

**Kearny Municipal Utilities Authority**  
**Hudson County, New Jersey**  
2010 Sanitary Sewer User Charge Study  
May 2010



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## Introduction

The Kearny Municipal Utilities Authority (KMUA) provides sewer service to a portion of the Town of Kearny known as South Kearny and the Kearny Meadowlands. Wastewater collected by the KMUA from these areas flow to the Kearny Point Pumping Station (formerly the South Kearny Treatment Facility), which is located at the southern tip of the Kearny Point Peninsula. The wastewater receives preliminary treatment at the pumping station and is then pumped to the Passaic Valley Sewerage Commissioners (PVSC) Treatment Facility in Newark to provide for secondary treatment and ultimate discharge to Upper New York Bay.

The South Kearny service area comprises of the original sewer system that dates back to the early 1900's. These combined sewers receive both sanitary and storm flows. Until 1998, this was the only tributary service area of the KMUA. In 1998, a new gravity sewer, sewage pump station and force main were constructed by the KMUA to provide sewer service to the Kearny Meadowlands. The collection system constructed in this district is a separate sewer system.

Currently, the KMUA facilities comprise of approximately 10 miles of sewers as well as the sewage facilities constructed in 1998 for the Meadowlands User District and the Kearny Point Pumping Station. KMUA has financial responsibility for the maintenance and operation of these facilities. A user charge system is required in order to provide the funds needed for Authority operations, maintenance and repayment of debt associated with these facilities. The charge system is intended to recover the costs required to provide sewer service from the users that are within the KMUA service area. Accordingly, the KMUA has authorized Hatch Mott MacDonald to prepare this study to review the cost of system operation and current revenues for the purpose of establishing a sewer use charge system which equitably recoups the cost of the KMUA services to its users.

## User Classifications

Currently, there are 54 KMUA customers. It is recognized, however, that there are several users within the KMUA system whose nature of operation is either such that there is much greater water consumption than actual sewer discharge or vice-versa. Accordingly, although most users will be billed based on municipal water meters, some users will require special water or sewage metering. The KMUA customers are segregated into three classes as follows:

Class I            All customers with billing based on municipal water utility meters.

Class II Customers with billing based on private water meters.

Class III Customers with billing based on wastewater meters.

For 2010, 44 customers will be Class I customers and will have their sewer bills based upon the previous year's water consumption. In cases where a significant amount of water consumed by a customer is not returned to the sewer system as wastewater, a Class II customer would be allowed to install additional private water meters. These meters would be placed to allow measurement of those water uses which generate wastewater. The anticipated Class II customers will include the following:

- 1) River Terminal
- 2) Kuehne Chemical Company
- 3) Leeds Terminal

Class II customer status is subject to review and approval of KMUA with the requirement that KMUA representatives are authorized to monitor and inspect all meters utilized for the measurement of water for billing purposes. Leeds Terminal applied for and was granted Class II customer status in 2007. The HCF for Leeds Terminal has been estimated based upon historical data for this report and will be adjusted in 2010, if appropriate.

The Class III customers for 2010 are:

- 1) NJ Transit Meadows Maintenance Complex
- 2) Talbot Hall (Community Education Corporation)
- 3) Spectraserv
- 4) OJ Food Grade Tank Truck Wash, Inc.
- 5) Hudson County Correctional Facility (Hudson County Jail)
- 6) NJ Meadowlands Commission\*
- 7) U.S. Postal Service\*\*

\* NJMC not assessed PVSC fees based upon April 2004 Agreement between EnCAP and PVSC

\*\* USPS was previously monitored by PVSC and has requested Class III status/customer since facility has an existing effluent flow meter

Under the user charge system, a consistent charge per unit volume of water/wastewater will be applied to the water consumption (Class I and II) or wastewater generation (Class III) of each customer. Since the municipal

water utility meters flow in “Hundred Cubic Feet” units of volume, it is recommended that this measurement unit also be continued by the KMUA for wastewater charges.

## KMUA Revenue Requirements

The costs of operating the KMUA falls into many categories which are summarized in the annual KMUA budget. Table 1 of this report shows the annual KMUA budgets for the years 2006-2010. This provides the breakdown of revenues, expenses, and debt service for this time period. This table also predicts the KMUA budget and revenue requirements through 2014.

### Table 1

Table 1 shows that since 2006, the annual revenue requirement has risen by approximately 28.11% since 2006. In 2006 the budget was approximately \$3.04 million. In 2010, the budget is approximately \$3.83 million. Charts 1-6 indicate average percent increases of significant items based upon extending trends from 2006-2010 into the year 2015 and also by reviewing debt service (which can be quite variable depending upon how repayment of the KMUA debt is structured and also will need to be adjusted if additional debt is incurred during this period). This is the case this year as additional debt service has now been identified in Table 1 (the debt service this year having a budget of \$1,194,534 was maintained from last year).

Another significant cost component of the KMUA is the amount paid to the Passaic Valley Sewerage Commissioners for wastewater treatment. The 2010 KMUA revenue requirement for PVSC charges based upon the actual invoice from PVSC to the Town of Kearny is \$860,000.00. This cost is variable as it depends on metered wastewater flows that include infiltration and inflow components of sewage flows which will rise and fall depending on rainfall amounts. It also depends upon the quantity of Biochemical Oxygen Demand (BOD) and Total Suspended Solids (TSS) contained in the wastewater. It is also noted that the amounts above are KMUA’s share of the total PVSC bill to the Town of Kearny. In addition, the unit cost that PVSC charges for flow, BOD and TSS has increased as follows:

<b>YEAR</b>	<b>VOL (per million gallons)</b>	<b>BOD (per 1,000 #)</b>	<b>TSS (per 1,000 #)</b>
2010	\$ 434.8033	\$ 406.5939	\$ 401.8539
2009	\$ 527.4634	\$ 323.9473	\$ 350.6006
2008	\$ 497.0068	\$ 302.8574	\$ 329.0207
2007	\$ 490.5578	\$ 288.7095	\$ 319.8936

2006	\$ 480.1923	\$ 274.0046	\$ 305.7112
2005	\$ 396.2685	\$ 231.2487	\$ 257.1814
2004	\$ 378.3683	\$ 206.6363	\$ 233.8288
2003	\$ 367.1738	\$ 206.5724	\$ 221.9785

The PVSC unit charge for flow increased from 2003 to 2009 by 43.7%, but decreased from 2009 to 2010 by 17.57%. The increase for BOD from 2003 to 2010 period is 96.83%. For TSS it is 81.0%.

### Table 1A

Table 1A isolates the 2010 Summary of Budget Data from the data from previous years for the purpose of establishing the 2010 KMUA revenue requirement through user charges. The 2010 total KMUA revenue requirement is approximately \$3.83 million dollars. The KMUA has earned interest on investments and deposits in the amount of \$50,000.00 and represents revenue that can be applied towards the total KMUA revenue earned in 2009.

