



OJRSA

Oconee Joint Regional
SEWER AUTHORITY

IMPACT FEE POLICY

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DEFINITIONS, ACRONYMS, AND FORMAT

This Section of the *OJRSA Impact Policy* contains definitions, acronyms, abbreviations, and formatting that are specific to this document.

DEFINITIONS

The following words, unless the context, custom or intent clearly indicates otherwise, shall mean:

Board means the OJRSA Board of Commissioners.

Capacity Permit means a Permit for OJRSA Wastewater System Capacity (or other document that serves this purpose) issued to a User or facility after January 1, 1990.

Construction Permit means a permit issued by SCDHEC that conditionally allows for a wastewater project to be built.

Customer means a User who, according to the records of a Member City or the OJRSA, receives wastewater service at a site that is directly or indirectly served by the OJRSA via a sewer service connection.

Executive Director means the Executive Director of Oconee Joint Regional Sewer Authority, South Carolina.

Impact Fee (also commonly referred to as “Capacity Fee”) means a one-time charge assessed to all new sewer customers of OJRSA under an “Incremental Expansion Method” whereby the charge has been calculated to ensure there are no existing infrastructure deficiencies or surplus capacity in infrastructure. Additionally, existing customers may be charged an Impact Fee if the initial capacity associated with their building or structure is insufficient for such original use due to a renovation or rehabilitation of such facility.

Industrial User means a User or facility that introduces pollutants from any non-domestic wastewater source as regulated by the Federal Water Pollution Control Act (also known as the Clean Water Act), Title 40 of the Code of Federal Regulations, and/or stat/local laws and regulations.

Land Use means the utilization condition of a property and for purposes of this Impact Fee Policy shall be either Residential Use or Nonresidential Use.

Master Meter means a water meter that serves multiple tenants. This practice is often utilized in conjunction with Multi-Family Developments (e.g., apartments, condominiums, etc.), subdivisions, and mobile home parks but can include other types of users.

Member City means the cities of Seneca, Walhalla, and Westminster and others as defined by legally binding Intergovernmental Agreement(s).

Multi-Family Development means a structure or complex of buildings intended for multiple families to reside in for extended periods of time. Examples include apartments, townhomes, condominiums, duplexes/multi-plexes, etc. Multi-Family Developments where each residential unit is served by its own water meter is treated as a Residential User.

Nonresidential Use means any use other than a Residential Use, which may include, but is not limited to: Commercial Users, Industrial Users, health care facilities, religious establishments, educational facilities, assisted living facilities, and other establishments. *It shall also include apartments, condominiums, and other multi-unit housing complexes served by a Master Meter and/or with a common sewer service lateral or system serving multiple units prior to connecting with a public sewer.*

OJRSA Service Area means the area that OJRSA is permitted to provide service, as may be amended from time to time.

OJRSA Retail System means, in reference to OJRSA’s wastewater treatment and/or conveyance system, the portion of the wastewater collection system, trunk sewer, and/or treatment plant where OJRSA is the sole wastewater utility providing services to the end user.

OJRSA Wholesale System means, in reference to OJRSA’s wastewater treatment and/or conveyance system, the portion of OJRSA wastewater trunk sewer and/or treatment system that serves the Member Cities, as well as the Town of West Union, which are considered to be the users’ retail sewer provider.

Residential Use means a freestanding residential structure and is intended to be used as a single unit with unshared utilities. Includes detached homes (regardless of its location in a subdivision), mobile homes, Multi-Family Developments (*if units have individual sewer plumbing that is not combined prior to connection to the public sewer system*), and recreational vehicle/camper site with an individual water meter and sewer connection. It shall not include those served by a Master Meter or those defined as a Nonresidential Use.

Retail Impact Fund means the banking and investment account to be used for the renovation, modernization, and expansion of OJRSA Retail System, the funding source of which is impact fees collected and expended pursuant to Title 6 Chapter 1 Article 9 of the Code of Laws of South Carolina 1976, as amended and the Impact Fee Policy.

