

Wastewater Financial Plan and Rate Study

November 17, 2011

Prepared for:

City of Salinas

Prepared by:

CDM

1. Introduction

This report documents the results of a wastewater rate study for the City of Salinas. The purposes of this study are to (1) prepare a wastewater utility financial plan; and (2) update the user charges. The financial plan will assure sufficient rate-based revenues are available for ongoing sewer collection system operations and projects. The review of user charges will assure that the charges are equitable and in compliance with state laws.

The Wastewater Sub-Division of the Environmental and Maintenance Services Division within the City of Salinas (City) is responsible for operating and maintaining the infrastructure necessary to safely convey wastewater to the Monterey Regional Water Pollution Control Agency (MRWPCA) interceptors for treatment and disposal. The Division is also responsible for water quality monitoring and illicit discharge prevention associated with the City's National Pollutant Discharge Elimination System Permit.

2. Revenue Requirements

The purpose of sewer financial plan is to determine the annual rate-based revenue requirements of providing sewer collection services to its customers. Proposition 218 restricts the total revenues to those required to fund the utility, including operation and maintenance costs (O&M), funding of capital improvements and replacements, and maintaining appropriate reserves for utility working capital, project contingencies, and net revenue stabilization. A financial model was developed that forecasts revenues and O&M costs over a 10-year period. The net operating revenues (operating revenues less operational expenses) are used to fund capital improvements.

Operating expenditures include Salary & Benefits, Electricity for the utility lift stations, and other O&M including vehicle fuels and other outside services. The wastewater utility's principal source of revenue is sewer service rates, but revenue also includes inspection fees from its customers and interest earnings. The net sewer service charge revenues are used only for capital improvement costs to be funded on a pay-as-you-go basis, and do not include any projects funded from bond proceeds or growth-related expansion projects funded from development impact fees. The net revenues also fund sewer utility debt service, city overhead charges and shortfalls (if any) to the utility reserves.

Projected Sewer Capital Improvement Plan

Table 1 tabulates proposed Capital Improvement Plan (CIP) project pay-as-you-go (pay-go) expenditures of the wastewater system. Most of the projects are pipe rehabilitation and pump station replacement. The projected project expenditures are shown in current 2011 dollars, and in escalated future dollars based on an inflation rate of 2 percent, compounded annually. As provided in Table 1, the \$0.6 million in FY 2011-12 expenditures are projected to increase to \$1.3 million in 10 years, by FY 2020-21. The CIP expenses are illustrated in Figure 1.

In this financial plan, the pay-go project expenditures are tabulated separately from the wastewater utility operating and non-operating sources and uses of funds calculation. As such,

all capital-related expenditures are provided in a Capital Replacement Fund calculation with a separately tabulated cash reserve balance.

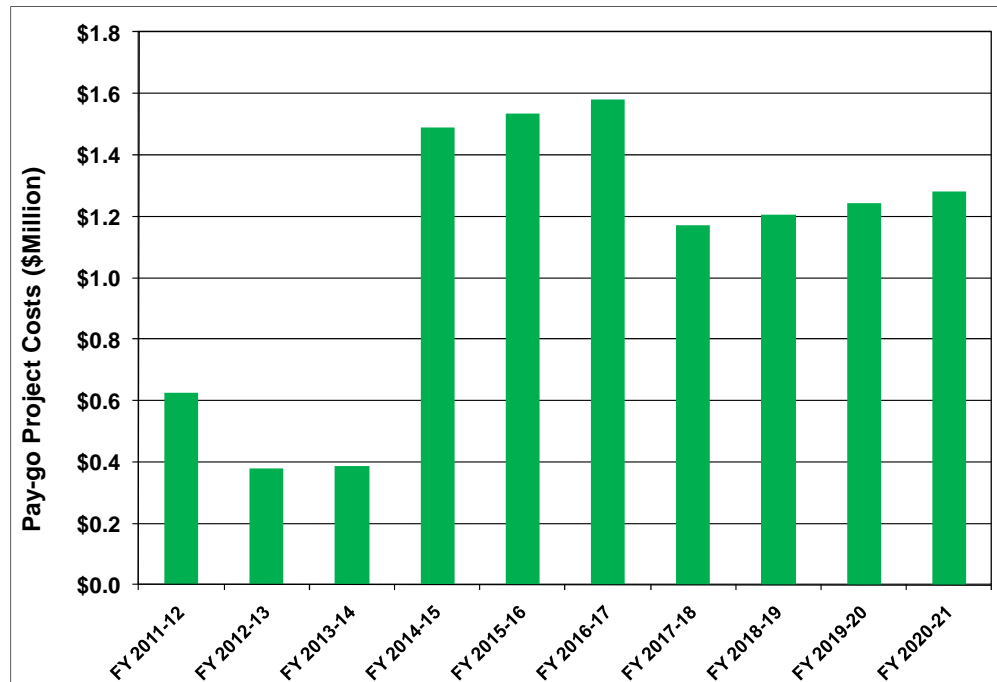


Figure 1
Capital Improvement Project Costs

Projected Operating and Non-Operating Expenses

As shown in Table 2, the annual operating expenses are grouped into four categories: salaries and benefits for the employees, other O&M related expenditures, vehicle fuel, and electricity. The \$1.1 million in operating costs are based on the City's FY 2012-13 budget. The operating expenses are projected to escalate each year by a 4 percent inflation rate. As such, the operating expenses are projected to increase to \$1.5 million by FY 2020-21.

Non-operating expenses are also tabulated in Table 2, with debt service at \$1.1 million throughout the study period and City administrative overhead costs of \$170,000 by FY 2020-21. Non-operating income, such as interest earnings and grease trap inspection fees, is also shown in Table 2. All of the operating and maintenance expenses for FY 2012-13 are illustrated in Figure 2.

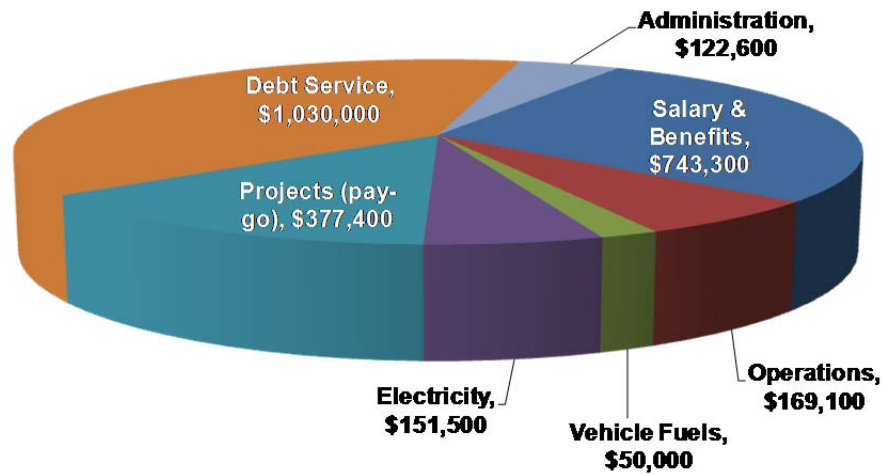


Figure 2
FY 2012-13 Sewer System Expenses

Sources and Uses of Wastewater Fund

Projected rate-based revenue requirements are calculated with an analysis of the source and uses of funds against the cash reserves target. Table 2 tabulates this critical calculation on the net annual changes in cash after operation and project expenditures, and identifies the year-end cash balance of the enterprise. The beginning utility balance is \$1.7 million, and current rate-based revenues are \$3.0 million per year.

As calculated in Table 2, the City must augment current rate-based revenues to meet ongoing operating and project expenses. To do that, the City is required under California's Proposition 218 (California Article XIII C & D) to first implement cost of service changes for customer equity. These mandated changes to the current sewer service rate structure will affect the monthly rate for all customers in FY 2012-13. It will increase the City's current effective charge of \$4.46 per dwelling unit per month to \$4.65 per dwelling unit per month for residential customers. This financial plan is based on no customer growth until FY 2014-15 and an annual two percent growth in the number of sewer service customers thereafter; this organic growth will increase revenues by two percent every year beginning in FY2014-15. In addition, as developed in Table 4 and illustrated in Figure 3, the fund must increase rates by 4 percent in each of the following five years starting in FY 2012-13 through FY 2016-17.

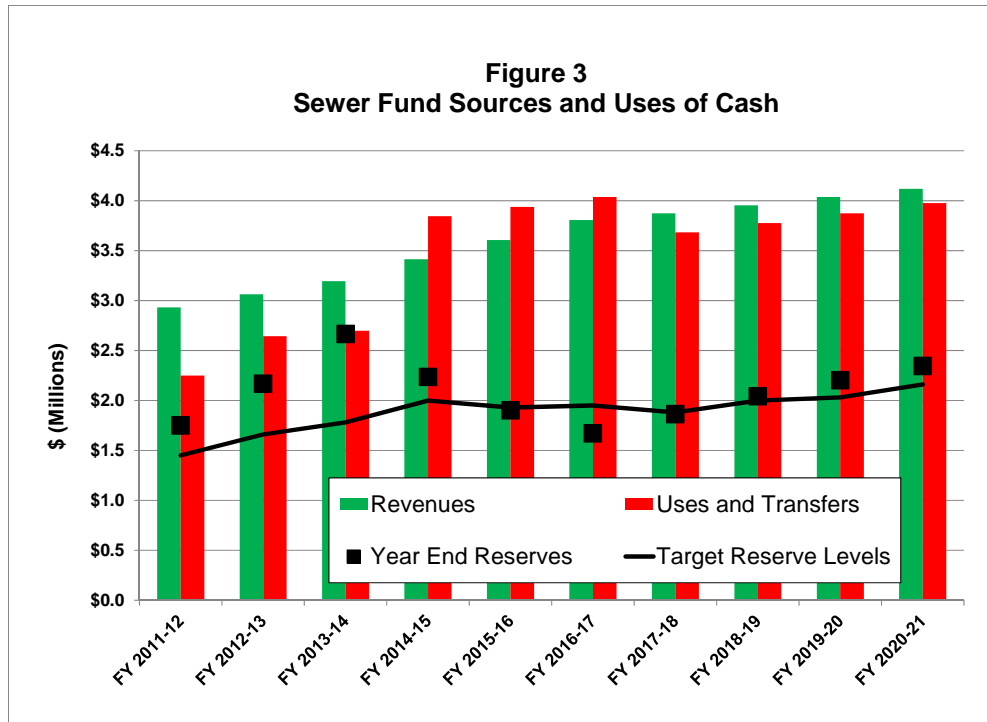


Figure 3
Sewer Fund Sources and Uses of Cash and Reserve Balances

The effect of these changes is to increase the current residential dwelling (equivalent dwelling unit or EDU) charge from the \$4.46 per EDU-month to \$5.45 by FY 2016-17. Thereafter there is no need for further rate increases throughout the ten-year projection period based on the current CIP. With the annual growth in customers and rate increases described above, by the end of the 10-year projection period the annual rate-based revenues will exceed \$4 million. Figure 4 illustrates the projected increases in the unit rates for single-family dwelling customers under the recommended rates through FY 2020-21.

