Impact Fee Calculation Handbook

A guide to help you understand how Mount Pleasant Waterworks calculates Impact Fees

The information in this handbook is for example calculations and illustration only. It should not be used to calculate impact fees. Your impact fees are calculated by Mount Pleasant Waterworks Engineering Department based on the Guidelines for Development, historical data, and other influential information including South Carolina Department of Health and Environmental Control recommendations and calculations.
An Introduction to Impact Fees

**Impact Fees:**
Impact fees are collected to recover part of the cost of expanding the water and wastewater infrastructure to serve development. Impact fees offset the costs of developing the new service directly from the customers who will benefit from the service.

Impact Fees recover major costs associated with expanding water and wastewater facilities, including but not limited to:
- Water and wastewater treatment plants,
- Storage facilities,
- Pumps,
- Transmission mains and lines,
- Other capital equipment related to system capacity.*

*Impact Fees do NOT pay for subdivision infrastructure.

**What is Development?**
Any improvement to a piece of land or existing building for residential, commercial, or industrial purposes, including such things as property subdivision and building retrofits.

**Residential Equivalent Unit:**
A Residential Equivalent Unit (REU) is a unit of measurement used to calculate the amount of water/wastewater a development uses. One REU is equal to 300 gallons per day (GPD). Impact fees are assessed on the proposed water and wastewater usage and divided by 300 gpd to calculate the REU. REUs vary based on the type of development. MPW determines impact fees based on the guidelines for assessing water and wastewater usage shown on the chart on the following page.

**Basic REU Calculation:**

\[
\frac{\text{Amount of Estimated Water Used Per Day}}{300 \text{ GPD}} = \text{Number of REUs}
\]

**Current Impact Fees (Subject to change):**
- Water Impact Fee = $2,000/REU
- Wastewater Impact Fee = $4,500/REU
### Flow Assessment

**Guidelines for Assessing Water and Wastewater Usage**

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

*GPD= Gallons Per Day*
Calculating Residential Impact Fees

3 Lots x 300 GPD/Single Family Lot = 900 GPD
900 GPD x 1 REU / 300 GPD = 3 REUs
Water: 3 REUs x $2,000/REU = $6,000
Wastewater: 3 REUs x $4,500/REU = $13,500
Total Impact Fees due for 3 Lots = $19,500
Calculating Commercial Impact Fees

Office/Retail Space:
Larger spaces are calculated by square footage:
45,000 sq. ft. x 8 gallons/100 sq. ft. = 3,600 GPD
3,600 GPD x 1 REU/300 GPD = 12 REUs

Water: 12 REUs x $2,000/REU = $24,000
Wastewater: 12 REUs x $4,500/REU = $54,000
Total Impact Fees: $78,000

Retail spaces individually metered:
6 spaces x 300 gallons = 1,800 GPD
1,800 GPD x 1 REU / 300 GPD = 6 REUs

Water: 6 REUs x $2,000/REU = $12,000
Wastewater: 6 x $4500/REU = $27,000
Total Impact Fees: $39,000
Calculating Commercial Impact Fees

Restaurant

To determine the gallons used per day and the impact fees due, MPW will review the following:

- Number of seats,
- 12 month water usage records for restaurant owned by the applicant at another similar location.
- Water usage records for restaurants that have similar menu and seating size.

Example = 120 Seat Restaurant

120 seats x 40 gallons/seat = 4,800 GPD
4,800 GPD x 1 REU / 300 GPD = 16 REUs

Water Impact Fee - $2,000/REU x 16 REUs = $32,000
Wastewater Impact Fee - $4,500/REU x 16 REUs = $72,000

Total Impact Fee due for 120 seat restaurant = $104,000
Paying Impact Fees

Collection of Impact Fees

- **System Extensions**: If new main lines are required, impact Fees are due prior to MPW accepting the water/wastewater system extension for operation.
- **Non System Extension/Service Available**: Impact Fees are due prior to subdivision plat approval (if applicable) and/or MPW sign off on a Town or County building permit.

Adjustment of Impact Fees:

- Water usage may be reevaluated based on maximum three month average over previous 12-months.
- A non-residential property owner who has paid impact fees may request a partial refund of the actual fees paid if, after the first full year of operation, use of the water and/or wastewater systems remains below the level estimated for the assessment of impact fees. The right to request a refund will expire on the third anniversary of the payment of the impact fees.
Further Information

MPW Guidelines for Development

- For a more detailed explanation of the development process, including impact fee calculations, visit [www.mountpleasantwaterworks.com](http://www.mountpleasantwaterworks.com). Click on the Developers section to view guidelines, specifications, rate schedules and other information.

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