



5455 W Old Hwy Rd, Mountain Green, UT 84050, 801-876-3416

Wasatch Peaks Ranch and MGSID Users

In October of 2020, the Mountain Green Sewer Improvement District (MGSID or District) Board of Trustees signed a service agreement with Wasatch Peaks Ranch, LLC (WPR) to be their wastewater treatment provider. The MGSID Board of Trustees has learned that the future of WPR is in jeopardy due to a Preliminary Injunction Order entered by a Court on December 14, 2023 that, with limited exceptions, orders WPR to “immediately cease all construction and development activity”. **This Order will likely result in a loss in MGSID revenue that is estimated to be \$202,456.85 in 2024 and \$399,913.70 each year thereafter while the Order remains in effect, which means the District will likely be forced to increase monthly user and impact fees.** Details on recent MGSID activities and information supporting the above mentioned revenue loss amounts are provided below.

On January 27, 2021, MGSID received a letter from the Utah Department of Environmental Quality notifying MGSID that the agreed upon yearly phosphorus loading cap had been exceeded. The District was given five years to construct treatment processes or implement treatment alternatives to prevent exceedances in the future. While considering options to reduce the phosphorus level, the Board felt it was prudent to look at future community growth at the same time. The decision was made to increase wastewater capacity by two and a half times to account for expected growth in the next 15 years.

One inclusion in this growth was WPR. The District hired Sunrise Engineering to prepare an Impact Fee Facilities Plan and an Impact Fee Analysis for the WPR area. The impact fee was raised from \$5,685.20 per Equivalent Residential Unit (ERU – the equivalent of a “typical” single family home) to \$11,294.91 per ERU for WPR. The planned annual growth for WPR is 15 ERUs in 2024 and 30 ERU’s thereafter, which equates to planned impact fee revenue of \$169,423.65 and \$338,847.30, respectively, in 2024 and each year thereafter.

The District has also completed a Capital Facilities Plan and user fee analysis which reviewed and analyzed the existing and proposed sanitary sewer infrastructure that serves the WPR area. A user fee of \$155.74 per residential connection per month was recommended for WPR, which is more than 3 times the current user fee paid by District customers. This higher fee is due to factors such as more complex WPR infrastructure resulting in higher operation and maintenance expenses. The planned annual growth for WPR is 15 ERUs in 2024 and 30 ERU’s each year thereafter, which equates to estimated annual user fee revenue of \$28,033.20 in 2024 and \$56,066.40 each year thereafter. Wasatch Peaks Ranch is projected to build out with 750 ERUs, which would continue to provide fee revenue into the future.

In addition to the above, additional administrative fee revenues will not be realized (standby, will serve, inspection, etc.) estimated at an additional annual revenue loss of \$5,000.

Sincerely,
William C. Coutts
Chairman, MGSID Board of Trustees

Board of Trustees
Chairman Bill Coutts, Vice-Chairman Nathan Hill, Zayne Gray, Taylor Nielsen, Louise Earley