

PUBLIC NOTICE

Notice is hereby given that the Tooele City Council and the Redevelopment Agency (RDA) of Tooele City will meet in a Work Meeting, on Wednesday, February 7, 2024, at 6:30 p.m. The meeting will be held in the Tooele City Hall Council Chambers, located at 90 North Main Street, Tooele, Utah. The complete public notice is posted on the Utah Public Notice Website www.utah.gov, the Tooele City Website www.tooelecity.gov, and at Tooele City Hall. To request a copy of the public notice or for additional inquiries please contact Michelle Pitt, City Recorder at (435)843-2111 or michellep@tooelecity.gov.

We encourage you to join the City Council meeting electronically by visiting the **Tooele City YouTube Channel**, at <https://www.youtube.com/@tooelecity> or by going to YouTube.com and searching "Tooele City Channel".

AGENDA

1. **Open City Council Meeting**
2. **Roll Call**
3. **Council Members' Report**
4. **Discussion Items**
 - a. **Resolution 2024-13** A Resolution of the Tooele City Council Authorizing Payment of a Fee in Lieu of Water Rights Conveyance for Granite Credit Union
Presented by Jared Stewart, Economic Development Director
5. **Closed Meeting**
~ Litigation, Property Acquisition, and/or Personnel
6. **Adjourn**

Michelle Y. Pitt, Tooele City Recorder

Pursuant to the Americans with Disabilities Act, individuals needing special accommodations should notify Michelle Y. Pitt, Tooele City Recorder, at 435-843-2111 or Michellep@Tooelecity.gov, prior to the meeting.

TOOELE CITY CORPORATION

RESOLUTION 2024-13

A RESOLUTION OF THE TOOELE CITY COUNCIL AUTHORIZING PAYMENT OF A FEE IN LIEU OF WATER RIGHTS CONVEYANCE FOR GRANITE CREDIT UNION.

WHEREAS, Tooele City Code Chapter 7-26 governs the exaction by Tooele City of water rights as a condition of land use approval (see also UCA 10-9a-508); and,

WHEREAS, TCC Section 7-26-2(2) empowers the City Council to adopt a legislative policy allowing for the payment of a fee in lieu of water rights conveyance: “Fee-in-lieu. Pursuant to established City Council policy, in lieu of actual conveyance of water rights pursuant to this Chapter, certain development applicants may pay to the City an amount per acre-foot for access to water rights controlled by the City in a quantity necessary to satisfy the anticipated future water needs of the proposed development to be served and supplied by the City water system”; and,

WHEREAS, on May 18, 2022, the City Council approved Resolution 2022-29, adopting an updated fee-in-lieu of water rights conveyance policy referred to in TCC 7-26-2(2), with an effective date of June 1, 2022 (with the original policy being adopted in 2007) (see the June 1 policy attached as Exhibit B); and,

WHEREAS, the June 1 policy encourages the consideration of at least the following factors in considering requests to pay the fee-in-lieu:

- The number of acre-feet of water rights requested.
- The availability of City-owned water rights and corresponding water sources.
- The number of jobs the development is anticipated to create, together with the nature of the jobs (e.g., full-time) and job compensation (e.g., wage levels, benefits).
- The amount of sales tax the development is anticipated to generate.
- The amount of property tax the development is anticipated to generate.
- The anticipated environmental, social, and community impacts of the development.

WHEREAS, the City Council retains sole and exclusive legislative discretion in deciding to allow the payment of the fee-in-lieu; and,

WHEREAS, Tooele City received from Mark Young representing Granite Credit Union (“the Project”) an email dated January 30, 2024 requesting the allocation of up to 0.75 acre-feet of City-owned municipal water rights to the Project, or, in other words,

requesting to pay the fee-in-lieu rather than convey water rights for the Project (see the letter attached as Exhibit A); and,

WHEREAS, the Project will consist of approximately 2,600 square feet of new commercial construction; and,

WHEREAS, the Project proposal addresses the policy considerations identified above and in the June 1 policy in the following ways:

- The Project requests up to 0.75 acre-feet of water.
- An estimated capital investment of \$910,000, or \$350 per Square Foot of Construction.
- The creation of an estimated 5 full time equivalent jobs, with wages ranging from \$35,000 to \$75,000 annually.
- Granite Credit Union has communicated a desire to have a strong community presence and plans to support the education community; the Credit Union originally served Granite School District employees. The Credit Union works with local schools to provide teacher grants, financial literacy, and scholarships to students. They volunteer in schools and support education in the community through a Foundation.

