapple Park	Mini	0.2	0.00	0.00	0.20	100.00%	100.00%	0.20	\$115,000	-	-	-	-	-	-	-	-	-	-	-	-
800 North Trailhead Park	Mini	0.1	0.00	0.00	0.10	100.00%	100.00%	0.10	\$57,500	-	-	-	-	-	-	-	-	-	-	-	-
Orchard Park at Canyon View JH/Orchard Elem.	Special Use	18.0	0.00	0.00	18.00	0.00%	0.00%	0.00	\$0	1.00	1.00	1.00	-	-	-	3.00	-	-	-	-	-
The Orchard at University Place	Special Use	2.3	0.00	0.00	2.30	100.00%	0.00%	0.00	\$0	2.00	-	3.00	1.00	-	-	-	-	-	-	-	-
US Synthetic Fields	Special Use	2.9	0.00	0.00	2.90	100.00%	0.00%	0.00	\$0	-	-	-	-	-	-	-	-	-	-	2.00	-
TOTAL		307.10	2.00	0.00	305.10			260.60		24.00	23.00	43.00	26.00	1.00	10.00	29.00	2.00	5.00	19.00	30.00	2.00
ESTIMATED VALUE									\$149,845,000	\$6,600,000	\$4,600,000	\$4,300,000	\$7,800,000	\$40,000	\$2,500,000	\$5,075,000	\$450,000	\$750,000	\$14,250,000	\$9,000,000	\$1,100,000

Source: Park Inventory
City Staff



TABLE A.1: CONT.

