



## IMPACT FEE ADVISORY COMMITTEE MEETING AGENDA

COMMISSION CHAMBERS OR VIA ZOOM

April 7, 2025

4:00 P.M.

Link to meeting: <https://us06web.zoom.us/j/84351115843> Meeting ID: 843 5111 5843 - OR  
– dial in by phone: 253-215-8782. If you are unable to access the meeting via the attached link,  
please visit [www.zoom.com](http://www.zoom.com) and enter the meeting

### 1. CALL TO ORDER

City Manager Meece

2. PUBLIC COMMENT ON SIGNIFICANT MATTERS TO THE PUBLIC NOT ON THE AGENDA (address items  
to the Chair. Commission takes no action on items discussed)

### 3. REVIEW OF PREVIOUS COMMITTEE WORK – UPDATED CALCULATION METHOD

Shawn Korn, HDR Engineering

### 4. DISCUSSION & ACTION: WATER/SEWER IMPACT FEE RECOMMENDATIONS TO CITY COMMISSION



Ed Meece, City Manager

\*vote required\*

### 5. SCHEDULE PUBLIC HEARING

### 13. ADJOURN

\*vote required\*

### 14. SUPPLEMENTAL PAGES

City of Polson encourages public participation in its public meetings and hearings. In doing so the city holds its meetings in disability accessible facilities. Any persons desiring accommodations for a disability should call the City Clerk at 883-8203 for more information. City meetings are open to anyone wishing to attend in person at City Hall Commission Chambers.

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**City of Polson - Water Impact Fee**  
**Exhibit 1a**  
**Present and Calculated Water Impact Fee**

| <b>Water Impact Fee Schedule</b>                             | <b>Meter Ratio</b> | <b>Present Impact Fee <sup>(1)</sup></b> | <b>AWWA Meter Ratio <sup>(2)</sup></b> | <b>Calculated Impact Fee <sup>(3)</sup></b> | <b>\$ Difference</b> | <b>% Change</b> |
|--------------------------------------------------------------|--------------------|------------------------------------------|----------------------------------------|---------------------------------------------|----------------------|-----------------|
| Residential Development (per unit) - Single Family Detached  | 1.00               | \$3,310                                  | 1.00                                   | \$6,114                                     | \$2,804              | 84.7%           |
| Residential Development (per unit) - All Other Housing Types | 0.79               | 2,617                                    | 0.79                                   | 4,829                                       | 2,212                | 84.5%           |
| Non-residential Development 3/4-inch                         | 1.00               | 3,313                                    | 1.00                                   | 6,114                                       | 2,801                | 84.5%           |
| Non-residential Development 1-inch                           | 1.70               | 5,633                                    | 1.67                                   | 10,189                                      | 4,556                | 80.9%           |
| Non-residential Development 1-1/2-inch                       | 3.30               | 10,935                                   | 3.33                                   | 20,379                                      | 9,444                | 86.4%           |
| Non-residential Development 2-inch <sup>(4)</sup>            | 5.30               | 17,563                                   | 5.33                                   | 32,606                                      | 15,043               | 85.7%           |

*In addition to the fee shown above, 5% of Total Fee will be added for Administration Fee*

**NOTES:**

- (1) Present water impact fee as of October 1, 2021.
- (2) Meter ratio based on American Water Works Association factor based on 3/4-inch meter.
- (3) Based on "Combined" methodology established in AWWA M1, Seventh Edition, Table VII.2-1, page 333.
- (4) Non-residential fees for meters larger than two inches will be based on an annualized day demand and the net capital cost per gallon of capacity.

