202600394 B: 1123 P: 657 Pages: 41 Fees: $0.00
01/09/2026 01:12:39 PM Resolution
Tyler R. Gernant, Missoula County Clerk & Recorder
eRecording

RESOLUTION NO. 2026-014

A RESOLUTION TO ADOPT IMPACT FEES FOR LOLO SEWER AND WATER IN MISSOULA COUNTY

WHEREAS, §7-6-1602, M.C.A., allows that local governments may consider the adoption of impact fees based on the completion of a service area report that:

(a) describes the existing conditions of the facility;
(b) establishes level-of-service standards;
(c) forecasts future additional needs for service for a defined period of time;
(d) identifies capital improvements necessary to meet future needs for service;
(e) identifies those capital improvements needed for continued operation and maintenance of the facility;
(f) makes a determine as to whether one service area or more than one service area is necessary to establish a correlation between impact fees and benefits;
(g) makes a determination as to whether one service area or more than one service area for transportation facilities is needed to establish a correlation between impact fees and benefits;
(h) establishes the methodology and time period over which the governmental entity will assign the proportionate share of capital costs for expansion of the facility to provide service to new development within each service area;
(i) establishes the methodology that the governmental entity will use to exclude operations and maintenance costs and correction of existing deficiencies from the impact fee;
(j) establishes the amount of the impact fee that will be imposed for each unit of increased service demand; and
(k) has a component of the budget of the governmental entity that;
    i. schedules construction of public facility capital improvements to serve projected growth;
    ii. projects costs of the capital improvements;
    iii. allocates collected impact fees for construction of the capital improvements; and
    iv. covers at least a 5-year period and is reviewed and updated at least every 5 years; and

WHEREAS, Missoula County Public Works Department contracted with HDR Engineering to complete an impact fee study for Lolo Sewer and Water in compliance with §7-6-1602, M.C.A., using generally accepted financial and engineering principles, that proposes impact fees intended to establish cost-based proportional impact fees related to water and sewer infrastructure; and

WHEREAS, Missoula County conducted community outreach regarding potential adoption of impact fees for Lolo Sewer and Water systems, including posting and emailing information about the study on Missoula County Voice, publication of notice about the Impact Fee Advisory Committee meeting and the Board of County Commissioners' public hearing in the *Bitterroot Star* on November 19 and 26, 2025, and in the *Missoulian* on November 22 and 29, 2025, and mass email to agencies, frequent users of the county's permitting system and the county's general planning projects email list of approximately 650 addresses; and

WHEREAS, the Missoula County Impact Fee Advisory Committee, appointed by the Missoula County Board of Commissioners, met on December 3, 2025, to consider proposed impact fees for Lolo Sewer and Water and the Lolo Sewer and Water impact fee study required under§ 7-6-

1602, M.C.A.; and

WHEREAS, after reviewing the study and accepting public comment, the Impact Fee Advisory Committee unanimously recommended the Missoula County Board of Commissioners adopt impact fees as outlined in the impact fee study; and

WHEREAS, on January 8, 2026, the Missoula County Board of Commissioners held a public hearing to consider the Lolo Sewer and Water impact fee study, the recommendation of the Impact Fee Advisory Committee, and accept public comment;

NOW, THEREFORE, BE IT RESOLVED that the Missoula County Board of Commissioners hereby finds that the recommendation from the Impact Fee Advisory Committee satisfies the requirements of § 7-6-1602, M.C.A., for imposing an impact fee and directs staff to prepare an updated resolution pursuant to § 7-6-1603, M.C.A., for the collection and expenditure of impact fees incorporating information from the Lolo Sewer and Water Impact Fee Study, which is attached as Exhibit A.

Dated this 8th day of January, 2026.

Approved to Form:

John Hart

John Hart, Civil County Attorney

Attest:

Tyler Gernant, Clerk and Recorder

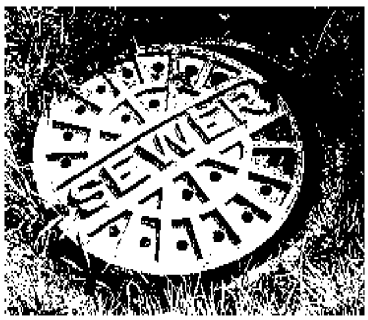
BOARD OF COUNTY COMMISSIONERS
MISSOULA COUNTY

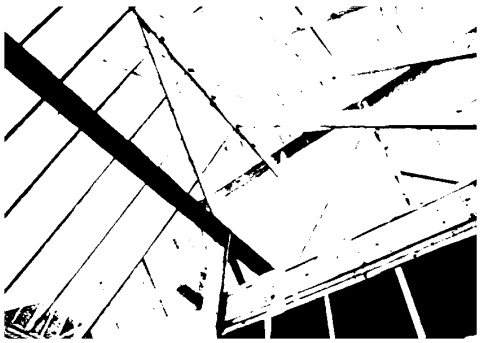
Josh Slotnick, Chair

David Strohmaier, Commissioner

Juanita Vero, Commissioner

Final Report





Water and Sewer Impact Fee Study

October 2025

October 2, 2025

Mr. Jason Mitchell
Chief Public Works Officer
Missoula County Public Works
6089 Training Drive
Missoula, MT 59808

Subject: Lolo RSID 901 - Water and Sewer Impact Fee Final Report

Dear Mr. Mitchell:

Enclosed, please find HDR's final report regarding the water and sewer impact fees for Missoula County Public Works (County) Lolo Rural Special Improvement District 901 (District). The development of this report is intended to provide the District with the basis to establish cost-based and proportional impact fees related to water and sewer services. The adoption of final water and sewer impact fees is a policy decision of the Board of County Commissioners.

This report has been prepared using generally accepted financial and engineering principles. The District's financial, budgeting, planning, and engineering data were the primary sources for much of the information contained in this report. HDR would recommend that prior to implementation, the impact fees should be reviewed by the District's legal counsel for compliance with Montana State law.

HDR appreciates the opportunity to assist the District in this matter. We also would like to thank you and your staff for the assistance provided to us. We look forward to future opportunities to work with the County.

Sincerely yours,
HDR Engineering, Inc.

