



# Important Information:

## Proposed Water, Sewer, and Garbage Rate Increases

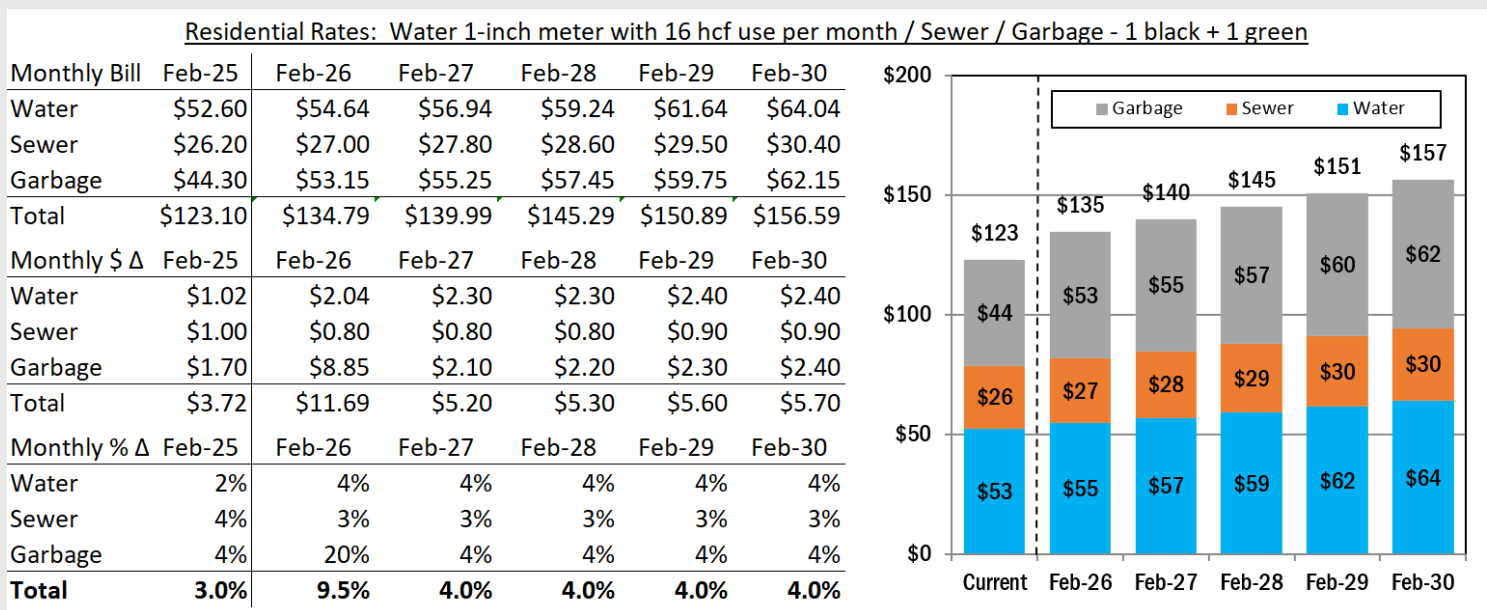
### Dear Property Owner / Utility Customer of Record:

THIS NOTICE IS HEREBY GIVEN that the City of Ripon ("City") is scheduling a Public Hearing on January 13, 2026 at 6:00 pm in the City Council Chambers located at 259 North Wilma Ave., Ripon, CA 95366 to consider the adoption of increases to the rates for its water, sewer, and garbage services to the parcel for which you are shown as the owner or customer of record.

The City of Ripon contracted with an independent expert to conduct a comprehensive rate study for the water, sewer, and garbage funds. A detailed report has been prepared that evaluates the expenses over the next five (5) years to operate and maintain the water, sewer, and garbage utilities at the current service levels, meet State of California regulatory requirements, and complete necessary capital replacement of equipment that has exceeded its useful life. The Water, Sewer, and Garbage Rate Study report is available online at [www.cityofripon.org](http://www.cityofripon.org).

The proposed water, sewer, and garbage rate increases are proposed to be implemented on your February utility bill for years 2026 – 2030. The figure below compares a typical residential customer's current utility bill to the proposed water, sewer, and garbage rate increases:

Figure 1: Impact of Proposed Water, Sewer, and Garbage Rates on Residential Monthly



In accordance with Proposition 218 (Article XIID of the California Constitution), this notice is being sent to all property owners and utility customers of record for parcels within Ripon City Limits. Any property owner or utility customer of record may submit a written protest for the proposed increases. Only one vote per property will count. If you desire to submit a written protest, a letter must be submitted that: 1) identifies whether you are the property owner or utility customer, 2) provides the location of the parcel (by street address or Assessor's Parcel Number), 3) states that you oppose the proposed water, sewer, and garbage rate increases, and 4) includes your name and signature as the property owner or customer submitting the protest.

### ALL WRITTEN PROTESTS MUST BE RECEIVED PRIOR TO THE CLOSE OF THE JANUARY 13, 2026 PUBLIC HEARING.

Written protests can be mailed to Ripon City Hall at 259 N. Wilma Ave, Ripon, CA 95366 or hand delivered to City Hall.

If written protests are submitted by a majority of the affected property owners/customers, the proposed rate changes will not be imposed.

A 120-day statute of limitations applies to challenges to these new rates. All written protests must be submitted before the close of the January 13, 2026 public hearing and failure to timely object in writing bars any right to challenge that fee or assessment through a legal proceeding. Any such challenge will be limited to the legal basis you identify in writing.

HOW ARE CITY OF RIPON WATER, SEWER, AND GARBAGE UTILITY SERVICES FUNDED?

The City of Ripon has three Enterprise Funds - water, sewer, and garbage. Enterprise Funds are operated by the City as separate financial and legal entities. The revenue collected from rates must adequately fund the water, sewer, and garbage operations, maintenance, capital replacement, and compliance with State of California regulations.

The City evaluates utility rates every five (5) years to ensure sufficient revenue is being collected from utility customers. The last increase was approved January 2020 with annual rate increases implemented February 2020 – 2025.

The approved rate increases do not automatically go into effect each year. The Ripon City Council has directed staff to prepare an annual report that summarizes the financials of each Enterprise Fund prior to the approved rates being implemented to determine if the full rate increases are necessary.

REASONS FOR PROPOSED WATER RATE INCREASES

The City operates and maintains 72 miles of water line, 6 groundwater wells, 1,200 valves, 5,100 service connections, 6 generators, and two above ground water storage tanks that provides safe and reliable drinking water to customers. The revenue generated by water rates is used to fund:

- Staff necessary to operate and maintain the water supply and conveyance infrastructure.
- Variable costs to operate the water system including electricity, chemicals, etc.
- Debt associated with the water fund.
- Replacement of capital items such as pumps, vacuum trucks, generators, vehicles, and other equipment.

Water customers are charged a fixed meter charge depending on the size of the meter plus a volume rate. Fixed meter charges are billed to the customers each month regardless of the water use. The volume rate is charged based on the volume of water used (measured in hundred cubic feet). The current and proposed water rates are provided in Table 1.

Table 1: Proposed Water Rates

Customer Class and Meter Size	Current	Recommended				
	FY25	FY26	FY27	FY28	FY29	FY30
Rate Change Effective Date >	1-Feb-2025	1-Feb-2026	1-Feb-2027	1-Feb-2028	1-Feb-2029	1-Feb-2030
Annual percent increase >	2.0%	4.0%	4.0%	4.0%	4.0%	4.0%
<b>Residential, Commercial, Industrial</b>						
Meter Rates (\$/month)						
¾-inch	\$35.00	\$36.40	\$37.90	\$39.40	\$41.00	\$42.60
1-inch	\$35.00	\$36.40	\$37.90	\$39.40	\$41.00	\$42.60
1½-inch	\$58.90	\$61.30	\$63.80	\$66.40	\$69.10	\$71.90
2-inch	\$86.70	\$90.20	\$93.80	\$97.60	\$101.50	\$105.60
2½-inch	\$123.00	\$128.00	\$133.00	\$138.00	\$144.00	\$150.00
3-inch	\$162.00	\$168.00	\$175.00	\$182.00	\$189.00	\$197.00
4-inch	\$248.00	\$258.00	\$268.00	\$279.00	\$290.00	\$302.00
6-inch	\$481.00	\$500.00	\$520.00	\$541.00	\$563.00	\$586.00
8-inch	\$768.00	\$799.00	\$831.00	\$864.00	\$899.00	\$935.00
10-inch	\$1,097.00	\$1,141.00	\$1,187.00	\$1,234.00	\$1,283.00	\$1,334.00
Usage Rates (\$/hcf)	\$1.10	\$1.14	\$1.19	\$1.24	\$1.29	\$1.34
<b>Non-potable</b>						
Meter Rates (\$/month)	\$5.62	\$5.84	\$6.07	\$6.31	\$6.56	\$6.82
Usage Rates (\$/hcf)	\$0.95	\$0.99	\$1.03	\$1.07	\$1.11	\$1.15

This increase is necessary to continue the current service levels along with operating and maintaining new well head treatment systems at two groundwater wells.

REASONS FOR PROPOSED SEWER RATE INCREASES

The City operates and maintains over 65.5 miles of sewer lines, 7 pump stations, and a wastewater treatment plant that treats domestic and industrial wastewater influent to State of California regulatory requirements.

