

**EXHIBIT4**  
**Method to Calculate Connection Charges**  
**for**  
**Areas Served by a Monitoring Station**

**Purchased Capacity**

The methods and formulas used by Boise City to charge the District for Type I, II, and V connections are shown below. Boise City maintains the right to revise the methods and formulas as may be appropriate to fairly and equitably recover costs.

Separate connection charges will be calculated and will be paid for each point of connection. The first, and only first connection charge calculation, for each point of connection, shall use a threshold capacity of zero (0).

If Boise City implements other charges for wastewater constituents such as, but not limited to, nitrogen, phosphorous, sulfur, and fluoride during the period of this Agreement, the District shall pay said charges. All charges will be calculated based on the connection charges in effect at the date that the threshold value is exceeded.

Notwithstanding the foregoing, the parties acknowledge that abnormal events may occur which may result in a temporary increase in Threshold Capacity for which no Treatment Facility Connection Charge should be asserted. If such an event should occur, it shall be the responsibility of the District to demonstrate, to the satisfaction of Boise City, that the event was abnormal and that its impacts were indeed temporary in nature, and that additional treatment capacity would not have to be built to provide for a similar event in the future. The provisions of this paragraph relate exclusively to the calculation of Treatment Facilities Connection Charges.

**Treatment Facilities Connection Charge Calculation**

Flow:                      Flow Charge= [Peak Month Flow - Threshold Capacity] x Treatment Connection Unit Rate for Flow

BOD:                        BOD Charge= [Peak Month BOD - Threshold Capacity] x Treatment Connection Unit Rate for BOD

TSS:                        TSS Charge= [Peak Month TSS - Threshold Capacity] x Treatment Connection Unit Rate for TSS

NH3-N:                    NH3-N Charge= [Peak Month NH3-N -Threshold Capacity] x Treatment Connection Unit Rate for NH3-N

Total Additional Treatment Facilities Connection Charge= Flow Charge+ BOD Charge+ TSS Charge+ NH3-N Charge

**Trunk Sewer Connection Charge Calculation**

Trunk Sewer Connection Charge= [(Peak Hour Flow - Threshold Capacity) x 24] ÷  
533 x Trunk Connection Unit Rate for SFDE

### **Rental Capacity**

As specified in sections III(d) of Addendum No. 4 to the Amended Sanitary Sewer Service Agreement, there may be times when the District needs to rent capacity from Boise City. When the conditions for renting capacity have been met in accordance with Addendum No. 4, the following formulas will apply to calculate the Rental Capacity charges. At all other times, an exceedance in Threshold Capacity will be calculated based on the Purchased Capacity formulas. Rental Capacity provisions relate exclusively to the calculation of Treatment Facilities Connection Charges.

### **Treatment Facilities Connection Charge Calculation**

Flow: Flow Charge= [Peak Month Flow - Threshold Capacity] x Treatment  
Connection Unit Rate for Flow

BOD: BOD Charge= [Peak Month BOD - Threshold Capacity] x Treatment  
Connection Unit Rate for BOD

TSS: TSS Charge= [Peak Month TSS - Threshold Capacity] x Treatment  
Connection Unit Rate for TSS

NH3-N: NH3-N Charge= [Peak Month NH3-N -Threshold Capacity] x  
Treatment Connection Unit Rate for NH3-N

Total Additional Treatment Facilities Connection Charge= (Flow Charge+ BOD  
Charge+ TSS Charge+ NH3-N Charge) ÷ 300\*

\* 300 is the number of months in the 25-year average life of treatment assets assumed for purposes of this agreement.

### **Definitions:**

The following words, terms and phrases, when used in applying the formulas above, shall have the meanings ascribed to them as follows:

BOD - Biochemical Oxygen Demand. The oxygen required for the biological breakdown of organic material contained in a specified volume, usually measured in milligrams per liter or converted to pounds per day. For the purposes of this agreement only, if ESD effluent is partially pretreated by ESD lagoons, BOD shall be determined by measuring Carbonaceous BOD (CBOD) and multiplying the results by a factor of 1.4. Otherwise, if the ESD effluent is not partially pretreated, BOD shall be determined by the BOD5 measurement.

Flow - The volume of wastewater measured at a monitoring point over a specified period, and expressed as gallons.

NH<sub>3</sub>-N - Ammonia-Nitrogen. The amount of ammonia, measured in nitrogen units, in a specified volume, usually measured in milligrams per liter or converted to pounds per day.

Parameter - Any measurable characteristic associated with the collection and/or treatment of wastewater.

Peak Hour - The sixty (60) minute interval during which the greatest total value of any parameter occurs.

Peak Hour Flow - The greatest total flow during a sixty (60) minute interval, and expressed as gallons per hour.

Peak Month - The interval typically thirty (30) days during which the greatest total value of any parameter occurs.

Peak Month BOD - The total BOD in pounds occurring over a peak month and divided by the number of days in a month and expressed as pounds per day.

Peak Month Flow - The greatest total flow in gallons occurring typically over thirty (30) days, and expressed as thousands (1,000) gallons per day.

Peak Month NH<sub>3</sub>-N - The total NH<sub>3</sub>-N in pounds occurring over a peak month and divided by the number of days in a month and expressed as pounds per day.

Peak Month TSS - The greatest total TSS in pounds occurring typically over thirty (30) days, and expressed as pounds per day.

Single Family Dwelling Equivalent (SFDE) - The discharge parameters associated with a typical single family dwelling.

Threshold Capacity - The values of parameters for which connection charges have been paid.

Treatment Connection Unit Rate for BOD - The dollar amount that is set forth in Boise code that is charged for each unit of BOD for treatment facilities connection charge purposes and is expressed as dollars per pound per day.

Treatment Connection Unit Rate for Flow - The dollar amount that is set forth in Boise code that is charged for each unit of flow for treatment facilities connection charge purposes and is expressed as dollars per thousand (1,000) gallons per day.

Treatment Connection Unit Rate for NH<sub>3</sub>-N - The dollar amount set forth in Boise code that is charged for each unit of NH<sub>3</sub>-N for treatment facilities connection charge purposes and is expressed as dollars per pound per day.

Treatment Connection Unit Rate for TSS - The dollar amount that is set forth in Boise code that is charged for each unit of TSS for treatment facilities connection charges purposes and is expressed as dollars per pound per day.

Trunk Connection Unit Rate for SFDE - The dollar amount that is set forth in Boise code that is charged for the flow associated with each SFDE unit, and expressed as dollars per SFDE.

TSS - Total Suspended Solids. The amount of solids suspended in a specified volume, usually measured in milligrams per liter or converted to pounds per day.

Terms for BOD, TSS, and NH<sub>3</sub>-N may be revised as a result of actions of federal agencies when new methods for measuring them are developed and adopted by governmental and/or industry standards.

It is agreed that the following threshold parameters have been paid for and will serve as the threshold values for the District's West Boise monitoring station (original monitoring station installed by the District to monitor discharges to Boise) from this date forward until they are later increased by the terms of the Agreement:

Flow: 2,268,962 gallons

BOD: 1,861 pounds/day (equivalent to CBOD: 1,329 pounds/day)

TSS: 1,708 pounds/day

NH<sub>3</sub>-N: 480 pounds/day

Purchased capacity includes Lakemoor Subdivision.

Any additional monitoring stations installed for the purposes of implementing this Agreement shall begin with threshold parameters of zero.