A managed utility enterprise should have cash reserves for unanticipated expenditures and emergency projects. In the absence of a detailed infrastructure condition assessment and contingency fund reserve determination, the standard industry practice is to set aside up to one year of annual capital project expenditures. Working cash is also required to fund the year-round operating expenses. A six-month working cash target is recommended based on the enterprise semi-annual revenue collections from charges billed by MRWPCA.

Also provided in Table 2 are the projected bonded debt service coverage ratios. While the currently outstanding bond issue requires a minimum debt coverage ratio of 1.2, the projected coverage is close to or above 2.0 for most of the projection period.

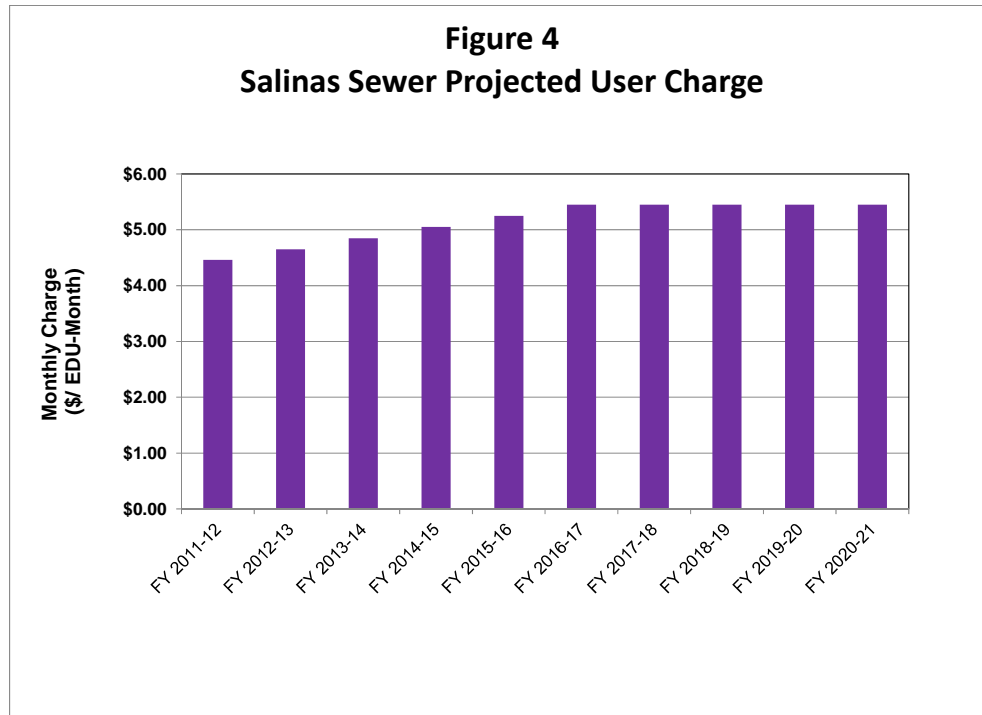


Figure 4
Projected Salinas Sewer Service User Charges

3. Cost of Service

Table 3 develops equitable sewer service charges based on the City’s costs of delivering services to the residents and businesses of the community. The table provides the current EDU-based billing units under the City’s current billing method using the MRWPCA’s charges, and a more equitable City sewer service charge for service using solely sewage flow-based rates.

MRWPCA costs of service include transport from collection system (interceptor), treatment (secondary and tertiary) and disposal of treated wastewater. As such, their sewer service rates are based on three cost factors: (1) contributing sewage flow measured in gallons per day (MGD); (2) sewage strength of biochemical oxygen demand (BOD); and (3) sewage strength of suspend solids (SS). This is appropriate for MRWPCA, as sewer treatment costs are related to all three factors. However, the City’s costs are related solely to sewage collection, so to meet the equity requirements of Proposition 218, the City’s sewer service charges must be based solely on costs of collecting the sewage discharges (flows).

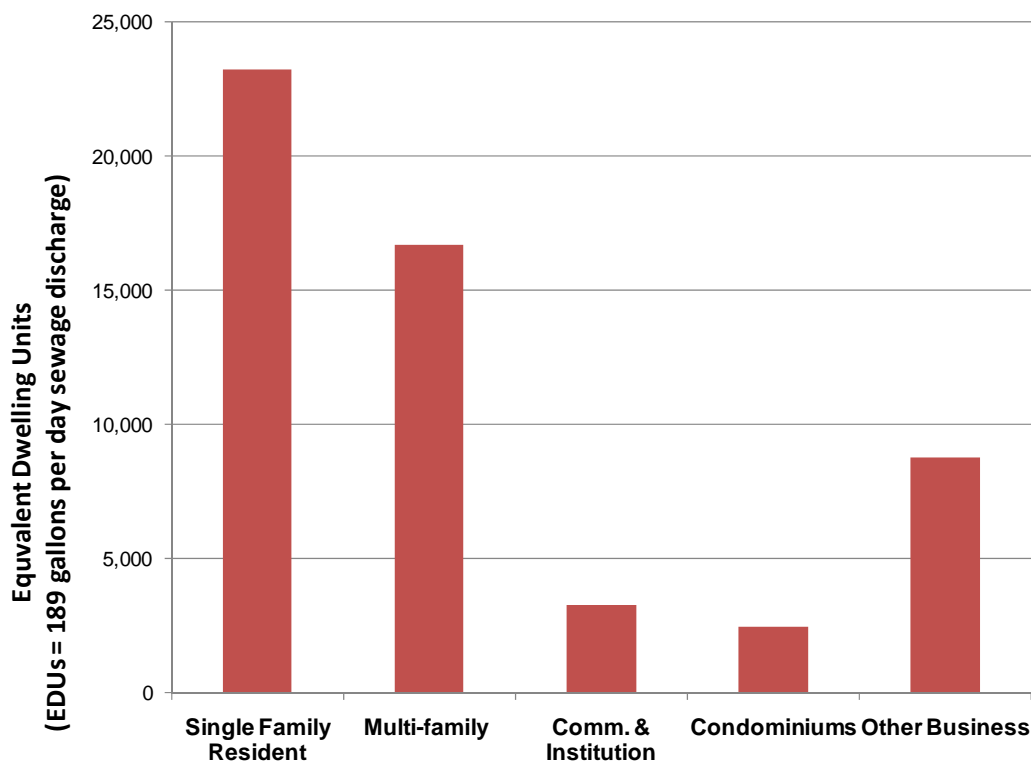
The current City sewer rate is set to 35 percent of the MRWPCA flow and strength-base rate. For residential users, this equates to \$4.46 per month, equaling 35 percent of MRWPCA rate of \$12.75 per month. In contrast, equitable sewer service charges are based on a 189 gallon per day (GPD) of sewage flow. Table 3 lists MRWPCA-provided sewage flows for each customer class discharging sewerage. As shown, the City’s flow-only sewer service rate is based on one residential dwelling unit equaling 1.0 EDU. When the current and updated charges are

contrasted, the residential charge of 1.0 EDU is unchanged, while the rate for all other customers is based solely on flow rather than the current MRWPCA-based flow and strength-base charges. The result is that Salinas’s restaurants, which were previously charged (in part) for sewage strengths, have a 41 percent reduction in their charges, while low-strength customers such as churches and gyms have a 47 percent increase. Commercial discharges with sewage strengths similar to residential customers, such as Bed & Breakfast Inns, will have almost no change.

4. Updated User Charges

This section summarizes and projects the updated user fees, which will augment rate-based revenues in a fair and equitable manner in compliance with the state law.

Table 4 summarizes the updated rate structure in EDUs per billing unit and the billing units per customer class. Figure 5 illustrates theses billing units by customer class; as shown the biggest customers are residences, followed by other businesses.



*Figure 5
Sewer System EDUs by Customer Class*

Table 4 also calculates the total sewer service charges for FY 2011-12 based on the total billing units times \$4.46 per EDU-month. As shown, there are 54,488 EDUs, which results in total revenue of \$2.9 million. This cost of service-based revenue basically identical to the current sewer service charges of \$2.9 million. Note that the FY 2011-12 City of Salinas Sewer Service Charge Budget is only \$2.7 million. Table 5 provides the proposed unit rates for each customer

class-billing unit in FY 2011-12. As shown, the monthly residential dwelling rate remains at \$4.46. Table 6 shows the comparison of current versus proposed FY 2011-12 total monthly rates per billing unit. Total monthly rate includes the City's monthly rate and the MRWPCA rate. The table also shows the indicated increase or decrease in making the change from the current billing basis (35%) to a flow based basis for the City's charge. Table 7 shows the five year projection of monthly City rates per billing unit for all user categories. These rates would be implemented as shown and the linkage to MRWPCA would no longer apply. The rates would provide the City with adequate revenues and comply with cost of service requirements under Proposition 218.