The revenue generated by sewer rates is used to fund:

- Staff necessary to operate and maintain the sewer collection system, including performing the flushing of the pipelines to prevent blockage from fats, oils and greases that could cause overflows.
- Staff necessary to operate and maintain the wastewater treatment plant, including ripping and discing of disposal ponds, repairing various equipment, and performing the regulatory testing required of all influent and effluent of the plant.
- Variable costs to operate the sewer system including electricity, chemicals, etc.
- Replacement of capital items such as pumps, pond aerators, vacuum trucks, generators, vehicles, tractors and other equipment.

Residential sewer customers are charged a fixed monthly amount based on the residential category of their property. Commercial and industrial customers are charged a base rate plus a flow charge. The current and proposed sewer rates are provided in Table 2.

Table 2: Proposed Sewer Rates

Customer Class and Service Type	Current FY25	Recommended				
		FY26	FY27	FY28	FY29	FY30
<i>Rate Change Effective Date &gt;</i> 1-Feb-2025		<i>1-Feb-2026</i>	<i>1-Feb-2027</i>	<i>1-Feb-2028</i>	<i>1-Feb-2029</i>	<i>1-Feb-2030</i>
<i>Annual percent increase &gt;</i> 4%		3.0%	3.0%	3.0%	3.0%	3.0%
<b>Residential</b>						
Full Rate, \$/month						
Single family dwellings	\$26.20	\$27.00	\$27.80	\$28.60	\$29.50	\$30.40
Dwelling unit in a duplex	\$26.20	\$27.00	\$27.80	\$28.60	\$29.50	\$30.40
Dwelling unit in an apartment	\$26.20	\$27.00	\$27.80	\$28.60	\$29.50	\$30.40
Separate detached apartment	\$2.10	\$2.20	\$2.30	\$2.40	\$2.50	\$2.60
Retirement home occupants	\$5.70	\$5.90	\$6.10	\$6.30	\$6.50	\$6.70
10% Lower Income Discount, \$/month	\$23.58	\$24.30	\$25.02	\$25.74	\$26.55	\$27.36
20% Lower Income Discount, \$/month	\$20.96	\$21.60	\$22.24	\$22.88	\$23.60	\$24.32
5% Lower Income Discount, \$/month						
Single family dwellings	\$298.68	\$307.80	\$316.92	\$326.04	\$336.30	\$346.56
10% Lower Income Discount	\$268.81	\$277.02	\$285.23	\$293.44	\$302.67	\$311.90
20% Lower Income Discount	\$238.94	\$246.24	\$253.54	\$260.83	\$269.04	\$277.25
<b>Commercial</b>						
Minimum Base Rate, \$/month	\$25.00	\$25.80	\$26.60	\$27.40	\$28.20	\$29.00
Flow Charge - Full Rate, \$/hcf	\$1.50	\$1.55	\$1.60	\$1.65	\$1.70	\$1.75
Minimum Base Rate, Annual, \$/month	\$285.00	\$294.10	\$303.20	\$312.40	\$321.50	\$330.60
Flow Charge, \$/hcf - 95% Rate	\$1.60	\$1.47	\$1.50	\$1.50	\$1.50	\$1.50
Minimum Base Rate w/Lndscp Credit	\$25.00	\$25.80	\$26.60	\$27.40	\$28.20	\$29.00
Flow Charge - Lndscp Credit, hcf	\$1.44	\$1.48	\$1.52	\$1.57	\$1.62	\$1.67
<b>Industrial</b>						
Flow Charge, \$/1000 gallons	\$2.00	\$2.10	\$2.20	\$2.30	\$2.40	\$2.50
Biochemical Oxygen Demand, \$/1000 pou	\$204.50	\$210.60	\$216.90	\$223.40	\$230.10	\$237.00
Suspended Solids, \$/1000 pounds	\$226.20	\$233.00	\$240.00	\$247.20	\$254.60	\$262.20

**This increase is necessary to continue current service levels while also transferring the funds to pay for a significant upgrade of the wastewater treatment plant when the State of California mandates the current 1994 Wastewater Discharge Regulatory Permit limits are updated to present-day standards.**

## REASONS FOR PROPOSED GARBAGE RATE INCREASES

The City of Ripon provides solid waste collection for all residential properties within the Ripon City Limits. The State of California has enacted a number of laws over the last few years that have increased operating expenses of the Garbage Fund, most notable was Senate Bill 1383 that mandated that cities like Ripon reduce landfill-bound organics in an effort to reduce methane emissions.

Since January 2024, the City delivers solid waste from the black can to a high-diversion waste processing facility that is equipped to separate the waste by waste category. This diversion allows the City to comply with the State of California's unfunded mandate of SB1383 while providing the lowest cost service to garbage customers.

The City also provides customers the option of requesting a green can in addition to the black can. The green can is for yard waste and goes directly to a composting facility, which is less expensive than sending it to the high-diversion facility.

The revenue generated by garbage rates is used to fund:

- Staff necessary to provide collection and disposal of solid waste along with annual programs offered to garbage customers, including the yard waste pick up program during the months of October-January and the annual large item pick up program during the months of April-September.
- Disposal fees at the high-diversion facility, landfill, and composting facility where the waste is processed.
- Replacement of capital items such as side loaded garbage trucks, rear loaded garbage trucks, sweepers, tractors, roll-off trucks and garbage cans.

As a result of the unanticipated expenses associated with complying with State of California regulatory mandates during the previous rate study period of 2020-2025, the garbage operating fund balance has dropped below the target balance. This could impact service levels if an unplanned expense (e.g., garbage truck damaged to the extent it no longer can be used) arises and the funds are not available.

Customers are charged a monthly garbage rate depending on the number and type of cans requested. The current and proposed garbage rates are provided in the Table 3.

