

SEWER CONNECTION POLICY

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I. INTRODUCTION

The Commissioners of Public Works of the City of Isle of Palms d/b/a the Isle of Palms Water & Sewer Commission (Commission) was created in 1992 through an ordinance enacted by the City of Isle of Palms (City) and Section 5-31-250, et seq., of the Code of Laws of South Carolina 1976 to own, operate, and manage the water and sewer systems of the Isle of Palms, and as such the Commission has an exclusive right to provide water and sewer services within the corporate limits of the City. Over the years, Isle of Palms has experienced severe flooding associated with extreme weather events which have caused some individual septic systems on the Island to malfunction. These septic malfunctions rendered the homes served by individual septic systems uninhabitable and created unsanitary and unhealthy conditions in the flood waters. In addition, the Commission has allowed certain property owners to install and use grinder pump systems that must be tied-in to the Commission's nearest sewer main after entering a Grinder Pump System Agreement with the Commission.

To reduce the negative environmental impacts of septic systems, the Commission has adopted a Sewer Connection Program that (1) encourages property owners of the homes using a septic system that are adjacent to or abutting a sewer main to connect to the Commission sewer system; and (2) identifies and prioritizes the design, construction, and funding for new gravity sewer mains in the unsewered areas of the City. Furthermore, the Grinder Pump System Agreement requires any property owner using a grinder pump system to discontinue use of their grinder pump system and tie-in to the Commission's gravity sewer system within 90 days of receiving notice from the Commission that the gravity system is available to serve the owner's property.

This Sewer Connection Policy, adopted and approved by the Commissioners, incorporates various policy guidelines for the Commissioners and staff to use in making sewer capacity available to existing and new customers connecting to the Commission's gravity sewer system. These connections can result from a variety of situations, ranging from new connections to existing sewers, connections to future sewer extensions or enlargements provided by the Commission, and required connections by existing properties served by grinder pump systems when gravity sewer mains are constructed adjacent to the property. These policy guidelines are intended to set forth the requirements for new customers connecting to the Commission's sewer system under these various situations and enables the Commission to comply with applicable law.

II. SEWER CONNECTION POLICY

This Sewer Connection Policy provides a framework to Commission staff and its new and existing customers related to the requirements, procedures, and cost responsibilities for extension of and connection to the Commission sewer system. The Commission recognizes there will be a need from time to time to extend or enlarge the gravity sewer system within areas of the City to serve existing and new residential development that are not currently provided sewer service. This policy shall only apply to individual residential dwelling units on those parcel(s) receiving water service from the Commission that connect to the Commission sewer system and/or convert from septic or grinder pump systems where sewer is available within the following guidelines:

A. New Home Construction Where Sewer is Available

New construction shall connect to an existing sewer main when the home is built if sewer is adjacent to or abutting the property and a sewer lateral has been made available to the



property. These new connections must pay the Commission's Sewer Impact Fee, Non-refundable New Customer Charge-Water & Sewer, Sewer Tap Fee¹, and any applicable Permitting Fees. If the sewer main adjacent to the property is not included in costs recovered through the prevailing Sewer Impact Fee, the new connection must pay a Sewer Connection Fee as determined by the Commission to recover its direct capital investment for all engineering, design, and construction costs of the specific gravity sewer main adjacent to and abutting the property.

B. New Home Construction Not Adjacent to or Abutting a Gravity Sewer Main

If the planned construction of a new home on a property receiving water service from the Commission is not adjacent to or abutting a gravity sewer main, or within 150 feet of a collection system, the property owner must request South Carolina Department of Health and Environmental Control (DHEC) approval and permitting to construct and install a septic system prior to receiving a building permit. New septic system property owners are responsible for all the costs of permitting, installing, and maintaining the individual septic system. For fee and permit information, see DHEC [Regulation 61-36, Onsite Wastewater Systems](#).