APPENDIX

Analysis Tables 1 to 7

Table 1
Sanitary Sewer Pay-as-you-go Project Costs

		Fiscal Year (Study Year No.)									
		1	2	3	4	5	6	7	8	9	10
CIP No.	Project Description	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
"Pay-as-you-go" Project Cost (current 2011 dollars)											
9283	Mgmt System	\$75,000	\$75,000	\$75,000	\$175,000	\$175,000	\$175,000				
9348	WDR-Grease Traps	\$120,000	\$120,000	\$120,000	\$250,000	\$250,000	\$250,000				
9742	Pipe Repairs	\$100,000	\$100,000	\$100,000	\$750,000	\$750,000	\$750,000				
9743	Repairs to Lift Stations	\$75,000	\$75,000	\$75,000	\$100,000	\$100,000	\$100,000				
9962	GIS Mapping				\$115,000	\$115,000	\$115,000				
Carry forward from prior year		\$253,393									
Projected future capital facility replacement projects								\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Total (2011 dollars)		\$623,393	\$370,000	\$370,000	\$1,390,000	\$1,390,000	\$1,390,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Inflationary Escalation factor			2%	4%	7%	10%	14%	17%	21%	24%	28%
Total (then-current dollars)		\$623,393	\$377,400	\$384,948	\$1,489,541	\$1,534,227	\$1,580,254	\$1,170,979	\$1,206,109	\$1,242,292	\$1,279,561

Notes: Not shown are expansion-related projects funded from impact fees and all bond-funded projects

Table 2
Projected Sources and Uses of Funds

Description	Fiscal Year (Study Year No.)		3	4	5	6	7	8	9	10
	1	2								
	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Projected Rate (\$/EDU-Month)	\$4.46	\$4.65	\$4.85	\$5.05	\$5.25	\$5.45	\$5.45	\$5.45	\$5.45	\$5.45
Projected Rate Increase		4%	4%	4%	4%	4%	0%	0%	0%	0%
Rate-based Operating Revenues	\$2,910,657	\$3,040,430	\$3,171,202	\$3,368,027	\$3,571,470	\$3,781,690	\$3,857,292	\$3,934,464	\$4,013,140	\$4,093,386
Projected Revenue Increase	8%	4%	4%	6%	6%	6%	2%	2%	2%	2%
Operating Expenses										
Salary & Benefits	\$726,900	\$743,300	\$773,032	\$803,953	\$836,111	\$869,556	\$904,338	\$940,512	\$978,132	\$1,017,257
Other M&O	\$168,500	\$169,100	\$175,864	\$182,899	\$190,215	\$197,823	\$205,736	\$213,965	\$222,524	\$231,425
Vehicle Fuels	\$50,000	\$50,000	\$52,000	\$54,080	\$56,243	\$58,493	\$60,833	\$63,266	\$65,797	\$68,428
Electricity	\$151,500	\$151,500	\$157,560	\$163,862	\$170,417	\$177,234	\$184,323	\$191,696	\$199,364	\$207,338
Total Op Expenses	\$1,096,900	\$1,113,900	\$1,158,456	\$1,204,794	\$1,252,986	\$1,303,105	\$1,355,230	\$1,409,439	\$1,465,816	\$1,524,449
Net Operating Revenues	\$1,813,757	\$1,926,530	\$2,012,746	\$2,163,233	\$2,318,484	\$2,478,584	\$2,502,062	\$2,525,025	\$2,547,324	\$2,568,937
Non Operating Income (Expense):										
Interest Earned	\$16,891	\$16,821	\$18,181	\$41,338	\$28,489	\$17,588	\$10,764	\$12,964	\$16,153	\$18,533
Grease Trap Inspection Fee	\$5,000	\$5,200	\$5,408	\$5,624	\$5,849	\$6,083	\$6,327	\$6,580	\$6,843	\$7,117
Debt Service (Refi Series 2011)	(\$1,030,000)	(\$1,030,000)	(\$1,030,000)	(\$1,030,000)	(\$1,030,000)	(\$1,030,000)	(\$1,030,000)	(\$1,030,000)	(\$1,030,000)	(\$1,030,000)
Administration-City Overhead	(\$122,600)	(\$122,600)	(\$127,504)	(\$132,604)	(\$137,908)	(\$143,425)	(\$149,162)	(\$155,128)	(\$161,333)	(\$167,787)
Net Non-Op Income (Expense):	(\$1,130,709)	(\$1,130,579)	(\$1,133,915)	(\$1,115,642)	(\$1,133,570)	(\$1,149,754)	(\$1,162,071)	(\$1,165,584)	(\$1,168,337)	(\$1,172,137)
Transfers Out to Capital Fund	(\$690,000)	(\$660,000)	(\$630,000)	(\$1,690,000)	(\$1,730,000)	(\$1,670,000)	(\$1,230,000)	(\$1,200,000)	(\$1,260,000)	(\$1,290,000)
Net Income (Loss)	(\$6,953)	\$135,951	\$248,830	(\$642,410)	(\$545,086)	(\$341,170)	\$109,992	\$159,441	\$118,986	\$106,800
Unrestricted Op Fund Reserve Balance (a)										
Op Fund Target	\$550,000	\$560,000	\$580,000	\$600,000	\$630,000	\$650,000	\$680,000	\$700,000	\$730,000	\$760,000
Carryforward from Prior Year (a)	\$1,689,053	\$1,682,100	\$1,818,052	\$2,066,882	\$1,424,472	\$879,387	\$538,217	\$648,209	\$807,649	\$926,636
YE Balance in Op Fund	\$1,682,100	\$1,818,052	\$2,066,882	\$1,424,472	\$879,387	\$538,217	\$648,209	\$807,649	\$926,636	\$1,033,436
Capital Replacement Fund Reserve Balance:										
Cap Repl Fund Target	\$900,000	\$1,100,000	\$1,200,000	\$1,400,000	\$1,300,000	\$1,300,000	\$1,200,000	\$1,300,000	\$1,300,000	\$1,400,000
Carryforward from Prior Year	\$0	\$66,607	\$349,873	\$598,424	\$810,852	\$1,022,842	\$1,133,045	\$1,214,726	\$1,232,912	\$1,275,278
Transfer in from Operating Fund	\$690,000	\$660,000	\$630,000	\$1,690,000	\$1,730,000	\$1,670,000	\$1,230,000	\$1,200,000	\$1,260,000	\$1,290,000
Interest Earnings on Fund Balance	\$0	\$666	\$3,499	\$11,968	\$16,217	\$20,457	\$22,661	\$24,295	\$24,658	\$25,506
Less Capital Outlay for Projects	(\$623,393)	(\$377,400)	(\$384,948)	(\$1,489,541)	(\$1,534,227)	(\$1,580,254)	(\$1,170,979)	(\$1,206,109)	(\$1,242,292)	(\$1,279,561)
YE Balance in Cap Repl Fund	\$66,607	\$349,873	\$598,424	\$810,852	\$1,022,842	\$1,133,045	\$1,214,726	\$1,232,912	\$1,275,278	\$1,311,223
Debt Service Coverage Ratio (min 1.2)	1.76	1.87	1.95	2.10	2.25	2.41	2.43	2.45	2.47	2.49
Assumptions										
Projected Customer Base (EDUs)	54,488	54,488	54,488	55,578	56,690	57,824	58,980	60,160	61,363	62,590
Capital Project Inflation Rate (ENRCCI, %/year)	2%	2%	2%	3%	3%	3%	3%	3%	3%	3%
O&M Inflation Rate (CPI, 5/year)	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%
Interest rate on Cash Reserves (%/year)	1%	1%	1%	2%	2%	2%	2%	2%	2%	2%
Growth in Customer Base (%/year)	0%	0%	0%	2%	2%	2%	2%	2%	2%	2%
Op Fund Target (percent of O&M)	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Cap Repl Fund Target (percent of future CIP)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Notes

a. Cash balance excludes AR and restricted reserves. The restricted reserves are impact fee proceeds, unspent bond proceeds, one-year of debt service (\$1,031,500) and a 25% debt service buffer (\$225,000).