## Revenue Sources

The KMUA continues to have three primary sources of revenue under the current sewer rate structure as follows:

1. Base Sewer Rate per Hundred Cubic Feet (HCF) of water consumption (Class I) & (Class II) or Hundred Cubic Feet (HCF) of wastewater discharged (Class III).
2. Surcharges on Biochemical Oxygen Demand (BOD) and Total Suspended Solids (TSS).
3. Connection Fees charged to new customers of the KMUA

### Table 3

For the purpose of establishing the surcharges on biochemical oxygen demand and total suspended solids, Table 3 has been prepared. This table presents the flow rates and BOD and suspended solids load which are monitored by PVSC and billed to the Town of Kearny. PVSC also monitors six industries within the KMUA district. PVSC provides KMUA with the monitoring results for these industries including flow, BOD (1,000 lbs) and suspended solids (1,000 lbs.). It is noted that typical wastewater contains both BOD and suspended solids and the Town of Kearny wastewater taken in total has concentrations of 138.76 milligrams per liter of BOD and 130.43 milligrams

per liter of suspended solids. It should be recognized that these are average concentrations with some customers contributing higher and others lower than these concentrations. We have computed the BOD and suspended solids concentration for each of the monitored industry for the purpose of determining which industries contribute higher than the average concentration and to the extent that this is the case, determining the excess BOD and suspended solids. Where the BOD or suspended solids are less than the Town of Kearny average for these industries, no surcharge is assessed. Based upon this analysis, the KMUA can anticipate \$45,154.08 in BOD and suspended solids surcharge revenue which will defray a portion of the total PVSC bill of \$860,000.00. Accordingly, the remaining PVSC charge of \$814,845.92 will need to be funded through the flow based sewer rate along with the other operations, maintenance and debt service requirements listed in Table 1A.

## 2010 User Charge

To arrive at the base sewer rate per 100 cubic feet, we have totalized the flow records of all users and arrived at a total annual water consumption (Class I and II) or wastewater generation (Class III) amount of 623,179 hundred cubic feet. This is shown in Table 2.

In 2004, an agreement was made between the New Jersey Meadowlands Commission (EnCAP) and PVSC. The agreement provided that the NJMC was not to be assessed PVSC user charges from that point forward. To comply with this agreement, the user rate was calculated by segregating the total KMUA revenue requirement from all service charges of \$3,826,333.43 into two components. These include the KMUA local revenue requirement of \$2,966,333.43 and the PVSC charges of \$860,000.00. The first component applies to all KMUA users including the NJMC. The PVSC charges are partially defrayed by the BOD/TSS surcharges of \$45,154.08. The remaining PVSC charge (\$814,845.92) is recovered from all KMUA users except the NJMC through the base charge for flow.

The 2009 KMUA local revenue requirement of \$2,966,333.43 is then divided by the total volume of 623,179 HCF and results in the whole rate of \$4.76/HCF. The KMUA volume excluding the NJMC volume is 328,005 HCF. The PVSC charges of \$814,845.92 are then divided by the 328,005 HCF and results in the whole rate of \$2.49/HCF. Accordingly, the 2010 KMUA user charge is \$7.25/HCF to all KMUA customers with the exception of the NJMC, where the applicable rate is \$4.76/HCF.

Table 2 provides for this calculation and for the 2009 charge for the individual KMUA users. Columns 1-4 provide a description of the customer. Column 5 identifies their flow in HCF. Column 6 provides their charge based upon \$4.76/HCF. Column 7 provides their PVSC charge based upon \$2.49/HCF. Where BOD or

suspended solids surcharge has been identified for a monitored industry in Table 3, Column 8 identifies their surcharge. Column 9 is the summation of Columns 6-8 as applicable and is the total charge for those users.

The local component of the rate of \$4.76/HCF represents an 12.79% increase from the rate of \$4.22 in 2009. The PVSC component of the rate decreased by 8.79% primarily due to the fact that there was more surcharge revenue generated from PVSC monitored users this year. The undefrayed PVSC charges are accordingly, distributed amongst the other customers. The overall rate of \$7.25/HCF represents an increase of 4.32% from the 2009 rate of \$6.95/HCF.

## Connection Fee

The method of establishing the connection fee is established by regulation which generally provides that the connection fee be computed annually based upon taking the total past capital expenditures of the Authority including funds taken from annual general revenues to pay for capital improvements as well as debt service (principal and interest) paid by KMUA for improvements to the system and dividing this amount by the total number of EDU's within the system. There were no new customers added to the KMUA system in 2009. Based upon the current EDU's within KMUA's system of 8,682 EDU's and based upon the total debt service paid through December 31, 2009 of \$18,135,851.62, the connection fee for 2010 is \$2,089/EDU.

It is emphasized that only the cost that has already been paid by the existing customers is included in the computation in order to represent the investment that these customers have made in the system. The connection fee is intended to allow the new customer to connect to the system with an investment of a similar magnitude. It is recommended that the Authority annually update the connection fee each year. As the Authority pays principal and interest on bonds each year the connection fee will increase incrementally each year. The connection fees can be used as a revenue source which can either defray future operating costs or can accelerate the repayment of debt. In either case, it generally has a stabilizing effect on user fees.