User means any person or entity who directly or indirectly discharges, causes, or permits the discharge of domestic or nondomestic wastewater to any wastewater conveyance system directly or indirectly connected to an OJRSA facility. Users consist of Residential and Nonresidential Users as defined herein. A User can have water and/or sewer service provided by a Member City, OJRSA, or can be a Well Customer.

Well Customer means a Customer that utilizes sewer service that receives potable or non-potable water from any hole that is drilled, dug, or excavated. Such Customers shall be classified as Residential or Nonresidential Users.

Wholesale Impact Fund means the banking and investment account to be used for the renovation, modernization, and expansion of OJRSA Wholesale System, the funding source of which is impact fees collected and expended pursuant to Title 6 Chapter 1 Article 9 of the South Carolina Code of Laws 1976, as amended and the Impact Fee Policy.

Willingness and Capability Letter means an executed letter from OJRSA providing its initial commitment to provide sewer service to a developer or owner. This letter may also be titled by the following: Willingness & Ability to Serve, Commitment to Own, Commitment to Own & Operate, of other similar title as required by SCDHEC prior to the issuance of a Construction Permit that will allow for the construction of a wastewater system.

ACRONYMS AND ABBREVIATIONS

etc.: *Et Cetera*, Latin for “and other things”
ERU: Equivalent Residential Unit
GPD: Gallons Per Day
OCSC: Oconee County Sewer Commission, predecessor to the Oconee Joint Regional Sewer Authority

OJRSA: Oconee Joint Regional Sewer Authority
SCDHEC: South Carolina Department of Health and Environmental Control or any successor agency

DOCUMENT FORMAT

This manual contains fonts and styles that mean certain things, including points of emphasis or reference other sections or materials. Below is a list of the types used within this manual and what it represents when encountered in the *OJRSA Impact Fee Policy*.

<i>Italics</i>	Title of books, manuals, and other documents
MIX-SIZED CAPITAL LETTERS	Name of sections or appendices in a book, manual, or other document
<u>Underlined Italics</u>	A note of caution or warning

SECTION 1 – ADOPTION

The *OJRSA Impact Fee Policy* (the “Impact Fee Policy” or “Policy”) shall become effective in accordance with OJRSA Resolution 2024-04. All resolutions or policies (including former impact fee policies) that are in conflict with the provisions of this Resolution or the Policy are hereby repealed to the extent of the conflict or inconsistency or in their entirety where the conflict or inconsistency is not severable from such document.

SECTION 2 – PURPOSE

The purpose of this Policy is to establish the method by which Impact Fees, as defined herein, shall be calculated and assessed within the Oconee Joint Regional Sewer Authority, South Carolina (“OJRSA”). This Impact Fee Policy is based upon the conclusions and recommendations found in the Technical Memorandum dated May 19, 2020 prepared by Gillespie Engineering (the “Impact Fee Consultant”).

SECTION 3 – POLICY

3.1 ASSESSMENT

An Impact Fee shall be assessed on all new development and redevelopment, including a change in Land Use, located within the OJRSA Service Area for which new sewer service is necessary or additional sewer service is needed, except for the following:

- A. Rebuilding or replacing a structure (Residential or Nonresidential) on a parcel of land that contains an existing sewer service of sufficient size and capacity to meet the requirements of the new use;
- B. Remodeling or repairing a structure with the same Land Use that does not result in an increase in the volume of wastewater discharged or place additional demands on OJRSA’s facilities and equipment;
- C. Construction of an addition to a structure (Residential or Nonresidential) that does not increase the volume of wastewater discharge; or
- D. Changing or adding uses or equipment, unless it is clearly demonstrated that the use creates no new or increased volume of wastewater discharge for OJRSA’s facilities and equipment.

3.2 NONTRANSFERABLE

The capacity purchased via an Impact Fee shall remain with the real property regardless of ownership. The capacity shall not be transferred to an alternate property location, nor can it be sold, purchased from someone else, or traded as a commodity.

3.3 IMPACT FEE RATES AND REASSESSMENT

- A. The rates for Impact Fees are based on advice received from the Impact Fee Consultant, and have been approved by the Board. The rates are set forth in the *OJRSA Schedule of Fees* adopted and periodically updated by the Board. The rates may be subject to change based upon future legislative action undertaken by the Board. Except as noted for Nonresidential Users in SECTION 3.4(C), Impact Fee rates are based on Land Use and water meter size as set forth below.