Table 3
Customer Cost of Service Loads

Fee code	User Category	MRWPCA Billing Unit Description	FY 11/12 MRWPCA Rate (\$ per month)	Salinas Current Flow & Strength Billing Rates (SFD = 1.0)	Sewage Flow per Unit (2010 actual from MRWPCA, GPD)	Salinas Flow-based EDUs per Billing Unit (1.0 = 189 GPD, (a))	Change for Equity
001	Business/Government (Per 10 employees in groups of 10)	Location/Each licensed business	\$8.70	0.7	146	0.8	13%
002	Business/Government (11-20 employees)	Location/Each licensed business	\$17.40	1.4	292	1.5	13%
003	Business/Government (21-30 Employees)	Location/Each licensed business	\$26.10	2.0	438	2.3	13%
004	Business/Government (31-40 employees)	Location/Each licensed business	\$34.80	2.7	584	3.1	13%
005	Business/Government (41-50 employees)	Location/Each licensed business	\$43.50	3.4	730	3.9	13%
006	Business/Government (51-60 employees)	Location/Each licensed business	\$52.20	4.1	876	4.6	13%
007	Business/Government (61-70 employees)	Location/Each licensed business	\$60.90	4.8	1,022	5.4	13%
008	Business/Government (71-80 employees)	Location/Each licensed business	\$69.60	5.5	1,168	6.2	13%
009	Business/Government (81-90 employees)	Location/Each licensed business	\$78.30	6.1	1,314	7.0	13%
010	Business/Government (91- 100 employees)	Location/Each licensed business	\$87.00	6.8	1,460	7.7	13%
011	Business/Government (101- 110 employees)	Location/Each licensed business	\$95.70	7.5	1,606	8.5	13%
012	Business/Government (111- 120 employees)	Location/Each licensed business	\$104.40	8.2	1,752	9.3	13%
013	Business/Government (121- 130 employees)	Location/Each licensed business	\$113.10	8.9	1,898	10.0	13%
014	Business/Government (131- 140 employees)	Location/Each licensed business	\$121.80	9.6	2,044	10.8	13%
015	Business/Government (141- 150 employees)	Location/Each licensed business	\$130.50	10.2	2,190	11.6	13%
016	Business/Government (151- 160 employees)	Location/Each licensed business	\$139.20	10.9	2,336	12.4	13%
018	Business/Government (171- 180 employees)	Location/Each licensed business	\$156.60	12.3	2,628	13.9	13%
019	Business/Government (181- 190 employees)	Location/Each licensed business	\$165.30	13.0	2,774	14.7	13%
021	Business/Government (201- 210 employees)	Location/Each licensed business	\$182.70	14.3	3,066	16.2	13%
022	Business/Government (210 - 220 employees)	Location/Each licensed business	\$191.40	15.0	3,212	17.0	13%
028	Business/Government (271- 280 employees)	Location/Each licensed business	\$243.60	19.1	4,088	21.6	13%
030	Business/Government (291- 300 employees)	Location/Each licensed business	\$261.00	20.5	4,380	23.2	13%
035	Business/Government (341- 350 employees)	Location/Each licensed business	\$304.50	23.9	5,110	27.0	13%
042	Business/Government (411- 420 employees)	Location/Each licensed business	\$365.40	28.7	6,132	32.4	13%
044	Business/Government (431- 440 employees)	Location/Each licensed business	\$382.80	30.0	6,424	34.0	13%
053	Business/Government (521 - 530 employees)	Location/Each licensed business	\$461.10	36.2	7,738	40.9	13%
070	Business/Government (691 -700 employees)	Location/Each licensed business	\$609.00	47.8	10,220	54.1	13%
099	Business/Government (981 -990 employees)	Location/Each licensed business	\$861.30	67.6	14,454	76.5	13%
ST	Business/Government User Cat. Subtotal	Charge per 10 Employee Groups	\$8.70	0.7	146	0.8	13%
101	Residence - vacant	Account	\$7.65	0.6	na	0.2	-67%
102	Residence	Each living unit	\$12.75	1.0	189	1.0	0%
105	Multi Residence - Apts	Each living unit	\$12.75	1.0	189	1.0	0%
106	Multi Residence - Vacant Apt	Each living unit	\$12.75	1.0	na	0.2	-80%
107	Condominium	Each living unit	\$12.75	1.0	189	1.0	0%
109	Retirement Complex	Each living unit	\$12.75	1.0	189	1.0	0%
211	Business - vacant	Account	\$6.65	0.5	na	0.2	-62%
221	Motel/Hotel	Each room	\$5.30	0.4	82	0.4	4%
222	Bed & Breakfast Inn	Each room	\$3.55	0.3	54	0.3	3%
231	Supermarket	Location	\$86.15	6.8	797	4.2	-38%
241	Medical Office	Each licensed physician	\$11.15	0.9	195	1.0	18%
242	Dental Office	Each licensed dentist	\$15.10	1.2	269	1.4	20%
243	Rest Home/Convalescent	Each bed of licensed capacity	\$3.30	0.3	54	0.3	10%
244	General Hospital	Each bed of licensed capacity	\$19.55	1.5	320	1.7	10%
245	Animal Hospital	Each bed of licensed capacity	\$22.90	1.8	365	1.9	8%
261	Restaurant - One Meal	Each restaurant seat	\$0.80	0.1	7	0.0	-41%
262	Restaurant - Two Meals	Each restaurant seat	\$1.25	0.1	11	0.1	-41%
263	Restaurant - Three Meals	Each restaurant seat	\$2.40	0.2	21	0.1	-41%
264	Restaurant w/Bar	Each restaurant seat	\$2.40	0.2	21	0.1	-41%
265	Bar	Location/Each licensed business	\$19.75	1.5	317	1.7	8%
266	Nightclub	Location/Each licensed business	\$57.70	4.5	950	5.0	11%
267	Takeout Food - Small	Location/Each licensed business	\$27.15	2.1	354	1.9	-12%
268	Takeout Food - Medium	Location/Each licensed business	\$69.75	5.5	871	4.6	-16%
269	Takeout Food - Large	Location/Each licensed business	\$122.60	9.6	1,588	8.4	-13%
270	Bakery	Location/Each licensed business	\$33.55	2.6	287	1.5	-42%
281	Theatre	Location/Each licensed business	\$27.00	2.1	471	2.5	18%
282	Bowling Center	Location/Each licensed business	\$81.00	6.4	1,433	7.6	19%
283	Gym - 500 Members	Location/Each licensed business	\$8.70	0.7	189	1.0	47%
288	Gym - 3000 Members	Location/Each licensed business	\$52.20	4.1	1,134	6.0	47%
289	Gym - 3500 Members	Location/Each licensed business	\$60.90	4.8	1,323	7.0	47%
290	Mortuary	Location/Each licensed business	\$42.20	3.3	387	2.0	-38%
291	School - Minimum	Account	\$8.70	0.7	na	0.2	-71%
292	School - Pre-Grade 6	School population	\$0.10	0.0	2	0.0	35%
293	School - Grade 7 - College	School population	\$0.20	0.0	4	0.0	35%
294	School - Boarding	School population	\$2.55	0.2	40	0.2	6%
295	Instructional Facility	Location/Each licensed business	\$8.70	0.7	189	1.0	47%
296	Church - Small	Location/Each licensed business	\$8.70	0.7	189	1.0	47%
297	Church - Large	Location/Each licensed business	\$17.40	1.4	378	2.0	47%
301	Photo - Developer	Location/Each licensed business	\$8.70	0.7	189	1.0	47%
311	Laboratory - 10 Empl	Location/Each licensed business	\$8.70	0.7	189	1.0	47%
321	Printer - 10 Empl	Location/Each licensed business	\$8.70	0.7	189	1.0	47%
323	Printer - 30 Empl	Location/Each licensed business	\$26.10	2.0	567	3.0	47%
324	Printer - 40 Empl	Location/Each licensed business	\$34.80	2.7	756	4.0	47%
331	Garage/Repair	Location/Each licensed business	\$9.25	0.7	140	1.0	38%
341	Paint Shop - 10 Empl	Location/Each licensed business	\$8.70	0.7	189	1.0	47%
342	Paint Shop - 20 Empl	Location/Each licensed business	\$17.90	1.4	378	2.0	42%
344	Paint Shop - 40 Empl	Location/Each licensed business	\$34.80	2.7	756	4.0	47%
351	Industrial Laundry	Billed Account (b)	\$5,000	392.2	76,885 est.	406.8	4%

Fee code	User Category	MRWPCA Billing Unit Description	FY 11/12 MRWPCA Rate (\$ per month)	Salinas Current Flow & Strength Billing Rates (SFD = 1.0)	Sewage Flow per Unit (2010 actual from MRWPCA, GPD)	Salinas Flow-based EDUs per Billing Unit (1.0 = 189 GPD, (a))	Change for Equity
352	Commercial Laundry	Billed Account (b)	\$120	9.4	1,845 est.	9.8	4%
353	Dry Cleaner	Location/Each licensed business	\$28	2.2	483	2.6	17%
354	Laundromat	Each washing machine	\$7	0.5	127	0.7	22%
366	Car Wash	Billed Account (b)	\$158	12.4	2,424 est.	12.8	4%
367	Truck/Bus Wash	Billed Account (b)	\$100	7.8	1,538 est.	8.1	4%
401	Special User	Billed Account (b)	\$625	49.0	9,611 est.	50.8	4%
403	Chemicals/Pesticides	Billed Account (b)	\$180	14.1	2,768 est.	14.6	4%
405	Water Softener	Billed Account (b)	\$1,190	93.3	18,299 est.	96.8	4%
406	Food Processor	Billed Account (b)	\$625	49.0	9,611 est.	50.8	4%
407	Rec/Sports Facility	Billed Account (b)	\$150	11.8	2,307 est.	12.2	4%
408	Inedible Renderer	Billed Account (b)	\$3,200	251.0	49,206 est.	260.4	4%
410	Ground Water Discharger	Billed Account (b)	\$283	22.2	4,357 est.	23.1	4%

(a) EDU: Equivalent Dwelling Unit representing one single family dwelling with 189 gallons per day (GPD) of sewage flow.

(b) Sewage flows for customer categories 351,352, 366-410 are estimated or based on metering. Billing is based on 1 EDU per 189 GPD.

Table 4
Updated Salinas Sewer Service Revenues

Fee code	User Category	MRWPCA Billing Unit Description	Salinas Flow-based EDUs per Billing Unit (a)	FY 2011/12 Salinas Customers and Discharges		
				Total Customer Accounts	Total Billing Units	Total EDUs (includ min. Charge)
001	Business/Government (Per 10 employees in groups of 10)	Location/Each licensed business	0.8	2,301	2,330	
002	Business/Government (11-20 employees)	Location/Each licensed business	1.5	163	163	
003	Business/Government (21-30 Employees)	Location/Each licensed business	2.3	67	67	
004	Business/Government (31-40 employees)	Location/Each licensed business	3.1	36	36	
005	Business/Government (41-50 employees)	Location/Each licensed business	3.9	19	19	
006	Business/Government (51-60 employees)	Location/Each licensed business	4.6	12	12	
007	Business/Government (61-70 employees)	Location/Each licensed business	5.4	10	10	
008	Business/Government (71-80 employees)	Location/Each licensed business	6.2	7	7	
009	Business/Government (81-90 employees)	Location/Each licensed business	7.0	5	5	
010	Business/Government (91- 100 employees)	Location/Each licensed business	7.7	7	7	
011	Business/Government (101- 110 employees)	Location/Each licensed business	8.5	4	4	
012	Business/Government (111- 120 employees)	Location/Each licensed business	9.3	3	3	
013	Business/Government (121- 130 employees)	Location/Each licensed business	10.0	6	6	
014	Business/Government (131- 140 employees)	Location/Each licensed business	10.8	6	6	
015	Business/Government (141- 150 employees)	Location/Each licensed business	11.6	4	4	
016	Business/Government (151- 160 employees)	Location/Each licensed business	12.4	1	1	
018	Business/Government (171- 180 employees)	Location/Each licensed business	13.9	2	2	
019	Business/Government (181- 190 employees)	Location/Each licensed business	14.7	2	2	
021	Business/Government (201- 210 employees)	Location/Each licensed business	16.2	2	2	
022	Business/Government (210 - 220 employees)	Location/Each licensed business	17.0	1	1	
028	Business/Government (271- 280 employees)	Location/Each licensed business	21.6	1	1	
030	Business/Government (291- 300 employees)	Location/Each licensed business	23.2	1	1	
035	Business/Government (341- 350 employees)	Location/Each licensed business	27.0	1	1	
042	Business/Government (411- 420 employees)	Location/Each licensed business	32.4	1	1	
044	Business/Government (431- 440 employees)	Location/Each licensed business	34.0	1	1	
053	Business/Government (521 - 530 employees)	Location/Each licensed business	40.9	1	1	
070	Business/Government (691 -700 employees)	Location/Each licensed business	54.1	1	1	
099	Business/Government (981 -990 employees)	Location/Each licensed business	76.5	1	1	
ST	Business/Government User Cat. Subtotal	Charge per 10 Employee Groups	0.8	2,666	4,266	3,295
101	Residence - vacant	Account	0.2	61	61	12
102	Residence (Single Family Dwelling)	Each living unit	1.0	23,220	23,224	23,224
105	Multi Residence - Apts	Each living unit	1.0	2,017	16,702	16,702
106	Multi Residence - Vacant Apt	Each living unit	0.2	16	29	6
107	Condominium	Each living unit	1.0	1,661	2,487	2,487
109	Retirement Complex	Each living unit	1.0	3	238	238
211	Business - vacant	Account	0.2	426	426	85
221	Motel/Hotel	Each room	0.4	44	2,088	906
222	Bed & Breakfast Inn	Each room	0.3	1	20	6
231	Supermarket	Location	4.2	28	28	118
241	Medical Office	Each licensed physician	1.0	281	307	317
242	Dental Office	Each licensed dentist	1.4	132	135	192
243	Rest Home/Convalescent	Each bed of licensed capacity	0.3	25	945	270
244	General Hospital	Each bed of licensed capacity	1.7	1	5	8
245	Animal Hospital	Each bed of licensed capacity	1.9	6	6	12
261	Restaurant - One Meal	Each restaurant seat	0.0	7	471	17
262	Restaurant - Two Meals	Each restaurant seat	0.1	56	4,035	235
263	Restaurant - Three Meals	Each restaurant seat	0.1	28	2,020	224
264	Restaurant w/Bar	Each restaurant seat	0.1	18	2,707	301
265	Bar	Location/Each licensed business	1.7	16	17	29
266	Nightclub	Location/Each licensed business	5.0	2	2	10
267	Takeout Food - Small	Location/Each licensed business	1.9	131	131	245
268	Takeout Food – Medium	Location/Each licensed business	4.6	41	41	189
269	Takeout Food – Large	Location/Each licensed business	8.4	19	19	160
270	Bakery	Location/Each licensed business	1.5	50	50	76
281	Theatre	Location/Each licensed business	2.5	4	30	75
282	Bowling Center	Location/Each licensed business	7.6	1	1	8
283	Gym - 500 Members	Location/Each licensed business	1.0	4	4	4
288	Gym - 3000 Members	Location/Each licensed business	6.0	1	1	6
289	Gym - 3500 Members	Location/Each licensed business	7.0	1	1	7