**May 5, 2010**



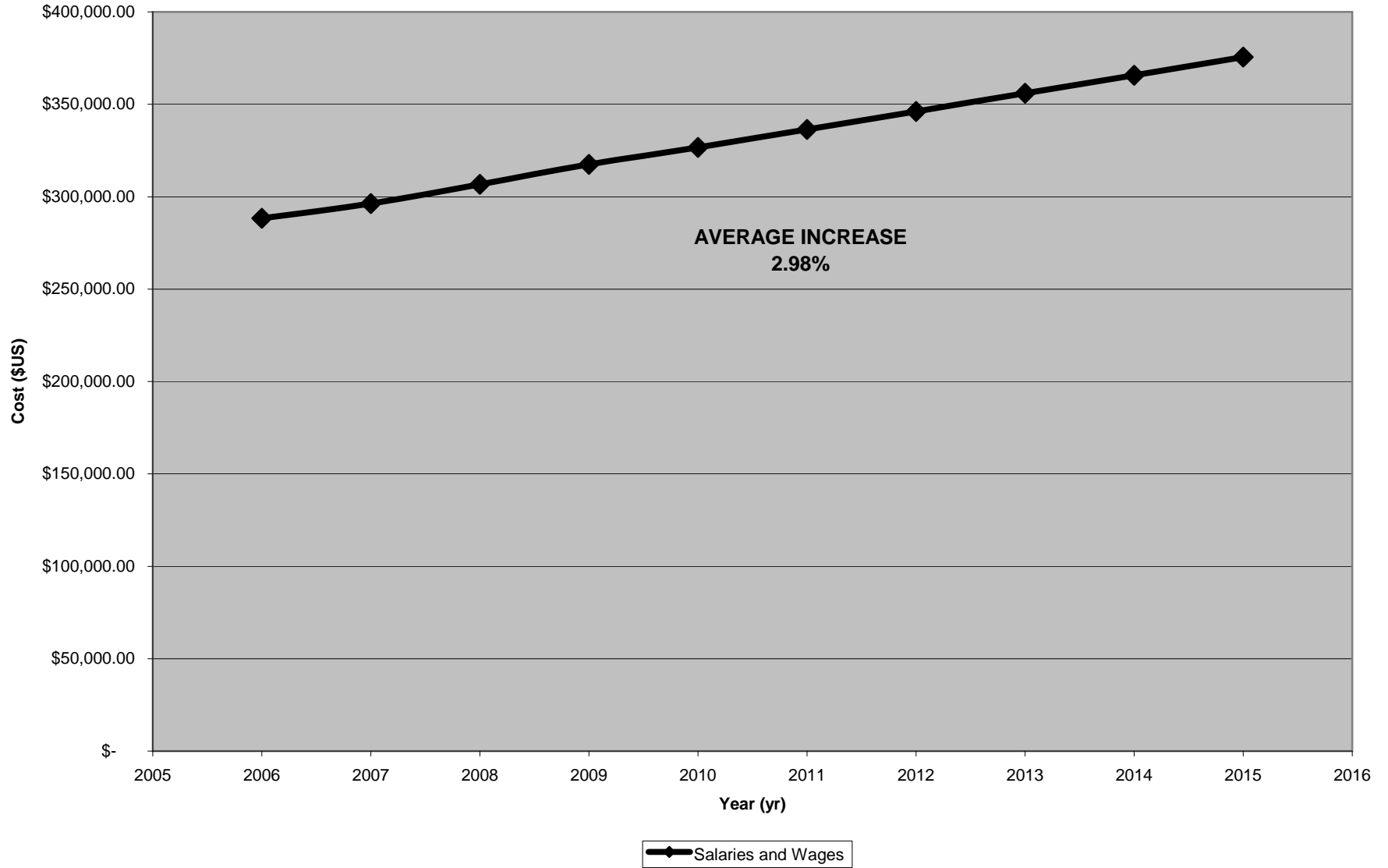
TABLE 1-SUMMARY OF BUDGET DATA 2006-2010/BUDGET PROJECTIONS THROUGH 2015										
	2006 BUDGET	2007 BUDGET	2008 BUDGET	2009 BUDGET	2010 BUDGET	2011 PROJECTED	2012 PROJECTED	2013 PROJECTED	2014 PROJECTED	2015 PROJECTED
	1	2	3	4	5	6	7	8	9	10
<b>REVENUES</b>										
<b>Operating Revenues</b>										
Service Charges	\$ 2,762,468.00	\$ 2,803,402.00	\$ 3,078,858.36	\$ 3,120,448.30	\$ 3,432,493.13					
Connection Fees										
Parking Fees										
Other Operating Revenues										
<b>Non-Operating Revenues</b>										
Op Grants & Entitlements										
Local Subsidies & Donations										
Interest on investments & deposits	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00					
Other Non-Op Revenues										
<b>Total Revenues</b>	<b>\$ 2,812,468.00</b>	<b>\$ 2,853,402.00</b>	<b>\$ 3,128,858.36</b>	<b>\$ 3,170,448.30</b>	<b>\$ 3,482,493.13</b>					
<b>APPROPRIATIONS</b>										
<b>Administration</b>										
Salaries and Wages	\$ 288,300.00	\$ 296,321.00	\$ 306,692.24	\$ 317,426.46	\$ 326,622.50	\$ 336,397.60	\$ 346,172.70	\$ 355,947.80	\$ 365,722.90	\$ 375,498.00
Employees Benefits (Fringe)	\$ 99,749.00	\$ 100,987.00	\$ 107,570.12	\$ 108,741.23	\$ 112,652.00	\$ 116,008.00	\$ 119,364.00	\$ 122,720.00	\$ 126,076.00	\$ 129,432.00
Other Legal/Admin Expenses	\$ 127,500.00	\$ 140,000.00	\$ 155,000.00	\$ 153,000.00	\$ 166,750.00	\$ 166,500.00	\$ 173,300.00	\$ 180,100.00	\$ 186,900.00	\$ 193,700.00
Total Administration	\$ 515,549.00	\$ 537,308.00	\$ 569,262.36	\$ 579,167.69	\$ 606,024.50	\$ 618,905.60	\$ 638,836.70	\$ 658,767.80	\$ 678,698.90	\$ 698,630.00
<b>Cost of Providing Services (COPS)</b>										
Total Non-PVSC COPS*	\$ 186,377.93	\$ 153,182.38	\$ 311,000.00	\$ 294,900.00	\$ 300,798.00	\$ 306,813.96	\$ 312,950.24	\$ 319,209.24	\$ 325,593.43	\$ 332,105.30
Passaic Valley SC	\$ 995,122.07	\$ 1,001,317.62	\$ 930,000.00	\$ 994,191.95	\$ 860,000.00	\$ 860,000.00	\$ 860,000.00	\$ 860,000.00	\$ 860,000.00	\$ 860,000.00
Total Operations	\$ 1,181,500.00	\$ 1,154,500.00	\$ 1,241,000.00	\$ 1,289,091.95	\$ 1,160,798.00	\$ 1,166,813.96	\$ 1,172,950.24	\$ 1,179,209.24	\$ 1,185,593.43	\$ 1,192,105.30
<b>Debt Service</b>										
Bond Principal Payments	\$ 490,000.00	\$ 550,000.00	\$ 890,000.00	\$ 1,194,534.00	\$ 1,194,534.00	\$ 1,194,534.00	\$ 1,194,534.00	\$ 1,194,534.00	\$ 1,194,534.00	\$ 1,194,534.00
Bond and Note Interest	\$ 625,418.76	\$ 611,594.00	\$ 611,594.00	\$ 571,846.61	\$ 611,594.00	\$ 611,594.00	\$ 611,594.00	\$ 611,594.00	\$ 611,594.00	\$ 611,594.00
Total Debt Service	\$ 1,115,418.76	\$ 1,161,594.00	\$ 1,501,594.00	\$ 1,766,380.61	\$ 1,806,128.00	\$ 1,806,128.00	\$ 1,806,128.00	\$ 1,806,128.00	\$ 1,806,128.00	\$ 1,806,128.00
<b>Total Appropriations</b>	<b>\$ 2,812,467.76</b>	<b>\$ 2,853,402.00</b>	<b>\$ 3,311,856.36</b>	<b>\$ 3,634,640.25</b>	<b>\$ 3,572,950.50</b>	<b>\$ 3,591,847.56</b>	<b>\$ 3,617,914.94</b>	<b>\$ 3,644,105.04</b>	<b>\$ 3,670,420.33</b>	<b>\$ 3,696,863.30</b>
<b>MISCELLANEOUS ADJUSTMENTS</b>										
Fund Balance Applied			\$ (500,000.00)	\$ (150,000.00)	\$ 30,000.00	\$ (250,000.00)	\$ (250,000.00)	\$ (250,000.00)	\$ (250,000.00)	\$ (250,000.00)
Retained Earnings Appropriated	\$ -	\$ -	\$ 267,000.00	\$ 100,000.00	\$ -					
<b>Sub Total Appropriations</b>	<b>\$ 2,812,467.76</b>	<b>\$ 2,853,402.00</b>	<b>\$ 3,078,856.36</b>	<b>\$ 3,584,640.25</b>	<b>\$ 3,602,950.50</b>	<b>\$ 3,341,847.56</b>	<b>\$ 3,367,914.94</b>	<b>\$ 3,394,105.04</b>	<b>\$ 3,420,420.33</b>	<b>\$ 3,446,863.30</b>
<b>CONTINGENCY AMOUNT**</b>	<b>\$ 224,997.42</b>	<b>\$ 228,272.16</b>	<b>\$ 153,942.82</b>	<b>\$ 219,296.68</b>	<b>\$ 223,382.93</b>	<b>\$ 588,165.17</b>	<b>\$ 592,753.03</b>	<b>\$ 597,362.49</b>	<b>\$ 601,993.98</b>	<b>\$ 606,647.94</b>
<b>TOTAL REVENUE REQUIREMENT</b>	<b>\$ 3,037,465.18</b>	<b>\$ 3,081,674.16</b>	<b>\$ 3,232,799.18</b>	<b>\$ 3,803,936.93</b>	<b>\$ 3,826,333.43</b>	<b>\$ 3,930,012.73</b>	<b>\$ 3,960,667.97</b>	<b>\$ 3,991,467.53</b>	<b>\$ 4,022,414.31</b>	<b>\$ 4,053,511.24</b>