C. Existing Homes Connecting to Existing Gravity Sewer Mains:

Existing homes which are using a septic system and that are adjacent to or abutting a gravity sewer main may request to connect to the Commission sewer system. Some existing homes using septic systems that are adjacent to or abutting a gravity sewer main may be required to connect to the Commission sewer system as part of Section 6-1-42 of City Ordinance 2017-10, or by DHEC to connect to the Commission sewer system should the existing septic system and/or leach field fail. These new connections must pay the Commission's Sewer Impact Fee, Non-refundable New Customer Charge-Sewer Only, Sewer Tap Fee, and any applicable Permitting Fees. If the sewer main adjacent to the property is not included in costs recovered through the prevailing Sewer Impact Fee, the new connection must pay a Sewer Connection Fee as determined by the Commission to recover its direct capital investment for all engineering, design, and construction costs of the gravity sewer main adjacent to and abutting the property.

D. Existing Homes Connecting to New Gravity Sewer Mains:

The Commission has a sewer connection program that identifies and prioritizes the design, construction and funding for new gravity sewer mains in those areas receiving water service from the Commission that are currently unsewered. The program will include capital funding for design and construction of projects within unsewered areas. At the completion of construction of the new gravity sewer main, existing homes are encouraged to request connection to the sewer system. Existing property owners requesting connection to newly constructed gravity sewer mains must pay the Commission's Sewer Connection Fee, which represents the property owner's pro-rata share of the Commission's capital investment required to install the specific gravity sewer

¹ A new connection will not be required to pay the Commission's Sewer Tap Fee if the property owner has an approved sewer tap connection provided by another contractor.



main that is adjacent to and abutting the owner's property. The Sewer Connection Fee will be determined by the Commission and the capital investment includes all engineering, design, and construction costs of the gravity sewer main. In addition, these new connections must pay the Commission's Sewer Impact Fee, Non-refundable New Customer Charge-Sewer Only, Sewer Tap Fee, and any applicable Permitting Fees.

E. Use of Grinder Pump System:

The Commission allows property owners to install and use grinder pump systems that must be tied-in to the Commission's nearest sewer force main, or manhole, after entering a Grinder Pump System Agreement with the Commission. The Grinder Pump System Agreement requires the property owner to pay all costs necessary to tie-in to the Commission's sewer system, including the applicable Sewer Impact Fee, and requires the property owner to discontinue use of the grinder pump system and tie-in to the Commission's gravity sewer system within 90 days of receiving notice from Commission that the gravity system is available to serve the owner's property.

F. Existing Grinder Pump System Adjacent to and Abutting a Gravity Sewer Main:

Once the Commission's gravity sewer system is made available to a grinder pump system property, all costs associated with disconnecting from or abandoning the grinder pump system and connecting to the Commission's sewer system must be paid by the property owner within 90 days of receiving notice. The property owner must also pay the applicable Sewer Connection Fee which represents the property owner's pro-rata share of the Commission's capital investment required to install the specific gravity sewer line that is adjacent to and abutting the owner's property. The Sewer Connection Fee will be determined by the Commission and the capital investment includes all engineering, design, and construction costs of the gravity sewer main. In addition, these new connections must pay the Commission's Non-refundable New Customer Charge-Sewer Only, Sewer Tap Fee, if applicable, and any applicable Permitting Fees.

III. COST RESPONSIBILITY, FEES, AND FUNDING

As part of its sewer connection program, the Commission has already developed and funded a sewer system that is available to a significant portion of the Isle of Palms and is identifying and prioritizing the design, construction, and funding for new gravity sewer mains in the unsewered areas of Isle of Palms. The funding sources of the sewer system consist of sewer user rates and charges, impact fees, tap fees, federal and state grant funds, and in some cases direct sewer connection fees. This Sewer Connection Policy identifies the various costs, fees, and charges required to fund new connections to existing sewers, new sewer extensions or enlargements, and required connections by existing properties served by grinder pump systems.

A. Cost Responsibility

The responsibility for the capital cost of gravity sewer facilities and improvements associated with new sewer connections will be as follows.



1. Treatment Plant and Sewer Collection System

The cost of existing and planned wastewater treatment capacity and sewer collection system is supported by the sewer impact fees and monthly sewer user rate payers. Any property owner that connects to the Commission's sewer system must pay the applicable Sewer Impact Fee at the time of connection based on the square footage of the home. Once connected to the Commission's sewer system, the new sewer customer shall pay the prevailing monthly sewer rates and charges as published by the Commission.