FY 2011/12 Salinas Customers and Discharges						
Fee code	User Category	MRWPCA Billing Unit Description	Salinas Flow- based EDUs per Billing Unit (a)	Total Customer Accounts	Total Billing Units	Total EDUs (incl min. Charge)
290	Mortuary	Location/Each licensed business	2.0	3	3	6
291	School - Minimum	Account	0.2	27	27	5
292	School - Pre-Grade 6	School population	0.0	39	22,778	241
293	School - Grade 7 - College	School population	0.0	21	17,646	373
294	School - Boarding	School population	0.2	5	1,437	304
295	Instructional Facility	Location/Each licensed business	1.0	9	9	9
296	Church - Small	Location/Each licensed business	1.0	49	49	49
297	Church - Large	Location/Each licensed business	2.0	32	32	64
301	Photo - Developer	Location/Each licensed business	1.0	9	9	9
311	Laboratory - 10 Empl	Location/Each licensed business	1.0	18	18	18
321	Printer - 10 Empl	Location/Each licensed business	1.0	13	13	13
323	Printer - 30 Empl	Location/Each licensed business	3.0	1	1	3
324	Printer - 40 Empl	Location/Each licensed business	4.0	1	1	4
331	Garage/Repair	Location/Each licensed business	1.0	134	134	134
341	Paint Shop - 10 Empl	Location/Each licensed business	1.0	55	55	55
342	Paint Shop - 20 Empl	Location/Each licensed business	2.0	5	5	10
344	Paint Shop - 40 Empl	Location/Each licensed business	4.0	1	1	4
351	Industrial Laundry	Billed Account	406.8	2	2	814
352	Commercial Laundry	Billed Account	9.8	5	5	49
353	Dry Cleaner	Location/Each licensed business	2.6	6	6	15
354	Laundromat	Each washing machine	0.7	28	1,182	794
366	Car Wash	Billed Account	12.8	17	17	218
367	Truck/Bus Wash	Billed Account	8.1	5	5	41
401	Special User	Billed Account	50.8	16	16	814
403	Chemicals/Pesticides	Billed Account	14.6	1	1	15
405	Water Softener	Billed Account	96.8	1	1	97
406	Food Processor	Billed Account	50.8	8	8	407
407	Rec/Sports Facility	Billed Account	12.2	5	5	61
408	Inedible Renderer	Billed Account	260.4	1	1	260
410	Ground Water Discharger	Billed Account	23.1	6	6	138
				31,490		54,488
				Single Family Dwelling Rate per EDU (\$/month):		\$4.46
				Updated City of Salinas Sewer Service Charges:		\$2,916,198
				FY 2011/12 City of Salinas Sewer Service Charges using 35% of MRWPCA Charges:		\$2,910,657
				Increase in Current Revenues using Cost of Service Findings:		0%
				FY 2011/12 City of Salinas Sewer Service Charge Budget:		\$2,655,000

EDU: Equivalent Dwelling Unit representing one single family dwelling with 189 gallons per day (GPD) of sewage flow.

Sewage flows for customer categories 351,352, 366-410 are estimated or metered. Minimum charge per vacant customer account is 0.2 EDU for administration and fixed city costs of allocated but unused capacities.

a. Salinas Flow-based EDUs per Billing Unit for vacant accounts are billed (to property owners) at 0.20 EDUs.

Table 5
Proposed User Charges FY 2011-12

Fee code	User Category	Description	Salinas Flow-based EDUs per Billing Unit (1.0 = 189 GPD, a)	Proposed Monthly Rate per Billing Unit
001	Business/Government (Per 10 employees in groups of 10)	Location/Each licensed business	0.8	\$3.45
002	Business/Government (11-20 employees)	Location/Each licensed business	1.5	\$6.89
003	Business/Government (21-30 Employees)	Location/Each licensed business	2.3	\$10.34
004	Business/Government (31-40 employees)	Location/Each licensed business	3.1	\$13.78
005	Business/Government (41-50 employees)	Location/Each licensed business	3.9	\$17.23
006	Business/Government (51-60 employees)	Location/Each licensed business	4.6	\$20.67
007	Business/Government (61-70 employees)	Location/Each licensed business	5.4	\$24.12
008	Business/Government (71-80 employees)	Location/Each licensed business	6.2	\$27.56
009	Business/Government (81-90 employees)	Location/Each licensed business	7.0	\$31.01
010	Business/Government (91- 100 employees)	Location/Each licensed business	7.7	\$34.45
011	Business/Government (101- 110 employees)	Location/Each licensed business	8.5	\$37.90
012	Business/Government (111- 120 employees)	Location/Each licensed business	9.3	\$41.34
013	Business/Government (121- 130 employees)	Location/Each licensed business	10.0	\$44.79
014	Business/Government (131- 140 employees)	Location/Each licensed business	10.8	\$48.23
015	Business/Government (141- 150 employees)	Location/Each licensed business	11.6	\$51.68
016	Business/Government (151- 160 employees)	Location/Each licensed business	12.4	\$55.12
018	Business/Government (171- 180 employees)	Location/Each licensed business	13.9	\$62.02
019	Business/Government (181- 190 employees)	Location/Each licensed business	14.7	\$65.46
021	Business/Government (201- 210 employees)	Location/Each licensed business	16.2	\$72.35
022	Business/Government (210 - 220 employees)	Location/Each licensed business	17.0	\$75.80
028	Business/Government (271- 280 employees)	Location/Each licensed business	21.6	\$96.47
030	Business/Government (291- 300 employees)	Location/Each licensed business	23.2	\$103.36
035	Business/Government (341- 350 employees)	Location/Each licensed business	27.0	\$120.59
042	Business/Government (411- 420 employees)	Location/Each licensed business	32.4	\$144.70
044	Business/Government (431- 440 employees)	Location/Each licensed business	34.0	\$151.59
053	Business/Government (521 - 530 employees)	Location/Each licensed business	40.9	\$182.60
070	Business/Government (691 -700 employees)	Location/Each licensed business	54.1	\$241.17
099	Business/Government (981 -990 employees)	Location/Each licensed business	76.5	\$341.08
101	Residence - vacant	Account	0.2	\$0.89
102	Residence	Each living unit	1.0	\$4.46
105	Multi Residence - Apts	Each living unit	1.0	\$4.46
106	Multi Residence - Vacant Apt	Each living unit	0.2	\$0.89
107	Condominium	Each living unit	1.0	\$4.46
109	Retirement Complex	Each living unit	1.0	\$4.46
211	Business - vacant	Account	0.2	\$0.89
221	Motel/Hotel	Each room	0.4	\$1.94
222	Bed & Breakfast Inn	Each room	0.3	\$1.27
231	Supermarket	Location	4.2	\$18.81
241	Medical Office	Each licensed physician	1.0	\$4.60
242	Dental Office	Each licensed dentist	1.4	\$6.35
243	Rest Home/Convalescent	Each bed of licensed capacity	0.3	\$1.27
244	General Hospital	Each bed of licensed capacity	1.7	\$7.55
245	Animal Hospital	Each bed of licensed capacity	1.9	\$8.61
261	Restaurant - One Meal	Each restaurant seat	0.0	\$0.17
262	Restaurant - Two Meals	Each restaurant seat	0.1	\$0.26
263	Restaurant - Three Meals	Each restaurant seat	0.1	\$0.50
264	Restaurant w/Bar	Each restaurant seat	0.1	\$0.50
265	Bar	Location/Each licensed business	1.7	\$7.48
266	Nightclub	Location/Each licensed business	5.0	\$22.42
267	Takeout Food - Small	Location/Each licensed business	1.9	\$8.35
268	Takeout Food – Medium	Location/Each licensed business	4.6	\$20.55
269	Takeout Food – Large	Location/Each licensed business	8.4	\$37.47
270	Bakery	Location/Each licensed business	1.5	\$6.77
281	Theatre	Location/Each licensed business	2.5	\$11.11