Shawn Koorn
Associate Vice President

Table of Contents

Water and Sewer Impact Fee Study

Overview 1
Requirement Under Montana State Law 2
District's Present Water and Sewer Impact Fees 4
Overview of the District's Water and Sewer Systems 4
Development of the Water and Sewer Impact Fees 5
Water and Sewer Impact Fee Criteria 6
Calculation of the District's Water Impact Fee 7
Calculation of the District's Sewer Impact Fee 11
Key Assumptions 15
Consultant's Recommendations and Adoption Considerations 16
Impact Fee Study Summary and Conclusions 17
Disclaimer 17

Technical Appendix A – Water Impact Fee

Technical Appendix B – Sewer Impact Fee

CCI	Construction Cost Index
CIP	Capital Improvement Plan
District	Lolo Rural Special Improvement District 901
County	Missoula County Public Works
ENR	Engineering News Record
EDU	Equivalent Dwelling Unit
Fee	Impact Fee
GPD	Gallons Per Day
MG	Million Gallons
MGD	Million Gallons Per Day
OC	Original Cost
SDC	System Development Charge

Water and Sewer Impact Fee Study

Overview

The purpose of impact fees is to maintain parity between existing customers and new customers connecting to the District's water and sewer utility systems. The objective of an impact fee study is to calculate cost-based and equitable fees for new customers connecting to, or existing customers requesting additional capacity from, the District's water and sewer systems. By establishing cost-based and equitable water and sewer impact fees, the District attempts to have growth pay for growth by having new customers pay their proportional share of the infrastructure in place which will serve them.

HDR Engineering Inc. (HDR) was retained by the District to perform an impact fee study (Study) to review and update the District's water and sewer impact fees. The District's impact fees need to be reviewed and updated every five years as required under Montana Code 7-6-1601 to 7-6-1604, known as the Montana impact fee legislation. An important starting point in establishing water and sewer impact fees is to have a basic understanding of the purpose of these fees, along with the criteria and general methodology used to establish cost-based water and sewer impact fees.

The first step in establishing cost-based impact fees, sometimes referred to as system development charges (SDC), is to gain a better understanding of the definition of an impact fee. For the purposes of this report, an impact fee (or SDC) is defined as follows:

> *"System development charges are one-time charges paid by new development to finance construction of public facilities needed to serve them."*[1]

Simply stated, impact fees are a contribution of capital to reimburse the system (e.g., District) for the available capacity in the existing system and to finance future growth-related capacity improvements specifically needed to serve new growth. At some utilities, impact fees may be referred to as system development charges, capacity reserve charges, hookup fees, infrastructure investment fees, etc. Regardless of the label used to identify them, their objective is the same. That is, these fees are intended to provide funds to the utility to finance all, or a part, of the capital improvements needed to serve and accommodate new customer growth. Absent these fees, many utilities would likely be unwilling to build growth-related facilities (i.e., burden existing ratepayers with the entire cost of growth-related capacity expansion).

By updating the water and sewer impact fees, the District continues an important step in providing adequate infrastructure to meet growth-related needs for new customers in a cost-based and proportional manner.

[1] Arthur C. Nelson, System Development Charges for Water, Sewer, and Stormwater Facilities, Lewis Publishers, New York, 1995, p. 1,

Requirement Under Montana State Law

The Montana law enabling legislation for impact fees was enacted in 2005 via Senate Bill 185. This was comprehensive legislation allowing public entities in the State of Montana to enact impact fees for various services. The legal basis for the enactment of impact fees is found in Title 7, Chapter 6, and Part 1601 to 1604 of the Montana Code. A summary of the Montana Code is provided below.

A summary of the requirements under Montana law is as follows:

*"**7-6-1601. Definitions.** As used in this part, the following definitions apply:*

5) (a) "Impact fee" means any charge imposed upon development by a governmental entity as part of the development approval process to fund the additional service capacity required by the development from which it is collected. An impact fee may include a fee for the administration of the impact fee not to exceed 5% of the total impact fee collected.

(b) The term does not include:

(i) a charge or fee to pay for administration, plan review, or inspection costs associated with a permit required for development;

(ii) a connection charge;

(iii) any other fee authorized by law, including but not limited to user fees, special improvement district assessments, fees authorized under Title 7 for county, municipal, and consolidated government sewer and water districts and systems, and costs of ongoing maintenance; or

(iv) onsite or offsite improvements necessary for new development to meet the safety, level of service, and other minimum development standards that have been adopted by the governmental entity.

*"**7-6-1602. Calculation of impact fees -- documentation required -- ordinance or resolution -- requirements for impact fees.***

(1) For each public facility for which an impact fee is imposed, the governmental entity shall prepare and approve a service area report.

(2) The service area report is a written analysis that must:

(a) describe existing conditions of the facility;

(b) establish level-of-service standards;

(c) forecast future additional needs for service for a defined period of time;

(d) identify capital improvements necessary to meet future needs for service;

(e) identify those capital improvements needed for continued operation and maintenance of the facility;

(f) make a determination as to whether one service area or more than one service area is necessary to establish a correlation between impact fees and benefits;

(g) make a determination as to whether one service area or more than one service area for transportation facilities is needed to establish a correlation between impact fees and benefits;

(h) establish the methodology and time period over which the governmental entity will assign the proportionate share of capital costs for expansion of the facility to provide service to new development within each service area;

(i) establish the methodology that the governmental entity will use to exclude operations and maintenance costs and correction of existing deficiencies from the impact fee;

(j) establish the amount of the impact fee that will be imposed for each unit of increased service demand; and

(k) have a component of the budget of the governmental entity that:

(i) schedules construction of public facility capital improvements to serve projected growth;

(ii) projects costs of the capital improvements;

(iii) allocates collected impact fees for construction of the capital improvements; and

(iv) covers at least a 5-year period and is reviewed and updated at least every 5 years.

(3) The service area report is a written analysis that must contain documentation of sources and methodology used for the purposes of subsection (2) and must document how each impact fee meets the requirements of subsection (7).

(7) An impact fee must meet the following requirements:

(a) The amount of the impact fee must be reasonably related to and reasonably attributable to the development's share of the cost of infrastructure improvements made necessary by the new development.

(b) The impact fees imposed may not exceed a proportionate share of the costs incurred or to be incurred by the governmental entity in accommodating the development. The following factors must be considered in determining a proportionate share of public facilities capital improvements costs:

(i) the need for public facilities capital improvements required to serve new development; and

(ii) consideration of payments for system improvements reasonably anticipated to be made by or as a result of the development in the form of user fees, debt service payments, taxes, and other available sources of funding the system improvements.

(c) Costs for correction of existing deficiencies in a public facility may not be included in the impact fee.

(d) New development may not be held to a higher level of service than existing users unless there is a mechanism in place for the existing users to make improvements to the existing system to match the higher level of service.

(e) Impact fees may not include expenses for operations and maintenance of the facility.

7-6-1603. Collection and expenditure of impact fees -- refunds or credits -- mechanism for appeal required

(3) A governmental entity may recoup costs of excess capacity in existing capital facilities, when the excess capacity has been provided in anticipation of the needs of new development, by requiring impact fees for that portion of the facilities constructed for future users. The need to recoup costs for excess capacity must have been documented pursuant to 7-6-1602 in a manner that demonstrates the need for the excess capacity. This part does not prevent a governmental entity from continuing to assess an impact

fee that recoups costs for excess capacity in an existing facility. The impact fees imposed to recoup the costs to provide the excess capacity must be based on the governmental entity's actual cost of acquiring, constructing, or upgrading the facility and must be no more than a proportionate share of the costs to provide the excess capacity."