AREA	PICNIC TABLES	BENCHES	DRINKING FOUNTAINS	BARBEQUE GRILLS	MAINTENANCE BUILDING / OFFICE	SCOREKEEPERS BOOTH/ CONCESSIONS	GENERAL PARK LIGHTING	UNPAVED TRAIL	PAVED TRAIL	OPEN LAWN AREAS	INTERACTIVE WATER FEATURE	POND	SKATE PARK	IMPROVEMENT VALUE IFA ELIGIBILITY	BASE ELIGIBLE IMPROVEMENT VALUE	DESIGN & ENGINEERING (15%)	TOTAL IMPROVEMENT VALUE	TOTAL
UNIT MEASUREMENT	COUNT	COUNT	COUNT	COUNT	COUNT	COUNT	N/A	MILES	MILES	COUNT	COUNT	COUNT	COUNT					
UNIT VALUE	\$2,500	\$2,500	\$4,500	\$350	\$200,000	\$200,000	\$180,000	\$15,000	\$320,000	\$100,000	\$1,200,000	\$300,000	\$1,000,000					
City Park	39.00	4.00	5.00	7.00	4.00	4.00	Y		1.30	1.00	-	-	-	100%	\$7,923,450	\$1,188,518	\$9,111,968	\$22,566,968
Community Park	36.00	12.00	4.00	12.00	4.00	1.00	Y		1.20	1.00	2.00	-	-	83%	\$9,218,013	\$1,382,702	\$10,600,715	\$28,655,715
Lakeside Sports Park	29.00	6.00	3.00	4.00	2.00	6.00	Y		1.80	1.00	-	-	-	82%	\$8,843,319	\$1,326,498	\$10,169,817	\$36,447,317
Mt. Timpanogos Park	47.00	18.00	5.00	7.00	1.00	-	Y		1.30	1.00	-	1.00	-	100%	\$3,103,450	\$465,518	\$3,568,968	\$12,481,468
Palisade Park	19.00	13.00	2.00	-	1.00	1.00	Y		0.90	1.00	1.00	-	-	100%	\$5,902,000	\$885,300	\$6,787,300	\$19,092,300
Scera Park	53.00	15.00	5.00	10.00	1.00	-	Y		1.30	1.00	2.00	-	-	100%	\$5,062,000	\$759,300	\$5,821,300	\$20,368,800
IHC Fields	-	-	-	-	-	-	-		0.50	-	-	-	-	100%	\$1,060,000	\$159,000	\$1,219,000	\$6,911,500
Nielsen's Grove	23.00	19.00	3.00	1.00	3.00	-	Y	1.00	1.50	1.00	-	3.00	-	100%	\$4,363,850	\$654,578	\$5,018,428	\$16,863,428
Sharon Park	12.00	15.00	3.00	4.00	1.00	-	Y		0.40	1.00	-	-	-	100%	\$2,785,400	\$417,810	\$3,203,210	\$6,193,210
Skate Park	-	4.00	1.00	-	1.00	-	N		0.20	1.00	-	-	1.00	100%	\$1,678,500	\$251,775	\$1,930,275	\$3,540,275
Windsor Park	22.00	5.00	1.00	8.00	2.00	2.00	Y		0.50	1.00	-	-	-	100%	\$4,284,800	\$642,720	\$4,927,520	\$11,252,520
Bonneville Park	19.00	5.00	2.00	5.00	1.00	-	Y		0.40	1.00	-	-	-	100%	\$2,698,750	\$404,813	\$3,103,563	\$6,093,563
Cascade Park	14.00	3.00	2.00	2.00	-	-	Y		0.50	1.00	-	-	-	100%	\$2,477,200	\$371,580	\$2,848,780	\$6,183,780
Cherryhill Park	10.00	4.00	2.00	4.00	1.00	-	Y		0.40	1.00	-	-	-	100%	\$1,598,400	\$239,760	\$1,838,160	\$3,735,660
Foothill Park	12.00	4.00	2.00	4.00	1.00	-	N		0.30	1.00	-	-	-	100%	\$1,571,400	\$235,710	\$1,807,110	\$3,877,110
Geneva Park	14.00	5.00	3.00	5.00	1.00	-	Y		0.40	1.00	-	-	-	100%	\$3,515,750	\$527,363	\$4,043,113	\$6,228,113
Hillcrest Park	24.00	29.00	2.00	-	-	-	-		-	1.00	-	-	-	100%	\$1,291,500	\$193,725	\$1,485,225	\$6,947,725
Northridge Park	17.00	2.00	1.00	2.00	1.00	-	Y		0.40	1.00	-	-	-	100%	\$2,305,700	\$345,855	\$2,651,555	\$5,526,555
Springwater Park	12.00	16.00	2.00	2.00	1.00	-	Y		0.50	1.00	-	-	-	100%	\$2,539,700	\$380,955	\$2,920,655	\$7,405,655
Timpanogos Detention Field	-	2.00	-	-	1.00	-	N		0.10	-	-	-	-	0%	\$0	\$0	\$0	\$0
Westmore Park	18.00	5.00	2.00	6.00	1.00	-	Y		0.50	1.00	-	-	-	100%	\$1,603,600	\$240,540	\$1,844,140	\$4,201,640
Cherapple Park	-	1.00	-	-	-	-	N		-	1.00	-	-	-	100%	\$102,500	\$15,375	\$117,875	\$232,875
800 North Trailhead Park	1.00	4.00	1.00	-	-	-	N		-	-	-	-	-	100%	\$17,000	\$2,550	\$19,550	\$77,050
Orchard Park at Canyon View JH/Orchard Elem.	-	-	-	2.00	-	-	Y		-	1.00	-	-	-	0%	\$0	\$0	\$0	\$0
The Orchard at University Place	40.00	24.00	-	-	-	-	Y		-	1.00	1.00	1.00	-	0%	\$0	\$0	\$0	\$0
US Synthetic Fields	-	-	-	-	-	-	N		0.30	-	-	-	-	0%	\$0	\$0	\$0	\$0
TOTAL	461.00	215.00	51.00	85.00	28.00	14.00	-	1.00	14.70	22.00	6.00	5.00	1.00					
ESTIMATED VALUE	\$1,152,500	\$537,500	\$229,500	\$29,750	\$5,600,000	\$2,800,000	\$0	\$15,000	\$4,704,000	\$2,200,000	\$7,200,000	\$1,500,000	\$1,000,000		\$73,946,282	\$11,091,942	\$85,038,224	\$234,883,224