Fee code	User Category	Description	Salinas Flow-based EDUs per Billing Unit (1.0 = 189 GPD, a)	Proposed Monthly Rate per Billing Unit
282	Bowling Center	Location/Each licensed business	7.6	\$33.82
283	Gym - 500 Members	Location/Each licensed business	1.0	\$4.46
288	Gym - 3000 Members	Location/Each licensed business	6.0	\$26.76
289	Gym - 3500 Members	Location/Each licensed business	7.0	\$31.22
290	Mortuary	Location/Each licensed business	2.0	\$9.13
291	School - Minimum	Account	0.2	\$0.89
292	School - Pre-Grade 6	School population	0.0	\$0.05
293	School - Grade 7 - College	School population	0.0	\$0.09
294	School - Boarding	School population	0.2	\$0.94
295	Instructional Facility	Location/Each licensed business	1.0	\$4.46
296	Church - Small	Location/Each licensed business	1.0	\$4.46
297	Church - Large	Location/Each licensed business	2.0	\$8.92
301	Photo - Developer	Location/Each licensed business	1.0	\$4.46
311	Laboratory - 10 Empl	Location/Each licensed business	1.0	\$4.46
321	Printer - 10 Empl	Location/Each licensed business	1.0	\$4.46
323	Printer - 30 Empl	Location/Each licensed business	3.0	\$13.38
324	Printer - 40 Empl	Location/Each licensed business	4.0	\$17.84
331	Garage/Repair	Location/Each licensed business	1.0	\$4.46
341	Paint Shop - 10 Empl	Location/Each licensed business	1.0	\$4.46
342	Paint Shop - 20 Empl	Location/Each licensed business	2.0	\$8.92
344	Paint Shop - 40 Empl	Location/Each licensed business	4.0	\$17.84
351	Industrial Laundry	Billed Account (a)	406.8	\$1,814.33
352	Commercial Laundry	Billed Account (a)	9.8	\$43.54
353	Dry Cleaner	Location/Each licensed business	2.6	\$11.40
354	Laundromat	Each washing machine	0.7	\$3.00
366	Car Wash	Billed Account (a)	12.8	\$57.20
367	Truck/Bus Wash	Billed Account (a)	8.1	\$36.29
401	Special User	Billed Account (a)	50.8	\$226.79
403	Chemicals/Pesticides	Billed Account (a)	14.6	\$65.32
405	Water Softener	Billed Account (a)	96.8	\$431.81
406	Food Processor	Billed Account (a)	50.8	\$226.79
407	Rec/Sports Facility	Billed Account (a)	12.2	\$54.43
408	Inedible Renderer	Billed Account (a)	260.4	\$1,161.17
410	Ground Water Discharger	Billed Account (a)	23.1	\$102.81

(a) Sewage flows for customer categories 351,352, 366-410 are estimated or based on metering.
Billing is based on 1 EDU per 189 GPD

Table 6
Current and Proposed User Charges

Fee code	User Category	Description	Current Rate			Proposed Rate FY 2011-12			Increase (Decrease)
			FY 11/12 MRWPCA Rate (\$ per month)	Current Monthly Rate per Billing Unit	Total Monthly Rate per Billing Unit	FY 11/12 MRWPCA Rate (\$ per month)	Proposed Monthly Rate per Billing Unit	Total Monthly Rate per Billing Unit	
001	Business/Government (Per 10 employees in groups of 10)	Location/Each licensed business	\$8.70	\$3.05	\$11.75	\$8.70	\$3.45	\$12.15	\$0.40
002	Business/Government (11-20 employees)	Location/Each licensed business	\$17.40	\$6.10	\$23.50	\$17.40	\$6.90	\$24.30	\$0.80
003	Business/Government (21-30 Employees)	Location/Each licensed business	\$26.10	\$9.15	\$35.25	\$26.10	\$10.35	\$36.45	\$1.20
004	Business/Government (31-40 employees)	Location/Each licensed business	\$34.80	\$12.20	\$47.00	\$34.80	\$13.80	\$48.60	\$1.60
005	Business/Government (41-50 employees)	Location/Each licensed business	\$43.50	\$15.25	\$58.75	\$43.50	\$17.25	\$60.75	\$2.00
006	Business/Government (51-60 employees)	Location/Each licensed business	\$52.20	\$18.30	\$70.50	\$52.20	\$20.70	\$72.90	\$2.40
007	Business/Government (61-70 employees)	Location/Each licensed business	\$60.90	\$21.35	\$82.25	\$60.90	\$24.15	\$85.05	\$2.80
008	Business/Government (71-80 employees)	Location/Each licensed business	\$69.60	\$24.40	\$94.00	\$69.60	\$27.60	\$97.20	\$3.20
009	Business/Government (81-90 employees)	Location/Each licensed business	\$78.30	\$27.45	\$105.75	\$78.30	\$31.05	\$109.35	\$3.60
010	Business/Government (91- 100 employees)	Location/Each licensed business	\$87.00	\$30.50	\$117.50	\$87.00	\$34.50	\$121.50	\$4.00
011	Business/Government (101- 110 employees)	Location/Each licensed business	\$95.70	\$33.55	\$129.25	\$95.70	\$37.95	\$133.65	\$4.40
012	Business/Government (111- 120 employees)	Location/Each licensed business	\$104.40	\$36.60	\$141.00	\$104.40	\$41.40	\$145.80	\$4.80
013	Business/Government (121- 130 employees)	Location/Each licensed business	\$113.10	\$39.65	\$152.75	\$113.10	\$44.85	\$157.95	\$5.20
014	Business/Government (131- 140 employees)	Location/Each licensed business	\$121.80	\$42.70	\$164.50	\$121.80	\$48.30	\$170.10	\$5.60
015	Business/Government (141- 150 employees)	Location/Each licensed business	\$130.50	\$45.75	\$176.25	\$130.50	\$51.75	\$182.25	\$6.00
016	Business/Government (151- 160 employees)	Location/Each licensed business	\$139.20	\$48.80	\$188.00	\$139.20	\$55.20	\$194.40	\$6.40
018	Business/Government (171- 180 employees)	Location/Each licensed business	\$156.60	\$54.90	\$211.50	\$156.60	\$62.10	\$218.70	\$7.20
019	Business/Government (181- 190 employees)	Location/Each licensed business	\$165.30	\$57.95	\$223.25	\$165.30	\$65.55	\$230.85	\$7.60
021	Business/Government (201- 210 employees)	Location/Each licensed business	\$182.70	\$64.05	\$246.75	\$182.70	\$72.45	\$255.15	\$8.40
022	Business/Government (210 - 220 employees)	Location/Each licensed business	\$191.40	\$67.10	\$258.50	\$191.40	\$75.90	\$267.30	\$8.80
028	Business/Government (271- 280 employees)	Location/Each licensed business	\$243.60	\$85.40	\$329.00	\$243.60	\$96.60	\$340.20	\$11.20
030	Business/Government (291- 300 employees)	Location/Each licensed business	\$261.00	\$91.50	\$352.50	\$261.00	\$103.50	\$364.50	\$12.00
035	Business/Government (341- 350 employees)	Location/Each licensed business	\$304.50	\$106.75	\$411.25	\$304.50	\$120.75	\$425.25	\$14.00
042	Business/Government (411- 420 employees)	Location/Each licensed business	\$365.40	\$128.10	\$493.50	\$365.40	\$144.90	\$510.30	\$16.80
044	Business/Government (431- 440 employees)	Location/Each licensed business	\$382.80	\$134.20	\$517.00	\$382.80	\$151.80	\$534.60	\$17.60
053	Business/Government (521 - 530 employees)	Location/Each licensed business	\$461.10	\$161.65	\$622.75	\$461.10	\$182.85	\$643.95	\$21.20
070	Business/Government (691 -700 employees)	Location/Each licensed business	\$609.00	\$213.50	\$822.50	\$609.00	\$241.50	\$850.50	\$28.00
099	Business/Government (981 -990 employees)	Location/Each licensed business	\$861.30	\$301.95	\$1,163.25	\$861.30	\$341.55	\$1,202.85	\$39.60
101	Residence - vacant	Account	\$7.65	\$2.68	\$10.33	\$7.65	\$0.89	\$8.54	(\$1.79)
102	Residence	Each living unit	\$12.75	\$4.46	\$17.21	\$12.75	\$4.46	\$17.21	(\$0.00)
105	Multi Residence - Apts	Each living unit	\$12.75	\$4.46	\$17.21	\$12.75	\$4.46	\$17.21	(\$0.00)
106	Multi Residence - Vacant Apt	Each living unit	\$12.75	\$4.46	\$17.21	\$12.75	\$0.89	\$13.64	(\$3.57)
107	Condominium	Each living unit	\$12.75	\$4.46	\$17.21	\$12.75	\$4.46	\$17.21	(\$0.00)
109	Retirement Complex	Each living unit	\$12.75	\$4.46	\$17.21	\$12.75	\$4.46	\$17.21	(\$0.00)
211	Business - vacant	Account	\$6.65	\$2.33	\$8.98	\$6.65	\$0.89	\$7.54	(\$1.44)
221	Motel/Hotel	Each room	\$5.30	\$1.86	\$7.16	\$5.30	\$1.94	\$7.24	\$0.08
222	Bed & Breakfast Inn	Each room	\$3.55	\$1.24	\$4.79	\$3.55	\$1.27	\$4.82	\$0.03
231	Supermarket	Location	\$86.15	\$30.15	\$116.30	\$86.15	\$18.81	\$104.96	(\$11.34)
241	Medical Office	Each licensed physician	\$11.15	\$3.90	\$15.05	\$11.15	\$4.60	\$15.75	\$0.70
242	Dental Office	Each licensed dentist	\$15.10	\$5.29	\$20.39	\$15.10	\$6.35	\$21.45	\$1.06
243	Rest Home/Convalescent	Each bed of licensed capacity	\$3.30	\$1.16	\$4.46	\$3.30	\$1.27	\$4.57	\$0.12
244	General Hospital	Each bed of licensed capacity	\$19.55	\$6.84	\$26.39	\$19.55	\$7.55	\$27.10	\$0.71
245	Animal Hospital	Each bed of licensed capacity	\$22.90	\$8.02	\$30.92	\$22.90	\$8.61	\$31.51	\$0.60
261	Restaurant - One Meal	Each restaurant seat	\$0.80	\$0.28	\$1.08	\$0.80	\$0.17	\$0.97	(\$0.11)
262	Restaurant - Two Meals	Each restaurant seat	\$1.25	\$0.44	\$1.69	\$1.25	\$0.26	\$1.51	(\$0.18)
263	Restaurant - Three Meals	Each restaurant seat	\$2.40	\$0.84	\$3.24	\$2.40	\$0.50	\$2.90	(\$0.34)