\*Includes Grit Removal, Equipment repairs & supplies, Fees and Permits, Consulting Fees, Lab, Education, Utilities, Property Lease, Trustee Fees

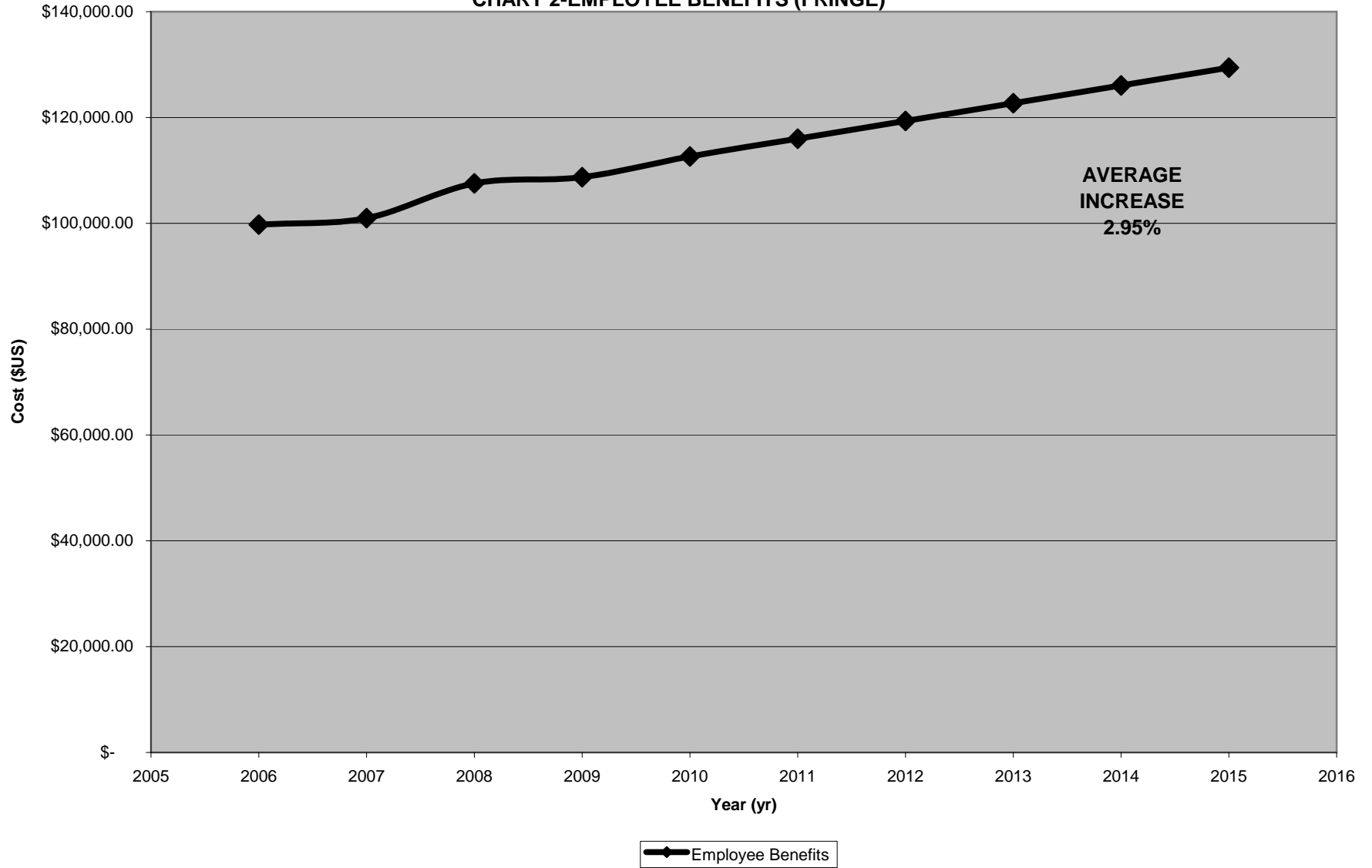
\*\* 2010 Contingency is 6.2%

Prepared by HMM May 2010