Source: Park Inventory
City Staff



APPENDIX B: SEWER IMPACT FEE FACILITIES PLAN PROJECT COSTS

TABLE B.1: OREM CITY AREA PROJECT COSTS ALLOCATED TO PROJECTED DEVELOPMENT, 10-YEAR PLANNING HORIZON

IDENTIFIER	YEAR*	PROJECT	CITY AREA PORTION OF PROJECT COST	% TO EXISTING	% TO 10 YEAR GROWTH	% TO GROWTH BEYOND 10 YEARS	COST TO EXISTING	COST TO 10 YEAR GROWTH	COST TO BUILDOUT	CONST. YEAR COST TO 10 YEAR GROWTH****
SS 2	2031	Replace 900 feet of existing 27-inch/30-inchline with 42-inch line along College Drive at800 South	\$1,368,000	74.5%	8.2%	17.3%	\$1,018,911	\$111,937	\$237,152	\$159,185
SS 3	2031	Replace 820 feet of existing 12-inch pipe with 18-inch pipe along College Drive at1200 South	\$533,000	67.3%	4.3%	28.4%	\$358,894	\$22,810	\$151,296	\$32,439
SS14/SS15	2025	Southwest Annex Piping	\$0	0.0%	0.0%	0.0%	\$0	\$0	\$0	\$0
WRF1	2025	Biogas Flare	\$302,416	77.5%	9.1%	13.5%	\$234,299	\$27,422	\$40,695	\$29,946
WRF2	2025	Sidestream Phosphorus / Struvite Mitigation System	\$4,991,771	77.5%	9.1%	13.5%	\$3,867,411	\$452,636	\$671,724	\$494,290
WRF3**	2025	Disinfection	\$10,952,994	77.5%	9.1%	13.5%	\$8,485,901	\$993,179	\$1,473,914	\$1,084,577
WRF5	2026	Electrical Systems - Site Power	\$6,250,241	77.5%	9.1%	13.5%	\$4,842,414	\$566,750	\$841,077	\$676,297***
WRF6	2026	Dewatering Facility Expansion	\$16,269,192	77.5%	9.1%	13.5%	\$12,604,659	\$1,475,234	\$2,189,299	\$1,683,487
WRF7	2026	PLC SCADA integration	\$1,303,449	77.5%	9.1%	13.5%	\$1,009,855	\$118,192	\$175,401	\$134,877
WRF8	2026	Primary Effluent/Mixed Flow Pump Station	\$2,636,566	77.5%	9.1%	13.5%	\$2,042,696	\$239,075	\$354,795	\$272,824
WRF9	2025	Secondary Clarifiers	\$2,107,339	77.5%	9.1%	13.5%	\$1,632,674	\$191,086	\$283,579	\$208,670
WRF10	2026	Maintenance Building	\$1,224,974	77.5%	9.1%	13.5%	\$949,056	\$111,077	\$164,841	\$126,757
WRF11	2026	Oxidation Ditch Improvements	\$7,931,710	77.5%	9.1%	13.5%	\$6,145,142	\$719,219	\$1,067,348	\$820,749
WRF12	2027	Odor Control	\$2,377,216	77.5%	9.1%	13.5%	\$1,841,763	\$215,557	\$319,895	\$257,056
WRF13	2026	Grit Improvements	\$2,008,767	77.5%	9.1%	13.5%	\$1,556,305	\$182,149	\$270,313	\$207,862
WRF14	2027	Primary Clarifiers	\$124,411	77.5%	9.1%	13.5%	\$96,388	\$11,281	\$16,742	\$13,453
WRF15	2027	Primary Sludge Pump Station	\$2,896,873	77.5%	9.1%	13.5%	\$2,244,371	\$262,678	\$389,824	\$313,249
WRF16	2028	Primary Digester Process Improvements	\$6,999,581	77.5%	9.1%	13.5%	\$5,422,970	\$634,698	\$941,914	\$790,949
WRF17	2029	Return Pressate Equalization	\$547,410	77.5%	9.1%	13.5%	\$424,109	\$49,637	\$73,663	\$64,641
WRF18	2029	New Thickening Process	\$5,720,057	77.5%	9.1%	13.5%	\$4,431,650	\$518,675	\$769,732	\$675,450
WRF19	2029	Electrical Systems - Site Power	\$6,250,241	77.5%	9.1%	13.5%	\$4,842,414	\$566,750	\$841,077	\$807,539***
WRF20	2030	Headworks	\$14,457,570	77.5%	9.1%	13.5%	\$11,201,094	\$1,310,963	\$1,945,514	\$1,784,039
WRF21	2031	RAS/WAS and Generator Building	\$3,846,228	77.5%	9.1%	13.5%	\$2,979,889	\$348,763	\$517,576	\$495,976
WRF22	2032	Odor Control	\$2,377,216	77.5%	9.1%	13.5%	\$1,841,763	\$215,557	\$319,895	\$320,339
WRF23	2032	Thermophilic Digester	\$14,069,980	77.5%	9.1%	13.5%	\$10,900,806	\$1,275,817	\$1,893,357	\$1,895,986
WRF24	2033	Site Improvements	\$468,936	77.5%	9.1%	13.5%	\$363,311	\$42,522	\$63,103	\$66,035
WRF25	2024	Phosphorus removal for Reuse Purposes	\$13,465,938	77.5%	9.1%	13.5%	\$10,432,820	\$1,221,045	\$1,812,073	\$1,275,992
TOTAL			\$131,482,076	77.4%	9.0%	13.6%	\$101,771,566	\$11,884,711	\$17,825,799	\$14,692,662

