

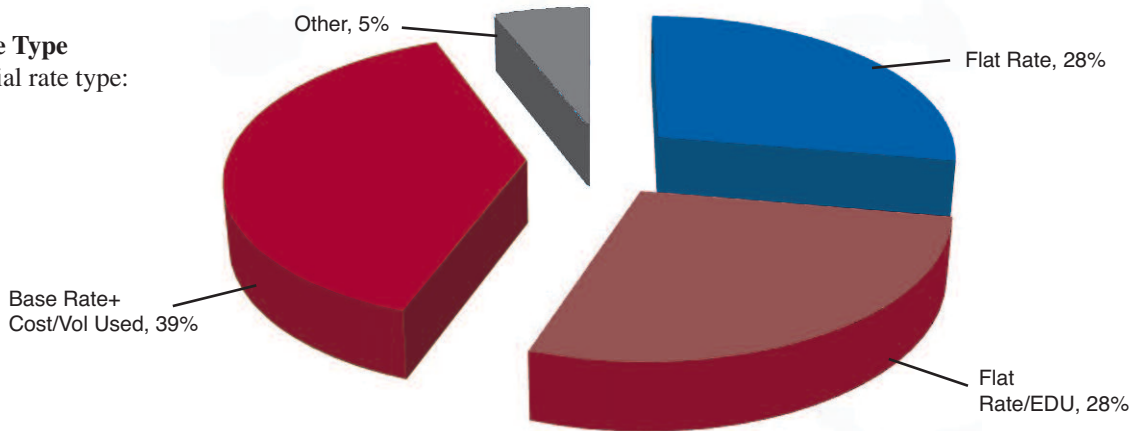
ATTENTION: WATER AND WASTEWATER FACILITIES OWNERS AND MANAGERS
Sewer and Water Rate Survey Results

The following is a summary of the results of the sewer and water rate information collected by CET Engineering Services, Harrisburg, PA, in 2009. If you have any questions or comments about these survey results, please contact Ray Myers at 1-800-643-8260 or rmyers@cet-inc.com. It is anticipated that CET's next rate survey will be conducted in 2011.

SEWER RATE SURVEY RESULTS – SUMMARY OF 63 SURVEY PARTICIPANTS

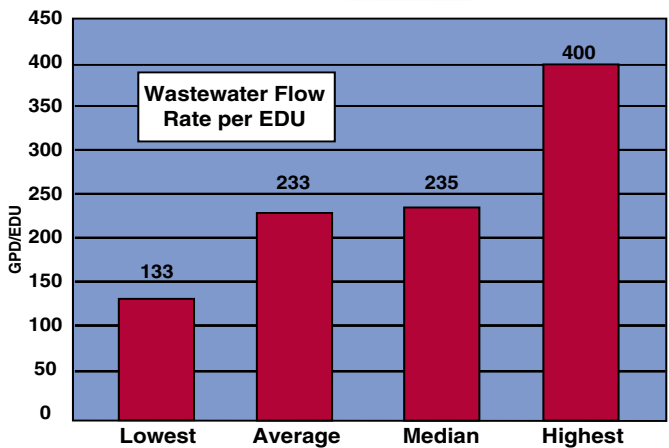
Residential Rate Type

Indicate residential rate type:



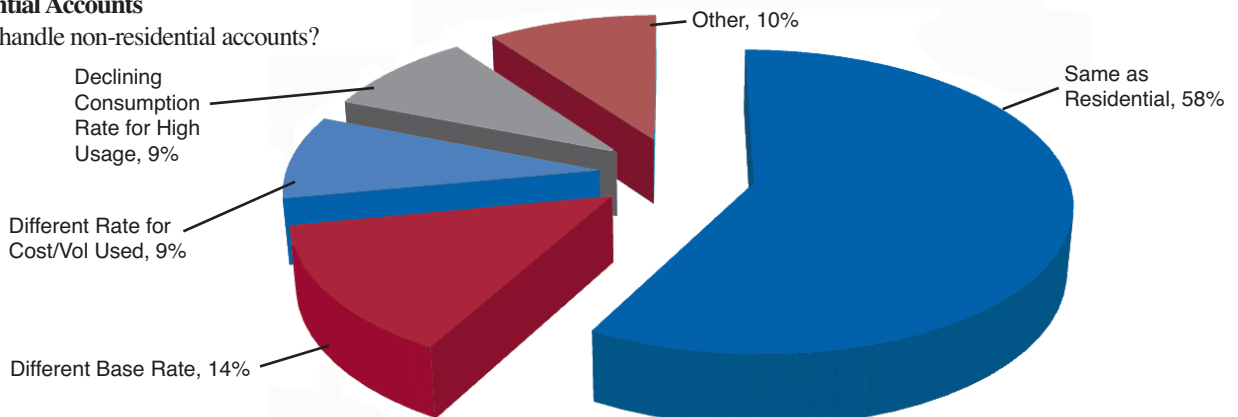
EDU Definition

If an EDU is used in the rate determination, how is it defined?