Fee code	User Category	Description	Current Rate			Proposed Rate FY 2011-12			Increase (Decrease)
			FY 11/12 MRWPCA Rate (\$ per month)	Current Monthly Rate per Billing Unit	Total Monthly Rate per Billing Unit	FY 11/12 MRWPCA Rate (\$ per month)	Proposed Monthly Rate per Billing Unit	Total Monthly Rate per Billing Unit	
264	Restaurant w/Bar	Each restaurant seat	\$2.40	\$0.84	\$3.24	\$2.40	\$0.50	\$2.90	(\$0.34)
265	Bar	Location/Each licensed business	\$19.75	\$6.91	\$26.66	\$19.75	\$7.48	\$27.23	\$0.57
266	Nightclub	Location/Each licensed business	\$57.70	\$20.20	\$77.90	\$57.70	\$22.42	\$80.12	\$2.22
267	Takeout Food - Small	Location/Each licensed business	\$27.15	\$9.50	\$36.65	\$27.15	\$8.35	\$35.50	(\$1.15)
268	Takeout Food – Medium	Location/Each licensed business	\$69.75	\$24.41	\$94.16	\$69.75	\$20.55	\$90.30	(\$3.86)
269	Takeout Food – Large	Location/Each licensed business	\$122.60	\$42.91	\$165.51	\$122.60	\$37.47	\$160.07	(\$5.44)
270	Bakery	Location/Each licensed business	\$33.55	\$11.74	\$45.29	\$33.55	\$6.77	\$40.32	(\$4.97)
281	Theatre	Location/Each licensed business	\$27.00	\$9.45	\$36.45	\$27.00	\$11.11	\$38.11	\$1.66
282	Bowling Center	Location/Each licensed business	\$81.00	\$28.35	\$109.35	\$81.00	\$33.82	\$114.82	\$5.47
283	Gym - 500 Members	Location/Each licensed business	\$8.70	\$3.05	\$11.75	\$8.70	\$4.46	\$13.16	\$1.42
288	Gym - 3000 Members	Location/Each licensed business	\$52.20	\$18.27	\$70.47	\$52.20	\$26.76	\$78.96	\$8.49
289	Gym - 3500 Members	Location/Each licensed business	\$60.90	\$21.32	\$82.22	\$60.90	\$31.22	\$92.12	\$9.91
290	Mortuary	Location/Each licensed business	\$42.20	\$14.77	\$56.97	\$42.20	\$9.13	\$51.33	(\$5.64)
291	School - Minimum	Account	\$8.70	\$3.05	\$11.75	\$8.70	\$0.89	\$9.59	(\$2.15)
292	School - Pre-Grade 6	School population	\$0.10	\$0.04	\$0.14	\$0.10	\$0.05	\$0.15	\$0.01
293	School - Grade 7 - College	School population	\$0.20	\$0.07	\$0.27	\$0.20	\$0.09	\$0.29	\$0.02
294	School - Boarding	School population	\$2.55	\$0.89	\$3.44	\$2.55	\$0.94	\$3.49	\$0.05
295	Instructional Facility	Location/Each licensed business	\$8.70	\$3.05	\$11.75	\$8.70	\$4.46	\$13.16	\$1.42
296	Church - Small	Location/Each licensed business	\$8.70	\$3.05	\$11.75	\$8.70	\$4.46	\$13.16	\$1.42
297	Church - Large	Location/Each licensed business	\$17.40	\$6.09	\$23.49	\$17.40	\$8.92	\$26.32	\$2.83
301	Photo - Developer	Location/Each licensed business	\$8.70	\$3.05	\$11.75	\$8.70	\$4.46	\$13.16	\$1.42
311	Laboratory - 10 Empl	Location/Each licensed business	\$8.70	\$3.05	\$11.75	\$8.70	\$4.46	\$13.16	\$1.42
321	Printer - 10 Empl	Location/Each licensed business	\$8.70	\$3.05	\$11.75	\$8.70	\$4.46	\$13.16	\$1.41
323	Printer - 30 Empl	Location/Each licensed business	\$26.10	\$9.15	\$35.25	\$26.10	\$13.38	\$39.48	\$4.23
324	Printer - 40 Empl	Location/Each licensed business	\$34.80	\$12.20	\$47.00	\$34.80	\$17.84	\$52.64	\$5.64
331	Garage/Repair	Location/Each licensed business	\$9.25	\$3.24	\$12.49	\$9.25	\$4.46	\$13.71	\$1.22
341	Paint Shop - 10 Empl	Location/Each licensed business	\$8.70	\$3.05	\$11.75	\$8.70	\$4.46	\$13.16	\$1.41
342	Paint Shop - 20 Empl	Location/Each licensed business	\$17.90	\$6.10	\$24.00	\$17.90	\$8.92	\$26.82	\$2.82
344	Paint Shop - 40 Empl	Location/Each licensed business	\$34.80	\$12.20	\$47.00	\$34.80	\$17.84	\$52.64	\$5.64
351	Industrial Laundry	Billed Account (a)	\$5,000.00	\$1,750.00	\$6,750.00	\$5,000.00	\$1,814.33	\$6,814.33	\$64.33
352	Commercial Laundry	Billed Account (a)	\$120.00	\$42.00	\$162.00	\$120.00	\$43.54	\$163.54	\$1.54
353	Dry Cleaner	Location/Each licensed business	\$27.80	\$9.73	\$37.53	\$27.80	\$11.40	\$39.20	\$1.67
354	Laundromat	Each washing machine	\$7.00	\$2.45	\$9.45	\$7.00	\$3.00	\$10.00	\$0.55
366	Car Wash	Billed Account (a)	\$157.65	\$55.18	\$212.82	\$157.65	\$57.20	\$214.85	\$2.03
367	Truck/Bus Wash	Billed Account (a)	\$100.00	\$35.00	\$135.00	\$100.00	\$36.29	\$136.29	\$1.29
401	Special User	Billed Account (a)	\$625.00	\$218.75	\$843.75	\$625.00	\$226.79	\$851.79	\$8.04
403	Chemicals/Pesticides	Billed Account (a)	\$180.00	\$63.00	\$243.00	\$180.00	\$65.32	\$245.32	\$2.32
405	Water Softener	Billed Account (a)	\$1,190.00	\$416.50	\$1,606.50	\$1,190.00	\$431.81	\$1,621.81	\$15.31
406	Food Processor	Billed Account (a)	\$625.00	\$218.75	\$843.75	\$625.00	\$226.79	\$851.79	\$8.04
407	Rec/Sports Facility	Billed Account (a)	\$150.00	\$52.50	\$202.50	\$150.00	\$54.43	\$204.43	\$1.93
408	Inedible Renderer	Billed Account (a)	\$3,200.00	\$1,120.00	\$4,320.00	\$3,200.00	\$1,161.17	\$4,361.17	\$41.17
410	Ground Water Discharger	Billed Account (a)	\$283.33	\$99.17	\$382.50	\$283.33	\$102.81	\$386.15	\$3.65

(a) Sewage flows for customer categories 351,352, 366-410 are estimated or based on metering. Billing is based on 1 EDU per 189 GPD