Source: Sewer IFFP, Table 8

*Year derived from Sewer Master Plan, Table 7-4.

**Cost reduced per City staff.

***Inflated cost is higher than 4.5 percent due to cost being spread out over time.

****Calculated by LRB. Inflated at 4.5 percent.

TABLE B.2: OREM SOUTHWEST ANNEXATION AREA PROJECT COSTS ALLOCATED TO PROJECTED DEVELOPMENT, 10-YEAR PLANNING HORIZON

IDENTIFIER	YEAR*	PROJECT	ANNEXATION PORTION OF PROJECT COST	% TO EXISTING	% TO 10 YEAR GROWTH	% TO GROWTH BEYOND 10 YEARS	COST TO EXISTING	COST TO 10 YEAR GROWTH	COST TO BUILDOUT	CONST. YEAR COST TO 10 YEAR GROWTH****
SS14/SS15	2025	Southwest Annex Piping	\$892,000	3.4%	96.6%	0.0%	\$30,685	\$861,352	\$0	\$940,618
WRF1	2025	Biogas Flare	\$13,584	3.4%	96.6%	0.0%	\$467	\$13,117	\$0	\$14,324
WRF2	2025	Sidestream Phosphorus / Struvite Mitigation System	\$224,229	3.4%	96.6%	0.0%	\$7,713	\$216,525	\$0	\$236,450



