Commercial
Sewer
Rates



# How is a commercial sewer bill calculated?

#### Two components:

#### 1. Usage Charges

- This accounts for the volume of wastewater discharged.
- Usage Charges = Winter Quarterly Average x Volumetric Rate

#### 2. Fixed Charges

- This accounts for the necessary treatment required for the "strength" of the wastewater. This depends on the type of commercial use.
- $Fixed\ Charges = EDU's\ x\ Fixed\ Rate$

## What is an EDU?

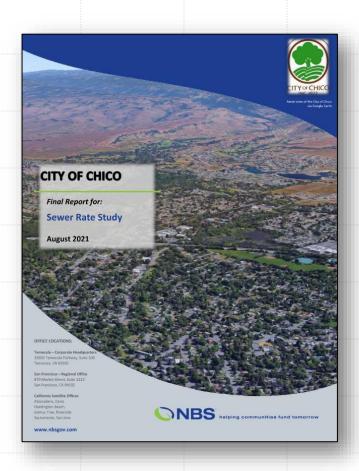
Equivalent Dwelling Unit

 "An EDU is the average single-family residential flow and pounds of Biological Oxygen Demand and Total Suspended Solids in an average monthly water consumption during the winter months."

# Why does the City utilize EDU's?

In 2021, the City completed a Sewer Rate Study. Primary components:

- 1. Financial Plan
  - Overall revenue needed
- 2. Cost of Service Analysis
  - Proportionally allocates revenue
    - Flow-based
    - EDU's
- 3. Rate Design Analysis
  - Rate structure



What are average EDU's for different types of businesses?

City Occupied Properties

CMC 15.36.065 Article 2 "Exemptions"

"Notwithstanding any provisions of this article to the contrary, a monthly sewer service fee shall not be assessed and levied for premises occupied by the city."

## **Customer Class**

(Per Account)

Brewery

Car Wash

Dorms

Hospital/Convalescent

Hotels w/o Dining Hotels with Dining

**Industrial Laundry** 

Laundromat Markets/Bakeries

Mortuary Restaurants

School All Other

**Bars without Dining** 

6.43

**Average** EDUs

1105.25\* 10.17

30.59

32.72 12.05

31.30

341.7 107.4

23.62

2.60

10.50

12.59

2.25

<sup>\*</sup>Sierra Nevada Brewing Co. is the third largest craft brewing company in the United States (Forbes.com)

# How is an EDU calculated?

$$EDU = \left[ \left( \frac{WQA}{RWQA} \right) x 60\% \right] + \left[ \left( \frac{CBOD}{RBOD} \right) x 20\% \right] + \left[ \left( \frac{CTSS}{RTSS} \right) x 20\% \right]$$



Winter Quarterly Average
Residential Winter Quarterly Average

Commercial Biological Oxygen Demand Residential Biological Oxygen Demand

> Commercial Total Suspended Solids Residential Total Suspended Solids