Table 3: Proposed Garbage Rates

Customer Class and Service Type		Current	Projected				
		FY25	FY26	FY27	FY28	FY29	FY30
Rate Change Effective Date > Annual percent increase >		1-Feb-2025 4.0%	1-Feb-2026 20.0%	1-Feb-2027 4.0%	1-Feb-2028 4.0%	1-Feb-2029 4.0%	1-Feb-2030 4.0%
<b>Residential</b>							
Full Rate	Rate Code						
Res Curbside 1 Blk	501	\$40.90	\$49.00	\$50.95	\$53.00	\$55.10	\$57.30
Res Curbside 2 Blk	502	\$58.20	\$69.80	\$72.60	\$75.50	\$78.50	\$81.65
Res Curbside 3 Blk	503	\$75.70	\$90.60	\$94.25	\$98.00	\$101.90	\$106.00
Res Curbside 4 Blk	504	\$93.00	\$111.40	\$115.90	\$120.50	\$125.30	\$130.35
Res Curbside 1 Blk + 1 Grn	510	\$44.30	\$53.15	\$55.25	\$57.45	\$59.75	\$62.15
Res Curbside 1 Blk + 2 Grn	511	\$47.70	\$57.30	\$59.55	\$61.90	\$64.40	\$67.00
Res Curbside 2 Blk + 1 Grn	512	\$61.60	\$73.95	\$76.90	\$79.95	\$83.15	\$86.50
Res Curbside 2 Blk + 2 Grn	513	\$65.00	\$78.10	\$81.20	\$84.40	\$87.80	\$91.35
Res Curbside 3 Blk + 1 Grn	514	\$79.10	\$94.75	\$98.55	\$102.45	\$106.55	\$110.85
Res Curbside 4 Blk + 1 Grn	515	\$96.40	\$115.55	\$120.20	\$124.95	\$129.95	\$135.20
Res Curbside 1 Blk + 3 Grn	516	\$51.10	\$61.45	\$63.85	\$66.35	\$69.05	\$71.85
Res Curbside 1 Blk + 4 Grn	517	\$71.85	\$86.40	\$89.80	\$93.30	\$97.10	\$101.05
Res Curbside 2 Blk + 3 Grn	518	\$68.40	\$82.25	\$85.50	\$88.85	\$92.45	\$96.20
Res Curbside 3 Blk + 2 Grn	519	\$82.45	\$98.90	\$102.85	\$106.90	\$111.20	\$115.70
Res Curbside #2 Blk Only	520	\$17.40	\$20.80	\$21.65	\$22.50	\$23.40	\$24.35
Res Curbside #2 Blk + Grn	521	\$20.80	\$24.95	\$25.95	\$26.95	\$28.05	\$29.20
Res Curbside 1 Grn Only	522	\$3.40	\$4.15	\$4.30	\$4.45	\$4.65	\$4.85
Res Backyard 1 Blk	523	\$49.70	\$59.70	\$62.10	\$64.60	\$67.15	\$69.85
Res Backyard 1 Blk + 1 Grn	524	\$61.90	\$74.55	\$77.55	\$80.65	\$83.85	\$87.25
Res Curbside 2 Grn Only	525	\$6.80	\$8.30	\$8.60	\$8.90	\$9.30	\$9.70
<b>Multiple Dwelling</b>							
Duplex Curbside	560	\$81.40	\$98.00	\$101.90	\$106.00	\$110.20	\$114.60
Duplex Curbside + 1 Grn	561	\$84.80	\$102.15	\$106.20	\$110.45	\$114.85	\$119.45
Duplex Curbside + 2 Grn	562	\$88.20	\$106.30	\$110.50	\$114.90	\$119.50	\$124.30
4-Plex Curbside + Grn Can	564	\$167.50	\$200.15	\$208.10	\$216.45	\$225.05	\$234.05
Duplex Curbside 2 Blk + 1 Grn (561+520)	568	\$102.20	\$122.95	\$127.85	\$132.95	\$138.25	\$143.80
Triplex Curbside	565	\$122.60	\$147.00	\$152.85	\$159.00	\$165.30	\$171.90
Triplex Curbside + 1 Grn	566	\$126.00	\$151.15	\$157.15	\$163.45	\$169.95	\$176.75
4-Plex Curbside	567	\$164.10	\$196.90	\$204.80	\$213.00	\$221.50	\$230.40
<b>Commercial</b>							
Comm Curbside 1 Tubbie + 3 Blk	563	\$307.95	\$369.40	\$384.05	\$399.40	\$415.30	\$431.90
Comm Curbside 1 Blk	570	\$40.90	\$49.00	\$50.95	\$53.00	\$55.10	\$57.30
Comm Curbside 2 Blk	571	\$81.70	\$98.00	\$101.90	\$106.00	\$110.20	\$114.60
Comm Curbside 2 Blk + 1 Grn (571+522)	569	\$85.15	\$102.15	\$106.20	\$110.45	\$114.85	\$119.45
Comm Curbside 3 Blk	572	\$122.55	\$147.00	\$152.85	\$159.00	\$165.30	\$171.90
Comm Curbside 1 Blk + 1 Grn	573	\$44.30	\$53.15	\$55.25	\$57.45	\$59.75	\$62.15
Comm Curbside 9 Blk + 1 Grn	574	\$371.10	\$445.15	\$462.85	\$481.45	\$500.55	\$520.55
Comm Backyard 1 Blk	575	\$49.70	\$59.70	\$62.10	\$64.60	\$67.15	\$69.85
Comm Backyard 1 Blk + 1 Grn	577	\$62.10	\$74.55	\$77.55	\$80.65	\$83.85	\$87.25
Comm Curbside 1 Tubbie	578	\$185.40	\$222.40	\$231.20	\$240.40	\$250.00	\$260.00
Comm Curbside 2 Tubbies	579	\$370.80	\$444.80	\$462.40	\$480.80	\$500.00	\$520.00
Comm Curbside ANN 1 Blk	580	\$466.26	\$558.60	\$580.83	\$604.20	\$628.14	\$653.22
Comm Curbside ANN 1 Blk + 1 Grn	583	\$505.02	\$605.91	\$629.85	\$654.93	\$681.15	\$708.51
Comm Curbside 4 Blk 1 Grn	581	\$166.85	\$200.15	\$208.10	\$216.45	\$225.05	\$234.05
Comm Curbside ANN 3 Blk	582	\$1,397.07	\$1,675.80	\$1,742.49	\$1,812.60	\$1,884.42	\$1,959.66
Comm Curbside ANN Tubbie	587	\$2,113.56	\$2,535.36	\$2,635.68	\$2,740.56	\$2,850.00	\$2,964.00
Comm Curbside 2 Grn	588	\$6.80	\$8.30	\$8.60	\$8.90	\$9.30	\$9.70
Comm Curbside 4 Grn (588x2)	591	\$13.60	\$16.60	\$17.20	\$17.80	\$18.60	\$19.40
Comm Curbside 6 Grn	592	\$20.40	\$24.90	\$25.80	\$26.70	\$27.90	\$29.10
Comm Curbside 2 Blk + 5 Grn	593	\$98.95	\$118.75	\$123.40	\$128.25	\$133.45	\$138.85
Comm Curbside 2 Blk + 12 Grn	594	\$123.10	\$147.80	\$153.50	\$159.40	\$166.00	\$172.80
Comm Curbside 1 Blk + 2 Grn	589	\$47.70	\$57.30	\$59.55	\$61.90	\$64.40	\$67.00
<b>Bulk</b>							
5-Plex	590	\$204.25	\$245.00	\$254.75	\$265.00	\$275.50	\$286.50
Tiffany Estates 43 Blk cans	595	\$1,758.70	\$2,107.00	\$2,190.85	\$2,279.00	\$2,369.30	\$2,463.90
Zion Curbside 9 Grn	598	\$30.60	\$37.35	\$38.70	\$40.05	\$41.85	\$43.65

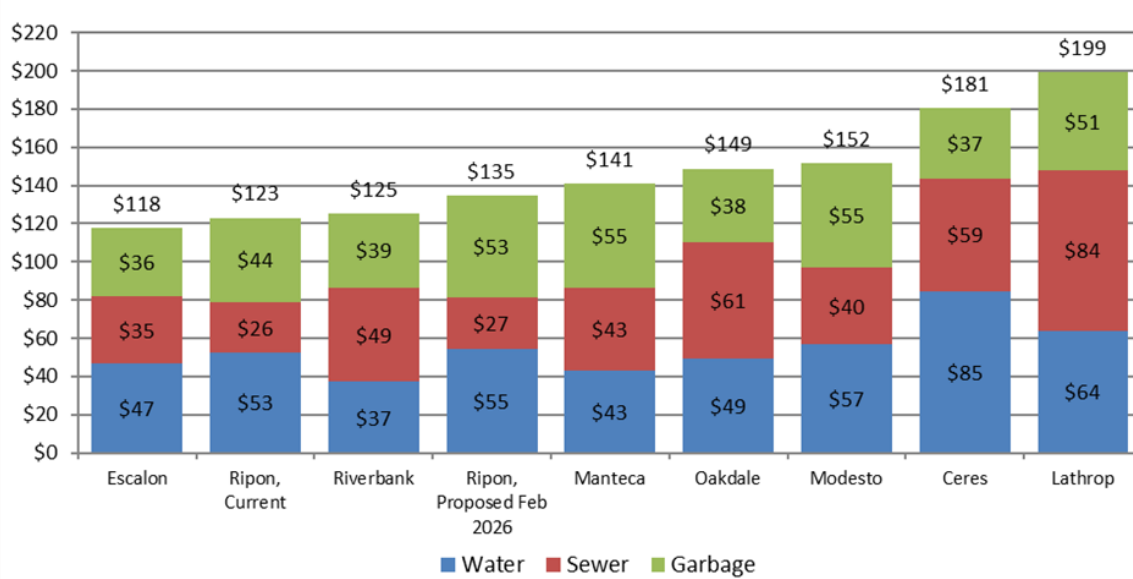
This increase is necessary to continue current service levels while also restoring the target balance of the garbage operating fund so funds are available if an unplanned emergency expense arises. The increase will also allow the City to continue to comply with State of California unfunded mandates while transferring the funds necessary to replace capital items.



## COMPARISON OF RIPON'S WATER, SEWER, AND GARBAGE RATES COMPARED TO OTHER CITIES

The City regularly reviews how Ripon's average residential utility bill compares to nearby communities. This comparison helps ensure that Ripon remains competitive while still maintaining the infrastructure needed to deliver reliable water, sewer, and garbage services.

Figure 2: Survey of Average Residential Customer Utility Bills - 16 hcf Water / Sewer / Garbage - 1 black + 1 green can



Ripon continues to deliver high-quality water, sewer, and garbage services at a cost that remains lower than nearby communities. The proposed February 2026 adjustment ensures that the City can maintain dependable service, comply with regulatory mandates, and prepare for future capital needs.

### KEY TAKEAWAYS:

- Ripon's proposed utility rate is 11% lower than the average of the cities surveyed.
- Ripon's water rate is at the average of the cities surveyed.
- Ripon's sewer rate is 50% lower than the average of the cities surveyed.
- Ripon's garbage rate is 20% higher than the average of the cities surveyed.

### FREQUENTLY ASKED QUESTIONS:

#### Can I dispute the proposed service charge increases and special tax adjustments verbally?

No. Under Proposition 218, the City of Ripon must receive a written protest with a signature. Written protests can be mailed to Ripon City Hall at 259 N. Wilma Ave, Ripon, CA 95366 or hand delivered to City Hall. Protests received via email will not be counted.

#### Do I need to send a separate letter to protest each of my properties?

No. You can identify each property for which you are protesting the proposed rate increases in one letter.

#### Can the City of Ripon ever charge more than the approved rates?

No. The City of Ripon is only able to charge the rates approved through the Prop 218 process. The rates can be lower than approved, but never higher without starting the Prop 218 notification process over. The City Council has directed staff to bring an updated budget each year prior to the increase being implemented to determine if the full increase is needed.

#### Has the City of Ripon ever not fully implemented a rate increase?

Yes. In 2018, 2019, and 2020 the Ripon City Council directed staff to only implement a portion of the rate increases that were approved, as summarized below:

- 2018: Sewer fund approved rate increase lowered from 10% to 5%
- 2019: Water fund approved rate increase lowered from 11% to 2%
- 2019: Sewer fund approved rate increase lowered from 10% to 0%
- 2020: Water fund approved rate increase lowered from 10% to 2%
- 2020: Sewer fund approved rate increase lowered from 10% to 2%

#### What constitutes the majority protest?

- A majority (50%+1) of the owners or customers within Ripon City Limits protests the proposed water, sewer, and garbage rate increases. Only one vote per property will count.

#### What happens if the proposed water, sewer, and garbage rate increases are not approved as a result of a majority protest?

- The rate increases are needed to maintain current service levels while complying with State of California regulatory mandates and replacing outdated equipment. Without these rate increases, utility customers could see reduced level of services.