Use	Water Meter Size (in inches)	Average Daily Use (GPD)
Residential	3/4 and 5/8	150
	1	365
Nonresidential	3/4 and 5/8	225
	1	625
	2	1,630
	6	3,305

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	3	9,815
	4	12,340
	6	23,630
	8	37,100

- B. Impact Fees shall be reassessed no less frequently than every two (2) years and an update on these costs shall be provided to the Board for implementation consideration.

3.4 PAYMENT AND TIMING

Impact Fees will be paid as described below:

- A. Impact Fees shall be paid prior to the issuance of a Capacity Permit in accordance with the rates set forth in the *OJRSA Schedule of Fees*.
- B. Payment of the Impact Fee is a condition of development approval and the issuance of a Capacity Permit shall not be issued until Impact Fees are paid in full.
- C. For Nonresidential Users that discharge wastewater from water sources other than strictly a potable supply (e.g., direct surface withdrawal, groundwater wells, etc.) and/or if there is an anticipated difference greater than five percent (5%) between the potable water used by an industry and the amount to be discharged (e.g., evaporation through cooling, beverage bottling operations, etc.), then it will be necessary for OJRSA establish the Impact Fee on a case by case basis and to consult an engineering firm of its choice to determine what the appropriate Impact Fees shall be. All costs for process water shall be calculated at a per gallon rate as stated in the *OJRSA Schedule of Fees*. All costs of the engineer's assessment shall be the applicable nonresidential user's sole expense. If, after one (1) year of substantially completed operation, the actual volume of wastewater discharge differs by more than five percent (5%) from the potable water used, the owner or tenant will be assessed additional Impact Fees to cover the increased wastewater volume.
- D. For subdivisions, as of July 1, 2021, the property developer shall pay Impact Fees for all lots within the subdivision with the assumption that all lots will have a 5/8- or 3/4-inch meter. Impact Fees for subdivisions must be paid prior to OJRSA issuing a Willingness and Capability Letter that is necessary for the permitting of a wastewater collection system extension serving a development. To the extent that an Impact Fee was not paid for a property within a subdivision prior to July 1, 2021, all new development shall be subject to the Impact Fees as set forth in this Impact Fee Policy.
- E. Impact Fees for Well Customers or other unmetered connections for their water supply a shall be charged in the following manner:
1. Residential Users shall be charged a fee equal to that of a 5/8- or 3/4-inch meter, and
 2. Nonresidential Users shall be charged a fee equivalent to the appropriate water meter size for each well as determined by an engineer of OJRSA's choosing, and the customer shall be responsible for any engineering costs.
- F. In limited circumstances, a fee payor may request to provide services, monetary contributions, or facilities in lieu of the payment of Impact Fees. In such event, any services, monetary contributions, or facilities paid in lieu of the payment of Impact Fees shall be evaluated and if necessary, in the Board's sole discretion valued by a consultant chosen in the discretion of OJRSA, acting through its Executive Director. Subsequent to any such valuation as necessary, the Impact Fees may be reduced or waived by vote of the Board as applicable. The authority to reduce or waive Impact Fees is in the Board's sole discretion.
- G. Unusual situations and conditions not addressed in this Impact Fee Policy shall be considered in consultation with the OJRSA's engineer on a case-by-case basis. Such decisions made by the OJRSA shall not establish precedence for similar circumstances that may occur in the future.

3.5 USAGE

- A. Impact Fees shall be imposed only to fund wastewater system improvement costs reasonably related to new development. Impact Fees cannot be used to offset OJRSA's operating costs or maintenance of existing public facilities.

- B. Based on the calculations performed by Impact Fee Consultants, the Impact Fees shall not exceed the costs of wastewater system improvement costs reasonably related to such development.
- C. The Executive Director, or his/her designee, shall make periodic reports to the Board and/or any designated committee regarding the collection and use of Impact Fees. Consideration shall be given as to how the Impact Fees are being spent for the benefits of new developments or replacing existing capacity within the OJRSA Service Area.