Non-Residential Accounts

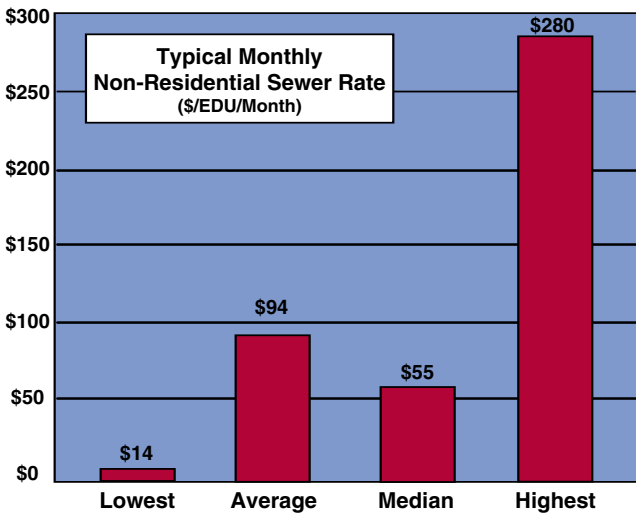
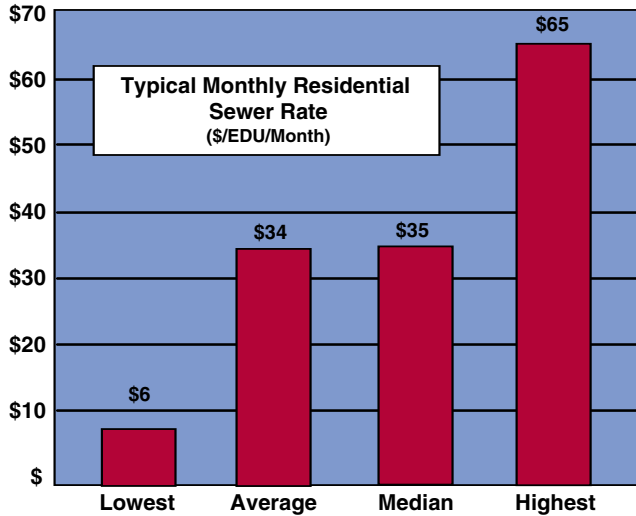
How do you handle non-residential accounts?



Continued on next page

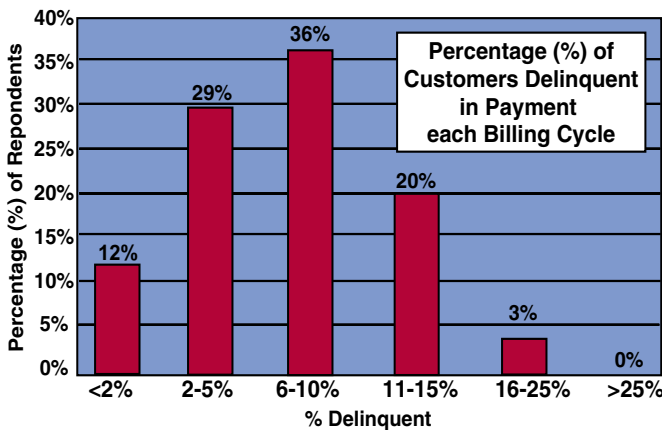
Typical Rates

(assuming 4,000 gal/month of water usage and a 5/8" meter for a residential user and 40,000 gal/month of water usage and a 2" meter for a non-residential user)



Delinquency and Late Fees

What percentage of your customers is delinquent in payment each billing cycle?



Do you charge late fees on delinquent bills?

Yes = 97% No Response = 1%
 No = 2%

If late fees are charged, what is the flat fee or percentage of balance charged?

Average Flat Fee Charged = \$7.00
 Average % of Balance Charged = 8%

Do you find that your late charge discourages delinquency?