NOW, THEREFORE, BE IT RESOLVED BY THE TOOELE CITY COUNCIL that, in light of the legislative policies and considerations discussed above, the City Council hereby authorizes the payment of the fee-in-lieu of water rights for the Project, for up to up to 0.75 acre-feet of municipal water rights, for the fee amount established in the June 1 policy of \$35,000 per acre-foot.

This Resolution is necessary for the immediate preservation of the peace, health, safety, or welfare of Tooele City and shall become effective upon passage, without further publication, by authority of the Tooele City Charter.

IN WITNESS WHEREOF, this Resolution is passed by the Tooele City Council this 7 day of February, 2024.

TOOELE CITY COUNCIL

(For)

(Against)

ABSTAINING: _____

TOOELE CITY MAYOR

(Approved)

(Disapproved)

ATTEST:

Michelle Y. Pitt, City Recorder

S E A L

Approved as to Form:

Roger Evans Baker, Tooele City Attorney

Exhibit A

Letter Requesting Fee in Lieu

Jared Stewart

From: Mark Young <MarkY@granite.org>
Sent: Tuesday, January 30, 2024 1:55 PM
To: Jared Stewart
Cc: Jace Bankhead
Subject: Water Fee in Lieu Request - Tooele City
Attachments: Riverton Water Usage Spreadsheet.xlsx

Follow Up Flag: Follow up
Flag Status: Flagged

Jared,

Our agent, Jace Bankhead, forwarded me your information request regarding our project and water rights in Tooele. Our response is in blue.

- The amount of water being requested; please include justification, such as 2-3 years of usage history at a similar site OR the number of employees plus landscaped area so we can do an independent calculation.
 - **Attached is a spreadsheet showing water usage at our Riverton Branch which is similar in size and staff. Also below is information from our architect:**

Riverton's commercial water meter rounds monthly water usage to the nearest 1000 gallons, so the easiest way to determine usage is annual. Riverton used 13,000 gallons of commercial water in 2023, 18,000 gallons in 2022, and 19,000 gallons in 2021.

Building Water Usage Estimate:

5 Employees: 2 toilets, 1 urinal, 2 bathroom sinks, 2 drinking fountains, 1 break room sink, 1 janitor sink, etc estimated at 32.4 GPD x 52 (5-day) work weeks or 260 days = 8,424 gallons annually.

Reference Kohler Water Usage Calculator:

<https://calculatorpack.com/kohler-commercial-water-usage-calculator/>

Irrigation Water Usage Estimate:

Landscape @ 10% of landscaping on 1.28 acres = 5,576 SF

+ 5% of parking area (assumes 20 parking stalls) to be landscaped = 270 SF

Total Landscape area estimated at 5,846 SF. **For calculation, use 6,000 SF**

From Landscape Architect (Blue Line Designs):

Using the 6,000sf of total landscape area, our calculations area as follows:

1. 6,000sf of drip irrigated landscape (this may more or less sf of landscape)
2. Water once a day three times a week (1/4" per day)
3. Water average of 25 weeks (April – October)

Total landscape water usage per 25 weeks over 6,000sf landscape = 35,880 gallons annually.

- The number of jobs that will be created (full and part time) and an average wage. **At least 5 full-time equivalent jobs will be created. Annual salary ranges will be \$75k - \$35k.**
- Will there be any sales tax generated from the project? If so, an estimate of annual sales. (I expect this will not be relevant.) **No**
- The amount of investment to be made—for example, what is the estimated value of the building after construction. **Estimated Value for building after construction: \$910,000 @ \$350/SF x 2,600 SF**

- Any other anticipated benefits to the community. **Granite Credit Union has been in business for almost 90 years in Salt Lake County. We have a strong community presence with ties to the education community (originally served Granite School District employees). We work with local schools to provide teacher grants, financial literacy and scholarships to students. We volunteer in schools and have our own Foundation to support education activities in the communities we serve.**

Please let me know if you have any questions or need additional information.