IDENTIFIER	YEAR*	PROJECT	ANNEXATION PORTION OF PROJECT COST	% TO EXISTING	% TO 10 YEAR GROWTH	% TO GROWTH BEYOND 10 YEARS	COST TO EXISTING	COST TO 10 YEAR GROWTH	COST TO BUILDOUT	CONST. YEAR COST TO 10 YEAR GROWTH****
WRF3**	2025	Disinfection	\$492,006	3.4%	96.6%	0.0%	\$16,925	\$475,101	\$0	\$518,822
WRF5	2026	Electrical Systems - Site Power	\$280,759	3.4%	96.6%	0.0%	\$9,658	\$271,112	\$0	\$323,516***
WRF6	2026	Dewatering Facility Expansion	\$730,808	3.4%	96.6%	0.0%	\$25,140	\$705,698	\$0	\$805,319
WRF7	2026	PLC SCADA integration	\$58,551	3.4%	96.6%	0.0%	\$2,014	\$56,539	\$0	\$64,521
WRF8	2026	Primary Effluent/Mixed Flow Pump Station	\$118,434	3.4%	96.6%	0.0%	\$4,074	\$114,365	\$0	\$130,509
WRF9	2025	Secondary Clarifiers	\$94,661	3.4%	96.6%	0.0%	\$3,256	\$91,409	\$0	\$99,820
WRF10	2026	Maintenance Building	\$55,026	3.4%	96.6%	0.0%	\$1,893	\$53,135	\$0	\$60,636
WRF11	2026	Oxidation Ditch Improvements	\$356,290	3.4%	96.6%	0.0%	\$12,256	\$344,048	\$0	\$392,616
WRF12	2027	Odor Control	\$106,784	3.4%	96.6%	0.0%	\$3,673	\$103,115	\$0	\$122,967
WRF13	2026	Grit Improvements	\$90,233	3.4%	96.6%	0.0%	\$3,104	\$87,133	\$0	\$99,433
WRF14	2027	Primary Clarifiers	\$5,589	3.4%	96.6%	0.0%	\$192	\$5,397	\$0	\$6,436
WRF15	2027	Primary Sludge Pump Station	\$130,127	3.4%	96.6%	0.0%	\$4,476	\$125,656	\$0	\$149,847
WRF16	2028	Primary Digester Process Improvements	\$314,419	3.4%	96.6%	0.0%	\$10,816	\$303,616	\$0	\$378,361
WRF17	2029	Return Pressate Equalization	\$24,590	3.4%	96.6%	0.0%	\$846	\$23,745	\$0	\$30,922
WRF18	2029	New Thickening Process	\$256,943	3.4%	96.6%	0.0%	\$8,839	\$248,115	\$0	\$323,110
WRF19	2029	Electrical Systems - Site Power	\$280,759	3.4%	96.6%	0.0%	\$9,658	\$271,112	\$0	\$386,297***
WRF20	2030	Headworks	\$649,430	3.4%	96.6%	0.0%	\$22,340	\$627,116	\$0	\$853,419
WRF21	2031	RAS/WAS and Generator Building	\$172,772	3.4%	96.6%	0.0%	\$5,943	\$166,836	\$0	\$237,257
WRF22	2032	Odor Control	\$106,784	3.4%	96.6%	0.0%	\$3,673	\$103,115	\$0	\$153,239
WRF23	2032	Thermophilic Digester	\$632,020	3.4%	96.6%	0.0%	\$21,741	\$610,305	\$0	\$906,971
WRF24	2033	Site Improvements	\$21,064	3.4%	96.6%	0.0%	\$725	\$20,340	\$0	\$31,588
WRF25	2024	Phosphorus removal for Reuse Purposes	\$604,886	3.4%	96.6%	0.0%	\$20,808	\$584,103	\$0	\$610,388
TOTAL			\$6,712,748	3.4%	96.6%	0.0%	\$230,919	\$6,482,106	\$0	\$7,877,385

Source: Sewer IFFP, Table 8

*Year derived from Sewer Master Plan, Table 7-4.

