Example Reimbursement Scenario

- Sewer extension installed by initial developer: 2,500 ft
- Total eligible costs borne by initial developer: $4,000,000
- Initial development sewer demand: 150 Equivalent Residential Units (ERU)
- Potential demand from future benefiting parties: 450 ERUs (determined in consultation with planning jurisdiction)

Calculation:

- Total ERUs served by extension = Initial Development ERUs + Future ERUs = 600 ERUs
- Cost per ERU = Total Costs ÷ Total ERUs = $4,000,000 / 600 = $6,666.67 per ERU
- **Maximum Reimbursable Amount** = $4,000,000 – (150 * $6,666.67) = $3,000,000

Process/timing:

- Within one year after OWASA's acceptance of the sewer extension, initial developer applies to OWASA for reimbursement of eligible costs as defined in policy.
- OWASA reviews costs and determines Reimbursement Fee and Maximum Reimbursable Amount.
- OWASA and initial developer enter into a non-transferable Reimbursement Agreement.
- OWASA will assess the **Reimbursement Fee** to each future connecting party at the time of connection until the $3,000,000 **Maximum Reimbursable Amount** has been paid to initial developer or the 10-year agreement term ends, whichever comes first.
- With each reimbursement, OWASA will charge an administrative fee to cover the cost of administering the transaction.