

APPENDIX NO. 1

USER CHARGE SYSTEM

This appendix presents the methodology to be used in calculating user charge rates and surcharges and illustrates the calculation followed in arriving at the first year's user charges and surcharges. The unit costs established in this appendix are based on estimates of expenses and loadings. The actual expenses and loadings that occur may differ from these estimates and certainly they will change as time passes. Therefore, the unit costs must be reestablished whenever necessary to reflect actual expenses and loadings. Once the system is in use, the expenses and loadings can be determined from operating records and the unit costs can be adjusted based on these figures.

(A) **Engineering Data.** The following data has been utilized in the determination of the user charge for the Mt. Sterling Wastewater Facilities. This data was gathered from billing records of the City of Mt. Sterling and the **Facilities Plan for Wastewater Facilities**, as prepared by Klinger & Associates, P.C.

Number of Sewer Users:	1075
Billable Flow in System:	111.417 MG per year
BOD Load on Facilities: (4800 persons x 0.17 lb/per/day x 365)	297,840 lb. BOD per year
SS Load on Facilities: (4800 persons x 0.20 lb/per/day x 365 days)	350,440 lb. SS per year

All users of the Mt. Sterling Wastewater Facilities are treated as one class. This methodology, as calculated below, results in a proportionate distribution of operation, maintenance, and replacement costs among all user. **(Ord. No. 9-1987-1988; 03-07-88)**

(B) **Annual Operating Costs.** The annual operating costs for the wastewater facilities is summarized in Table 1. This data will change from year to year and should be adjusted. There are two categories of expenses: Fixed Costs, and Operation, Maintenance, and Replacement Costs. Fixed Costs are those which are not dependent on the volume of wastewater conveyed and treated. Operation, Maintenance, and Replacement Costs are proportional to the volume of wastewater.