**Cost reduced per City staff.

***Inflated cost is higher than 4.5 percent due to cost being spread out over time.

****Calculated by LRB. Inflated at 4.5 percent.



APPENDIX C: STORM WATER IMPACT FEE FACILITIES PLAN PROJECT COSTS

TABLE C-1: IMPACT FEE FACILITIES PLAN - COSTS REQUIRED FOR GROWTH, OREM CITY AREA

PROJECT ID	PROJECT LOCATION	YEAR	ESTIMATED 2025 CONSTRUCTION COST	% TO EXISTING	% TO 10-YEAR GROWTH	% TO GROWTH BEYOND 10 YEARS	\$ TO EXISTING	\$ TO 10 YEAR GROWTH	\$ TO BUILDOUT	CONSTRUCTION YEAR \$ TO 10 YEAR GROWTH**
CAP_AA	400 S 1165 W and WUC	2032	\$20,000	100.0%	0.0%	0.0%	\$20,000	\$0	\$0	\$0
CAP_B2	400 South @ 1000 East - Phase 2	2026	\$2,675,000	100.0%	0.0%	0.0%	\$2,675,000	\$0	\$0	\$0
CAP_C	WUC Diversion Structure at 800 S	2034	\$50,000	100.0%	0.0%	0.0%	\$50,000	\$0	\$0	\$0
CAP_D	University Pkwy (D)/WUC, 1385 S at Carterville Rd	2028	\$514,400	100.0%	0.0%	0.0%	\$514,400	\$0	\$0	\$0
CAP_FF	Diversion,Ctr St and 1330 W @ WUC	2028	\$100,000	95.0%	1.9%	3.1%	\$94,990	\$1,930	\$3,080	\$2,171
CAP_J2	424 E 2000 S at WUC	2031	\$50,000	0.0%	38.5%	61.5%	\$0	\$19,240	\$30,760	\$24,345
CAP_L	Diversion, 2000 S @ WUC	2031	\$50,000	84.2%	6.1%	9.7%	\$42,090	\$3,045	\$4,865	\$3,853
CAP_M	2000 S Main St at WUC	2031	\$50,000	84.2%	6.1%	9.7%	\$42,090	\$3,045	\$4,865	\$3,853
CAP_N	Plug and surface drain to PS11B	2031	\$10,000	100.0%	0.0%	0.0%	\$10,000	\$0	\$0	\$0
CAP_Q	University Pkwy @ WUC	2031	\$50,000	89.4%	4.1%	6.5%	\$44,715	\$2,035	\$3,250	\$2,575
CAP_T	Adopt canal section at CAP T Location	2031	\$0	95.7%	1.7%	2.7%	\$0	\$0	\$0	\$0
CAP_U	Pipe canal when development occurs	2031	\$0	95.7%	1.7%	2.7%	\$0	\$0	\$0	\$0
CAP_V	Diversion box improvements and plug canal going north.	2031	\$50,000	95.7%	1.7%	2.7%	\$47,845	\$830	\$1,325	\$1,050
DBS4	424 E 2000 S Under Roadway	2028	\$750,000	89.2%	4.2%	6.6%	\$669,150	\$31,125	\$49,725	\$35,011
PN11	1420 N	2028	\$413,200	96.0%	1.5%	2.5%	\$396,713	\$6,322	\$10,123	\$7,111
PN12A	1200 N (F)	2030	\$402,600	85.0%	5.8%	9.3%	\$342,049	\$23,311	\$37,241	\$28,361
PN12B	1200 N (G)	2030	\$291,800	85.0%	5.8%	9.3%	\$247,913	\$16,895	\$26,992	\$20,556
PN40A	Geneva Rd (A)	2031	\$124,600	87.8%	4.7%	7.5%	\$109,411	\$5,844	\$9,345	\$7,394
PN41	Heather Road, Cherapple Circle + 1000 N 900 W	2026	\$650,500	95.0%	1.9%	3.1%	\$617,910	\$12,555	\$20,035	\$13,057
PN42A	1600 N Basin Improvements	2026	\$0	96.0%	1.5%	2.5%	\$0	\$0	\$0	\$0
PN42B	1600 N 1200 West Pipe Extension	2027	\$689,700	96.0%	1.5%	2.5%	\$662,181	\$10,552	\$16,898	\$11,413
NEW	Lindon Hollow Improvements with PG and Lindon	2026	\$498,000	87.0%	5.0%	8.0%	\$433,160	\$24,950	\$39,890	\$25,948
PS11	2000 S, 180 W to Nielsen's Grove	2030	\$238,300	84.2%	6.1%	9.7%	\$200,601	\$14,512	\$23,187	\$17,657
PS11B	180 W, 2000 S	2030	\$236,000	84.2%	6.1%	9.7%	\$198,665	\$14,372	\$22,963	\$17,486
PS22B	400 W (B)	2027	\$1,278,422	88.6%	4.4%	7.0%	\$1,132,298	\$56,251	\$89,873	\$60,841
PS23	Taylor Drain Outlet	2028	\$778,269	88.6%	4.4%	7.0%	\$689,313	\$34,244	\$54,712	\$38,520
PS25A	I-15 & 1500 S	2030	\$514,200	89.4%	4.1%	6.5%	\$459,849	\$20,928	\$33,423	\$25,462
PS31	900 S	2033	\$1,663,300	95.7%	1.7%	2.7%	\$1,591,612	\$27,611	\$44,077	\$37,787
PS37A	WUC exit, Campus Dr to DBS16 (A)	2032	\$178,000	95.0%	1.9%	3.1%	\$169,082	\$3,435	\$5,482	\$4,521
PS37B	WUC exit at 800 S to College Dr (F)	2032	\$1,352,900	95.0%	1.9%	3.1%	\$1,285,120	\$26,111	\$41,669	\$34,360
PS42A	800 S (A)	2031	\$2,822,300	95.0%	1.9%	3.1%	\$2,680,903	\$54,470	\$86,927	\$68,922
PS42B	800 S (B)	2031	\$348,100	95.0%	1.9%	3.1%	\$330,660	\$6,718	\$10,721	\$8,501
PS47A,B,C	1330 S	2026	\$741,265	95.0%	1.9%	3.1%	\$704,128	\$14,306	\$22,831	\$7,153*
PS51A	1200 W (C)/Wolverine Way, 300 S	2032	\$259,200	95.0%	1.9%	3.1%	\$246,214	\$5,003	\$7,983	\$6,583
PS51C	WUC, Point BB to 400 S	2032	\$545,800	95.0%	1.9%	3.1%	\$518,455	\$10,534	\$16,811	\$13,862
PS52	400 S (B), 1200 W to 1500 W	2032	\$1,175,200	95.0%	1.9%	3.1%	\$1,116,322	\$22,681	\$36,196	\$29,847
PS52B	400 S, 1150 W to 1200 W	2032	\$88,400	95.0%	1.9%	3.1%	\$83,971	\$1,706	\$2,723	\$2,245
PS53	543 S 1020 W	2033	\$683,300	95.0%	1.9%	3.1%	\$649,067	\$13,188	\$21,046	\$18,048
PS54	Pipe WUC from CAP_FF to outfall	2027	\$1,334,600	95.0%	1.9%	3.1%	\$1,267,737	\$25,758	\$41,106	\$27,860