The basic principle followed under Montana State law requires the impact fees to be based on a proportionate share of the costs of the system required to provide service and adoption of fees and accounting be in compliance with the State of Montana law. The District's water and sewer planning documents provide the planning criteria and need for future system improvements. The use of the methodology discussed in this report reflects the proportional share standard and provides final calculated impact fees in compliance with Montana law.

The discussion within this portion of the report is intended to provide an overview of relevant Montana law as it relates to establishing impact fees. This summary discussion does not constitute a legal interpretation of Montana State law.

District's Present Water and Sewer Impact Fees

The District currently implements and assesses the water and sewer impact fees based on a per equivalent dwelling unit (EDU) basis. Shown in Table 1 is the District's present combined water and sewer impact fee.

	Present Impact Fee
Total Water and Sewer Impact Fee, per EDU [1]	**$10,000**

[1] Based on equivalent dwelling unit

Table 1 shows in total, the present water and sewer impact fee – to develop one unit – is $10,000.

Overview of the District's Water and Sewer Systems

The District currently provides water and sewer services for a population of approximately 3,500. The water system consists of three deep production wells, three steel reservoirs, a single booster pumping station, and nine pressure zones, including a distribution system with 6-inch and 8-inch water mains. The sewer system is comprised of three lift stations, approximately 350 manholes, 15 miles of gravity mains ranging in size from 8 to 12-inch diameter, and a wastewater treatment plant that discharges directly to the Bitterroot River.

Development of the Water and Sewer Impact Fees

The calculation of the District's water and sewer impact fees are based on District-specific accounting and planning information, which includes the District's fixed asset records, water and sewer capital improvement plans (CIP), and District water and sewer utility planning data. The District provided other financial and accounting information that was used within this analysis such as outstanding annual debt, past financing practices, etc. To the extent that the cost and timing of future capital improvements outlined in this section change, then the impact fees presented in this report should be updated to reflect those changes.

The methodology being used by the District in the Study is the combined approach. The combined methodology includes an existing or reimbursement cost component, and an incremental or future cost component. In other words, the District's existing water and sewer assets are divided by the total EDUs for the projected time period for each utility, while the future or incremental expansion-related capital projects are divided by the number of EDUs that will benefit from each project respectively as it was concluded that some of the future capital projects provided benefit to all customers and not just new customers connecting to the system. Both calculations are summed, and the result is the total net allowable impact fee.

The impact fees are calculated in conformance with generally accepted practices and are based on the District's planning and design criteria. A component-by-component approach is taken in developing the fees because each component can have different planning and design criteria. Based on the sum of the component costs, the net allowable impact fee is determined. Net refers to the gross impact fee, net of any credits for future debt service principal to be paid within a customer's rates. Allowable refers to the concept that the calculated impact fee is the District's cost-based (i.e., maximum) charge.

The calculations consider the financing mechanisms of capital improvements. The impact fees are implemented according to the capacity requirement (i.e., the impact) each new connection places on the water and sewer systems. This way, the impact fees are related to the costs that a new customer places on the systems and the benefit they derive from the infrastructure in place to serve them.

The District, as a matter of policy, may charge an amount up to the cost-based (allowable) impact fees, but not over that amount. Charging an amount greater than the allowable impact fees would not meet the practical basis of charging cost-based impact fees, which are proportionally related to the benefit derived by the customer.

Water and Sewer Impact Fee Criteria

In determining water and sewer impact fees, a number of different criteria are utilized. Criteria most often used by utilities to establish water and sewer impact fees include the following:

State / local laws

System planning criteria

Financing criteria

Customer understanding

Many states and local communities have enacted laws that govern the calculation and imposition of water and sewer impact fees. Most states require a reasonable relationship between the charge and the cost associated with providing service (capacity) to the customer. The fees do not need to be mathematically exact, only a practical or reasonable basis for the charge is required. The utilization of the planning criteria, the cost of existing infrastructure, and the planned costs of future infrastructure provide the practical basis necessary to establish the reasonable relationship requirement. For utilities in Montana, impact fees are intended to provide a proportional and cost-based method to maintain parity between customers while complying with the legal requirements of Montana Code 7-6-1601 through 7-6-1604.

System planning criteria provides the practical basis between the amount of infrastructure necessary to provide service and the charge to the customer. The practical basis test requires: (a) establishing a practical basis between new development and the existing or expanded facilities required to accommodate new development, and (b) apportioning appropriate costs to the new development in relation to benefits reasonably received. Utilizing water as an example, system planning criteria is the determination that an equivalent dwelling unit uses an average daily water flow of so many gallons per day, per EDU. The water impact fee methodology then charges the customer per EDU for the cost of the system, which relates the charge back to a practical basis.

Water and sewer impact fees are established as a means of having new customers pay a proportional share of the cost of their required capacity (infrastructure). The financing criteria for establishing water and sewer impact fees relates to the method used to finance infrastructure on the system so that customers are not paying twice for infrastructure – once through the impact fee and again through water and sewer rates. The double payment can come in through the imposition of water and sewer impact fees and then the requirement to pay debt service within a customer's water and sewer rates. The financing criteria also reviews the basis under which main line, or collection line extensions, were provided such that the customer is not charged for infrastructure that was provided (contributed) by developers.

The component of customer understanding implies that the charge is easy to understand. This criterion has implications for the way that the charge is implemented and assessed to the customer. The charge is generally based on the projection of flow of water and wastewater on a per equivalent unit basis. This makes it easy for the customer to understand that the level of charge is based on the projection of demand (flow) required to provide service. As an example, the use of an equivalent unit for water and sewer is a method to bring water consumption and wastewater flow from non-residential customers into an equivalent measure with residential customers. This can also be accomplished by using the water meter or service line size to provide

a relative system impact for non-residential customers. The other implication of this criterion is that the methodology is clear and concise in its calculation of the amount of infrastructure necessary to provide service.

Calculation of the District's Water Impact Fee

There are generally accepted methodologies used to establish water and sewer impact fees. Within the generally accepted water and sewer impact fee methodologies, there are a number of different steps undertaken. These steps are as follows:

Determination of system planning criteria

Determination of equivalent units

Calculation of system component costs

Determination of any credits

Each of these steps was completed in the development of the District's water and sewer impact fees.

System Planning Criteria

The EDUs utilized in the water and sewer impact fee calculations are based on the District's population projection and the demand that is expected to be placed on the system at each population level. For purposes of this study, an EDU is defined as 2.3 people and 73 gallons per person per day with a peaking factor of 3.36. Table 2 below shows the development of the population projections for use in the calculation of the District's water and sewer impact fees.