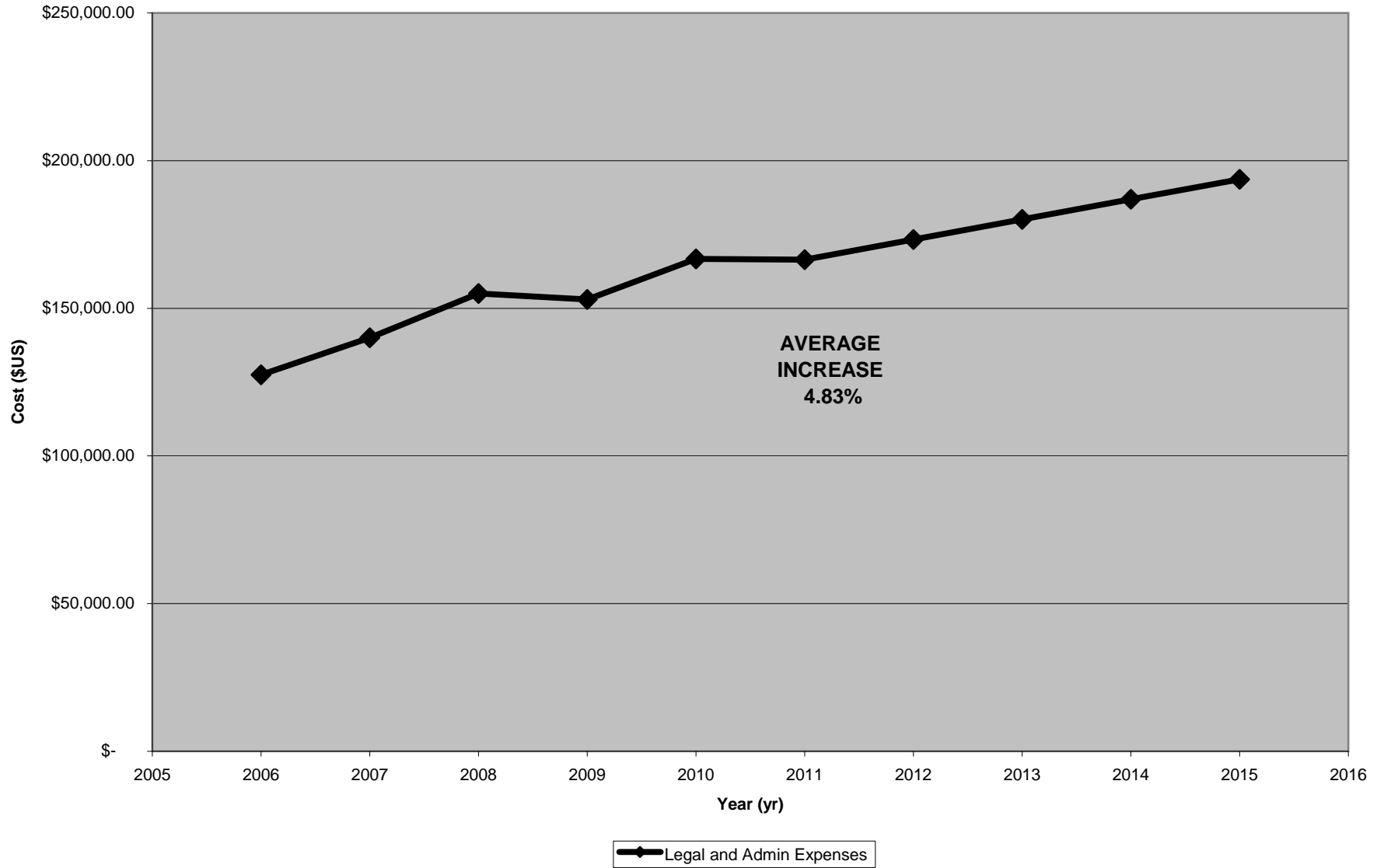
**KEARNY MUA APPROPRIATIONS TRENDS 2006-2015**  
**CHART 1-SALARIES AND WAGES**



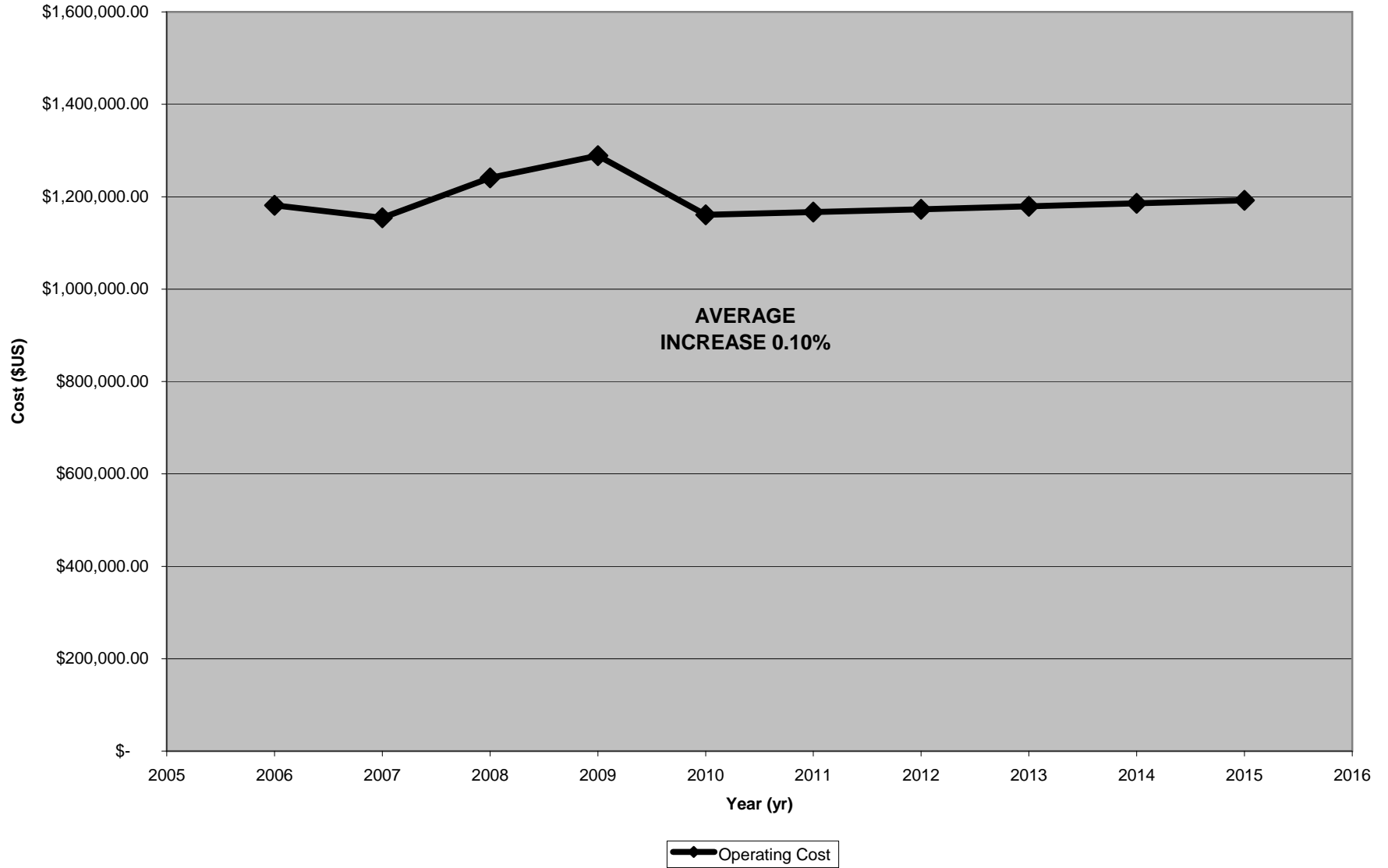
KEARNY MUA APPROPRIATIONS TRENDS 2006-2015  
CHART 2-EMPLOYEE BENEFITS (FRINGE)