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## Water, Sewer and Garbage Funds Rates Study

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Prepared for  
City of Ripon, California  
November 3, 2025

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## List of Abbreviations

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AF	acre feet (equal to 325,851 gallons)
CCI	Construction Cost Index
CIP	Capital Improvement Program
City	City of Ripon
DSC	Debt Service Coverage
FY	Fiscal year (July 1 to June 30)
ENR	Engineering News Record
FY26	July 1, 2025 to June 30, 2026
gpd	gallons per day
hcf	Hundred Cubic Feet (equal to ~ 748.1 gallons)
mgd	million gallons per day
O&M	Operation and maintenance
RMC	Ripon Municipal Code
R&R	Repair and Replacement
SFR	Single Family Residential

# Executive Summary

The City of Ripon has three enterprise funds: Water, Sewer and Garbage.<sup>1,2</sup> Enterprise funds are operated by the City in a “business-type” manner and the City charges customers for services provided through these enterprises. All residents within the City limits are required to sign up for all three services.

The City, in conjunction with Pavletic Consulting LLC, has analyzed the adequacy of revenues to meet projected expenditures of the enterprise funds to determine whether revenues will be adequate to cover operating and maintenance costs as well as needed capital expenditures while supporting debt service obligations and meeting target reserve levels. Revenues from rates, which generate approximately 99% of water and garbage enterprise fund revenues and 91% of sewer fund revenues, were developed for the five-year period Fiscal Year 2025 – 2026 (FY26) through FY30.

The last rate study that recommended utility rate increases was completed in 2020. Based on that study, the City Council adopted rates for the five-year period FY21 through FY25. City council requested staff bring back the adopted rate increases each year for evaluation prior to implementation. After evaluation, rates adopted from the 2020 Rate Study were implemented each fiscal year from FY21 through FY25.

## Significant Assumptions

There are several assumptions in this study related to future interest rates, cost inflation, the annual number of new connections, water sales and other items. The unifying theme underlying all assumptions is that rates based on the assumptions should have a very high probability of recovering annual revenue requirements.

A summary of the most significant assumptions made in this study are listed below.

**Assumption 1.** Projected growth in accounts for all enterprises is 40 single family accounts per year, which reflects with recent growth rates of less than 1% per year. The City has a 2.5% growth cap.

**Assumption 2.** Projected residential average annual water use for FY26 is approximately 22 hcf per month. Projected nonresidential average annual water use for FY26 is approximately 60 hcf per month.

**Assumption 3.** Projected reduction in water use for residential and nonresidential accounts is 0.5 percent per year for FY26-FY30.

**Assumption 4.** The target cash balance reserve level for the water and sewer funds is 35 percent of annual operating expenditures. The target cash balance reserve level for the garbage fund is 20 percent of annual operating expenditures.

**Assumption 5.** Operating expenditures, including Overhead Reimbursements, and capital transfers were projected using data from City staff.

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<sup>1</sup> The City’s financial statements use the term “Refuse Fund.” The City’s budgets use the term “Garbage Fund.” The terms are interchangeable and refer to Fund 120. The term “Garbage” is used in this report.

<sup>2</sup> The City’s financial statements use the term “Sewer Fund.” The City’s budgets use the term “Ripon Municipal Sewer District No. 1.” The terms are interchangeable and refer to Fund 130. The term “Sewer” is used in this report.

## Long-Term Debt

As of June 30, 2024, the City has three Revenue Bonds with principal outstanding – two for the Water Fund with \$4,745,000 outstanding and one for the Sewer Fund with \$375,000 outstanding – for a total of \$5,120,000. At the end of the five-year rate study period (FY30), the outstanding principal balance for

Table ES-1. Water and Sewer Funds Revenue Bond Summary as of June 30, 2024				
Bond and Fund	Interest Rates	Maturity Dates	Amounts Issued	Outstanding As of June 30, 2024
<b>Water Fund</b>				
2006C Revenue Bonds				
Term Bonds	4.50%	October 1, 2027	\$2,120,000	\$1,775,000
Term Bonds	4.50%	October 1, 2032	\$2,250,000	\$1,950,000
			<u>\$4,370,000</u>	<u>\$3,725,000</u>
2012 Refunding Revenue Bonds				
Serial Bonds	2.00% - 3.375%	October 1, 2027	\$3,350,000	\$1,020,000
<b>Sewer Fund</b>				
2011 Refunding Revenue Bonds				
Term Bonds	4.20%	October 1, 2025	\$2,195,000	\$375,000
<b>Water and Sewer Funds</b>			<b>\$9,915,000</b>	<b>\$5,120,000</b>

the two Water bonds will be \$3,545,000. The Sewer bond will reach maturity in October 2025.

Bonds are secured by a pledge of net revenues from each fund. Principal payments are due annually on October 1. Interest payments are payable semi-annually on April 1 and October 1. Rates developed in this study are set to generate Net Revenues

greater than or equal to 1.2 times the annual debt service. Interest rates, maturity dates, amounts issued and amounts outstanding as of June 30, 2024, are summarized in Table ES-1.

## Recommended Water Rates

Recommended rates for FY26 – FY30 are listed in the table below. Rates that include the Annual Payment Discount or the reduction for Qualified Income are not shown.

Table ES-2. Recommended Water Rates						
Customer Class and Meter Size	Current FY25	Recommended				
		FY26	FY27	FY28	FY29	FY30
<i>Rate Change Effective Date &gt;</i>	<i>1-Feb-2025</i>	<i>1-Feb-2026</i>	<i>1-Feb-2027</i>	<i>1-Feb-2028</i>	<i>1-Feb-2029</i>	<i>1-Feb-2030</i>
<i>Annual percent increase &gt;</i>	<i>2.0%</i>	<i>4.0%</i>	<i>4.0%</i>	<i>4.0%</i>	<i>4.0%</i>	<i>4.0%</i>
<b>Residential, Commercial, Industrial</b>						
<b>Meter Rates (\$/month)</b>						
¾-inch	\$35.00	\$36.40	\$37.90	\$39.40	\$41.00	\$42.60
1-inch	\$35.00	\$36.40	\$37.90	\$39.40	\$41.00	\$42.60
1½-inch	\$58.90	\$61.30	\$63.80	\$66.40	\$69.10	\$71.90
2-inch	\$86.70	\$90.20	\$93.80	\$97.60	\$101.50	\$105.60
2½-inch	\$123.00	\$128.00	\$133.00	\$138.00	\$144.00	\$150.00
3-inch	\$162.00	\$168.00	\$175.00	\$182.00	\$189.00	\$197.00
4-inch	\$248.00	\$258.00	\$268.00	\$279.00	\$290.00	\$302.00
6-inch	\$481.00	\$500.00	\$520.00	\$541.00	\$563.00	\$586.00
8-inch	\$768.00	\$799.00	\$831.00	\$864.00	\$899.00	\$935.00
10-inch	\$1,097.00	\$1,141.00	\$1,187.00	\$1,234.00	\$1,283.00	\$1,334.00
Usage Rates (\$/hcf)	\$1.10	\$1.14	\$1.19	\$1.24	\$1.29	\$1.34
<b>Non-potable</b>						
Meter Rates (\$/month)	\$5.62	\$5.84	\$6.07	\$6.31	\$6.56	\$6.82
Usage Rates (\$/hcf)	\$0.95	\$0.99	\$1.03	\$1.07	\$1.11	\$1.15

Note: Rates that include the Annual Payment Discount or the reduction for Qualified Income are not shown.

## Recommended Sewer Rates

Recommended rates for FY26 – FY30 are listed in the table below. Rates that include the Annual Payment Discount or the reduction for Qualified Income are not shown.

Table ES-3. Recommended Sewer Rates						
Customer Class and Service Type	Current FY25	Recommended				
		FY26	FY27	FY28	FY29	FY30
<i>Rate Change Effective Date &gt;</i>	<i>1-Feb-2025</i>	<i>1-Feb-2026</i>	<i>1-Feb-2027</i>	<i>1-Feb-2028</i>	<i>1-Feb-2029</i>	<i>1-Feb-2030</i>
<i>Annual percent increase &gt;</i>	<i>4%</i>	<i>3.0%</i>	<i>3.0%</i>	<i>3.0%</i>	<i>3.0%</i>	<i>3.0%</i>
<b>Residential</b>						
Full Rate, \$/month						
Single family dwellings	\$26.20	\$27.00	\$27.80	\$28.60	\$29.50	\$30.40
Dwelling unit in a duplex	\$26.20	\$27.00	\$27.80	\$28.60	\$29.50	\$30.40
Dwelling unit in an apartment	\$26.20	\$27.00	\$27.80	\$28.60	\$29.50	\$30.40
Separate detached apartment	\$2.10	\$2.20	\$2.30	\$2.40	\$2.50	\$2.60
Retirement home occupants	\$5.70	\$5.90	\$6.10	\$6.30	\$6.50	\$6.70
10% Lower Income Discount, \$/month	\$23.58	\$24.30	\$25.02	\$25.74	\$26.55	\$27.36
20% Lower Income Discount, \$/month	\$20.96	\$21.60	\$22.24	\$22.88	\$23.60	\$24.32
5% Lower Income Discount, \$/month						
Single family dwellings	\$298.68	\$307.80	\$316.92	\$326.04	\$336.30	\$346.56
10% Lower Income Discount	\$268.81	\$277.02	\$285.23	\$293.44	\$302.67	\$311.90
20% Lower Income Discount	\$238.94	\$246.24	\$253.54	\$260.83	\$269.04	\$277.25
<b>Commercial</b>						
Minimum Base Rate, \$/month	\$25.00	\$25.80	\$26.60	\$27.40	\$28.20	\$29.00
Flow Charge - Full Rate, \$/hcf	\$1.50	\$1.55	\$1.60	\$1.65	\$1.70	\$1.75
Minimum Base Rate, Annual, \$/month	\$285.00	\$294.10	\$303.20	\$312.40	\$321.50	\$330.60
Flow Charge, \$/hcf - 95% Rate	\$1.60	\$1.47	\$1.50	\$1.50	\$1.50	\$1.50
Minimum Base Rate w/Lndscp Credit	\$25.00	\$25.80	\$26.60	\$27.40	\$28.20	\$29.00
Flow Charge - Lndscp Credit, hcf	\$1.44	\$1.48	\$1.52	\$1.57	\$1.62	\$1.67
<b>Industrial</b>						
Flow Charge, \$/1000 gallons	\$2.00	\$2.10	\$2.20	\$2.30	\$2.40	\$2.50
Biochemical Oxygen Demand, \$/1000 pounds	\$204.50	\$210.60	\$216.90	\$223.40	\$230.10	\$237.00
Suspended Solids, \$/1000 pounds	\$226.20	\$233.00	\$240.00	\$247.20	\$254.60	\$262.20

