

IMPACT FEES

Frequently Asked Questions

1. What is a Sewer Impact Fee?

Sewer Impact fees (also know as, or referred to as A Sewer System Capital Improvement Fund) are charges rendered to “new construction” as they relate to existing or new connections to the Town’s Sewer System. The purpose of these charges is to provide revenue for the improvement and rehabilitation of the sewer and wastewater treatment systems.

2. What is considered New Construction?

New Construction is defined as the construction of a new building for which an occupancy permit is required or an increase in the actual design flow to any system above the existing approved capacity.

3. What is design flow?

Design Flow is equivalent to estimated gallons of generated flow for the proposed type of use plus a factor for flow variations as described in the Massachusetts Department of Environmental Protection 310 CMR 15.203 TitleV and the amended flow in certain categories as determined by the Sewer Commission in April of 2009.

4. How is the fee calculated?

The rate is the number of gallons of flow per day as per the above multiplied by the rate of \$15.50.

5. How was the rate determined?

The Sewer Commissioners contracted with a professional engineering firm to prepare a waste water facilities upgrade and improvement plan including the engineering firm estimated construction costs. The firm also calculated the available capacity at the treatment plant by subtracting the average daily flow of 330,000 gallons per day from the 540,000 gallons per day permitted limit and arriving at 210,000 gallons per day of available flow capacity. The present worth (Feb 2008) cost of the recommended sewer impact fee projects \$3,277,000 by the available flow capacity 210,000 gallons and arriving at a rate of \$15.60, which they then rounded to \$15.50.

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6. How long have impact fees existed in Hadley?

The bill authorizing impact fees to be collected was signed into law by the House Speaker, the Senate President, on January 10, 2008 and the Governor of Massachusetts on January 18, 2008.

7. Examples

1. A person builds a new 3 bedroom house. Impact Fees are \$3,720.

of bedrooms times 80 gallons per day times \$15.50 (per bedroom)

2. A new restaurant with a seating capacity of 50 locates in Town. Impact Fees are \$23,250.

50 seats times 30 gallons per day times \$15.50(per seat)

3. A new 2,000 square foot dress shop opens in Town. Impact Fees are \$775.00.

2 times 25 gallons per day times \$15.50.(per 1000 sqft)

4. A 3 bedroom house is torn down and a new 45 seat fast food restaurant is constructed in its place. Impact fees are \$3250. \$6975-\$3720. (difference old to new)

3 bedrooms times 80 gallons times \$15.50= \$3720(per bedroom)

45 seats times 10 gallons times \$15.50= \$6975(per seat)

5. A 3000 square foot retail shop is torn down and replaced with a new 3000 square foot retail shop . No Impact fee charge. Like replaced by like or lesser.

IF YOU REQUIRE ANY ASSISTANCE OR CLARIFICATION, OR IF YOU WOULD LIKE SPECIFICS REGARDING YOUR INDIVIDUAL CIRCUMSTANCES PLEASE FEEL FREE TO CALL MIKE PEQUIGNOT AT 413-588-8574.

