

**ORDINANCE 03-02-2026**

**AN ORDINANCE ADOPTING THE SANTAQUIN CITY DRINKING WATER IMPACT FEE FACILITIES PLAN AND THE DRINKING WATER IMPACT FEE ANALYSIS; AND ENACTING DRINKING WATER IMPACT FEES, PROVIDING FOR CODIFICATION, CORRECTION OF SCRIVENER'S ERRORS, SEVERABILITY, AND AN EFFECTIVE DATE.**

**WHEREAS**, Santaquin City (the “City”) is a political subdivision of the State of Utah, authorized and organized under applicable provisions of Utah law; and

**WHEREAS**, Santaquin City has legal authority pursuant to Title 11, Chapter 36a of the Utah Code known as the “Impact Fee Act” (hereinafter the “Act”) to impose development impact fees as a condition of development approval, which impact fees are used to defray capital infrastructure costs attributable to new development activity; and

**WHEREAS**, the City has previously enacted and imposed impact fees for public facilities, as defined in Utah Law, Title 11, Chapter 36a, Section 102, and as more particularly set forth in the Santaquin City Fee Schedule; and

**WHEREAS**, the City has historically assessed impact fees as a condition of development approval in order to appropriately assign capital infrastructure costs to development in an equitable and proportionate manner; and

**WHEREAS**, on September 23<sup>rd</sup>, 2025, pursuant to the Act, the City properly noticed its intent to update its Drinking Water Impact Fee Facilities Plan, and to amend its Drinking Water Impact Fees based on an updated Drinking Water Impact Fee Analysis; and

**WHEREAS**, the City has reviewed and evaluated the City’s drinking water service area for the drinking water system, which consists of the entire area within the Santaquin municipal boundary as shown in the Drinking Water Impact Fee Facilities Plan, and has determined that it is in the City’s best interest to establish the said service area for the purpose of imposing Drinking Water Impact Fees; and

**WHEREAS**, pursuant to the requirements of Sections 11-36a-301 and 302 of the Act, Hansen Allen & Luce Engineers has prepared the Santaquin City updates to the Drinking Water Impact Fee Facility Plan (the “IFFP”), attached hereto as Exhibit “A,” which Hansen, Allen, & Luce, INC. has properly certified pursuant to the requirements of Section 11-36a-306(1) of the Act; and

**WHEREAS**, pursuant to the requirements of Sections 11-36a-303 and 304 of the Hansen Allen & Luce Engineers, has prepared the “Santaquin City Drinking Water Impact Fee Analysis” (the

“IFA”), which Hansen, Allen, & Luce, INC. has properly certified pursuant to the requirements of Section 11-36a-306(2) of the Act; and

**WHEREAS**, Hansen, Allen, & Luce, INC. has also calculated for enactment Drinking Water Impact Fees as set forth in the IFA and pursuant to the requirements of Sections 11-36a-305 of the Act; and

**WHEREAS**, on March 5, 2026, pursuant to Section 11-36a-502 of the Act, a full copy the IFFP, the IFA, and this Impact Fee Enactment or Ordinance, along with an executive summary of the IFFP and the IFA that was designed to be understood by a lay person, were made available to the public at the Santaquin City Community Development Desk, posted on the City's Website, and the Public Notice Website; and

**WHEREAS**, on March 17th, 2026, the Santaquin City Council held a public hearing regarding the proposed and certified IFFP, IFA, and this Impact Fee Enactment or Ordinance; and

**WHEREAS**, the Santaquin City Council does now desire to hereby approve and adopt the IFFP and the IFA and to formally enact Drinking Water Impact Fees pursuant thereto and pursuant to the requirements of Sections 11-36a-401 through 11-36a-403 of the Act.

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of Santaquin, Utah:

**SECTION 1: Adoption.**

The IFFP and the IFA are attached hereto and approved, adopted and incorporated as part of this Ordinance. The Impact Fees for the drinking water system as set forth in the IFA are hereby approved and adopted, and at the time the Impact Fees become effective pursuant to this Ordinance, the Impact Fees will replace all previously adopted drinking water impact fees.

**SECTION 2: Service Area - Utah Code Requirement 11-36a-402(1)(a).**

The service area established in the IFFP and the IFA and for which Drinking Water Impact Fees are established and imposed is all of Santaquin City (the “Service Area”). The Service Area is established based upon sound planning and engineering principles for the City's drinking water system services.