2. Collection System

The capital cost to design and construct the gravity collection system is initially funded by the Commission through a combination of user rates and charges, debt funding, and any available grant funding. These costs (excluding grant funding the Commission does not have to repay) are recouped from new connections through various fees and charges depending on the circumstances driving the property connection, the availability of sewer service to the property, and the cost of the gravity sewer main adjacent to the property, as the cost of construction may vary greatly in each unsewered area.

3. On-Property Improvements

The costs to connect to the sewer main, install or reconfigure the on-property sewer plumbing system, and abandon any septic system or grinder pump system shall be paid by the property owner.

4. Monthly Sewer Bill

Once a property is connected to the Commission sewer system, the monthly sewer bill for metered usage of the wastewater treatment facility and sewer system shall be paid by the property owner. The monthly user rates and charges are set annually to recover the annual operating and capital costs of the sewer system.

B. Fees and Charges

The following fees and charges will be assessed to property owners connecting to the Commission sewer system.

1. Monthly Sewer User Rates and Charges

The Commission charges monthly sewer rates and charges to all customers connected to the sewer system. These rates and charges are set annually and consist of three basic charge components which include 1) fixed monthly Basic Facility Charges (BFCs), 2) tiered Volumetric Charges that increase as the customer's consumption increases, and 3) tiered Surcharges that increase as the customer's consumption increases. The monthly user rates and charges are designed to recover the total annual costs for the sewer system which includes both operating expenses and annual capital expenditures. All new and existing sewer connections must pay the monthly sewer user rates



and charges. For information on the current sewer user rates and charges, see Appendix A.

2. Sewer Impact Fees

Sewer impact fees are one-time capital recovery charges assessed to new connections and new development as a way to recover a proportional share of the cost of capital facilities constructed to provide service capacity for new customers. The Commission's Sewer Impact Fee recovers its existing and planned capital investment in wastewater treatment and sewer main capacity. The Commission assesses its Sewer Impact Fees to residential customers based on the square footage of the home. All new sewer connections, except property owners previously served by a grinder pump system², must pay the applicable Sewer Impact Fee. For information on the current Sewer Impact Fees, see Appendix B.

3. Sewer Connection Fee

The Sewer Connection Fee recovers the property owner's pro-rata share of the Commission's direct capital investment for all engineering, design, and construction costs to install the specific gravity sewer main that is adjacent to and abutting the owner's property. The Sewer Connection Fee will be assessed to all new connections by property owner's adjacent to a new gravity sewer main constructed in a previously unsewered area. Regardless of whether the new connection occurs promptly after construction of the gravity main is completed, or in the years following construction, all new connections to a gravity sewer main that is not included in costs recovered through the prevailing Sewer Impact Fee will be assessed the Sewer Connection Fee for that specific gravity sewer main. This includes existing property owners served by septic systems that choose to tie-in to a new collection main that is available to their property and those property owners served by grinder pump systems that entered the Grinder Pump System Agreement. The agreement requires the property owner to tie-in to the Commission sewer system within 90 days of receiving notice from the Commission that the gravity system is available to serve the owner's property.

4. Sewer Tap Fee

The Commission charges a Sewer Tap Fee per equivalent residential unit (ERU) for all new sewer connections by properties that do not have a pre-existing sewer tap connection (service lateral) available to that property. The Sewer Tap Fee recovers the costs to tap into the Commission's adjacent sewer main. For information on the current Sewer Tap Fee, see Appendix B. Existing homes connecting to existing gravity mains where a pre-existing

² The Grinder Pump System Agreement requires the property owner to pay all costs necessary to tie-in to the Commission's sewer system, including the applicable Sewer Impact Fee.



sewer tap connection is available to the property shall pay the pro-rata share of the Commission's initial actual costs to provide the service lateral to that property.

5. On-Property Sewer Plumbing System Costs

Costs to install or reconfigure the on-property sewer plumbing system serving the property owner's home and connecting to the Commission's sewer main, including furnishings and setting cleanouts, shall be the responsibility of the property owner.

6. Permitting Fees

Property owners will pay all applicable permitting fees required by Charleston County and/or the State of South Carolina.