Mark Young SPHR

President/CEO

Granite Credit Union

801-288-3077



Name: Granite Credit Union - CONCEPT EVALUATION
Address: Near Home Depot
Permit No: CONCEPT ONLY

Water Rights and Impact Fee Analysis Commercial / Industrial

Updated 10/10/2023

Water Rights - Interior Use

| | |
|-----------------------------|--|
| Employee Usage | 0.07 acre feet/year |
| Process Water | 0.00 acre feet/year |
| Net interior Demand= | 0.07 acre-feet (100% depletion) |
| | 39,000.00 GALLONS |
| | 0.12 acre feet/year |

Employee Usage

| |
|---------------------------------------|
| 15 gallons per employee (Peak) |
| 5 Employees |
| 6 Days per Week (Single Shift) |
| 75 gallons per day |
| 0.07 acre feet / year |

Note: This template is based upon the number of employees for restroom use only. Each business type should be based upon the intended usage and consider the unique interior uses (e.g. use of break rooms of kitchens, restaurant type, car wash, process water, etc.)

Process Water Usage

None reported

Water Rights -Exterior Use

| | Landscape Area S.F. | Acres | Water Right Duty (per acre) | Water Right acre-feet |
|-----------------------------|---------------------|-------------|-----------------------------|-----------------------|
| Sod | | 0.00 | 4.0 | 0.00 |
| Water Conservation Area | 6,000 | 0.14 | 2.0 | 0.28 |
| Net Exterior Demand= | 6,000 | 0.14 | | 0.28 acre feet |

TOTAL WATER RIGHT REQUIREMENT (Interior + exterior)= 0.35 acre-feet

If purchased thru Payment in Lieu, cost would be equal to \$35,000 x AF required = \$12,155.46

Water Impact

| | Acre Foot Use | Total |
|------------------------------|---------------|----------------|
| Future Impact | 0.35 | |
| Historic Use | | |
| Net Water Impact Fee= | 0.35 | \$4,444 |

FORMULA FOR NON-STANDARD WATER IMPACT FEES:

(Total Average Yearly Demand (ac-ft) / 0.61 (ac-ft)) * Base Impact Fee/ERC (\$7,805) = Total Fee

Source: Water Impact Fee Facilities Plan (IFFP) and Impact Fee Analysis (IFA), February 2022.

Sewer Impact

| | Total (gpd) |
|--|-------------|
| Peak Day Interior Use Demand (gal) | 75 |
| Peaking Factor (from IFFP) | 1.54 |
| Average Day Interior Use Demand (gal) | 49 |

FORMULA FOR NON-STANDARD WASTEWATER IMPACT FEES:

| | |
|------------------------------|-------------------|
| Treatment Cost | \$917.59 |
| Collection Cost | \$498.26 |
| Net Sewer Impact Fee= | \$1,415.85 |

Treatment: (Total Average Daily Demand (GPD) / 170 (GPD)) * Treatment Impact Fee/ERU (\$3,203) = Treatment Fee

Collection: (Total Peak Daily Demand (GPD) / 230 (GPD)) * Collection Impact Fee/ERU (\$1,528) = Collection Fee

Treatment Fee + Collection Fee = Total Impact Fee

Source: Wastewater Impact Fee Facilities Plan (IFFP) and Impact Fee Analysis (IFA), March 2023

Public Safety Impact

(Requires both Fire and Police Component)

| Building s.f. | Cost per 1000 s.f. | Total |
|--------------------------------------|--------------------|-----------------|
| 2,600 | \$187.40 | \$487.24 |
| | \$111.40 | NA |
| 2,600 | \$164.70 | \$428.22 |
| | \$17.40 | NA |
| Net Public Safety Impact Fee= | | \$915.46 |