**SECTION 3: Level of Service - Utah Code Requirement 11-36a-402(1)(b).**

IFA Tables 1-2 and 1-3 set the level of service parameters and level of service calculations for the City drinking water source, storage, and distribution systems.

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Drinking Water LOS Parameters**

Category	Parameter	Source
Maximum Operating Pressure (psi)	125 psi	2021 DW Master Plan Level of Service Parameters (Table ES-1)
Minimum Operating Pressure (psi)	40 psi	2021 DW Master Plan Level of Service Parameters (Table ES-1)
Maximum Daily Pressure Variation	20 psi	2021 DW Master Plan Level of Service Parameters (Table ES-1)
Minimum or Local Pipe Size (in)	8 in	City Standards
Minimum Required Source Capacity	Peak Day of a Peak Year Flow	State Code: R309-510-7
Minimum Required Annual Source Capacity	Peak Year Annual Demand	State Code: R309-510-7
Minimum Fire Flow Storage	Model to Fire Marshal Requirements	State Code: R309-510-8(1)(b)
Minimum Fire Flow Residual Pressure	20 psi	2021 DW MP Level of Service Parameters (Table 5-2)
Minimum Required LOS Equalization Storage per ERC (gal)	Average Day of a Peak Year	State Code: R309-510-8(a)
Emergency Storage (% of Equalization Storage)	50%	State Code: R309-510-8(1)(c)

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Drinking Water Level of Service per ERC**

Category	Base Year LOS	Existing LOS	Proposed LOS	% Impact Fee Reimbursable
Source LOS/ERC	290.12 gpd	290.12 gpd	290.00 gpd	100.00%
Storage LOS/ERC	472.66 gal	472.66 gal	360.00 gal	100.00%
Distribution LOS/ERC	7.45 cf	7.45 cf	7.00 cf	100.00%

**SECTION 4: Impact Fee Analysis and Impact Fee Calculations – Utah Code Requirements 11-36a-402(1)(b)(ii).**

As found in the IFA, the Drinking Water Impact Fee calculation is based on the following:

1. Elements. In calculating the Drinking Water Impact Fee, the City has included those costs allowed, including debt service, if any, that are found under Section 11-36a-305 of the Act for each type of system improvement. These types are categorized by the following elements of a drinking water impact fee:

- a. Source;
  - b. Storage;
  - c. Miscellaneous Facilities;
  - d. Planning; and
  - e. Distribution.
2. Proportionate Share Analysis. Included within the IFA is a proportionate share analysis as required by Section 11-36a-304 of the Act.
3. Formula. The Drinking Water Impact Fee is based upon the Act's required proportionate share analysis in determining the total project costs to maintain the City's current drinking water system level of service for new development activity that is projected to occur during the next six (6) years. Table 2-4 from the IFA shows the impact fee imposed per ERC for each type of system improvement.

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Drinking Water Impact Fee Per ERC**

<b>Type</b>	<b>Cost</b>	<b>ERC Capacity</b>	<b>Cost/ERC</b>
Source/Transmission	\$1.38/gpd	290 gpd/ERC	\$400.37
Storage	\$1.36/gal	360 gal/ERC	\$490.16
Facilities	\$3,667,263	10,310 ERCs	\$355.71
Planning	\$135,500	3,271 ERCs	\$41.43
Distribution	\$105.04/cf	7.0 cf/ERC	\$735.26

Table 2-6 from the IFA shows the formula used to calculate the impact fee for each type of development activity. It also includes the proposed cost change and percent increase per ERC.

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Proposed Drinking Water Impact Fee per ERC**

ERC Meter Size	3/4, 1 in	
Maximum Allowable Impact Fee/ERC	\$2,022.93/ERC	
Previous Impact Fee	\$1,180.00/ERC	
<b>Proposed Impact Fee</b>	<b>\$2,022.93/ERC</b>	
Difference	\$842.93/ERC	
% Change	71.43%	
Average Occupancy/ERC		3.64
Average Occupancy/Single Family Dwelling Unit	Factor: 1.0247	3.73
Detached ADU	Factor: 0.9000	
Average Occupancy/Multi-Family Dwelling Unit	Factor: 0.9533	3.47
<b>Maximum Allowable Impact Fee/Single Family Dwelling Unit</b>	<b>\$2,072.95</b>	
<b>Maximum Allowable Impact Fee/Detached ADU</b>	<b>\$1,865.65</b>	
<b>Maximum Allowable Impact Fee/Multi-Family Dwelling Unit</b>	<b>\$1,928.45</b>	

The ERC Ratio for different meter sizes is found in IFA Table 2-7. This factor would be applied to the Proposed Impact Fee/ERC in Table 2-6. The calculated flow option may be applied to any development where the City determines the use may not be equivalent to a typical ERC.