Note: Rates that include the Annual Payment Discount or the reduction for Qualified Income are not shown.

## Recommended Garbage Rates

Recommended unit costs and rates for FY26 – FY30 are listed in the tables below. Residential rates that include the Annual Payment Discount or the reduction for Qualified Income are not shown.

Table ES-4. Recommended Garbage Unit Costs						
Customer Class and Service Type	Current FY25	Projected				
		FY26	FY27	FY28	FY29	FY30
<i>Rate Change Effective Date &gt;</i>	<i>1-Feb-2025</i>	<i>1-Feb-2026</i>	<i>1-Feb-2027</i>	<i>1-Feb-2028</i>	<i>1-Feb-2029</i>	<i>1-Feb-2030</i>
<i>Annual percent increase &gt;</i>	<i>4.0%</i>	<i>10.0%</i>	<i>10.0%</i>	<i>4.0%</i>	<i>4.0%</i>	<i>4.0%</i>
<u>Unit Costs and Categories</u>						
Black can	\$40.85	\$44.95	\$49.45	\$51.45	\$53.50	\$55.65
Additional black can	\$17.35	\$19.10	\$21.00	\$21.85	\$22.70	\$23.60
Green can	\$3.45	\$3.80	\$4.20	\$4.35	\$4.50	\$4.70
Tubbie, per dump	\$46.35	\$51.00	\$56.10	\$58.35	\$60.70	\$63.15
Backyard service per can	\$8.90	\$9.80	\$10.80	\$11.25	\$11.70	\$12.15

Table ES-5. Recommended Garbage Rates

Customer Class and Service Type		Current	Projected				
		FY25	FY26	FY27	FY28	FY29	FY30
Residential							
Full Rate	Rate Code						
Res Curbside 1 Blk	501	\$40.90	\$44.95	\$49.45	\$51.45	\$53.50	\$55.65
Res Curbside 2 Blk	502	\$58.20	\$64.05	\$70.45	\$73.30	\$76.20	\$79.25
Res Curbside 3 Blk	503	\$75.70	\$83.15	\$91.45	\$95.15	\$98.90	\$102.85
Res Curbside 4 Blk	504	\$93.00	\$102.25	\$112.45	\$117.00	\$121.60	\$126.45
Res Curbside 1 Blk + 1 Grn	510	\$44.30	\$48.75	\$53.65	\$55.80	\$58.00	\$60.35
Res Curbside 1 Blk + 2 Grn	511	\$47.70	\$52.55	\$57.85	\$60.15	\$62.50	\$65.05
Res Curbside 2 Blk + 1 Grn	512	\$61.60	\$67.85	\$74.65	\$77.65	\$80.70	\$83.95
Res Curbside 2 Blk + 2 Grn	513	\$65.00	\$71.65	\$78.85	\$82.00	\$85.20	\$88.65
Res Curbside 3 Blk + 1 Grn	514	\$79.10	\$86.95	\$95.65	\$99.50	\$103.40	\$107.55
Res Curbside 4 Blk + 1 Grn	515	\$96.40	\$106.05	\$116.65	\$121.35	\$126.10	\$131.15
Res Curbside 1 Blk + 3 Grn	516	\$51.10	\$56.35	\$62.05	\$64.50	\$67.00	\$69.75
Res Curbside 1 Blk + 4 Grn	517	\$71.85	\$79.25	\$87.25	\$90.70	\$94.20	\$98.05
Res Curbside 2 Blk + 3 Grn	518	\$68.40	\$75.45	\$83.05	\$86.35	\$89.70	\$93.35
Res Curbside 3 Blk + 2 Grn	519	\$82.45	\$90.75	\$99.85	\$103.85	\$107.90	\$112.25
Res Curbside #2 Blk Only	520	\$17.40	\$19.10	\$21.00	\$21.85	\$22.70	\$23.60
Res Curbside #2 Blk + Grn	521	\$20.80	\$22.90	\$25.20	\$26.20	\$27.20	\$28.30
Res Curbside 1 Grn Only	522	\$3.40	\$3.80	\$4.20	\$4.35	\$4.50	\$4.70
Res Backyard 1 Blk	523	\$49.70	\$54.75	\$60.25	\$62.70	\$65.20	\$67.80
Res Backyard 1 Blk + 1 Grn	524	\$61.90	\$68.35	\$75.25	\$78.30	\$81.40	\$84.65
Res Curbside 2 Grn Only	525	\$6.80	\$7.60	\$8.40	\$8.70	\$9.00	\$9.40
Multiple Dwelling							
Duplex Curbside	560	\$81.40	\$89.90	\$98.90	\$102.90	\$107.00	\$111.30
Duplex Curbside + 1 Grn	561	\$84.80	\$93.70	\$103.10	\$107.25	\$111.50	\$116.00
Duplex Curbside + 2 Grn	562	\$88.20	\$97.50	\$107.30	\$111.60	\$116.00	\$120.70
4-Plex Curbside + Grn Can	564	\$167.50	\$183.60	\$202.00	\$210.15	\$218.50	\$227.30
Duplex Curbside 2 Blk + 1 Grn (561+520)	568	\$102.20	\$112.80	\$124.10	\$129.10	\$134.20	\$139.60
Triplex Curbside	565	\$122.60	\$134.85	\$148.35	\$154.35	\$160.50	\$166.95
Triplex Curbside + 1 Grn	566	\$126.00	\$138.65	\$152.55	\$158.70	\$165.00	\$171.65
4-Plex Curbside	567	\$164.10	\$180.50	\$198.60	\$206.50	\$214.80	\$223.40
Commercial							
Comm Curbside 1 Tubbie + 3 Blk	563	\$307.95	\$338.85	\$372.75	\$387.75	\$403.30	\$419.55
Comm Curbside 1 Blk	570	\$40.90	\$44.95	\$49.45	\$51.45	\$53.50	\$55.65
Comm Curbside 2 Blk	571	\$81.70	\$89.90	\$98.90	\$102.90	\$107.00	\$111.30
Comm Curbside 2 Blk + 1 Grn (571+522)	569	\$85.15	\$93.70	\$103.10	\$107.25	\$111.50	\$116.00
Comm Curbside 3 Blk	572	\$122.55	\$134.85	\$148.35	\$154.35	\$160.50	\$166.95
Comm Curbside 1 Blk + 1 Grn	573	\$44.30	\$48.75	\$53.65	\$55.80	\$58.00	\$60.35
Comm Curbside 9 Blk + 1 Grn	574	\$371.10	\$408.35	\$449.25	\$467.40	\$486.00	\$505.55
Comm Backyard 1 Blk	575	\$49.70	\$54.75	\$60.25	\$62.70	\$65.20	\$67.80
Comm Backyard 1 Blk + 1 Grn	577	\$62.10	\$68.35	\$75.25	\$78.30	\$81.40	\$84.65
Comm Curbside 1 Tubbie	578	\$185.40	\$204.00	\$224.40	\$233.40	\$242.80	\$252.60
Comm Curbside 2 Tubbies	579	\$370.80	\$408.00	\$448.80	\$466.80	\$485.60	\$505.20
Comm Curbside ANN 1 Blk	580	\$466.26	\$512.43	\$563.73	\$586.53	\$609.90	\$634.41
Comm Curbside ANN 1 Blk + 1 Grn	583	\$505.02	\$555.75	\$611.61	\$636.12	\$661.20	\$687.99
Comm Curbside 4 Blk 1 Grn	581	\$166.85	\$183.60	\$202.00	\$210.15	\$218.50	\$227.30
Comm Curbside ANN 3 Blk	582	\$1,397.07	\$1,537.29	\$1,691.19	\$1,759.59	\$1,829.70	\$1,903.23
Comm Curbside ANN Tubbie	587	\$2,113.56	\$2,325.60	\$2,558.16	\$2,660.76	\$2,767.92	\$2,879.64
Comm Curbside 2 Grn	588	\$6.80	\$7.60	\$8.40	\$8.70	\$9.00	\$9.40
Comm Curbside 4 Grn (588x2)	591	\$13.60	\$15.20	\$16.80	\$17.40	\$18.00	\$18.80
Comm Curbside 6 Grn	592	\$20.40	\$22.80	\$25.20	\$26.10	\$27.00	\$28.20
Comm Curbside 2 Blk + 5 Grn	593	\$98.95	\$108.90	\$119.90	\$124.65	\$129.50	\$134.80
Comm Curbside 2 Blk + 12 Grn	594	\$123.10	\$135.50	\$149.30	\$155.10	\$161.00	\$167.70
Comm Curbside 1 Blk + 2 Grn	589	\$47.70	\$52.55	\$57.85	\$60.15	\$62.50	\$65.05
Bulk							
5-Plex	590	\$204.25	\$224.75	\$247.25	\$257.25	\$267.50	\$278.25
Tiffany Estates 43 Blk cans	595	\$1,758.70	\$1,932.85	\$2,126.35	\$2,212.35	\$2,300.50	\$2,392.95
Zion Curbside 9 Grn	598	\$30.60	\$34.20	\$37.80	\$39.15	\$40.50	\$42.30

## Combined Impact of Water, Sewer and Garbage Rates

The combined impact of the recommended rate increases upon a typical residential customer is summarized in the table and figure below. The impact on the monthly bill is for a residential customer with a 1-inch water meter and 16 hcf per month water use, a sewer connection, and residential curbside 1 black can + 1 green can service.