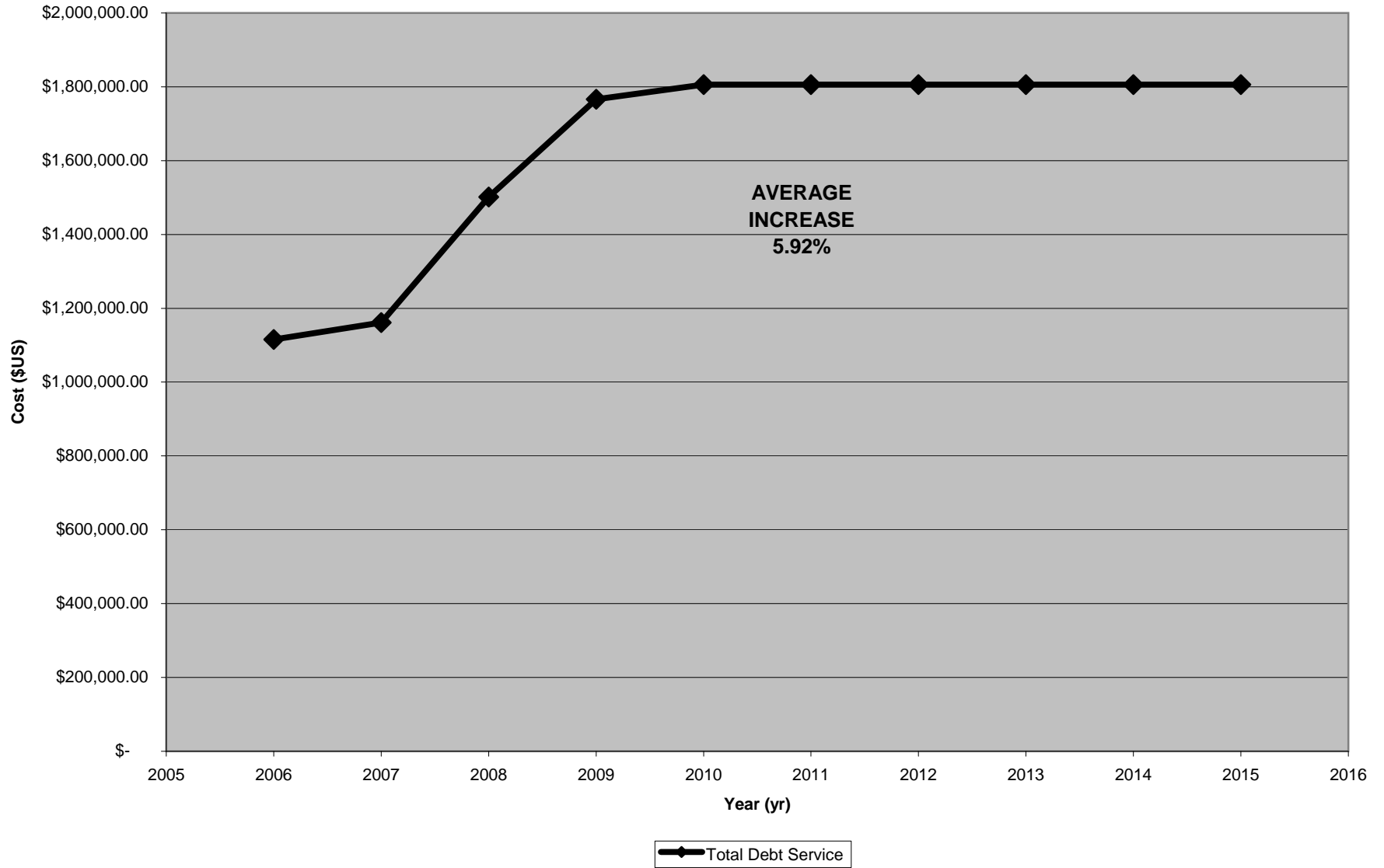
**KEARNY MUA APPROPRIATIONS TRENDS 2006-2015**  
**CHART 3-OTHER LEGAL/ADMIN EXPENSES**



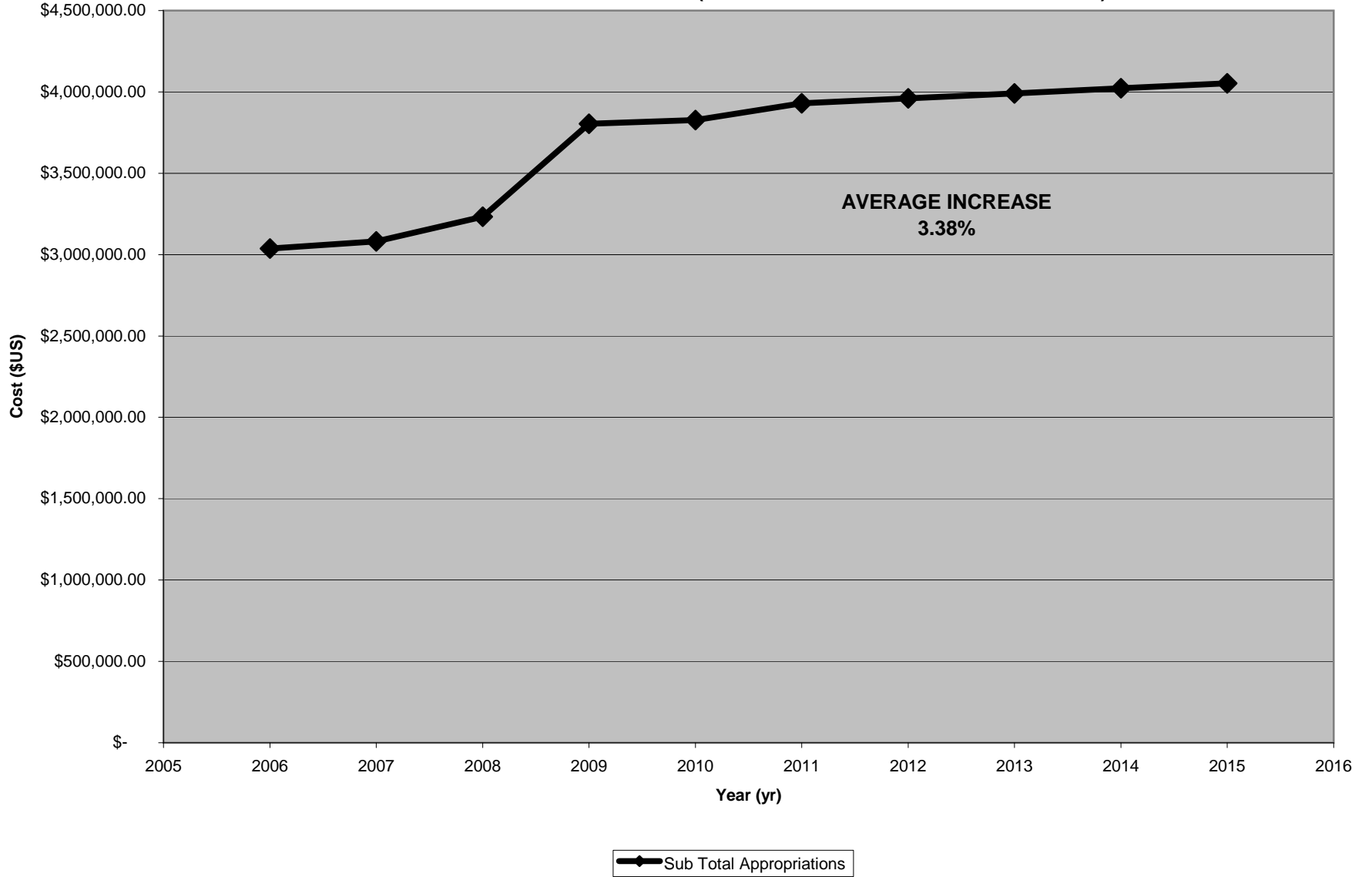
**KEARNY MUA APPROPRIATIONS TRENDS 2006-2015**  
**CHART 4-OPERATION COSTS**



**KEARNY MUA APPROPRIATIONS TRENDS 2006-2015**  
**CHART 5-DEBT SERVICE**



**KEARNY MUA APPROPRIATIONS TRENDS 2006-2015**  
**CHART 6-TOTAL REVENUE REQUIREMENT (RETAINED EARNINGS NOT PROJECTED)**



**Kearny Municipal Utilities Authority  
Hudson County, New Jersey  
2010 User Charge Setting Report  
TABLE 1A-SUMMARY OF BUDGET DATA 2010**