PROJECT ID	PROJECT LOCATION	YEAR	ESTIMATED 2025 CONSTRUCTION COST	% TO EXISTING	% TO 10-YEAR GROWTH	% TO GROWTH BEYOND 10 YEARS	\$ TO EXISTING	\$ TO 10 YEAR GROWTH	\$ TO BUILDOUT	CONSTRUCTION YEAR \$ TO 10 YEAR GROWTH**
PS55A	Geneva Rd (G)	2034	\$562,700	95.0%	1.9%	3.1%	\$534,509	\$10,860	\$17,331	\$15,457
PS55B	Geneva Rd (H)	2034	\$1,163,000	95.0%	1.9%	3.1%	\$1,104,734	\$22,446	\$35,820	\$31,948
PS56	Rehabilitate WUC pipe from DD to FF	2027	\$240,000	95.0%	1.9%	3.1%	\$227,976	\$4,632	\$7,392	\$5,010
PS65	Should occur with the Well #1 relocation. Install pipelines on 1500 S and 1550 S east of 800 East	2029	\$442,600	100.0%	0.0%	0.0%	\$442,600	\$0	\$0	\$0
PS65A	Pipe along 800 E and 1700 S for Well #1 bypass drain.	2029	\$2,254,300	100.0%	0.0%	0.0%	\$2,254,300	\$0	\$0	\$0
PS65B	CAP H. Pipe to route 750 E to State Street.	2029	\$389,500	100.0%	0.0%	0.0%	\$389,500	\$0	\$0	\$0
PS65C	State Street	2029	\$2,721,300	100.0%	0.0%	0.0%	\$2,721,300	\$0	\$0	\$0
PS65D	Hillcrest Area perforated pipe	2029	\$300,000	100.0%	0.0%	0.0%	\$300,000	\$0	\$0	\$0
PS66A	WUC - Provo 1730 N Alignment	2028	\$1,107,200	89.2%	4.2%	6.6%	\$987,844	\$45,949	\$73,407	\$51,686
PS67	WUC - 2075 S & 2200 S	2030	\$1,636,800	89.2%	4.2%	6.6%	\$1,460,353	\$67,927	\$108,520	\$82,644
PS68	550 South from 700 W to 600 W + 325 W 1600 N	2026	\$691,000	100.0%	0.0%	0.0%	\$691,000	\$0	\$0	\$0
PS6A	2000 S - Geneva Road, 850' east	2026	\$572,940	88.6%	4.4%	7.0%	\$507,453	\$25,209	\$40,278	\$26,218
PS6B	2000 S - Geneva Road to Lakeview Pkwy	2025	\$978,176	88.6%	4.4%	7.0%	\$866,370	\$43,040	\$68,766	\$43,040
PS6C	2000 S - Lakeview Pkwy to Southwest Taylor Drain	2027	\$102,475	88.6%	4.4%	7.0%	\$90,762	\$4,509	\$7,204	\$4,877
	Impact Fee Studies	2025	\$38,485	0.0%	100.0%	0.0%	\$0	\$38,485	\$0	\$38,485
Total City Area			\$34,877,832	94.5%	2.1%	3.4%	\$32,922,316	\$776,564	\$1,178,842	\$905,717