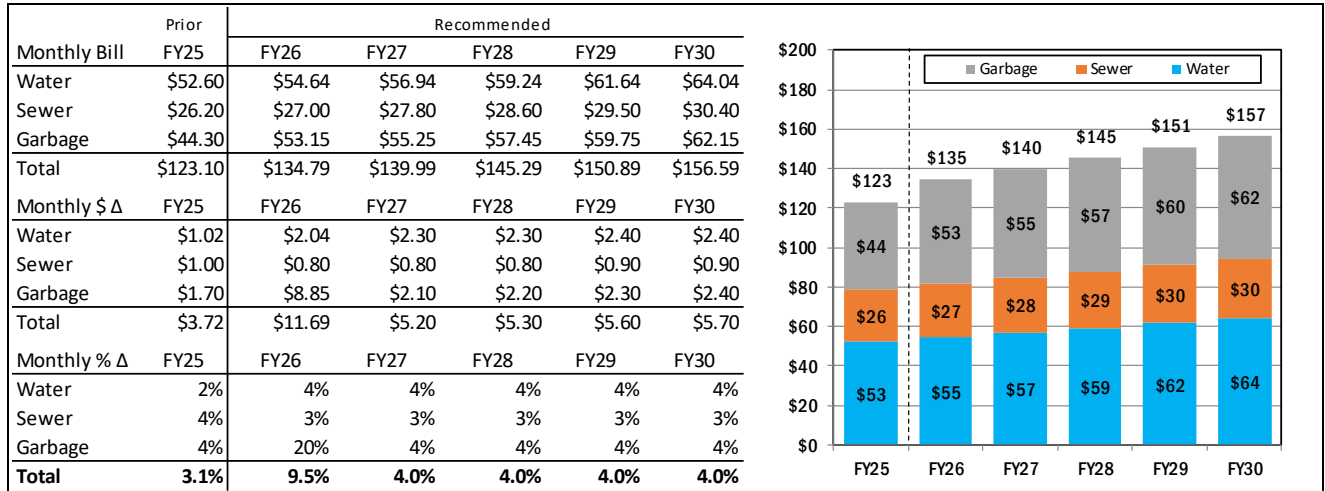


Figure ES-1. Impact of Water, Sewer and Garbage Rates on Residential Monthly Bills



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## Section 1

# Introduction

The City's water, sewer and garbage enterprise fund rates are intended to recover revenues sufficient to adequately fund utility operations, maintenance, and capital replacement expenditures, and meet debt service obligations, while keeping rates as competitive as possible and maintaining a prudent level of reserves.

## 1.1 Organization of the Report

This report is divided into six sections. This introduction provides an overview of the study objectives.

Section 2 discusses the evaluation of water rates and funding requirements.

Section 3 discusses the evaluation of sewer rates and funding requirements.

Section 4 discusses the evaluation of garbage rates and funding requirements.

Section 5 describes the impact of proposed rates on customers.

Section 6 describes the limitations of the study document.

## 1.2 Overview of Utility Rate Setting Process

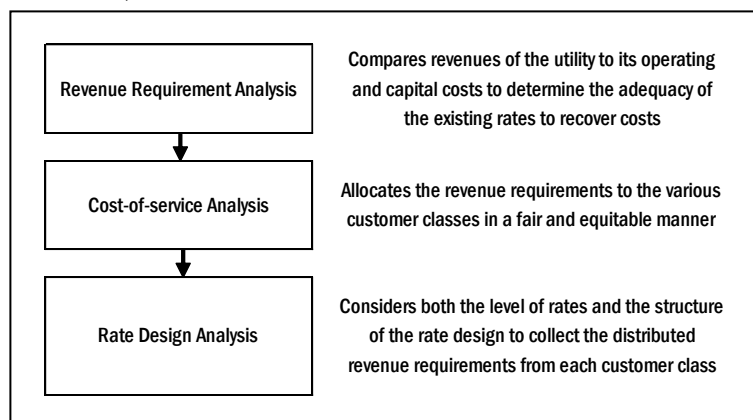
Rate studies classically have three categories of technical analysis – the development of revenue required from rates, the allocation of costs among functional cost categories (cost-of-service analysis) and the design of a rate structure. An overview of the rate-setting analytical steps is shown in Figure 1-1.

The revenue required from rates is net of non-rate revenues (for example interest earned on fund balances, loan disbursements and revenue from new connections to the water system) and other

revenues not required from rates (such as revenue from meter turn on/off services).

The allocation of costs are structured so that the revenue required from charges is distributed proportionally for every level of service in a manner that allows the development of unit costs.

The rate structure uses the unit costs as a basis for aggregating costs into rates that are applicable to the various customer classes.



**Figure 1-1. Overview of Rate Setting Analytical Steps**

The methodology used to develop rates in this study includes only the revenue requirement analysis. A cost-of-service analysis was not conducted and the rate structures remain the same as the current structures.

## 1.3 City Location and Population

The City of Ripon is the most southeasterly town in San Joaquin County, approximately 20 miles south of Stockton on Route 99. The city has a total area of 5.5 square miles.



## 1.4 Overview of City Enterprise Funds

As noted in the City's annual audit reports, the City has three enterprise funds: Water, Sewer, and Garbage.<sup>1</sup> The City charges customers for the services it provides, these services are reported in proprietary (enterprise) funds. Enterprise funds are reported in the same way all activities are reported in the Statement of Net Position and Statement of Activities. For example, principal payments on long-term debt are recorded as a reduction to the liability. The City's enterprise fund financial statements are essentially the same as the business-type activities reported in the government-wide financial statements. The City utilizes the modified cash basis of accounting and accordingly, capital assets are not capitalized or depreciated.

The three enterprise funds account for the provision of water, sewer and garbage collection and disposal services to residents of the City. All activities necessary to provide such services are accounted for in these funds, including administration, maintenance, operations, capital improvements, financing and related debt service, and billing and collection.

## 1.5 Source Data for the Study

Information and data for the development of rates and preparation of this report comes from documents provided by the City. The list of documents, and the key information and data from each used in this study, are summarized below.

**City of Ripon Audit Reports.** Data from the *Financial Statements* for Fiscal Year ending June 30, 2024, were evaluated. Data from these reports used as part of this rate study include debt service obligations for each enterprise fund.

**City of Ripon Adopted Budgets.** Data from annual budget for Fiscal Year 2025-26 (FY26) was evaluated. The FY26 Annual Budget included actual financial data for FY25. Data used as part of this rate study include actual and projected expenditures and revenues for each enterprise fund.

**Utility Billing System data.** Monthly metered water use was provided by the City. For each enterprise, the City provided the number of units of use. Units of use included accounts by customer class (for example, residential, multiple family, commercial) and rate type (for example, flat charge for commercial wastewater flow and number of black and/or green cans for garbage service). The City also provided monthly bills for industrial wastewater accounts.

## 1.6 Rate-Making Objectives

There are numerous rate-making objectives that must be considered when developing rates and rate structures.

**Revenue sufficiency.** Generate sufficient revenue to fund operating costs, capital costs and bonded debt, and maintain adequate reserves.

**Revenue stability.** Recover revenue from fixed and variable charges that will cover fixed and variable costs (barring water shortages when rationing may be required).

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<sup>1</sup> See Footnotes 1 and 2 from the Executive Summary regarding names of the enterprise funds.

**Affordability.** Be as affordable as possible while maintaining the utilities sound financial position and credit rating.

**Customer acceptance.** Be as simple as possible to facilitate customer understanding and acceptance.

**Fairness.** Provide for each customer class to pay its proportionate share of the required revenue in compliance with legal rate-making requirements.

## 1.7 Implementation of 2020 Rates Study Recommended Rates

An *Enterprise Funds Rates and Cash Flow Study* was completed in September 2020 (2020 Rates Study). Based on findings and recommendations in the 2020 Rates Study, the City Council approved Resolution No. 20-55 which adopted maximum garbage, sewer and water rates to be effective February 1<sup>st</sup> of 2021, 2022, 2023, 2024 and 2025 (five years).