Yes = 37% No Response = 9%
 No = 54%

What measures do you take when late charges are not effective?

Shut off water service = 27% Both = 32%
 Take legal action = 34% Other = 7%

Rate History and Budget

Average 2009 total annual budget (nearest \$1,000) \$4,373,000

Average 2009 debt service portion of total annual budget (nearest \$1,000) \$1,166,000

Do you maintain a Capital Reserve Fund for major repairs/replacements?

Yes 81%
 No 13%
 No Response 6%

If Yes, what is the current balance?*

\$1,187,000

What percent of the current balance is for:

WWTP 61%
 Collection System 36%
 Not Allocated 3%

*Current balance and percentages are based on the 15 respondents who responded yes and provided an amount for WWTP and collection system.

If you maintain a Capital Reserve Fund, is it a Bond Redemption and Improvement Fund funded by debt service coverage?

Yes 11%
 No 60%
 No Response 29%

Is there a Capital Reserve line item in your annual budget?

Yes 32%
 No 44%
 No Response 24%

Capital Reserve line item average

\$303,000

Year rates were last increased

2007

Average % Increase

17%

Do you anticipate a rate increase within the next three years?

Yes 69%
 No 23%
 No Response 8%

If "Yes", what is the average anticipated % increase?

17%

Reasons for next anticipated rate increase include:

Increased O & M	Capital Improvements
Increased Electricity Costs	Consent Orders
Inflation	Mandated Expansion/Upgrades
Reserve Fund	Chemicals
Debt Service	Salaries
Chesapeake Bay Trib. Strategy	BNR

Facilities Description

Year treatment facility was constructed (average) 1978

Year of last major upgrade 1997

Oldest facility 1924

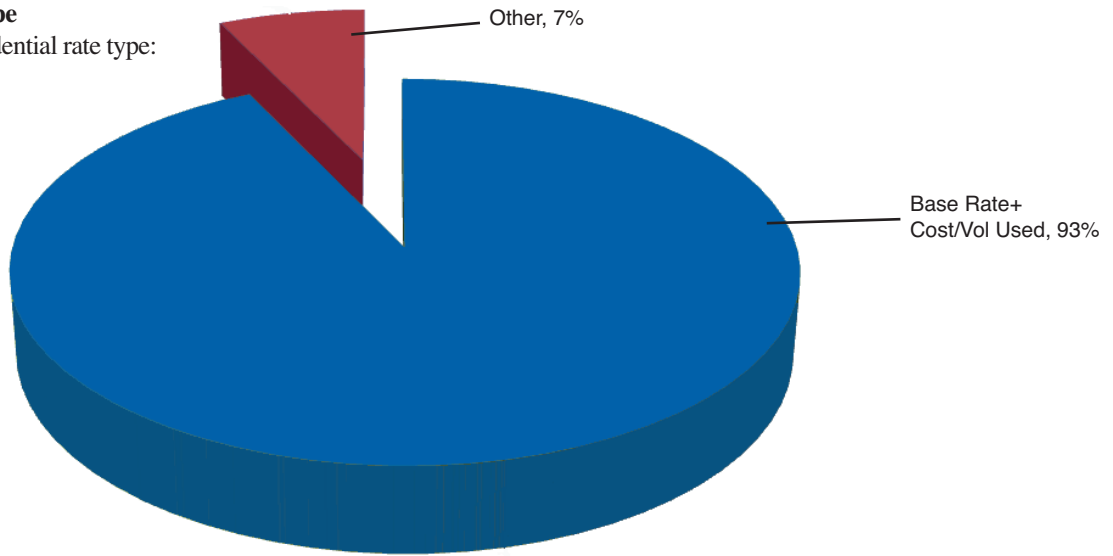
Does your treatment facility serve more than one municipality?