Table 7
Proposed User Charges

Fee code	User Category	Description	Proposed Monthly Rate per Billing Unit					
			FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
001	Business/Government (Per 10 employees in groups of 10)	Location/Each licensed business	\$3.45	\$3.59	\$3.75	\$3.90	\$4.06	\$4.21
002	Business/Government (11-20 employees)	Location/Each licensed business	\$6.90	\$7.18	\$7.50	\$7.80	\$8.12	\$8.42
003	Business/Government (21-30 Employees)	Location/Each licensed business	\$10.35	\$10.77	\$11.25	\$11.70	\$12.18	\$12.63
004	Business/Government (31-40 employees)	Location/Each licensed business	\$13.80	\$14.36	\$15.00	\$15.60	\$16.24	\$16.84
005	Business/Government (41-50 employees)	Location/Each licensed business	\$17.25	\$17.95	\$18.75	\$19.50	\$20.30	\$21.05
006	Business/Government (51-60 employees)	Location/Each licensed business	\$20.70	\$21.54	\$22.50	\$23.40	\$24.36	\$25.26
007	Business/Government (61-70 employees)	Location/Each licensed business	\$24.15	\$25.13	\$26.25	\$27.30	\$28.42	\$29.47
008	Business/Government (71-80 employees)	Location/Each licensed business	\$27.60	\$28.72	\$30.00	\$31.20	\$32.48	\$33.68
009	Business/Government (81-90 employees)	Location/Each licensed business	\$31.05	\$32.31	\$33.75	\$35.10	\$36.54	\$37.89
010	Business/Government (91- 100 employees)	Location/Each licensed business	\$34.50	\$35.90	\$37.50	\$39.00	\$40.60	\$42.10
011	Business/Government (101- 110 employees)	Location/Each licensed business	\$37.95	\$39.49	\$41.25	\$42.90	\$44.66	\$46.31
012	Business/Government (111- 120 employees)	Location/Each licensed business	\$41.40	\$43.08	\$45.00	\$46.80	\$48.72	\$50.52
013	Business/Government (121- 130 employees)	Location/Each licensed business	\$44.85	\$46.67	\$48.75	\$50.70	\$52.78	\$54.73
014	Business/Government (131- 140 employees)	Location/Each licensed business	\$48.30	\$50.26	\$52.50	\$54.60	\$56.84	\$58.94
015	Business/Government (141- 150 employees)	Location/Each licensed business	\$51.75	\$53.85	\$56.25	\$58.50	\$60.90	\$63.15
016	Business/Government (151- 160 employees)	Location/Each licensed business	\$55.20	\$57.44	\$60.00	\$62.40	\$64.96	\$67.36
018	Business/Government (171- 180 employees)	Location/Each licensed business	\$62.10	\$64.62	\$67.50	\$70.20	\$73.08	\$75.78
019	Business/Government (181- 190 employees)	Location/Each licensed business	\$65.55	\$68.21	\$71.25	\$74.10	\$77.14	\$79.99
021	Business/Government (201- 210 employees)	Location/Each licensed business	\$72.45	\$75.39	\$78.75	\$81.90	\$85.26	\$88.41
022	Business/Government (210 - 220 employees)	Location/Each licensed business	\$75.90	\$78.98	\$82.50	\$85.80	\$89.32	\$92.62
028	Business/Government (271- 280 employees)	Location/Each licensed business	\$96.60	\$100.52	\$105.00	\$109.20	\$113.68	\$117.88
030	Business/Government (291- 300 employees)	Location/Each licensed business	\$103.50	\$107.70	\$112.50	\$117.00	\$121.80	\$126.30
035	Business/Government (341- 350 employees)	Location/Each licensed business	\$120.75	\$125.65	\$131.25	\$136.50	\$142.10	\$147.35
042	Business/Government (411- 420 employees)	Location/Each licensed business	\$144.90	\$150.78	\$157.50	\$163.80	\$170.52	\$176.82
044	Business/Government (431- 440 employees)	Location/Each licensed business	\$151.80	\$157.96	\$165.00	\$171.60	\$178.64	\$185.24
053	Business/Government (521 - 530 employees)	Location/Each licensed business	\$182.85	\$190.27	\$198.75	\$206.70	\$215.18	\$223.13
070	Business/Government (691 -700 employees)	Location/Each licensed business	\$241.50	\$251.30	\$262.50	\$273.00	\$284.20	\$294.70
099	Business/Government (981 -990 employees)	Location/Each licensed business	\$341.55	\$355.41	\$371.25	\$386.10	\$401.94	\$416.79
101	Residence - vacant	Account	\$0.89	\$0.93	\$0.97	\$1.01	\$1.05	\$1.09
102	Residence	Each living unit	\$4.46	\$4.65	\$4.85	\$5.05	\$5.25	\$5.45
105	Multi Residence - Apts	Each living unit	\$4.46	\$4.65	\$4.85	\$5.05	\$5.25	\$5.45
106	Multi Residence - Vacant Apt	Each living unit	\$0.89	\$0.93	\$0.97	\$1.01	\$1.05	\$1.09
107	Condominium	Each living unit	\$4.46	\$4.65	\$4.85	\$5.05	\$5.25	\$5.45
109	Retirement Complex	Each living unit	\$4.46	\$4.65	\$4.85	\$5.05	\$5.25	\$5.45
211	Business - vacant	Account	\$0.89	\$0.93	\$0.97	\$1.01	\$1.05	\$1.09
221	Motel/Hotel	Each room	\$1.94	\$2.02	\$2.10	\$2.19	\$2.28	\$2.36
222	Bed & Breakfast Inn	Each room	\$1.27	\$1.33	\$1.39	\$1.44	\$1.50	\$1.56
231	Supermarket	Location	\$18.81	\$19.61	\$20.45	\$21.30	\$22.14	\$22.98
241	Medical Office	Each licensed physician	\$4.60	\$4.80	\$5.00	\$5.21	\$5.42	\$5.62
242	Dental Office	Each licensed dentist	\$6.35	\$6.62	\$6.90	\$7.19	\$7.47	\$7.76
243	Rest Home/Convalescent	Each bed of licensed capacity	\$1.27	\$1.33	\$1.39	\$1.44	\$1.50	\$1.56
244	General Hospital	Each bed of licensed capacity	\$7.55	\$7.87	\$8.21	\$8.55	\$8.89	\$9.23
245	Animal Hospital	Each bed of licensed capacity	\$8.61	\$8.98	\$9.37	\$9.75	\$10.14	\$10.53
261	Restaurant - One Meal	Each restaurant seat	\$0.17	\$0.17	\$0.18	\$0.19	\$0.19	\$0.20

Fee code	User Category	Description	Proposed Monthly Rate per Billing Unit					
			FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
262	Restaurant - Two Meals	Each restaurant seat	\$0.26	\$0.27	\$0.28	\$0.29	\$0.31	\$0.32
263	Restaurant - Three Meals	Each restaurant seat	\$0.50	\$0.52	\$0.54	\$0.56	\$0.58	\$0.61
264	Restaurant w/Bar	Each restaurant seat	\$0.50	\$0.52	\$0.54	\$0.56	\$0.58	\$0.61
265	Bar	Location/Each licensed business	\$7.48	\$7.80	\$8.13	\$8.47	\$8.81	\$9.14
266	Nightclub	Location/Each licensed business	\$22.42	\$23.37	\$24.38	\$25.38	\$26.39	\$27.39
267	Takeout Food - Small	Location/Each licensed business	\$8.35	\$8.71	\$9.08	\$9.46	\$9.83	\$10.21
268	Takeout Food – Medium	Location/Each licensed business	\$20.55	\$21.43	\$22.35	\$23.27	\$24.19	\$25.12
269	Takeout Food – Large	Location/Each licensed business	\$37.47	\$39.07	\$40.75	\$42.43	\$44.11	\$45.79
270	Bakery	Location/Each licensed business	\$6.77	\$7.06	\$7.36	\$7.67	\$7.97	\$8.28
281	Theatre	Location/Each licensed business	\$11.11	\$11.59	\$12.09	\$12.58	\$13.08	\$13.58
282	Bowling Center	Location/Each licensed business	\$33.82	\$35.26	\$36.77	\$38.29	\$39.81	\$41.32
283	Gym - 500 Members	Location/Each licensed business	\$4.46	\$4.65	\$4.85	\$5.05	\$5.25	\$5.45
288	Gym - 3000 Members	Location/Each licensed business	\$26.76	\$27.90	\$29.10	\$30.30	\$31.50	\$32.70
289	Gym - 3500 Members	Location/Each licensed business	\$31.22	\$32.55	\$33.95	\$35.35	\$36.75	\$38.15
290	Mortuary	Location/Each licensed business	\$9.13	\$9.52	\$9.93	\$10.34	\$10.75	\$11.16
291	School - Minimum	Account	\$0.89	\$0.93	\$0.97	\$1.01	\$1.05	\$1.09
292	School - Pre-Grade 6	School population	\$0.05	\$0.05	\$0.05	\$0.05	\$0.06	\$0.06
293	School - Grade 7 - College	School population	\$0.09	\$0.10	\$0.10	\$0.11	\$0.11	\$0.12
294	School - Boarding	School population	\$0.94	\$0.98	\$1.03	\$1.07	\$1.11	\$1.15
295	Instructional Facility	Location/Each licensed business	\$4.46	\$4.65	\$4.85	\$5.05	\$5.25	\$5.45
296	Church - Small	Location/Each licensed business	\$4.46	\$4.65	\$4.85	\$5.05	\$5.25	\$5.45
297	Church - Large	Location/Each licensed business	\$8.92	\$9.30	\$9.70	\$10.10	\$10.50	\$10.90
301	Photo - Developer	Location/Each licensed business	\$4.46	\$4.65	\$4.85	\$5.05	\$5.25	\$5.45
311	Laboratory - 10 Empl	Location/Each licensed business	\$4.46	\$4.65	\$4.85	\$5.05	\$5.25	\$5.45
321	Printer - 10 Empl	Location/Each licensed business	\$4.46	\$4.65	\$4.85	\$5.05	\$5.25	\$5.45
323	Printer - 30 Empl	Location/Each licensed business	\$13.38	\$13.95	\$14.55	\$15.15	\$15.75	\$16.35
324	Printer - 40 Empl	Location/Each licensed business	\$17.84	\$18.60	\$19.40	\$20.20	\$21.00	\$21.80
331	Garage/Repair	Location/Each licensed business	\$4.46	\$4.65	\$4.85	\$5.05	\$5.25	\$5.45
341	Paint Shop - 10 Empl	Location/Each licensed business	\$4.46	\$4.65	\$4.85	\$5.05	\$5.25	\$5.45
342	Paint Shop - 20 Empl	Location/Each licensed business	\$8.92	\$9.30	\$9.70	\$10.10	\$10.50	\$10.90
344	Paint Shop - 40 Empl	Location/Each licensed business	\$17.84	\$18.60	\$19.40	\$20.20	\$21.00	\$21.80
351	Industrial Laundry	Billed Account (a)	\$1,814.33	\$1,891.62	\$1,972.98	\$2,054.34	\$2,135.70	\$2,217.06
352	Commercial Laundry	Billed Account (a)	\$43.54	\$45.40	\$47.35	\$49.30	\$51.26	\$53.21
353	Dry Cleaner	Location/Each licensed business	\$11.40	\$11.88	\$12.39	\$12.91	\$13.42	\$13.93
354	Laundromat	Each washing machine	\$3.00	\$3.12	\$3.26	\$3.39	\$3.53	\$3.66
366	Car Wash	Billed Account (a)	\$57.20	\$59.64	\$62.21	\$64.77	\$67.34	\$69.90
367	Truck/Bus Wash	Billed Account (a)	\$36.29	\$37.83	\$39.46	\$41.09	\$42.71	\$44.34
401	Special User	Billed Account (a)	\$226.79	\$236.45	\$246.62	\$256.79	\$266.96	\$277.13
403	Chemicals/Pesticides	Billed Account (a)	\$65.32	\$68.10	\$71.03	\$73.96	\$76.89	\$79.81
405	Water Softener	Billed Account (a)	\$431.81	\$450.21	\$469.57	\$488.93	\$508.30	\$527.66
406	Food Processor	Billed Account (a)	\$226.79	\$236.45	\$246.62	\$256.79	\$266.96	\$277.13
407	Rec/Sports Facility	Billed Account (a)	\$54.43	\$56.75	\$59.19	\$61.63	\$64.07	\$66.51
408	Inedible Renderer	Billed Account (a)	\$1,161.17	\$1,210.64	\$1,262.71	\$1,314.78	\$1,366.85	\$1,418.92
410	Ground Water Discharger	Billed Account (a)	\$102.81	\$107.19	\$111.80	\$116.41	\$121.02	\$125.63

(a) Sewage flows for customer categories 351,352, 366-410 are estimated or based on metering. Billing is based on 1 EDU per 189 GPD