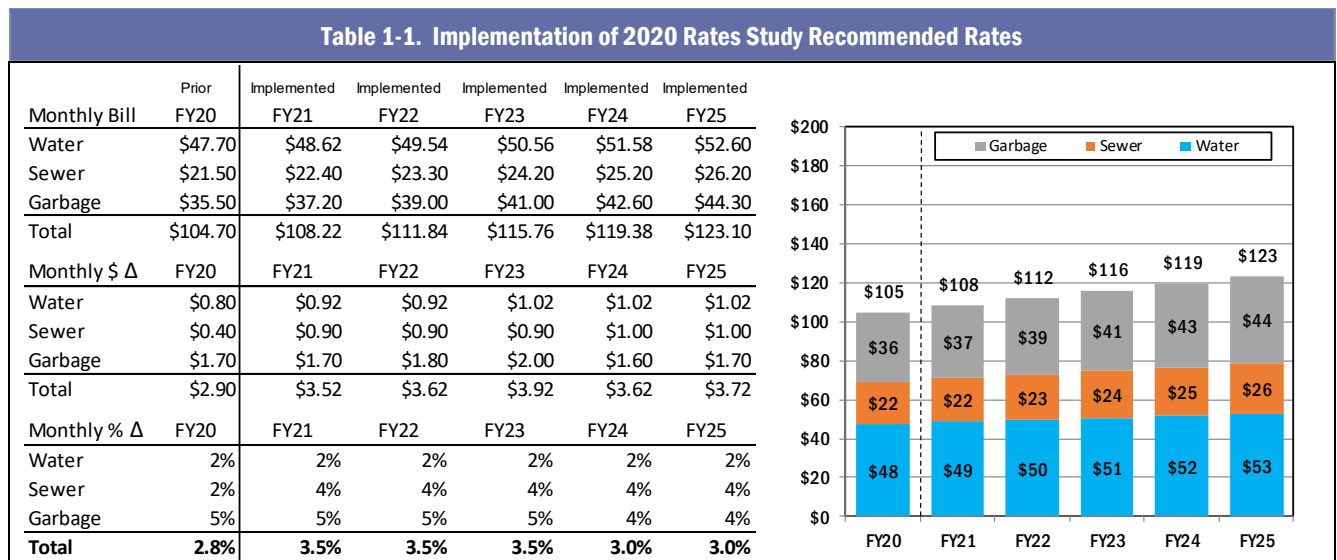
The City Council had directed staff to re-analyze the financial position of each Enterprise Fund each year to decide if any rate needed to be increased based upon the approved increases.

In the Water Fund, the adopted rates were implemented for each of the five years. The impact on Single Family bills was in increase of approximately 2% per year.

In the Sewer Fund, the adopted rates were implemented for each of the five years. The impact on Single Family bills was in increase of approximately 4% per year.

In the Garbage Fund, the adopted rates were implemented for each of the five years. The impact on Single Family bills was in increase of approximately 5% per year for the first three fiscal years followed by increases of approximately 4% per year for the last two fiscal years.

The combined impact of the recommended rate increases upon a typical residential customer is summarized in the table and figure below.



Note: Monthly bills are for a Single Family residence with a 1-inch water meter, 16 hcf per month water usage, residential sewer service, and curbside pickup of 1 black + 1 green garbage cans

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## Section 2

# Water Enterprise Fund

The City's meter rates and commodity rates are intended to recover revenues sufficient to adequately fund utility operations, maintenance, and capital replacement expenditures, and meet debt service obligations, while keeping rates as competitive as possible and maintaining a prudent level of reserves.

## 2.1 Water Sources and System Operations

In 2025, all of Ripon's water originated from five groundwater Wells, two are located on the south side of Highway 99 and four on the north side. These Wells tap underground reserves or aquifers from approximately 125-500 feet below the ground surface. The aquifers are replenished by rainfall, the Stanislaus River and agricultural irrigation water. The total pumping capacity for all Wells connected to the City's water distribution system is 9,000 gpm (gallons per minute). The City has two elevated storage tanks, a 1.5 MG (million gallons) located near the Jack Tone Interchange and a 2.5 MG tank on River Road at the Mistlin Sports Complex. These elevated tanks have the capacity to provide an additional 10,000 gpm for peak demand or firefighting needs. Ripon's piping system is designed so that, depending upon the demand, water at a customers' faucet can be supplied from a single Well or any combination of Wells in operation at any given time. In 2015 the City installed water meters on all customer accounts.

## 2.2 Water Connections, Meters and Usage

The water utility provides service to its residents, institutions, industries, and businesses through approximately 5,100 service connections. The approximate number of water meters and projected water usage for FY26, by customer class, are shown in the figures below.

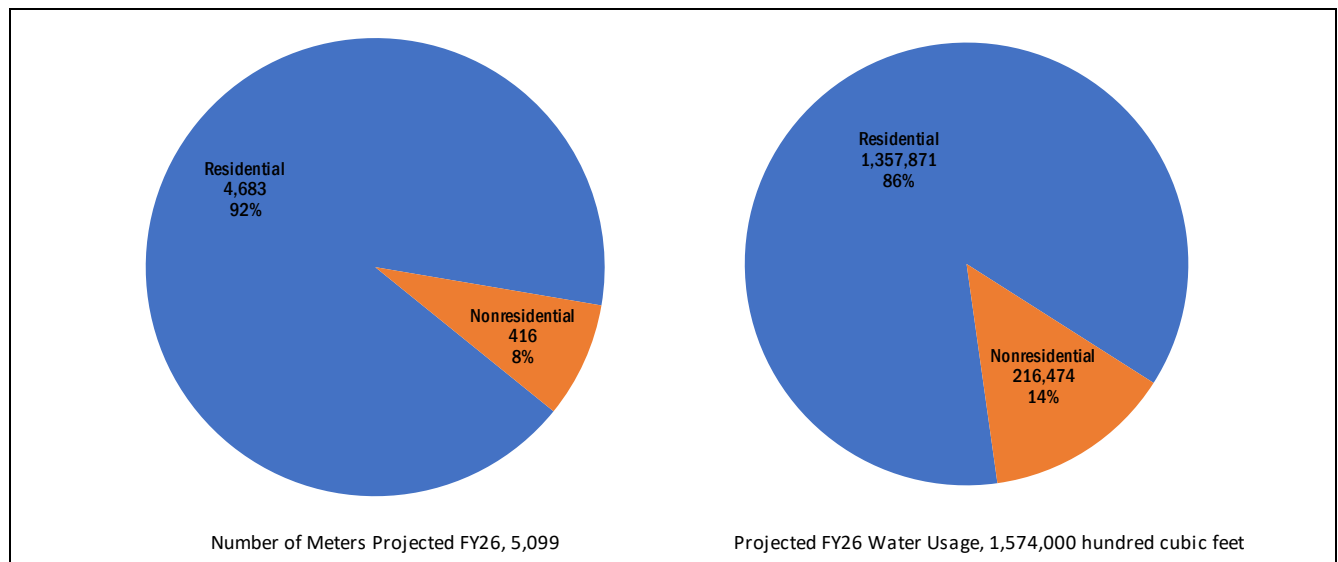


Figure 2-1. Projected Number of Metered Accounts and Water Usage



The number of water connections and meters by customer class and size projected for FY26 is shown below in Table 2-1. Residential meters make up approximately 92% of all customers. Approximately 95% of all meters are 1-inch or less in size. Another 4% are 1½-inch or 2-inch meters. There are 25 meters that are 2½-inch or larger. The number of residential meters is projected to increase by approximately 40 per year (less than 1% per year).

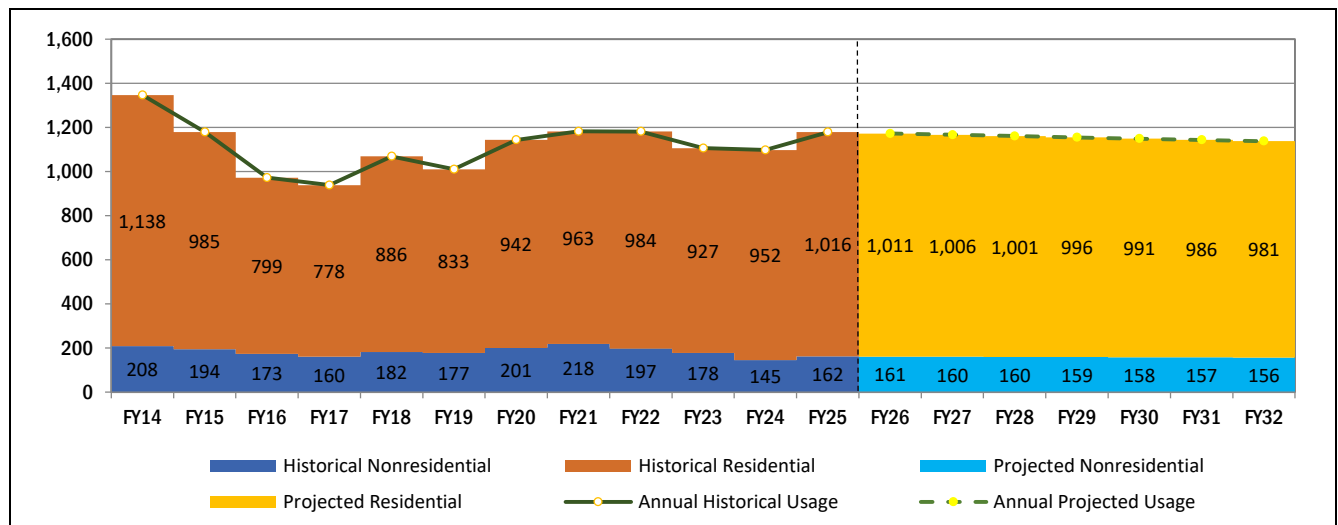
**Table 2-1. Number of Water Meters by Customer Class and Size**

Customer Class	¾-inch	1-inch	1½-inch	2-inch	2½-inch	3-inch	4-inch	6-inch	Total	% of Total
Residential Metered	602	4,024	57						4,683	92%
Commercial Metered	76	157	45	113	1	13	9	2	416	8%
Total	678	4,181	102	113	1	13	9	2	5,099	
% of Total	13%	82%	2%	2%	0.02%	0.25%	0.18%	0.04%		

## 2.3 Historic and Projected Water Usage

Historic and projected water usage is shown in the table below. For the purpose of projecting metered water usage for FY26 and onward, average usage for FY25 is used as a starting point. Water usage projections for FY26 – FY30 are based upon the net impact of two variables: 1) increase in usage due to the growth in the number of metered accounts by 40 per year; and 2) decrease in usage due to conservation.