Year	Service Population [1]	Equivalent Annual Growth	EDU Increase/Year	Cumulative Growth EDUs	Total EDUs
2020	3,500				1,350
2025	3,879	2.16%	163	163	1,513
2030	4,257	1.95%	163	326	1,676
2035	4,636	1.78%	163	489	1,839
2040	5,015	1.63%	163	652	2,002
2045	5,189	0.70%	75	727	2,077
2050	5,364	0.67%	75	802	2,152

[1] Projected growth if capacity were available

Equivalent Dwelling Units

Based on the population projection increases above, the EDUs for the water impact fee calculations can be derived. The projected growth in EDUs, 802 by 2050, drives the capital improvement needs to serve new customers on the water system. This provides the relationship between the infrastructure and impact fee, given the growth projections.

Calculation of the Water Impact Fee

In calculating the impact fees for the District, existing infrastructure, debt service that funded existing infrastructure, and future capital improvements related to expansion were included.

To calculate the value of the existing assets, the District's methodology considered the original cost of each asset. The District provided an asset listing for the existing system along with the original cost of the asset, which was then adjusted to a current cost value. To accomplish this, the original cost of each asset was escalated to current January 2025 dollars, based on the Engineering News Record (ENR) Construction Cost Index (CCI) for the 20-City average.

Given the value of the assets, the next step was to determine the portion of the project costs that were deemed eligible to be included in the calculation of the water impact fee. The term impact fee eligible simply describes the amount of the asset to be included within the calculation of the fee. Total eligible existing assets at current cost equaled $326,000. The value of the existing assets (net of contributions, grants, etc.) was divided by the total existing and future ERUs (1,350 + 802 = 2,152) resulting in a buy-in component of $152. A summary of the existing assets valuation can be found in Exhibit 8 of Technical Appendix A.

In addition to the reimbursement component, a debt service component was also included. This component accounts for the principal on existing debt that funded existing infrastructure included in the fee calculation. To avoid double-counting of the assets financed with debt, the future principal associated with those assets was deducted from the existing water infrastructure value. This inclusion of a debt service credit avoids double charging the customer for the asset value in the existing or reimbursement component of the impact fee, and also in the debt service component of the rates. The District has one outstanding water debt issuance with a remaining principal balance of $12,000, which is divided by the total existing and future EDUs of 2,152, resulting in a $6 per EDU debt credit for the existing assets. Details of the debt service are shown in Exhibit 7 of Technical Appendix A.

An important requirement for an impact fee study is the connection between the anticipated future growth on the system and the needed facilities required to accommodate that growth. For purposes of the Study, the District's current water capital improvement plan was provided. District staff reviewed the existing capital improvement plan and the projects necessary to meet the demand for the water system. The total projects were $17.6 million. However, not all projects were impact fee eligible. For example, portions of the projects benefit existing customers as well, or are assumed to be funded through long-term debt. In addition, several transmission and distribution projects were not included in the fee at this time given the timing uncertainties and the assumption that specific developments will fund these improvements when they become necessary to serve their specific developments.

The total impact fee eligible future projects included at this time for water totaled approximately $6.8 million. The different projects included in the CIP were expected to benefit varying levels of EDUs and thus were divided by the expected EDUs applicable to each project. With Phase 2 EDUs of 400 and the remaining projects with EDUs of 802, the total dollars per EDU for the future component is $9,483 per EDU. Table 3 details the future growth related capital improvement projects for the water system.

	Estimated Cost	% Growth Related	$ Growth Related	Growth EDUs	$ / EDU
Phase 2 Improvements	$3,323,600	22.9%	$759,680	400	$1,899
Phase 3 Improvements	4,973,278	100.0%	4,973,278	802	6,201
New Storage Tank	1,108,832	100.0%	1,108,832	802	1,383
Total[1]	**$9,405,710**		**$6,841,790**		**$9,483**

[1] Capital projects not eligible to be included in the impact fee were omitted for clarity.

Technical Appendix A contains the details of this portion of the fee.

Net Allowable Water Impact Fee

The methodology used to establish the water impact fee is a combined approach. The combined approach adds the reimbursement component and the incremental or future component together and accounts for existing debt credits, resulting in a net allowable impact fee. Based on the sum of the component costs calculated above, the net allowable water impact fee is $9,629. A summary of this calculation is shown below in Table 4.

Existing Component	Existing Eligible Plant	EDUs	Existing Fee per EDU
Transmission & Distribution	$96,042	2,152	$45
Storage	188,136	2,152	87
Treatment	0	2,152	0
General	41,947	2,152	19
Total Existing	**$326,125**		**$152**
Less: Outstanding Debt Principal	($12,000)	2,152	($6)
Total Net Existing Fee	**$314,125**		**$146**

Future Component	Eligible Future Plant	EDUs	Future Fee per EDU
Phase 2 Improvements	$759,680	400	$1,899
Phase 3 Improvements	4,973,278	802	6,201
New Storage Tank	1,108,832	802	1,383
Total Future [1]	**$6,841,790**		**$9,483**
Total Impact Fee			**$9,629**

[1] Capital projects not eligible to be included in the impact fee were omitted for clarity.

The calculated water impact fee of $9,629 includes an existing component of $146 and a future component of $9,483.

Water Impact Fee Assessment

All single family connections will be charged the calculated water impact fee of $9,629. However, in order to equitably assess all other customers, the impact fee is proposed to be implemented based on the customer service line size. The equivalency factors are based on service line size and the demands that can be placed on the system for each service line size. This is calculated using the basis of the Hazen-Williams Equation as outlined in industry manuals. Table 5 provides a summary of the assessment of the calculated water impact fees.

Service Line Size [2]	Equivalency Factor [1]	Impact Fee
Single Family	N/A	$9,629
3/4"	1.00	9,629
1”	1.00	9,629
1 1/4”	1.80	17,316
1 1/2”	2.90	27,970
2”	6.19	59,605

[1] Hazen-Williams Equation for flow through pressure conduit. AWWA Manual M1, Seventh Addition, Page 163.
[2] Service line sizes larger than 2” to be calculated by District based on the required customer capacity.

Technical Appendix A details the calculation of the net allowable water impact fee.

Calculation of the District’s Sewer Impact Fee

The District’s sewer impact fee was calculated in a similar manner as the water impact fee based on the specific sewer system improvements necessary to provide service to new customers.

System Planning Criteria

As discussed previously in the calculation of the water impact fee and shown in Table 2, the District’s sewer impact fee also utilized the District’s population projections to determine the EDUs for the sewer impact fee calculation.

Equivalent Dwelling Units

Based on the population projection increases shown in Table 2, the EDUs for the sewer impact fee calculation can be derived. Similar to the water fee, the population projections and resulting EDUs provide the basis and relationship for the necessary sewer infrastructure improvements. This resulted in an additional 802 EDUs of future growth in addition to the existing 1,350 EDUs for a total of 2,152 EDUs.