Source: Storm Water IFFP, Table 4

*Cost for project reduced per City.

**Calculated by LRB. Inflated at four percent.

TABLE C: 2: IMPACT FEE FACILITIES PLAN - COSTS REQUIRED FOR GROWTH, SOUTHWEST ANNEXATION AREA

PROJECT ID	PROJECT LOCATION	YEAR	ESTIMATED 2025 CONSTRUCTION COST	% TO EXISTING	% TO 10-YEAR GROWTH	% TO GROWTH BEYOND 10 YEARS	\$ TO EXISTING	\$ TO 10 YEAR GROWTH	\$ TO BUILDOUT	CONSTRUCTION YEAR \$ TO 10 YEAR GROWTH***
SW01	Lakeview Parkway Road Project	2027	\$325,000	21.9%	78.1%	0.0%	\$71,110	\$253,890	\$0	\$274,607
SW02	Geneva Road Widening Project - A	2028	\$500,000	21.9%	78.1%	0.0%	\$109,400	\$0	\$0	\$0*
SW03	Geneva Road Widening Project - B	2026	\$700,000	21.9%	78.1%	0.0%	\$153,160	\$546,840	\$0	\$273,420**
PS22B	400 W (B)	2027	\$179,428	21.9%	78.1%	0.0%	\$39,259	\$140,169	\$0	\$151,607
PS23	Taylor Drain Outlet	2028	\$109,231	21.9%	78.1%	0.0%	\$23,900	\$85,331	\$0	\$95,986
PS47A,B,C	1330 S	2026	\$558,735	21.9%	78.1%	0.0%	\$122,251	\$436,484	\$0	\$218,242**
PS6A	2000 S - Geneva Road to 850' east	2026	\$381,960	21.9%	78.1%	0.0%	\$83,573	\$298,387	\$0	\$310,323
PS6B	2000 S - Geneva Road to Lakeview Pkwy	2025	\$226,824	21.9%	78.1%	0.0%	\$49,629	\$177,195	\$0	\$177,195
PS6C	2000 S - Lakeview Pkwy to Southwest Taylor Drain	2027	\$197,525	21.9%	78.1%	0.0%	\$43,218	\$154,307	\$0	\$166,898
	Impact Fee Studies	2025	\$35,515	21.9%	78.1%	0.0%	\$7,771	\$27,744	\$0	\$27,744
Total Southwest Annexation			\$3,214,218	21.9%	78.1%	0.0%	\$703,271	\$2,120,347	\$0	\$1,696,022

Source: Storm Water IFFP, Table 5

*Reduced to \$0 as City indicated this will likely be funded by UDOT.

**Cost for project reduced per City.

***Calculated by LRB. Inflated at four percent.