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Proposed Drinking Water Impact Fee by Meter Size**

<b>Meter Size</b>	<b>ERC</b>	<b>Impact Fee</b>
3/4, 1 in	1.00	\$2,022.93/ERC
1 1/2 in	3.33	\$6,736.36/ERC
2 in	5.33	\$10,782.23/ERC
3 in	10.00	\$20,229.32/ERC
4 in	16.67	\$33,722.28/ERC
6 in	33.33	\$67,424.33/ERC
8 in	53.33	\$107,882.98/ERC
3/4 in+	Calculated Flow Option	\$6.98/gpd

The drinking water impact fee is charged at the time of building permit issuance. Drinking water impact fees are charged on a per-ERC basis.

A more detailed analysis of the impact fee schedule and formula is found in the attached IFA.

4. Impact Fee Adjustments – Utah Code Requirement 11-36a-402(1)(c) and 11-36a-402(1)(d).
  - a. The City Council is authorized to adjust the standard fee at the time the fee is charged to:
    - i. respond to:

1. unusual circumstances in specific cases; or
  2. a request of 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 or will be collected, and
    - ii. ensure that the impact fees are imposed fairly.
  - b. The impact fee may be adjusted for a particular development based on studies or data provided by a developer after review by the City's Impact Fee Administrator and approval by the City Council.
5. Credits and Reimbursements – Utah Code Requirements 11-36a-402(2) and 11-36a-402(3).
- a. A developer, including a school district or a charter school, shall receive a credit against or proportionate reimbursement of an impact fee from the City if the developer:
    - i. dedicates land for a system improvement,
    - ii. builds and dedicates some or all of a system improvement, or
    - iii. dedicates a public facility that the City and the developer agree will reduce the need for a system improvement.
  - b. The City shall require a credit against the impact fee for any dedication of land for, improvement to, or new construction of, any system improvements provided by the developer if the facilities:
    - i. are system improvements, or
    - ii. A. are dedicated to the public, and
      - B. offset the need for an identified system improvement.

**SECTION 5: Assessment.**

The Drinking Water Impact Fee shall be charged for all new service connections or whenever a customer desires to increase the size of an existing drinking water service. In the latter instance, the impact fee shall be based on the difference in service capacity between the new and existing service. The impact fee shall be charged throughout the Service Area for all classes of service.

**SECTION 6: Expenditure of Impact Fees – Utah Code Requirements 11-36a-602.**

The City may expend impact fees only for a system improvement identified in the IFFP and for the specific public facility type for which the fee was collected. Impact fees will be expended on a first-in-first-out basis. Impact fees collected pursuant to this Ordinance shall be expended or encumbered

for permissible use within six (6) years of their receipt. The City may hold the fees for longer than six (6) years if it identifies, in writing, an extraordinary and compelling reason why the fees should be held longer than six (6) years and an absolute date by which the fees will be expended.

**SECTION 7: Impact Fee Reimbursement and Pioneering Agreements.**

The City Manager is authorized to sign drinking water impact fee reimbursement agreements and pioneering agreements when in accordance with this ordinance and Utah code.

**SECTION 8: Refunds – Utah Code Requirements 11-36a-603.**

The City shall refund any impact fee paid by a developer, plus interest earned, when:

1. the developer does not proceed with the development activity and has filed a written request for a refund;
2. the fee has not been spent or encumbered; and
3. no impact has resulted.

An impact that would preclude a developer from a refund from the City may include any impact reasonably identified by the City, including but not limited to, the City having sized facilities and/or paid for, installed and/or caused the installation of facilities based, in whole or in part, upon the developer's planned development activity even though that capacity may, at some future time, be utilized by another development.

**SECTION 9: Impact Fee Challenges – Utah Code Requirements 11-36a-701.**

A person or entity that has standing to challenge an impact fee may appeal the impact fee pursuant to Title 9, Chapter 8 of the Santaquin City Code. The procedures and time limitations for challenging an impact fee, including procedures for mediation and/or arbitration, shall be as set forth in Sections 11-36a-702 through 705 of the Act. The applicable remedies for an impact fee challenge shall be limited to those set forth in Section 11-36a-701 of the Act.