Calculation of the Sewer Impact Fees

In calculating the sewer impact fee for the District, the existing infrastructure components, annual debt service which funded existing facilities, and the future expansion-related capital improvements, which were separated between treatment and collection functions, were included. The general methodology used to calculate each component of the sewer impact fee was the combined method. In this calculation, the existing and future assets are divided by the

applicable number of EDUs for the projected time period based on the expected benefit to be received from each project and the result is the total net allowable impact fee.

To calculate the value of the existing assets, the District's methodology considered the original cost of each asset. The District provided an asset listing for the existing components and their installation date. The original cost of the asset was then adjusted to a current cost value. To accomplish this, the original cost of each asset was escalated to current January 2025 dollars, based on the Engineering News Record Construction Cost Index for the 20-City average.

Given the value of the asset, the next step was to determine the portion of the project costs that were deemed eligible to be included in the calculation of the sewer impact fee. The term impact fee eligible simply describes the amount of the asset to be included within the calculation of the fee. Total existing collection assets at current cost were $257,000, total existing treatment assets at current cost were $646,000, and general plant assets at current cost were $251,000. The total value of the District's existing assets (net of contributions, grants, etc.) was divided by the total existing and future ERUs of 2,152 (1,350 + 802 = 2,152) for an existing component of $536. A summary of the existing assets valuation can be found in Exhibit 6 of Technical Appendix B.

A debt service component was also developed to account for the outstanding principal on existing debt that funded existing infrastructure. To avoid double-counting of the assets financed with debt, the future principal associated with those assets was deducted from the existing infrastructure value. This inclusion of a debt service credit avoids double charging the customer for the asset value in the existing or reimbursement component of the impact fee, and also in the debt service component of the rates. The District has one outstanding sewer debt issuance with a remaining principle balance of $12,000, which is divided by the total existing and future EDUs of 2,152, resulting in a $6 per EDU debt credit for the existing assets. Details of the debt service are shown in Exhibit 5 of Technical Appendix B.

An important requirement for an impact fee study is the connection between the anticipated future growth on the system and the needed facilities required to accommodate that growth. For purposes of the Study, the District's current sewer capital improvement plan was provided. District staff reviewed the existing capital improvement plan and updated the projects necessary to meet the demand for the sewer system. Similar to the water impact fee calculation, different sewer capital projects were expected to benefit varying levels of EDUs and were divided by the applicable number of EDUs for each project. For the treatment related projects, total future growth EDUs of 802 were utilized and for the collection related projects, the total future plus existing EDUs of 2,152 were used.

The total impact fee eligible future projects included in the fee at this time for treatment totaled $4.1 million and $5.0 million for collection. As a result, the total dollars per EDU for the future component is $5,057 per EDU for treatment, and $2,300 per EDU for collection. Table 6 summarizes the future growth related capital improvement projects for the District's sewer system.

Plant Component	Estimated Cost	% Growth Related	$ Growth Related	Growth EDUs	$ / EDU
Phase 2 – EQ Basin, Pump Replacements and Fence	685,000	37.0%	253,450	802	316
Phase 2 – Aeration Tank	3,106,796	37.0%	1,157,830	802	1,444
Phase 2 – Secondary Clarifier	2,330,097	37.0%	868,373	802	1,083
Phase 3 – Additional UV Disinfection	1,380,174	100.0%	1,380,174	802	1,721
Phase 3 - Forcemain/LS Interceptor Sewer	900,000	44.0%	396,000	802	494
Total Treatment	**$8,402,067**		**$4,055,827**		**$5,057**
Collection System Piping Upsize Improvements	$6,600,000	75.0%	4,950,000	2,152	$2,300
Total Collection	**$6,600,000**		**$4,950,000**		**$2,300**
Total[1]	**$15,002,067**		**$9,005,827**		**$7,357**

[1] Capital projects not eligible to be included in the impact fee were omitted for clarity.

Net Allowable Sewer Impact Fee

The methodology used to establish the sewer impact fee is the combined approach, which adds the reimbursement component and the incremental or future component together and accounts for existing debt credits, resulting in a net allowable impact fee. A summary of this calculation is shown below in Table 7.

Existing Component	Existing Eligible Plant	EDUs	Existing Fee per EDU
Collection	$257,136	2,152	$119
Treatment	645,824	2,152	300
General	251,176	2,152	117
Total Existing	**$1,154,136**		**$536**
Less: Outstanding Debt Principal	($12,000)	2,152	($6)
Total Net Existing Fee	**$1,142,136**		**$531**

Future Component	Eligible Future Plant	EDUs	Future Fee per EDU
Phase 2 – EQ Basin, Pump Replacements and Fence	253,450	802	$316
Phase 2 – Aeration Tank	1,157,830	802	1,444
Phase 2 – Secondary Clarifier	868,373	802	1,083
Phase 3 – Additional UV Disinfection	1,380,174	802	1,721
Phase 3 - Forcemain/LS Interceptor Sewer	396,000	802	494
Collection System Piping Upsize Improvements	4,950,000	2,152	2,300
Total Future [1]	**$9,005,827**		**$7,357**
Total Impact Fee			**$7,888**

[1] Capital projects not eligible to be included in the impact fee were omitted for clarity.

The calculated sewer impact fee of $7,888 includes an existing component of $531 and a future component of $7,357.

Sewer Impact Fee Assessment

Similar to the water impact fee, all single family connections will be charged the calculated sewer impact fee of $7,888. However, in order to equitably assess all other customers, the impact fee will be based on the water service line size. The equivalency factors are based on water service line size and the demands that can be placed on the system for each service line size. This is calculated using the basis of the Hazen-Williams Equation as outlined in industry manuals. Table 8 provides a summary of the assessment of the calculated sewer impact fees.

Service Line Size [2]	Equivalency Factor [1]	Impact Fee
Single Family	N/A	$7,888
3/4"	1.00	7,888
1”	1.00	7,888
1 1/4"	1.80	14,185
1 1/2”	2.90	22,913
2”	6.19	48,829

[1] Hazen-Williams Equation for flow through pressure conduit. AWWA Manual M1, Seventh Addition, Page 163.
[2] Service line sizes larger than 2” to be calculated by District based on the required customer capacity.

Technical Appendix B details the calculation of the net allowable sewer impact fee.

Key Assumptions

In developing the impact fees for the District’s water and sewer systems, a number of key assumptions were utilized. These are as follows:

- The projected population and demand requirements were based on the District’s planning criteria and assumptions
- The methodology used is the combined methodology. The existing (reimbursement) and future (incremental) components are added together for a net allowable fee for each utility
- The District’s water and sewer asset records were used to determine the existing plant assets, as appropriate
- The assets were brought to current costs based on the January 2025 ENR-CCI
- The District provided the water and sewer CIPs for future improvements from the most recent capital improvement plans
- The District determined and/or reviewed the portion of future improvements that were growth related for each utility

Table 9 summarizes the present and calculated water and sewer impact fee.