Fire - Commercial

Fire - Industrial

Police - Commercial

Police - Industrial

| | |
|------------------------------------|-------------|
| Sum of Impact Fees = | \$6,775.03 |
| Water Right Payment in Lieu Cost = | \$12,155.46 |

Parks Impact

(Not Applicable for Commercial / Industrial)

Not Applicable for Commercial / Industrial Property

Exhibit B

June 1, 2022, Fee-in-lieu Policy

City Council Policy

RE: Payment In Lieu Of Water Rights Conveyance under Tooele City Code §7-26-3(2).

Effective Date: June 1, 2022

Tooele City Code Chapter 7-26 requires the conveyance of water rights as a condition of approval of all land use applications. Section 7-26-3(2) states the following:

Fee-in-lieu. Pursuant to established City Council policy, in lieu of actual conveyance of water rights pursuant to this Chapter, certain development applicants may pay to the City an amount per acre-foot for access to water rights controlled by the City in a quantity necessary to satisfy the anticipated future water needs of the proposed development to be served and supplied by the City water system.

This City Council Policy is established pursuant to the authority embodied in §7-26-3(2).

Residential Development. Beginning on the Effective Date, Tooele City will allow owners of existing parcels of record that are not part of a recorded subdivision, and owners of single lots subdivided from those existing parcels through two-lot subdivisions (e.g., a lot split), to pay a fee (the "Fee") per parcel or lot in lieu of the residential water right requirement established in TCC §7-26-2(1). The item for which the Fee is paid shall be known for purposes of this Policy as a Water Rights Credit or Credit.

Credits will be available on a first-come first-served basis. The Fee shall be paid in full prior to building permit issuance. Should a building permit for which the Fee was paid expire under the terms of the permit, the City will refund the Fee, minus a \$100 administrative service charge. An owner who previously paid the Fee and received a Fee refund due to an expired building permit may submit a new building permit application and pay the Fee on a first-come first-served basis behind others who paid the Fee and whose building permits remain valid.

Non-residential Development. Beginning on the Effective Date, Tooele City will allow owners of non-residential developments to pay the Fee if the development is determined by the City to need less than 20 acre-feet of municipal water rights. Additional Credits may be made available, upon recommendation of the Public Works Director and with written approval of the Mayor, after full consideration of the following criteria in relation to the amount of water used:

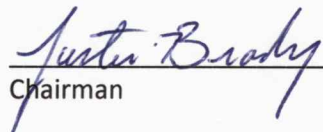
- The number of jobs the development is anticipated to create, together with the nature of the jobs (e.g., full-time) and job compensation (e.g., wage levels, benefits).
- The amount of sales tax the development is anticipated to generate.
- The amount of property tax the development is anticipated to generate.
- The anticipated environmental and social impacts of the development.

Credits will be available on a first-come first-served basis. The Fee shall be paid in full prior to building permit issuance. Should a building permit for which the Fee was paid expire under the terms of the permit, the City will refund the Fee, minus a \$100 administrative service charge. An owner who previously paid the Fee and received a Fee refund due to an expired building permit may submit a new building

permit application and pay the Fee on a first-come first-served basis behind others who paid the Fee and whose building permits remain valid.

General.

1. The Fee shall be established at \$35,000 per Credit, each Credit being the equivalent of 1.0 acre-foot of municipal water rights.
2. Credits sold pursuant to this Policy shall not exceed a total of 50 acre-feet of municipal water rights in any calendar year without the approval of the City Council.
3. Upon payment of the Fee, the City will indicate such payment on the approved building permit.
4. This Policy shall supersede any prior oral or written policies or practices on the subject of this Policy.
5. Revenues derived from the sale of Credits shall be utilized for the protection of existing water rights and/or the purchase of additional water rights, except that the City Council may authorize the use of such revenues for other Tooele City water-related projects and/or needs upon a finding of good cause.
6. The sale of Water Rights Credits under this Policy is subject to the availability of corresponding water rights, in the sole discretion of Tooele City.


Chairman