3.6 DISPOSITION

All monies paid by the fee payor pursuant to this Impact Fee Policy shall be identified as Impact Fees and promptly deposited in either the Retail Impact Fund or the Wholesale Impact Fund. Impact Fees shall be deposited in the Retail Impact Fund if the additional capacity is required from the OJRSA Retail System. Impact Fees shall be deposited in the Wholesale Impact Fund if the additional capacity is required from the OJRSA Wholesale System. Any Impact Fees on deposit in the either the Retail Impact Fund or the Wholesale Impact Fund that are not immediately necessary for expenditure shall be maintained and be invested (in accordance with South Carolina law and OJRSA's Financial Policies) prior to expenditure on authorized projects. Interest earned within the Retail Impact Fund or the Wholesale Impact Fund shall be treated as Impact Fees subject to all restrictions placed on the use of Impact Fees pursuant to this Impact Fee Policy.

3.7 REFUNDS

- A. OJRSA shall refund, to the current owner of record of the property for which an Impact Fee has been paid, all Impact Fees paid with respect to such property if the development for which the Impact Fees were imposed did not occur and no financial impact to OJRSA has occurred in preparation to increase capacity to serve the property; provided that, if some, but not all, of the development for which Impact Fees were imposed occurred, the amount of Impact Fees shall be refunded and shall be pro-rated accordingly. Such refunds must be approved by the Operations & Planning Committee, which is a standing committee of the OJRSA Board.
- B. Subject to the provisions of 3.7(A) set forth above, property owners seeking a refund of Impact Fees must submit a written request for a refund of Impact Fees to the Executive Director within one (1) year of the date of abandonment of the development for which a Willingness and Capability Letter was issued. This notification to OJRSA must occur following confirmation that the SCDHEC Construction Permit has been canceled and flow associated with the project that was allocated by SCDHEC to OJRSA facilities has been removed by SCDHEC. Refunds of Impact Fees shall not include any interest earnings or other revenues derived from the Impact Fees from the initial date of payment. Any Impact Fees, subject to the provisions of this section for which no application for a refund has been made within the one (1) year refund claim period, shall be retained by OJRSA and expended on public facilities of the type for which such Impact Fees were collected.

3.8 APPEALS

- A. A fee payor may pay Impact Fees under protest. Payment under protest is a condition precedent to appealing any Impact Fees described herein. Additionally, a fee payor, at his/her option, may also post a bond or submit an irrevocable letter of credit for the amount of Impact Fees due instead of making a cash payment under protest, pending the outcome of an appeal.
- B. A fee payor may file an administrative appeal with the Executive Director regarding the payment of Impact Fees by filing a written notice of appeal. Said notice shall be filed within ten (10) calendar days of the payment of the Impact Fees. The filing of an appeal will immediately halt all sewer services unless the fee payor posts a bond or submits an irrevocable letter of credit for the full amount of the Impact Fees as calculated by OJRSA to be due. All notices of appeal shall include a full explanation of the reasons for the appeal, specifying the grounds therefor, and containing any documentation that the fee payor desires to be considered. The appeal shall contain the name and address of the fee payor filing the appeal and shall state their capacity to act as representative or agent if they are not the owner of the property to which recovery fees pertain. By no later than twenty (20) calendar days following receipt of the written notice of appeal, the Executive Director will review the appellant's written report, supporting documentation and departmental staff reports. The review period may be extended in the discretion of the Executive Director if additional information is needed from

- the appellant in order to render a decision. Upon completion of the administrative review, the Executive Director will provide a written response to the Appellant constituting a final administrative determination.
- C. Any person desiring to appeal the final administrative determination of the Executive Director regarding payment of Impact Fees shall file a written notice of appeal to the Board. Said notice of appeal to the Board shall be filed with the Secretary of the Board within five (5) business days following receipt of the final administrative determination. Receipt shall be construed to have occurred when the final administrative decision is deposited in the United States mail postage prepaid to the person whose name and address is identified in the original notice of appeal. Thereafter, the Board shall conduct a hearing at its next regularly scheduled meeting, or such other meeting time as may be agreeable to OJRSA and the appellant, and shall allow the appellant, in person or acting through counsel, to present an oral presentation to the Board regarding its appeal. After hearing such appeal, the Board, within ten (10) business days, shall make a written finding as to the appeal and either accept the findings appeal, reject it or proffer a compromise. If any refund is determined, OJRSA shall refund the required amount within ten (10) business days of the written determination by the Board. The findings and determination of the Board shall constitute the final judicial determination as to the payment of Impact Fees.
- D. Only after all administrative appeals have been exhausted under the provisions of this Impact Fee Policy, the aggrieved fee payor may determine to file a suit in a court of competent jurisdiction to challenge the payment of the disputed Impact Fees.