	Present Impact Fee	Calculated Impact Fee	$ Change
Total Water and Sewer [1]	**$10,000**	**$17,517**	**$7,517**

[1] Based on equivalent dwelling unit

Consultant's Recommendations and Adoption Considerations

Based on our review and analysis of the District's water and sewer impact fee analysis, HDR recommends:

The District adopt water and sewer impact fees for new connections to the water and sewer systems that are no greater than the net allowable impact fees as set forth in this report

The District - as a matter of policy - may adopt water and sewer impact fees which are less than the calculated fees as shown in this report, but in doing so, the District will be transferring some portion of development related costs to the existing water and sewer utility rate payers

The District can adjust the impact fees each year by an escalation factor to reflect the costs of interest and inflation (e.g., ENR CCI). This method of escalating the District's impact fees should be used for no more than a four-year period. After this time period, as required by Montana law, the District should update the impact fees based on the actual cost of infrastructure and any new planned facilities contained in updated master plans, capital improvement plans or rate studies

The District should update the actual calculations for the water and sewer impact fees at such time when a new water and/or sewer capital improvement plan, facilities plan, comprehensive system plan, or a comparable plan is approved or updated by the District, when a major infrastructure project is completed, or every five years as required by Montana law

Impact Fee Study Summary and Conclusions

The District's water and sewer impact fees developed and presented in this report are based on the planning and engineering design criteria of the District's water and sewer systems, the value of the existing assets, expansion driven future capital improvements, and generally accepted ratemaking principles. Adoption of the calculated net allowable water and sewer impact fees will result in proportional and cost-based fees for new customers connecting to the District's water and sewer systems.

Disclaimer

HDR, in its calculation of the water and sewer impact fees for the District as presented in this report, has used generally accepted engineering and ratemaking principles. This should not be construed as a legal opinion with respect to Montana State law. HDR recommends that the District have its legal counsel review the water and sewer impact fees as set forth in this report to ensure compliance with Montana State law.

Technical Appendix A - Water Impact Fee

Lolo County RSID 901
Water Impact Fee
Capital Improvement Projects
Exhibit 1

		Total	Impact Fee Eligible %	Impact Fee Eligible $ [1]
Capital Improvement Projects				
Source	Phase 2 Improvements	$3,323,600	22.9%	$759,680
Source	Phase 3 Improvements	4,973,278	100.0%	4,973,278
Source	Water Main Upsize: PRV#6 to Barclay	467,620	0.0%	0
Source	Water Main Upsize: PRV#5 to Cumberland	1,200,000	0.0%	0
T&D	Water Main Ext: Ridgeway to Birdlane	2,038,000	0.0%	0
T&D	Water Main Ext: Stella to Cow Catcher Rd	2,449,000	0.0%	0
T&D	Water Main Ext: Tyler Way to Lewis & Clark	2,038,000	0.0%	0
Storage	New Storage Tank	1,108,832	100.0%	1,108,832
		$17,598,330		**$6,841,790**
Source		$9,964,498		$5,732,958
T&D		6,525,000		0
Storage		1,108,832		1,108,832
Treatment		0		0
General		0		0
		$17,598,330		**$6,841,790**

Notes

[1] Projects funded by development that were ineligible to be included in the impact fee calculation are shown as zero for clarity.

Lolo County RSID 901
Water Impact Fee
Source of Supply
Exhibit 2

Year		Original Cost	Est. Accum. Depr.	Book Value	Useful Life	Cost [1] 2025$	Impact Fee Eligible	Impact Fee Cost
Existing Assets								
1969	Well 1	$0	$0	$0	30	$0	0.0%	$0
1981	Well 2	32,800	0	32,800	30	121,893	100.0%	121,893
1995	Well 3	175,793	175,793	0	30	0	100.0%	0
1968	Emergancy Well	0	0	0	30	0	0.0%	0
2017	Well 1 - Electrical Improv.	20,810	11,099	9,710	15	12,263	100.0%	12,263
2010	Well 2 - Pump and motor improv.	37,998	37,998	0	15	0	100.0%	0
2014	Well 3 - Pump and motor improv.	35,106	25,744	9,360	15	12,936	100.0%	12,936
2004	Well 3 Emergency Genset	32,499	0	32,500	20	61,064	100.0%	61,064
	Total Existing Assets			**$84,370**		**$208,156**		**$208,156**

Notes

[1] - Based on ENR 20 City Average Values

Lolo County RSID 901
Water Impact Fee
Pumping
Exhibit 3

Year		Original Cost	Est. Accum. Depr.	Book Value	Useful Life	Cost [1] 2025$	Impact Fee Eligible	Impact Fee Cost
Existing Assets								
1971	Booster Station	$0	$0	$0	30	$0	0.0%	$0
2019	Booster Station Improv.	292,949	87,885	205,060	20	247,413	100.0%	247,413
	Total Existing Assets			**$205,060**		**$247,413**		**$247,413**

Notes

[1] - Based on ENR 20 City Average Values

Lolo County RSID 901
Water Impact Fee
Transmission & Distribution
Exhibit 4

Year	Original Cost	Est. Accum. Depr.	Book Value	Useful Life	Cost [1] 2025$	Impact Fee Eligible	Impact Fee Cost
Existing Assets							
Water Mains							
1972 39,500 ft	$0	$0	$0	50	$0	0.0%	$0
1977 3,500 ft	0	0	0	50	0	0.0%	0
1982 3,300 ft	0	0	0	50	0	0.0%	0
1985 5,000 ft	0	0	0	50	0	0.0%	0
1992 3,700 ft	0	0	0	50	0	0.0%	0
1997 9,500 ft	0	0	0	50	0	0.0%	0
2002 1,000 ft	0	0	0	50	0	0.0%	0
2007 36,100 ft	0	0	0	50	0	0.0%	0
2012 2,000 ft	0	0	0	50	0	0.0%	0
2017 5,200 ft	0	0	0	50	0	0.0%	0
2020 2,500 ft	0	0	0	50	0	0.0%	0
PRV							
1975 No. 1A	$0	$0	$0	20	$0	0.0%	$0
1975 No. 1B	0	0	0	20	0	0.0%	0
1975 No. 2A	0	0	0	20	0	0.0%	0
2021 No. 2B	100,000	20,000	80,000	20	88,016	0.0%	0
1975 No. 3	0	0	0	20	0	0.0%	0
1976 No. 4A	0	0	0	20	0	0.0%	0
1976 No. 4B	0	0	0	20	0	0.0%	0
1970 No. 5	0	0	0	20	0	0.0%	0
2011 No. 6	0	0	0	20	0	0.0%	0
2005 No. 7	0	0	0	20	0	0.0%	0
2012 No. 5 Improv.	188,079	122,251	65,830	20	96,042	100.0%	96,042
Water Main Valves							
1972 93 Valves	$0	$0	$0	15	$0	0.0%	$0
1977 8 Valves	0	0	0	15	0	0.0%	0
1982 8 Valves	0	0	0	15	0	0.0%	0
1987 12 Valves	0	0	0	15	0	0.0%	0
1992 9 Valves	0	0	0	15	0	0.0%	0
1997 23 Valves	0	0	0	15	0	0.0%	0
2002 2 Valves	0	0	0	15	0	0.0%	0
2007 85 Valves	0	0	0	15	0	0.0%	0
2012 5 Valves	0	0	0	15	0	0.0%	0
2017 12 Valves	0	0	0	15	0	0.0%	0
2020 6 Valves	0	0	0	15	0	0.0%	0
Fire Hydrants							
1972 38 Hydrants	$0	$0	$0	15	$0	0.0%	$0
1977 3 Hydrants	0	0	0	15	0	0.0%	0
1982 3 Hydrants	0	0	0	15	0	0.0%	0
1987 5 Hydrants	0	0	0	15	0	0.0%	0
1992 4 Hydrants	0	0	0	15	0	0.0%	0
1997 9 Hydrants	0	0	0	15	0	0.0%	0
2002 1 Hydrants	0	0	0	15	0	0.0%	0
2007 34 Hydrants	0	0	0	15	0	0.0%	0
2012 2 Hydrants	0	0	0	15	0	0.0%	0
2017 5 Hydrants	0	0	0	15	0	0.0%	0
2020 2 Hydrants	0	0	0	15	0	0.0%	0
Total Existing Assets			**$145,830**		**$184,058**		**$96,042**

