

Section 2.0 Financial Requirements

This section outlines all financial requirements for developer projects. Fees are determined based on the project's impact to MPW's water and wastewater system.

2.1 Impact Fees: (MPW Policy 5.3.2 and 5.3.3)

Impact fees are charges assessed against new development to recover capital costs that are required to expand the water and wastewater infrastructure. This allows recovery of the capital costs for developing the new service directly from the Owners who benefit from those expenditures. Impact fees recover major capital costs associated with expanding water and wastewater facilities, including but not limited to treatment plants, storage facilities, pumps and distribution mains, wastewater collection, transmission, pump stations, and other capital equipment.

Impact fees are reviewed during the MPW budget process. To determine current impact fee rates for your project, you should contact MPW's Engineering Department or visit the MPW website www.mountpleasantwaterworks.com.

2.2 How Impact Fees are Calculated:

MPW calculates impact fees based on the number of Residential Equivalent Units (REUs) assigned to the development. One REU is equal to 300 gallons per day. Calculations of REUs are based on the guidelines in Table 2.2.

Table 2.2 - Guidelines for Determining Residential Equivalency
Flows are divided by 300 gallons per day (GPD) to assign REUs (Except as Noted)

Residential Single Family Lot =	300	Schools Daycare/Kindergarten/Elementary /Middle – per person = High School per person=	7 10
Condominiums, Townhomes served by individual meters Per Unit =	300	Laundries self-service Per Machine =	400
Apartments, Condominiums served by master meter Per Bedroom	100	Factories Each Employee (no showers) = Each Employee (w/showers) = Each Employee (w/kitchen facilities/showers) =	25 35 40
Duplexes Per Unit =	300	Hotels Per Bedroom (no restaurant) =	100
Bars: Each Employee = Each Seat (excluding restaurant) =	10 20	Motels Per Unit (no restaurant) =	100
Food Service Operations Per Seat =	25	Nursing Homes Per Bed (no laundry) = Per Bed (with laundry) =	100 150
Camps: Resort (luxury) = Per Travel Trailer Site =	300 120	Shopping Centers Per 1,000 sq. ft. (no restaurant) =	200
Churches: Per Seat = Per Student in School =	3 10	Offices Per 100 sq. ft. =	8

Section 2.2 continued:

1. For projects other than single-family residential subdivisions, impact fees for undeveloped lots are assessed at a minimum of one REU per lot with additional fees due prior to the issuance of building permits.
2. Those categories not covered by these guidelines utilize SCDHEC Unit Flow Contributory Guidelines. If a category is not covered by either, or there is a conflict, then MPW staff assigns flows based upon best judgment.
3. Facilities not falling within the above listed categories may submit actual flow information, which may be accepted by MPW for comparative purposes.

2.3 Schedule of Required Fees

This section outlines fees that are required of developers, contractors and new Owners. A copy of the latest rate schedule may be obtained from MPW's website or in person at the MPW Operations Center, 1619 Rifle Range Road, Mount Pleasant, SC.

A. Services Only Project Fees

Schedule of fees due for projects requiring service connections.

Fees due prior to MPW providing service (New Service Fees):

These fees cannot be accepted until the project has complied with all agency permitting and legal requirements.

1. Project Admin/Construction Inspection Fee.
2. Water Impact Fees.
3. Wastewater Impact Fees.
4. New Account Fees.
5. Security Deposit.
6. Water Meter Installation Fees.
7. Wastewater Tap Installation Fees.
8. Inspection Fees (Wastewater Tap, Backflow, Grease Trap where applicable)

B. System Extension/Acceptance Project Fees

Schedule of fees due for projects requiring SCDHEC Construction and Operating Permits.

Fees due prior to a MPW "Conditional Construction Permit" being issued (Permitting Fees):

1. Project Admin/Construction Inspection Fee.
2. Pump Station Review/Administration Fee (if applicable).
3. Developmental Impact Fees (if applicable, are normally charged on either a per acre or REU basis). (MPW Policy 5.4)
4. Capital Recovery Fees (if applicable). (MPW Policy 5.5)

Fees due prior to MPW accepting a system for operation and maintenance (System Acceptance Fees):

1. Wastewater Impact Fees.
2. Water Impact Fees.
3. Reimbursement of expenses incurred by MPW, including legal fees (if applicable).
4. Payment for water used during construction.
5. Maintenance Bond Fee: Cash bond equal to ten percent (10%) of the total construction and engineering costs of the newly installed water and/or wastewater systems.

6. Wastewater Warranty Inspection Fee: MPW charges \$2.50 per linear foot of gravity wastewater main installed and force main installed. This non-refundable fee is calculated at the end of the project and will cover MPW's cost to perform the two year maintenance bond inspection. The fee is deducted from the cash maintenance bond.

Pump Station Fees:

1. Standby Emergency Generator Fee.
2. Pump Station Review/Administration Fee.
3. Pump station upgrade costs for phasing (MPW Policy 5.5):

2.4 Maintenance Bond

The maintenance bond amount shall be determined based on the cost of the newly installed water and/or wastewater system as shown on the Project Completion Questionnaire completed by the certifying engineer at the time of project closeout. A maintenance bond equal to ten percent (10%) of total construction and engineering costs of the newly installed water and or/wastewater system shall be paid to MPW. MPW charges \$2.50 per linear foot of gravity wastewater main installed and force main installed. This non-refundable fee is calculated at the end of the project and will cover MPW's cost to perform the two year maintenance bond inspection. The fee is deducted from the cash maintenance bond.

The requirements for the bond are as follows:

- A cash bond shall be posted for projects where the maintenance bond amount is \$20,000 or less.
- If the maintenance bond is greater than \$20,000, the Developer has the option to pay cash for the entire bond amount or post a cash bond of \$20,000 and provide an Irrevocable Letter of Credit for the balance.
- The Letter of Credit shall be for a period of 30-months from the projected date the SCDHEC Operating Permit was issued.
- The cash portion of the bond shall be escrowed.
- The Wastewater Warranty Inspection Fee will be deducted from the cash maintenance bond.

The Developer is liable for any/all repairs of system deficiencies including repair of all facilities damaged during phases of construction, paving, drainage, and installation activities for a period of 24-months from the date the SCDHEC Operating Permits are issued. MPW shall notify the Developer listing any deficiencies noted during the final bond inspection. Upon correction of the system deficiencies by the Developer and approval of the repairs by MPW, MPW shall refund the total bond amount less the wastewater warranty inspection fee to the Developer with interest earned during the escrow period.

In the event the Developer fails to correct the deficiencies within 30-days of notification from MPW, the bond shall be forfeited by the Developer. MPW will use the bond to make the necessary repairs to correct system deficiencies, including an administrative fee.

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