



**SYSTEM DEVELOPMENT FEE
(Amended January 1, 2008)**

The Northwestern Water & Sewer District is a self-supported, self-sustaining water and wastewater enterprise operating under the direction of the Board of Trustees following Ohio Revised Code 6119.

In 1986, the Board of County Commissioners implemented a program (cost-of-service methodology) using pricing structures and financing methods that are fair and equitable to all users. It is periodically reviewed to assure that customers pay their fair share of the cost of service. The Board of Trustees endorsed this concept on February 9, 1993, and adopted this extension policy and System Development Fee ("SDF") on December 14, 1993.

The SDF was one of many alternatives reviewed in eight public meetings when it was first approved on May 11, 1993, effective August 1, 1993. The District updated the study in the last 10 years, and most recently in 2007, with changes effective in 2008.

The SDF is designed to prevent and reduce the inequity to existing customers that would result if user rates were increased to pay for added costs for new construction to serve new customers (line over-sizing for example). The "growth pays for growth" policy is consistent with the extension policies approved by the Board of Trustees. (Copies of these are available from the executive director, the office manager or the finance director).

These fees have been developed using concepts from the "system buy-in" methodology promulgated by the American Water Works Association and based on the premise that while new customers are entitled to water and wastewater service at the same price charged to existing customers, existing customers have already paid a portion of the cost of such improvements. With this fee, new customers connecting to the system are required to pay an amount approximating that which has already been paid by existing customers towards their investment in the capital improvements of the District system.

The revenue derived from these fees is restricted in use for the development of facilities to expand water and wastewater services, including the development of water sources and wastewater treatment, construction of buildings, tanks, mains, and pumps needed to provide adequate public water and wastewater treatment within the District's service areas.

Additional information is available from the executive director, office manager or finance director at this office.

Jerry Greiner
Executive Director