Notes

[1] - Based on ENR 20 City Average Values

Lolo County RSID 901
Water Impact Fee
Storage
Exhibit 5

Year		Original Cost	Est. Accum. Depr.	Book Value	Useful Life	Cost [1] 2025$	Impact Fee Eligible	Impact Fee Cost
Existing Assets								
1969	Reservoir #1	$0	$0	$0	50	$0	0.0%	$0
1971	Reservoir #2	0	0	0	50	0	0.0%	0
1990	Reservoir #3	208,000	145,600	62,400	50	179,382	100.0%	179,382
2012	Reservoir #2 Improv.	6,000	0	6,000	10	8,754	100.0%	8,754
	Total Existing Assets			**$68,400**		**$188,136**		**$188,136**

Notes

[1] - Based on ENR 20 City Average Values

Lolo County RSID 901
Water Impact Fee
General
Exhibit 6

Year		Original Cost	Est. Accum. Depr.	Book Value	Useful Life	Cost [1] 2025$	Impact Fee Eligible	Impact Fee Cost
Existing Assets								
MISC								
2020	F250 Truck			$23,535	30	$27,797	50.0%	$13,898
2013	SCADA			37,504	15	53,267	50.0%	26,634
2014	Container Storage Unit			2,048	5	2,830	50.0%	1,415
	Total Existing Assets			**$63,086**		**$83,894**		**$41,947**

Notes

[1] - Based on ENR 20 City Average Values

Lolo County RSID 901
Water Impact Fee
Debt Service Schedule
Exhibit 7

Principal			*Interest*		
Fiscal Year	**RFP Ser 02**	**Total**	**Fiscal Year**	**RFP Ser 02**	**Total**
2025	$12,000	$12,000	2025	$135	$135
2026	0	0	2026	0	0
2027	0	0	2027	0	0
2028	0	0	2028	0	0
2029	0	0	2029	0	0
2030	0	0	2030	0	0
2031	0	0	2031	0	0
2032	0	0	2032	0	0
2033	0	0	2033	0	0
2034	0	0	2034	0	0
2035	0	0	2035	0	0
2036	0	0	2036	0	0
2037	0	0	2037	0	0
2038	0	0	2038	0	0
2039	0	0	2039	0	0
2040	0	0	2040	0	0
2041	0	0	2041	0	0
	$12,000	**$12,000**		**$135**	**$135**

Notes

Lolo County RSID 901
Water Impact Fee
Summary
Exhibit 8

	Existing			Future			
Component	**Total**	**EDUs**	**Buy-in ($ / EDU)**	**Total [1]**	**EDUs**	**Future ($ / EDU)**	**Total Impact Fee ($ / EDU)**
Assets							
Transmission & Distribution	$96,042	2,152	$45	$0		$0	$45
Storage	188,136	2,152	87	0		0	87
Treatment	0	2,152	0	0		0	0
General	41,947	2,152	19	0		0	19
CWIP	0	2,152	0	0		0	0
CIP - Phase 2				759,680	400	1,899	1,899
CIP - All Other				6,082,110	802	7,584	7,584
Total Assets	**$326,125**		**$152**	**$6,841,790**		**$9,483**	**$9,634**
Debt Service							
RFP Ser 02	($12,000)	2,152	($6)	$0		$0	($6)
Total Debt Obligations	**($12,000)**		**($6)**	**$0**		**$0**	**($6)**
Total CF ($ / Eq. Mtr.)	**$314,125**		**$146**	**$6,841,790**		**$9,483**	**$9,629**

Notes

[1] Projects funded by development that were ineligible to be included in the impact fee calculation are shown as zero for clarity.

Lolo County RSID 901
Water Impact Fee
Non-Residential Water Impact Fee Assessment
Exhibit 9

Service Line Size	Equivalency Factor[1]	Impact Fee
3/4"	1.00	$9,629
1"	1.00	9,629
1 1/4"	1.80	17,316
1 1/2"	2.90	27,970
2"	6.19	59,605

Notes

[1] Hazen-Williams Equation for flow through pressure conduit. AWWA Manual M1, Seventh Addition, Page 163.

Technical Appendix B - Sewer Impact Fee

Lolo County RSID 901
Sewer Impact Fee
Capital Improvement Projects
Exhibit 1

		Total	Impact Fee Eligible %	Impact Fee Eligible $ [1]	Source
Capital Improvement Projects					
Treatment	Phase 1 - Lift Station Improv. And Dewatering	$6,496,483	0%	$0	*ARPA Funding/Local Fiscal Recovery*
Treatment	Phase 2 - EQ Basin, Pump Replacements and Fence	685,000	37%	253,450	
Treatment	Phase 2 - Aeration Tank	3,106,796	37%	1,157,830	*50% current 50% future rate payers*
Treatment	Phase 2 - Secondary Clarifier	2,330,097	37%	868,373	*50% current 50% future rate payers*
Treatment	Phase 3 - Additional UV Disinfection	1,380,174	100%	1,380,174	
Treatment	Phase 3 - Forcemain/LS Interceptor Sewer	900,000	44%	396,000	
Collection	Collection System Piping Upsize Improvements	6,600,000	75%	4,950,000	
		$21,498,550		**$9,005,827**	
Treatment		$14,898,550		$4,055,827	
Collection		6,600,000		4,950,000	
General		0		0	
		$21,498,550		**$9,005,827**	

Notes

[1] Projects funded by development that were ineligible to be included in the impact fee calculation are shown as zero for clarity.