Yes 54%
 No 37%
 No Response 9%

WATER RATE SURVEY RESULTS – SUMMARY OF 28 SURVEY PARTICIPANTS

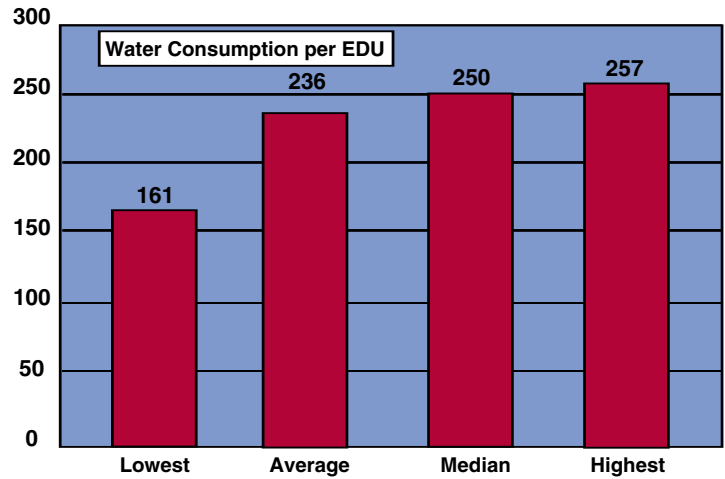
Residential Rate Type

Indicate primary residential rate type:



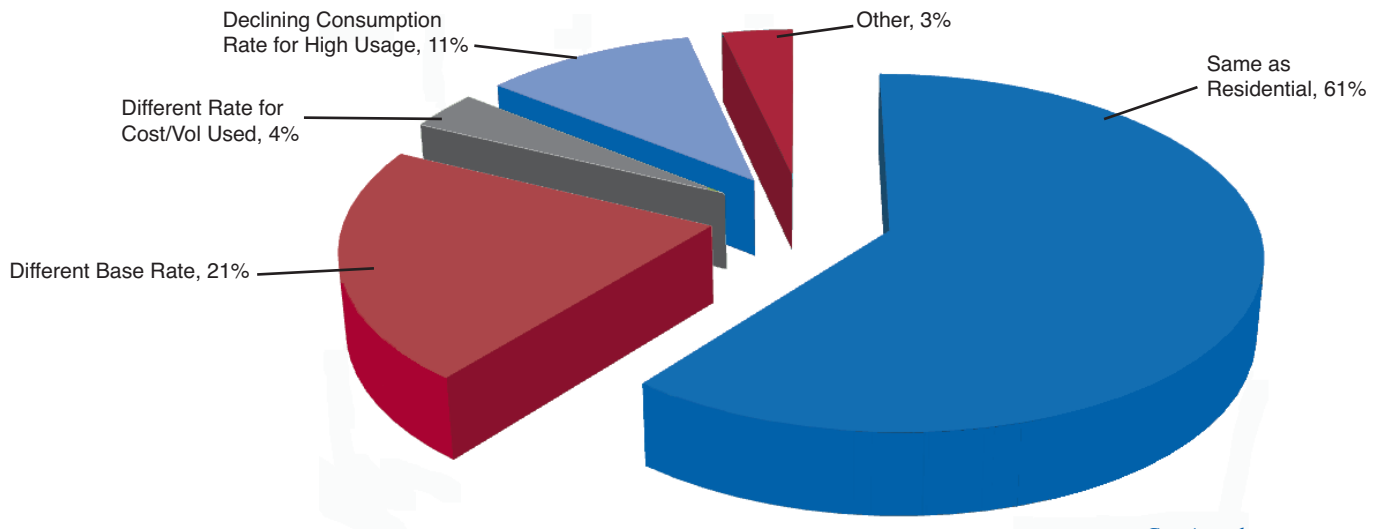
EDU Definition

If an EDU is used in the rate determination, how is it defined?



Non-Residential Accounts

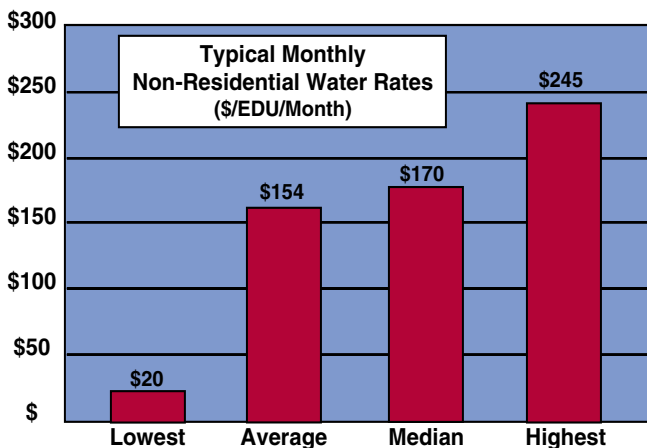
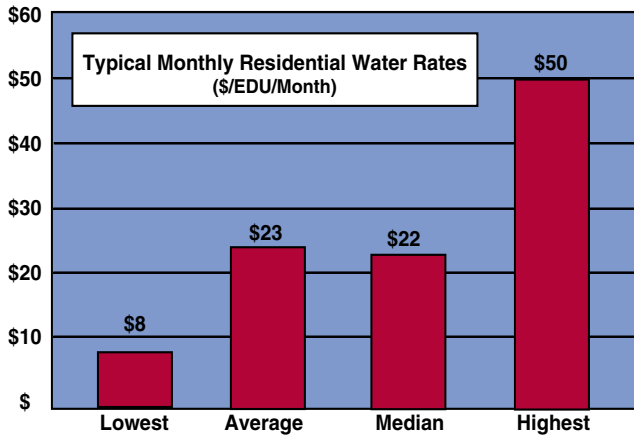
How do you handle non-residential accounts?



