

**CITY OF HOKAH
WASTEWATER UTILITY
USER CHARGE SYSTEM**

SEPTEMBER, 2015

Example rates:

Base Charge	Current	Residential	Residential	Large User
Usage Charge	\$23.86 per month	Prop. Rate 1	Prop Rate 2	(over 4,000 gal/mon.)
Usage (over 4,000 gal/mo.)	\$3.75 per 1,000 gallons	\$35.00	\$30.00	\$0.00
	\$9.715 per 1,000 gallons	\$3.75	\$4.50	\$0.00
				\$11.66

Sewer Usage Based on Water Meter Readings (gallons)

Customers	No. of Customers	No. of Units	Total Usage 4th Qtr. 2014 & 1st Qtr. 2015	Avg. Gallons per Month	Equiv. Units REU
Entire City	248		4,883,357	813,893	
Commercial	40		1,397,159	232,860	
Remaining Residential	208		3,486,198	581,033	

Average Residential Usage $\frac{581,033}{208} = 2,793$ gal./month

Total Equivalent Customers **248**

Project Costs		Term, years	RD Loan #1	RD Loan #2
Construction	\$1,673,777.30	Interest Rate	40	40
Non-Construction	\$416,827.24	Amortization Factor	0.04375	0.04125
Interim Interest	\$84,395.46		0.053377099	0.051467143
Total Financing Required	\$2,175,000.00			paid off

SCDG	-\$600,000.00		\$53,110.21	\$0.00
RD Grant	-\$459,000.00			
RD Loan	\$1,116,000.00			

RD Loan #1	\$995,000.00	Total Annual Principal & Interest	\$54,125.00
RD Loan #2		Annual Operation & Maintenance	\$82,000.00
		Annual Equipment Replacement	\$4,000.00
		Total Annual Revenue Required	\$140,125.00

Est'd Revenue

Base Charge/month	\$5,917.28	Current Rate	Prop Rate 1	Prop Rate 2
Usage Charge/month	\$3,052.10			
Estimated Monthly Revenue	\$8,969.38	\$10,052.22	\$12,168.82	\$12,321.66
Estimated Annual Revenue	\$107,632.54	\$120,626.69	\$146,025.89	\$147,859.88
Current Avg. User Charge/month	\$34.34			
Prop. 1 Avg. User Charge/month	\$47.57			
Prop. 2 Avg. User Charge/month	\$42.57			