Lolo County RSID 901
Sewer Impact Fee
Collection
Exhibit 2

Year		Book Value	Useful Life	Cost [1] 2025$	Impact Fee Eligible	Impact Fee Cost
Existing Assets						
1986	8" PVC	$862,943	50	$2,723,417	0.0%	$0
1986	8" PVC Deep	230,111	50	726,222	0.0%	0
1984	10" PVC	44,582	50	147,727	0.0%	0
1984	12" PVC Deep	41,932	50	138,946	0.0%	0
1986	Shallow Manholes	31,709	50	100,072	0.0%	0
1984	Deep Manholes	12,260	50	40,625	0.0%	0
1972	6" Force Main	25	50	189	100.0%	189
1984	4" Force Main	6,873	50	22,774	100.0%	22,774
Lift Stations						
1972	LS NO. 1 (2 pumps @ 15 HP)	$0	30	$0	100.0%	$0
1984	LS NO. 2 (2 pumps @ 15 HP)	0	30	0	100.0%	0
1984	Electrical	0	30	0	100.0%	0
2016	Lolo Lift Station 1	179,591	30	234,173	100.0%	234,173
	Total Existing Assets	**$1,410,026**		**$4,134,146**		**$257,136**

Notes

[1] - Based on ENR 20 City Average Values

Lolo County RSID 901
Sewer Impact Fee
Treatment
Exhibit 3

Year		Book Value	Useful Life	Cost [1] 2025$	Impact Fee Eligible	Impact Fee Cost
Existing Assets						
1972	Headworks	$0	50	$0	42.0%	$0
1972	Equilization Basin	0	50	0	42.0%	0
1999	Sampler	0	20	0	42.0%	0
1972	Aerator	0	30	0	42.0%	0
1972	Influent Piping / Valves	0	50	0	42.0%	0
1972	Transfer Pumps	0	30	0	42.0%	0
1972	Electrical & Control	0	30	0	42.0%	0
1972	Aeration Basin	0	30	0	42.0%	0
1984	Aeration Blower System	0	30	0	42.0%	0
1984	Aeration Diffuser Grid	0	30	0	42.0%	0
1972	Clarifier Basin / Mechanism	0	50	0	42.0%	0
1972	RAS / WAS Pumps	0	30	0	42.0%	0
1972	Aerobic Digester Basin	18	50	136	42.0%	57
1984	Biosolids Storage Basin	0	30	0	42.0%	0
1998	Aerators	0	20	0	42.0%	0
1984	Yard Piping	0	30	0	42.0%	0
1984	Electrical & Control	0	20	0	42.0%	0
1972	Contact Basin	0	30	0	42.0%	0
1984	Chlorination Equipment	0	20	0	42.0%	0
1999	Sampler	0	20	0	42.0%	0
1984	Effluent Pipeline	9,315	50	30,866	42.0%	12,964
2009	UV Disinfection System	393,469	30	625,238	100.0%	625,238
2015	Digester Aerator	5,729	31	7,565	100.0%	7,565
	Total Existing Assets	**$408,531**		**$663,806**		**$645,824**

Notes

[1] - Based on ENR 20 City Average Values
* District paid 42% of certain treatment assets

Lolo County RSID 901
Sewer Impact Fee
General
Exhibit 4

Year		Original Cost	Est. Accum. Depr.	Book Value	Useful Life	Cost [1] 2025$	Impact Fee Eligible	Impact Fee Cost
Existing Assets								
LAND								
	WWTP Site Property	$0	$0	$200,000		$200,000	100.0%	$200,000
	Site Work / Landscaping			20,000		20,000	0.0%	0
BLDGs								
1972	Lab / Control / Maint. Building			$0	50	$0	100.0%	$0
MISC								
1984	Perimeter Fence			$0	20	$0	100.0%	$0
1990	Vehicles			0	10	0	100.0%	0
2020	F250 Truck			23,535	30	27,797	50.0%	13,898
2013	SCADA			37,504	15	53,267	50.0%	26,634
2014	Container Storage Unit			2,048	5	2,830	50.0%	1,415
2015	SCADA	20,965	13,977	6,988	15	9,229	100.0%	9,229
		0	0	0	15	0	100.0%	0
	Total Existing Assets			**$290,074**		**$313,123**		**$251,176**

Notes

[1] - Based on ENR 20 City Average Values

Lolo County RSID 901
Sewer Impact Fee
Debt Service Schedule
Exhibit 5

Principal			*Interest*		
Fiscal Year	**RFP Ser 02**	**Total**	**Fiscal Year**	**RFP Ser 02**	**Total**
2025	$12,000	$12,000	2025	$135	$135
2026	0	0	2026	0	0
2027	0	0	2027	0	0
2028	0	0	2028	0	0
2029	0	0	2029	0	0
2030	0	0	2030	0	0
2031	0	0	2031	0	0
2032	0	0	2032	0	0
2033	0	0	2033	0	0
2034	0	0	2034	0	0
2035	0	0	2035	0	0
2036	0	0	2036	0	0
2037	0	0	2037	0	0
2038	0	0	2038	0	0
2039	0	0	2039	0	0
2040	0	0	2040	0	0
2041	0	0	2041	0	0
	$12,000	**$12,000**		**$135**	**$135**

Notes

Lolo County RSID 901
Sewer Impact Fee
Summary
Exhibit 6

	Existing			Future			
Component	**Total**	**EDUs**	**Buy-in ($ / EDU)**	**Total [1]**	**EDUs**	**Future ($ / EDU)**	**Total ($ / EDU)**
Assets							
Collection	$257,136	2,152	$119	$0		$0	$119
Treatment	645,824	2,152	300	0		0	300
General	251,176	2,152	117	0		0	117
CWIP	0	2,152	0	0		0	0
CIP - Treatment				4,055,827	802	5,057	5,057
CIP - Collection				4,950,000	2,152	2,300	2,300
Total Assets	**$1,154,136**		**$536**	**$9,005,827**		**$7,357**	**$7,894**
Debt Service							
RFP Ser 02	($12,000)	2,152	($6)	$0	2,152	$0	($6)
Total Debt Obligations	**($12,000)**		**($6)**	**$0**		**$0**	**($6)**
Total CF ($ / Eq. Mtr.)	**$1,142,136**		**$531**	**$9,005,827**		**$7,357**	**$7,888**

Notes

[1] Projects funded by development that were ineligible to be included in the impact fee calculation are shown as zero for clarity.

Lolo County RSID 901
Sewer Impact Fee
Non-Residential Sewer Impact Fee Assessment
Exhibit 7

Service Line Size	Equivalency Factor[1]	Impact Fee
3/4"	1.00	$7,888
1"	1.00	7,888
1 1/4"	1.80	14,185
1 1/2"	2.90	22,913
2"	6.19	48,829

Notes

[1] Hazen-Williams Equation for flow through pressure conduit. AWWA Manual M1, Seventh Addition, Page 163.