Continued on next page

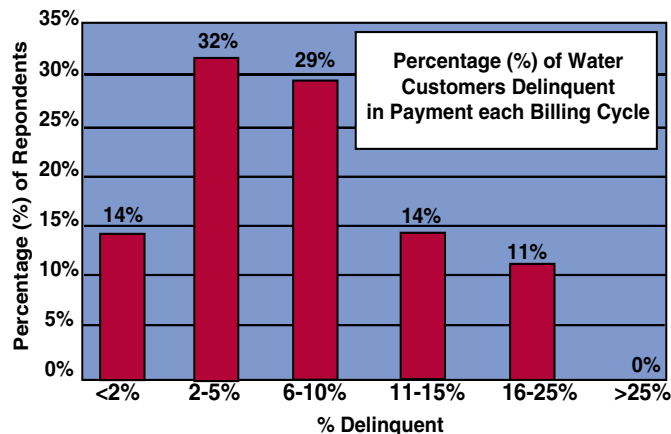
Typical Rates

(Assuming 4,000 gal/month of water usage and a 5/8" meter for a residential user and 40,000 gal/month of water usage and a 2" meter for a non-residential user.)



Delinquency and Late Fees

What percentage of your customers is delinquent in payment each billing cycle?



Do you charge late fees on delinquent bills?

Yes = 89% No = 7% No Response = 4%

If late fees are charged, what is the flat fee or percentage of balance charged?

Average Flat Fee Charged = \$4.00 (3 responses)

Average % of Balance Charged = 10%

Do you find that your late charge discourages delinquency?

Yes = 43% No = 50% No Response = 7%

What measures do you take when late charges are not effective?

Shut off water service = 55% Take legal action = 7%

Both = 31% Other = 7%

Rate History and Budget

Average 2009 total annual budget (nearest \$1,000) \$2,184,000

Average 2009 debt service portion of total annual budget (nearest \$1,000) \$566,000

Do you maintain a Capital Reserve Fund for major repairs/replacements?

Yes 82% No 11% No Response 7%

If Yes, what is the current balance?*

\$965,000

What percent of the current balance is for:

WWTP 58%

Collection System 36%

Not Allocated 6%

*Current balance and percentages are based on the 15 respondents who responded yes and provided an amount for WWTP and collection system.

If you maintain a Capital Reserve Fund, is it a Bond Redemption and Improvement Fund funded by debt service coverage?

Yes 7%

No 61%

No Response 32%

Is there a Capital Reserve line item in your annual budget?

Yes 39%

No 39%

No Response 22%

Capital Reserve line item average \$215,000

Year rates were last increased 2007

Average % Increase 15%

Do you anticipate a rate increase within three years?

Yes 68%

No 25%

No Response 7%

If "Yes", what is the average anticipated % increase? 11%

Reasons for next anticipated rate increase include:

Increased O & M Costs Capital Improvements

Economy Increased Chemical Costs

Regulatory Changes Line Replacements

Inflation Budget Creep

Salaries & Benefits

Facilities Description

Year treatment facility was constructed (average) 1969

Year of last major upgrade 2001

Oldest facility 1900

Does your treatment facility serve more than one municipality?

Yes 50% No 32% No Response 18%



If there are other issues that you would like surveyed, please contact CET Engineering Services.

CET Engineering Services is a full-service environmental engineering firm and is dedicated to providing practical, cost effective services from planning through operation. For more information on CET Engineering Services, please call or visit us at www.cet-inc.com. Copyright © 2010 by Commonwealth Engineering & Technology, Inc. T/A CET Engineering Services. All Rights Reserved.