**City of Polson - Water Impact Fee**  
**Exhibit 1b**  
**Present and Proposed Adjusted Impact Fee**

| <b>Assumptions</b>           |                               |                            |               |               |
|------------------------------|-------------------------------|----------------------------|---------------|---------------|
| <b>Inflation</b>             | 3.5%                          |                            |               |               |
| <b>Fixture Units</b>         | 16 = 1 ERU                    |                            |               |               |
| <b>Minimum Fixture Units</b> | 12                            |                            |               |               |
| <b>Fee Adjustment</b>        | 70.0% of current fee level    |                            |               |               |
|                              | <b>Present<br/>Impact Fee</b> | <b>Proposed<br/>Year 1</b> | <b>Year 2</b> | <b>Year 3</b> |
| Current/Proposed Impact Fee  | \$3,310                       | \$6,114                    | \$6,328       | \$6,549       |
| Adjusted Impact Fee          | -                             | 4,280                      | 4,429         | 4,584         |
| Cost per Fixture Unit        | N/A                           | 267                        | 277           | 287           |

**City of Polson - Water Impact Fee**

**Exhibit 1c**

**Water Impact Fee Bill Comparison - Year 1**

| Number of<br>Fixtures | Present<br>Fee | Proposed<br>Fee | Difference |        |
|-----------------------|----------------|-----------------|------------|--------|
|                       |                |                 | \$         | %      |
| 12                    | \$3,310        | \$3,204         | (\$106)    | -3.2%  |
| 13                    | 3,310          | 3,479           | 169        | 5.1%   |
| 14                    | 3,310          | 3,746           | 436        | 13.2%  |
| 15                    | 3,310          | 4,013           | 703        | 21.2%  |
| 16                    | 3,310          | 4,280           | 970        | 29.3%  |
| 17                    | 3,310          | 4,547           | 1,237      | 37.4%  |
| 18                    | 3,310          | 4,814           | 1,504      | 45.4%  |
| 19                    | 3,310          | 5,081           | 1,771      | 53.5%  |
| 20                    | 3,310          | 5,348           | 2,038      | 61.6%  |
| 21                    | 3,310          | 5,615           | 2,305      | 69.6%  |
| 22                    | 3,310          | 5,882           | 2,572      | 77.7%  |
| 23                    | 3,310          | 6,149           | 2,839      | 85.8%  |
| 24                    | 3,310          | 6,416           | 3,106      | 93.8%  |
| 25                    | 3,310          | 6,683           | 3,373      | 101.9% |
| 26                    | 3,310          | 6,950           | 3,640      | 110.0% |

**Present Rate**

|                            |                      |
|----------------------------|----------------------|
| <b>Impact Fee</b>          | <b><i>\$/ERU</i></b> |
| Impact Fee - Single Family | \$3,310              |

|                                 |                          |
|---------------------------------|--------------------------|
| <b>Additional Fixture Unit</b>  | <b><i>\$/Fixture</i></b> |
| Impact Fee - Additional Fixture | N/A                      |

**Proposed Rate**

|                            |                      |
|----------------------------|----------------------|
| <b>Impact Fee</b>          | <b><i>\$/ERU</i></b> |
| Impact Fee - Single Family | \$4,280              |

|                                 |                          |
|---------------------------------|--------------------------|
| <b>Additional Fixture Unit</b>  | <b><i>\$/Fixture</i></b> |
| Impact Fee - Additional Fixture | \$267                    |

**City of Polson - Sewer Impact Fee**  
**Exhibit 1a**  
**Present and Calculated Sewer Impact Fee**

| <b>Water Impact Fee Schedule</b>                             | <b>Meter Ratio</b> | <b>Present Impact Fee <sup>(1)</sup></b> | <b>AWWA Meter Ratio <sup>(2)</sup></b> | <b>Calculated Impact Fee <sup>(3)</sup></b> | <b>\$ Difference</b> | <b>% Change</b> |
|--------------------------------------------------------------|--------------------|------------------------------------------|----------------------------------------|---------------------------------------------|----------------------|-----------------|
| Residential Development (per unit) - Single Family Detached  | 1.00               | \$1,531                                  | 1.00                                   | \$2,566                                     | \$1,035              | 67.6%           |
| Residential Development (per unit) - All Other Housing Types | 0.79               | 1,210                                    | 0.79                                   | 2,025                                       | 815                  | 67.4%           |
| Non-residential Development 3/4-inch                         | 1.00               | 1,533                                    | 1.00                                   | 2,566                                       | 1,033                | 67.4%           |
| Non-residential Development 1-inch                           | 1.70               | 2,607                                    | 1.67                                   | 4,277                                       | 1,670                | 64.0%           |
| Non-residential Development 1-1/2-inch                       | 3.30               | 5,061                                    | 3.33                                   | 8,554                                       | 3,493                | 69.0%           |
| Non-residential Development 2-inch <sup>(4)</sup>            | 5.30               | 8,129                                    | 5.33                                   | 13,686                                      | 5,557                | 68.4%           |