**SECTION 10: Accounting of Impact Fees – Utah Code Requirements 11-36a-601.**

The City shall follow all of the accounting and reporting requirements found in Section 11-36a-601 of the Act.

**SECTION 11. Contrary Provisions Repealed.**

Any and all other provisions of the Santaquin City Code that are contrary to the provisions of this Ordinance are hereby repealed.

**SECTION 12. Codification, Inclusion in the Code, and Scrivener's Errors.**

It is the intent of the City Council that the provisions of this ordinance be made part of the Santaquin City Code as adopted, that sections of this ordinance may be re-numbered or re-lettered, and that the word ordinance may be changed to section, chapter, or other such appropriate word or phrase in order to accomplish such intent regardless of whether such inclusion in a code is accomplished. Typographical errors which do not affect the intent of this ordinance may be authorized by the City without need of public hearing by its filing a corrected or re-codified copy of the same with the City Recorder.

**SECTION 13. Severability.**

If any part of this ordinance or the application thereof to any person or circumstances shall, for any reason, be adjudged by a court of competent jurisdiction to be unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remainder of this ordinance or the application thereof to other persons and circumstances, but shall be confined to its operation to the section, subdivision, sentence or part of the section and the persons and circumstances directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the City Council that this section would have been adopted if such invalid section, provisions, subdivision, sentence or part of a section or application had not been included.

**SECTION 14. Other Impact Fees Not Repealed.**

Except as otherwise specifically provided herein, this Ordinance shall not repeal, modify, or affect any impact fee of the City in existence as of the effective date of this Ordinance.

**SECTION 15. Effective Date.**

This Ordinance will become effective July 1, 2026 which is more than 90 days after the day on which it is approved in accordance with Utah Code 11-36a-401(2). Prior to that time, the City Recorder shall deposit a copy of this ordinance in the official records of the City and place a copy of this ordinance in three places within the City.

PASSED AND ADOPTED this 17<sup>th</sup> day of March 2026

SANTAQUIN CITY

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Dan Olson, Mayor

ATTEST:

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Stephanie Christensen  
CITY RECORDER

Councilmember Art Adcock	Voted _____
Councilmember Brian Del Rosario	Voted _____
Councilmember Travis Keel	Voted _____
Councilmember Lynn Mecham	Voted _____
Councilmember Jeff Siddoway	Voted _____

STATE OF UTAH )

) ss.

COUNTY OF UTAH )

I, STEPHANIE CHRISTENSEN, City Recorder of Santaquin City, Utah, do hereby certify and declare that the above and foregoing is a true, full, and correct copy of an ordinance passed by the City Council of Santaquin City, Utah, on the 17<sup>th</sup> day of March 2026, entitled

**“AN ORDINANCE ADOPTING THE SANTAQUIN CITY DRINKING WATER IMPACT FEE FACILITIES PLAN AND THE DRINKING WATER IMPACT FEE ANALYSIS; AND ENACTING DRINKING WATER IMPACT FEES, PROVIDING FOR CODIFICATION, CORRECTION OF SCRIVENER’S ERRORS, SEVERABILITY, AND AN EFFECTIVE DATE.”**

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Corporate Seal of Santaquin City Utah this 17<sup>th</sup> day of March 2026.

\_\_\_\_\_  
Stephanie Christensen  
Santaquin City Recorder  
(SEAL)

AFFIDAVIT OF POSTING

STATE OF UTAH )

) ss.

COUNTY OF UTAH )

I, STEPHANIE CHRISTENSEN, City Recorder of Santaquin City, Utah, do hereby certify and declare that prior to the ordinance taking effect, I posted a short summary of the ordinance on the Utah Public Notice Website as required by Utah State Code 10-3-711(1)(b) as a Class A Notice and Santaquin City Code 1-2-050(D)

I further certify that copies of the ordinance were posted online at [www.santaquin.org](http://www.santaquin.org), at the City Hall Building at 110 S. Center Street and on the State of Utah’s Public Notice Website, <https://www.utah.gov/pmn/index.html>. A copy of the notice may also be requested by calling (801)754-1904.

\_\_\_\_\_  
STEPHANIE CHRISTENSEN  
Santaquin City Recorder

The foregoing instrument was acknowledged before me on this \_\_\_ day of \_\_\_ 2026, by STEPHANIE CHRISTENSEN.

My Commission Expires:

Notary Public

\_\_\_\_\_

Residing at: Utah County

# Exhibit A- IFFP, IFA