REVISION HISTORY

This and previous editions must be maintained in accordance with the *OJRSA Records Retention Policy*.

Table 1: OJRSA Impact Fee Policy revision history

Revision Number	Date	Description of Changes
N/A	11/21/1989	Oconee County Ordinance [19]89-6 established first wastewater impact fee at rate of \$300 per equivalent residential unit (ERU) of 200 gallons of wastewater per day. The effective date of the fee to be midnight, 12/31/1989.
N/A	05/13/1991	OCSC Board approves changes to impact fee policy, including a change to the residential ERU to 400 GPD, what constitutes new construction that must pay fees, multiple residences on a single connection, fees for larger users, and exemptions.
N/A	07/06/1998	OCSC Board policy states the agency can neither waive nor lower impact fees.
N/A	10/05/1998	OCSC Board policy requires payment of impact fees before facility can get a building permit.
N/A	03/01/1999	OCSC Board policy adopted that considers "sweet shops" (dessert and ice cream stores) to be charged impact fees based on them being a "recreation-type facility" of five (5) GPD per seat plus twenty-five (25) GPD per employee.
N/A	01/10/2000	OCSC policy adopted that requires Industrial Pretreatment staff to take an average of the number of employees for an industry during the previous year to complete the audit for determining impact fees. This number is to include temporary employees.
N/A	04/01/2002	OCSC Board passed policy to bill Oconee County for impact fees associated with the Newry community.
N/A	10/04/2004	OCSC Board approved transferring impact fees from the old School District of Oconee County Administration Building to the new building but they must pay some fees for additional staff.
N/A	05/01/2006	OCSC Board addressed requirements necessary to provide refund for a facility that constructed a smaller facility than was originally permitted.
N/A	07/03/2006	OCSC approved increasing impact fee to \$450 per ERU and approved reviewing the fee annually and increasing it based on changes in the Consumer Price Index.
N/A	08/07/2006	OCSC adopted policy on how to calculate impact fees on buildings without dividing walls ("shell buildings").
N/A	02/04/2008	OJRSA Board authorized creation of an additional impact fee for the transportation and trunk line system of \$300 per ERU. The effective date to be 04/01/2008.

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Revision Number	Date	Description of Changes
N/A	10/05/2015	OJRSA Board continued former SCDHEC method to calculate grocery stores, offices, small stores/businesses/administration buildings, and shopping centers/large department stores/malls.
N/A	11/07/2016	OJRSA Board provided a grant to cover impact fees for Walhalla American Legion Post #214.
N/A	12/07/2020	OJRSA Resolution 2021-06 addressed how to handle non-permitted and under-permitted residential and nonresidential facilities regarding payment of impact fees.
N/A	04/05/2021	OJRSA Resolution 2021-12 changed the way impact fees are calculated, which is to use water meter size and type use instead of SCDHEC hydraulic loading, which uses ERUs. It also established "grandfathering" certain existing customers. The effective date to be 07/01/2021.
N/A	05/02/2022	OJRSA Board approved policy to collect impact fees for its retail sewer service area in southern Oconee County. The fees collected for this fund are to be used solely for growth-related projects associated with the OJRSA Retail Wastewater System. If used for a commonly-shared asset, such as the Coneross Creek Water Reclamation Facility, project expenses paid by the Member Cities and retail sewer customers shall be equal to the percentage of impact fees collected from the Wholesale and Retail users beginning January 1, 2023.
0000	10/02/2023	Initial issue of comprehensive <i>OJRSA Impact Fee</i> by <i>OJRSA Resolution 2024-04</i> .