*In addition to the fee shown above, 5% of Total Fee will be added for Administration Fee*

**NOTES:**

- (1) Present water impact fee as of October 1, 2021.
- (2) Meter ratio based on American Water Works Association factor based on 3/4-inch meter.
- (3) Based on "Combined" methodology established in AWWA M1, Seventh Edition, Table VII.2-1, page 333.
- (4) Non-residential fees for meters larger than two inches will be based on an annualized day demand and the net capital cost per gallon of capacity.

**City of Polson - Sewer Impact Fee**  
**Exhibit 1b**  
**Present and Proposed Adjusted Impact Fee**

| Assumptions           |                            |         |         |         |
|-----------------------|----------------------------|---------|---------|---------|
| Inflation             | 3.5%                       |         |         |         |
| Fixture Units         | 16 = 1 ERU                 |         |         |         |
| Minimum Fixture Units | 12                         |         |         |         |
| Fee Adjustment        | 70.0% of current fee level |         |         |         |
|                       | Present<br>Impact Fee      | Year 1  | Year 2  | Year 3  |
| Current Impact Fee    | \$1,531                    | \$2,566 | \$2,656 | \$2,749 |
| Adjusted Impact Fee   | -                          | 1,796   | 1,859   | 1,924   |
| Cost per Fixture Unit | N/A                        | 112     | 116     | 120     |

**City of Polson - Sewer Impact Fee**

**Exhibit 1c**

**Sewer Impact Fee Bill Comparison - Year 1**

| Number of<br>Fixtures | Present<br>Fee | Proposed<br>Fee | Difference |        |
|-----------------------|----------------|-----------------|------------|--------|
|                       |                |                 | \$         | %      |
| 12                    | \$1,531        | \$1,344         | (\$187)    | -12.2% |
| 13                    | 1,531          | 1,460           | (71)       | -4.6%  |
| 14                    | 1,531          | 1,572           | 41         | 2.7%   |
| 15                    | 1,531          | 1,684           | 153        | 10.0%  |
| 16                    | 1,531          | 1,796           | 265        | 17.3%  |
| 17                    | 1,531          | 1,908           | 377        | 24.6%  |
| 18                    | 1,531          | 2,020           | 489        | 32.0%  |
| 19                    | 1,531          | 2,132           | 601        | 39.3%  |
| 20                    | 1,531          | 2,244           | 713        | 46.6%  |
| 21                    | 1,531          | 2,356           | 825        | 53.9%  |
| 22                    | 1,531          | 2,468           | 937        | 61.2%  |
| 23                    | 1,531          | 2,580           | 1,049      | 68.5%  |
| 24                    | 1,531          | 2,692           | 1,161      | 75.8%  |
| 25                    | 1,531          | 2,804           | 1,273      | 83.2%  |
| 26                    | 1,531          | 2,916           | 1,385      | 90.5%  |

**Present Rate**

|                                 |                          |
|---------------------------------|--------------------------|
| <b>Impact Fee</b>               | <b><i>\$/ERU</i></b>     |
| Impact Fee - Single Family      | \$1,531                  |
| <b>Additional Fixture Unit</b>  | <b><i>\$/Fixture</i></b> |
| Impact Fee - Additional Fixture | N/A                      |

**Proposed Rate**

|                                 |                          |
|---------------------------------|--------------------------|
| <b>Impact Fee</b>               | <b><i>\$/ERU</i></b>     |
| Impact Fee - Single Family      | \$1,796                  |
| <b>Additional Fixture Unit</b>  | <b><i>\$/Fixture</i></b> |
| Impact Fee - Additional Fixture | \$112                    |