DESCRIPTION	2010 BUDGET
<b>REVENUES</b>	
<b>Operating Revenues</b>	
Service Charges	\$ 3,432,493.13
Connection Fees	
Parking Fees	
Other Operating Revenues	
<b>Non-Operating Revenues</b>	
Op Grants & Entitlements	
Local Subsidies & Donations	
Interest on investments & deposits	\$ 50,000.00
Other Non-Op Revenues	
<b>Total Revenues</b>	<b>\$ 3,482,493.13</b>
<b>APPROPRIATIONS</b>	
<b>Administration</b>	
Salaries and Wages	\$ 326,622.50
Employees Benefits (Fringe)	\$ 112,652.00
Other Legal/Admin Expenses	\$ 166,750.00
<b>Total Administration</b>	<b>\$ 606,024.50</b>
<b>Cost of Providing Services (COPS)</b>	
Total Non-PVSC COPS*	\$ 300,798.00
Passaic Valley SC	\$ 860,000.00
<b>Total Operations</b>	<b>\$ 1,160,798.00</b>
<b>DEBT SERVICE</b>	
Bond Principal Payments	\$ 1,194,534.00
Bond and Note Interest	\$ 611,594.00
Total Debt Service	\$ 1,806,128.00
Dynamic Delivery Corporation Adjustment and Fund Balance Adjustment**	\$ 30,000.00
<b>SUBTOTAL APPROPRIATIONS</b>	<b>\$ 3,602,950.50</b>
<b>CONTINGENCY AMOUNT(6.2%)</b>	<b>\$ 223,382.93</b>
<b>TOTAL KMUA REVENUE REQUIREMENT</b>	<b>\$ 3,826,333.43</b>
<b>Less PVSC Charges-BOD &amp; SS Surcharges (Table 3)</b>	<b>\$ 45,154.08</b>
<b>KMUA REVENUE REQ'D (WITH PVSC NON -SURCHARGES)</b>	<b>\$ 3,781,179.35</b>
<b>Less PVSC Charges-Non-Surcharges (Table 3)</b>	<b>\$ 814,845.92</b>
<b>KMUA REVENUE REQ'D (NO PVSC CHARGES)</b>	<b>\$ 2,966,333.43</b>
<b>Plus Total PVSC Charges (Table 3)</b>	<b>\$ 860,000.00</b>
<b>AMOUNT TO BE RECOVERED BY USER CHARGES</b>	<b>\$ 3,826,333.43</b>

\*Includes Grit Removal, Equipment repairs & supplies, Fees and Permits, Consulting Fees, Lab, Education, Utilities, Property Lease, Trustee Fees

\*\*Dynamic Delivery Corporation Settlement

Prepared by HMM, May 2010



**Kearny Municipal Utilities Authority  
Hudson County, New Jersey**

**2010 User Charge Setting Report  
TABLE 2-Customer Charges 2010**

BLOCK	LOT	CLASS	USER NAME	HCFY	Charge	PVSC	Surcharge	TOTAL	NOTES
284	47	1	AMONT, J - DYNAMIC DELIVERY SE	188	\$ 895.07	\$ 467.18		\$ 1,362.25	
284	48	1	CHARLES DUNN CO., INC.	43,734	\$ 208,217.57	\$ 108,678.99		\$ 316,896.56	
284	49	1	CSX INTERMODEL INC. - 63498	1,425	\$ 6,784.43	\$ 3,541.13		\$ 10,325.55	
284	51	1	KEARNY FIDELCO ASSOC.	324	\$ 1,542.56	\$ 805.14		\$ 2,347.70	
284	4	1	WALMART	8,216	\$ 39,116.38	\$ 20,416.76		\$ 59,533.14	
286	38	1	G&S MOTOR EQUIP. CO.	1,324	\$ 6,303.56	\$ 3,290.14		\$ 9,593.70	
286	45.01	1	ORANGEWOOD MERIT	268	\$ 1,275.95	\$ 665.98		\$ 1,941.93	
286	40	1	PROFESSIONAL ENVIRONMENTAL SYS	1,055	\$ 5,022.86	\$ 2,621.68		\$ 7,644.53	
286	45.03	1	SAFER DEVELOPMENT	297	\$ 1,414.02	\$ 738.05		\$ 2,152.06	
288	11	1	VERIZON	26	\$ 123.79	\$ 64.61		\$ 188.40	
288	5.01	1	JAC JON ASSOCIATES	124	\$ 590.36	\$ 308.14		\$ 898.50	
288	4	1	VECKRIDGE CHEMICAL CO.	204	\$ 971.24	\$ 506.94		\$ 1,478.18	
289	14.01, 17.02	1	CLEAN EARTH NJ - S&W WASTE	2,332	\$ 11,102.65	\$ 5,795.02		\$ 16,897.67	
289	9.01	1	LOMMA RIGGING C/O JIM LOMMA	86	\$ 409.45	\$ 213.71		\$ 623.16	
289	16	1	MAC PRODUCTS	1,840	\$ 8,760.24	\$ 4,572.40		\$ 13,332.64	
290	4	1	61 LINCOLN HWY CORP.	1,727	\$ 8,222.25	\$ 4,291.60		\$ 12,513.84	
290	1	1	B&G INC. - EIGHTEEN WHEEL	251	\$ 1,195.01	\$ 623.74		\$ 1,818.75	
290	16	1	DYNAMIC DELIVERY CORP	2,721	\$ 12,954.68	\$ 6,761.69		\$ 19,716.37	
290	19	1	58 J LLC	1,982	\$ 9,436.30	\$ 4,925.27		\$ 14,361.57	
291	2.02	1	COURAGE REALTY	176	\$ 837.94	\$ 437.36		\$ 1,275.30	
291	2.02	1	KEPHART TRUCKING	92	\$ 438.01	\$ 228.62		\$ 666.63	
291	2.01	1	R HYER/ GARDENER ASPHALT	1,909	\$ 9,088.75	\$ 4,743.87		\$ 13,832.61	
291	1	1	SIXTY SK CORP	59	\$ 280.90	\$ 146.62		\$ 427.51	
292	2	1	JAMES LOMMA	179	\$ 852.22	\$ 444.82		\$ 1,297.03	
292	3	1	SOTIRHOS, K - NEW SKYWAY DINER	125	\$ 595.13	\$ 310.63		\$ 905.75	
293	1	1	PJT TRANSPORT	103	\$ 490.38	\$ 255.96		\$ 746.34	
293	10.02	1	WECCACOE RLTY C/O APL	60	\$ 285.66	\$ 149.10		\$ 434.76	
294	3	1	ATLANTIC NE TRANSPORT	27	\$ 128.55	\$ 67.10		\$ 195.64	
294	13-A	1	CSX INTERMODAL INC - 63498	1,267	\$ 6,032.19	\$ 3,148.50		\$ 9,180.68	
294	20	1	EDEN WOOD	1,948	\$ 9,274.43	\$ 4,840.78		\$ 14,115.21	
294	15	1	URBAN RENEWAL CORP.	70	\$ 333.27	\$ 173.95		\$ 507.22	
295	3	1	101 LINCOLN HWY, LLC	249	\$ 1,185.49	\$ 618.77		\$ 1,804.25	
295	4	1	85 LINCOLN HWY ASSOC.	101	\$ 480.86	\$ 250.99		\$ 731.85	
295	7	1	CROWN ENTERPRISES INC	702	\$ 3,342.22	\$ 1,744.47		\$ 5,086.69	
295	11	1	NEW PENN	306	\$ 1,456.87	\$ 760.41		\$ 2,217.28	
295	13	1	ROADWAY EXPRESS	183	\$ 871.26	\$ 454.76		\$ 1,326.02	
295	41	1	ROADWAY EXPRESS 111	392	\$ 1,866.31	\$ 974.12		\$ 2,840.43	
295	5	1	S&R REALTY STANSON	115	\$ 547.52	\$ 285.78		\$ 833.29	
296	2	1	SOUTH KEARNY ASSOCIATES	177	\$ 842.70	\$ 439.85		\$ 1,282.54	
296	6	1	TOSCANO'S DELI	114	\$ 542.75	\$ 283.29		\$ 826.04	
297	1	1	BRIDGEVIEW INVESTORS	883	\$ 4,203.96	\$ 2,194.26		\$ 6,398.22	
298	19.03	1	PSE&G	16,167	\$ 76,971.09	\$ 40,175.00		\$ 117,146.08	
298	19.02	1	DH REALTY ENTERPRISES	258	\$ 1,228.34	\$ 641.13		\$ 1,869.47	
298	14	1	EPSTEIN, BERNARD R ETAL	753	\$ 3,585.03	\$ 1,871.21		\$ 5,456.24	
288	10	2	RIVER TERMINAL	21,452	\$ 102,132.97	\$ 53,308.22		\$ 155,441.19	
295	8	2	LEEDS TERMINAL	976	\$ 4,646.74	\$ 2,425.36		\$ 7,072.10	
298	10	2	KUEHNE CHEMICAL CO.	111	\$ 528.47	\$ 275.84		\$ 804.31	
175	1	3	NJ MEADOWLANDS COMMISSION	220,174	\$ 1,048,248.41			\$ 1,048,248.41	
284	21.01	3	NJ TRANSIT MEADOWS MAINT CMLPX	18,305	\$ 87,150.11	\$ 45,487.93	\$ 3,030.95	\$ 135,668.98	
284	33	3	U S POSTAL SERVICE	4,217	\$ 20,077.14	\$ 10,479.25		\$ 30,556.38	
289	11	3	SPECTRASERV INC.	37,611	\$ 179,065.97	\$ 93,463.34	\$ 25,290.46	\$ 297,819.77	
290	3	3	OJ TRUCK WASH	16,935	\$ 80,627.54	\$ 42,083.48	\$ 16,608.01	\$ 139,319.02	
294	19	3	TALBOT HALL (CCC)	16,654	\$ 79,289.69	\$ 41,385.19	\$ 28.09	\$ 120,702.98	
294	11	3	HUDSON COUNTY CORRECTIONAL	117,205	\$ 558,013.01	\$ 291,254.43	\$ 196.57	\$ 849,464.00	
		3	NJ MEADOWLANDS COMMISSION-KEEGAN LANDFILL	75,000	\$ 357,075.00			\$ 357,075.00	
<b>54 Accounts</b>			<b>TOTAL</b>	<b>623,179</b>	<b>\$ 2,966,955.22</b>	<b>\$ 815,092.43</b>	<b>\$ 45,154.08</b>	<b>\$ 3,827,201.72</b>	

