



Policy 5.3.3 – Impact Fee Management

REASON FOR POLICY

To establish policies regarding Impact Fees assessed by Mount Pleasant Waterworks (MPW).

DEFINITIONS

These definitions apply to the terms as they are used in this policy.

Term	Definition
Impact Fee	Impact fees are charges assessed against new development to recover part of the capital costs of expanding the water and wastewater infrastructure to serve them. Considered as a capital-recovery charge, impact fees allow recovery of the capital costs of developing the new service directly from the customers who will benefit from the service.
Residential Equivalent Unit (REU)	An REU is equal to 300 gallons per day. REUs are allocated to all MPW customers. When REUs are calculated, MPW will round up to the next whole number.

POLICY

The payment of excessive use charges does not relieve a customer from liability for additional impact fees that may be assessed by MPW.

Usage Assessment

If total nominal water consumption for the maximum quarter of any 12 month period for a property connected to MPW's water and/or wastewater system reflects usage of the water and/or wastewater systems that is 27,600 gallons or more greater than the allowable flow for the number of REUs for which impact fees have been paid or which were assigned to the property, MPW will charge additional water and wastewater impact fees. Additional impact fees, when assessed, must be paid within 12 months.

Request for Reduction in REU's

If a property uses less water than allowed by the number of REUs that were assigned to the property or for which impact fees were paid, the property owner may request in writing to MPW for a reduction in the REUs applicable for the property in order to reduce the monthly water and wastewater Basic Facilities Charge that must be paid for each REU applicable to the property. If REUs are reduced for a property, there will be no refund of previously paid impact fees and usage of the water and wastewater systems may not be increased thereafter without the payment of additional impact fees, **unless authorized by the General Manager and such an agreement is signed by both parties.**

REFERENCES

- MPW Cost Recovery Policy
- MPW Resolution 03-96
- MPW Current Budget Resolution Establishing Customer Chagres
- MPW Resolution 05-2011 – Water and Wastewater Use Resolution of the Mount Pleasant Waterworks Service Area.
- Town of Mount Pleasant Ordinances Amending Chapter 51 of Title V

DOCUMENT CONTROL

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