	2010	2010
	BASE KMUA	PVSC
	REVENUE	REVENUE
REVENUE REQUIREMENT	\$ 2,966,333.43	\$ 814,845.92
ATTRIBUTABLE FLOW (HCF)	623,179	328,005
COST PER HCF	\$ 4.7600	\$ 2.4842
WHOLE RATE	\$ 4.76	\$ 2.49

2010 Rate Summary			
CLASS	2010	2010	2010
DESCRIPTION	Base Charge	PVSC Charge	Total
UC 1	\$ 4.76	\$ 2.49	\$ 7.25
UC 2	\$ 4.76	\$ 2.49	\$ 7.25
UC 3	\$ 4.76	\$ 2.49	\$ 7.25

**Note 1** NJMC not assessed PVSC fees based upon April 2004 Agreement between EnCAP and PVSC  
**Note 2** \*\* USPS Previously monitored by requested Class III status/customer has existing effluent meter  
[\\mil-data\projects-ine\274406AA01- 2010 KMUA Rate Study\2010\Table 1a,Table3\\_ 2010.xls](#)  
 Prepared by HMM, May, 2010

**Kearny Municipal Utilities Authority  
Hudson County, New Jersey  
2010 User Charge Setting Report  
TABLE 3-SUMMARY OF KMUA SURCHARGE CALCULATION 2010**

DESCRIPTION	Q	TH lbs	*BOD	EXCESS	BOD	TH lbs	SS	EXCESS	SS	TOTAL
	FLOW	BOD	CONC	BOD	EXCESS	SS	CONC	SS	EXCESS	BOD/SS
	(MG)	(TH #)	(mg/L)	(TH #)	CHARGE	(TH #)	(mg/L)	(TH #)	CHARGE	SURCHARGE
<b>TOWN OF KEARNY TOTAL</b>	<b>3029.126</b>	<b>3505.522</b>	<b>138.7616</b>	<b>N/A</b>	<b>N/A</b>	<b>3295.152</b>	<b>130.4344</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>MONITORED INDUSTRIES KMUA</b>										
HUDSON CO CORR FAC (HUDSON COUNTY JAIL)	87.675	100.463	137.393	0.000	\$ -	95.864	131.10	0.489	\$ 196.57	\$ 196.57
NJ TRANSIT MEADOWS MAINTENANCE COMPLEX	13.693	23.301	204.037	7.454	\$ 3,030.95	14.764	129.28	0.000	\$ -	\$ 3,030.95
OJ FOOD GRADE TANK TRUCK WASH, INC.	12.668	55.507	525.380	40.847	\$ 16,608.01	13.282	125.72	0.000	\$ -	\$ 16,608.01
SPECTRASERV, INC.	28.135	56.231	239.642	23.671	\$ 9,624.55	69.590	296.57	38.984	\$ 15,665.92	\$ 25,290.46
TALBOT HALL (COMMUNITY EDUCATION CORPORATION)	12.458	14.275	137.392	0.000	\$ -	13.622	131.11	0.070	\$ 28.09	\$ 28.09
<b>TOTAL SURCHARGES</b>					<b>\$ 29,263.51</b>				<b>\$ 15,694.01</b>	<b>\$ 45,154.08</b>
					<b>TOTAL 2009 TOWNSHIP OF KEARNY CHARGE TO KMUA</b>					<b>\$ 860,000.00</b>
					<b>REMAINDER FEES TO BE RECOVERED THROUGH FLOW CHARGES</b>					<b>\$ 814,845.92</b>

2010 PVSC USER CHARGE PER MG \$ 434.8033  
2010 PVSC USER CHARGE FOR BOD/ 1000# \$ 406.5939  
2010 PVSC USER CHARGE FOR SS/ 1000# \$ 401.8539

\* BOD CONC DETERMINED BY: 
$$\frac{\text{Thousand #'s BOD} \times 1000 \#}{Q \times 8.34} = \text{BOD (mg/L)}$$

\* SS CONC DETERMINED BY: 
$$\frac{\text{Thousand #'s SS} \times 1000 \#}{Q \times 8.34} = \text{SS (mg/L)}$$

**Note 1 NJMC not assessed PVSC fees based upon April 2004 Agreement between EnCAP and PVSC**

**Note 2 USPS Previously monitored by requested Class III status/customer has existing effluent meter**

**Note 3 The Township of Kearny charges KMUA a fix amount of \$840,00.**

**Note 4 Surcharge rate is based on the PVSC invoice**

Prepared by HMM May 2010