The decrease in usage is based on a percent reduction in average water use per account from the previous years' value. Metered residential and nonresidential average water usage is projected to decrease by 0.5 percent per year for FY26 – FY30.



**Figure 2-2. Historic and Projected Water Usage**

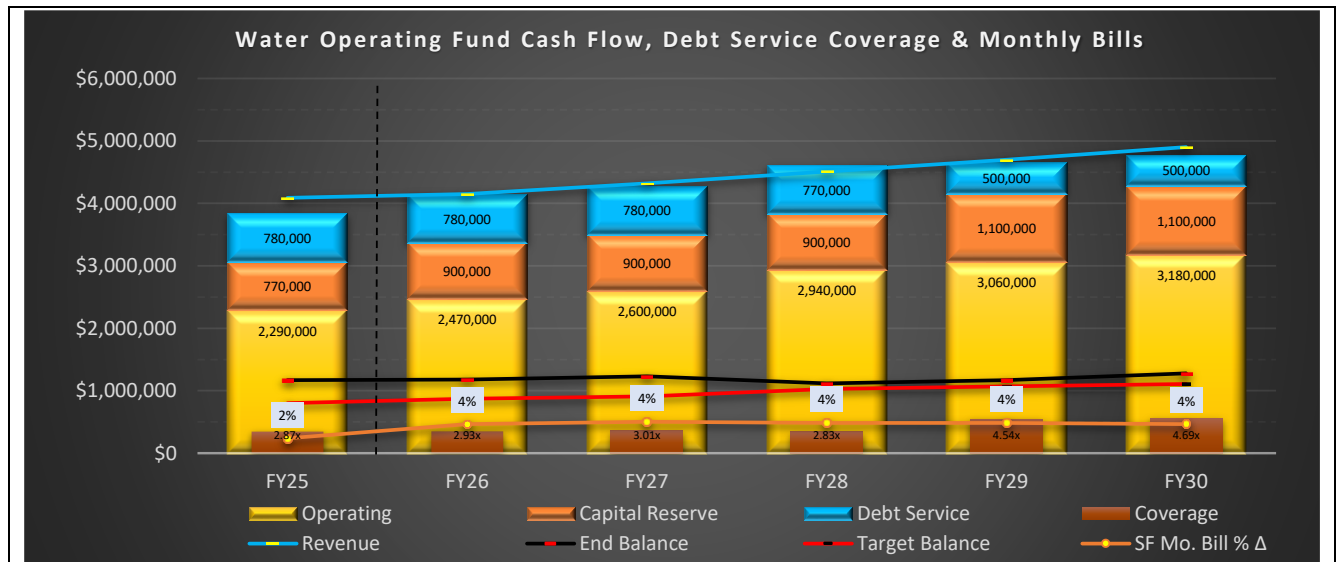
## 2.4 Water Operating Cash Flow

The evaluation of water rates involved the update of projected expenditures, revenue from rates, number of accounts and water usage. Operating cash flow (revenues, expenditures, and beginning, ending and target fund balances), and debt service coverage ratios are shown in the table below. Note that current projections of the debt service coverage ratio exceed the technical minimum of 1.20 times Net Revenues in all years. The target reserve level of unrestricted cash is 35 percent of annual operating expenditures.

Water operating fund expenditures, revenues and balances are shown below in Table 2-2.

Table 2-2. Water Operating Fund Cash Flow						
Water Operating Fund 110710	Actual	Budget and Projected				
	FY25	FY26	FY27	FY28	FY29	FY30
Beginning Cash	926,500	1,174,800	1,176,200	1,225,500	1,123,200	1,165,000
Revenues						
Water Charges	4,050,800	4,111,900	4,284,200	4,471,700	4,662,900	4,858,600
Other Revenues	37,400	37,400	37,400	37,400	37,400	37,400
Total Revenues	4,088,200	4,149,300	4,321,600	4,509,100	4,700,300	4,896,000
Expenditures						
Operating	2,294,900	2,472,600	2,596,700	2,936,800	3,056,500	3,182,900
Debt Service	778,700	775,300	775,600	774,600	502,000	503,100
Capital Reserve	766,300	900,000	900,000	900,000	1,100,000	1,100,000
Total Expenditures	3,839,900	4,147,900	4,272,300	4,611,400	4,658,500	4,786,000
Revenues less Total Expenditures	248,300	1,400	49,300	(102,300)	41,800	110,000
<b>Ending Cash</b>	<b>1,174,800</b>	<b>1,176,200</b>	<b>1,225,500</b>	<b>1,123,200</b>	<b>1,165,000</b>	<b>1,275,000</b>
Target Cash @ 0.35x Oper & Trans	803,200	865,400	908,800	1,027,900	1,069,800	1,114,000
Debt Service Coverage Test						
Net Revenues	1,793,300	1,676,700	1,724,900	1,572,300	1,643,800	1,713,100
Add: Developer Capacity Charges	440,181	598,646	610,619	622,831	635,288	647,994
Net Income	2,233,481	2,275,346	2,335,519	2,195,131	2,279,088	2,361,094
Debt Service	778,700	775,300	775,600	774,600	502,000	503,100
Coverage Ratio	2.87	2.93	3.01	2.83	4.54	4.69
\$ Over/(Under) 1.20 Ratio	1,299,041	1,344,986	1,404,799	1,265,611	1,676,688	1,757,374

Operating cash flow (expenditures, and target and ending fund balances), debt service coverage ratios and the annual increase in Single Family monthly bills are shown in the figure below.



**Figure 2-3. Water Operating Fund Cash Flow, Debt Service Coverage & Monthly Bill Increases**

## 2.5 Recommended Water Rates

Current and recommended water rates are summarized in the table below. Rates that include the Annual Payment Discount or the reduction for Qualified Income are not shown.

The existing rate structure has 13 unique rates (not including the Annual Payment Discount or the reduction for Qualified Income rates) and currently recovers approximately 57% of revenues from meter charges (both residential and nonresidential) and 43% of revenues from usage charges (both residential and nonresidential). Approximately 85% of revenues are from residential customers with the remaining 15% of revenues from commercial/industrial customers and sales of nonpotable water.

**Table 2-3. Recommended Water Rates**

Customer Class and Meter Size	Current FY25	Recommended				
		FY26	FY27	FY28	FY29	FY30
<i>Rate Change Effective Date &gt;</i>	<i>1-Feb-2025</i>	<i>1-Feb-2026</i>	<i>1-Feb-2027</i>	<i>1-Feb-2028</i>	<i>1-Feb-2029</i>	<i>1-Feb-2030</i>
<i>Annual percent increase &gt;</i>	<i>2.0%</i>	<i>4.0%</i>	<i>4.0%</i>	<i>4.0%</i>	<i>4.0%</i>	<i>4.0%</i>
<b>Residential, Commercial, Industrial</b>						
Meter Rates (\$/month)						
¾-inch	\$35.00	\$36.40	\$37.90	\$39.40	\$41.00	\$42.60
1-inch	\$35.00	\$36.40	\$37.90	\$39.40	\$41.00	\$42.60
1½-inch	\$58.90	\$61.30	\$63.80	\$66.40	\$69.10	\$71.90
2-inch	\$86.70	\$90.20	\$93.80	\$97.60	\$101.50	\$105.60
2½-inch	\$123.00	\$128.00	\$133.00	\$138.00	\$144.00	\$150.00
3-inch	\$162.00	\$168.00	\$175.00	\$182.00	\$189.00	\$197.00
4-inch	\$248.00	\$258.00	\$268.00	\$279.00	\$290.00	\$302.00
6-inch	\$481.00	\$500.00	\$520.00	\$541.00	\$563.00	\$586.00
8-inch	\$768.00	\$799.00	\$831.00	\$864.00	\$899.00	\$935.00
10-inch	\$1,097.00	\$1,141.00	\$1,187.00	\$1,234.00	\$1,283.00	\$1,334.00
Usage Rates (\$/hcf)	\$1.10	\$1.14	\$1.19	\$1.24	\$1.29	\$1.34
<b>Non-potable</b>						
Meter Rates (\$/month)	\$5.62	\$5.84	\$6.07	\$6.31	\$6.56	\$6.82
Usage Rates (\$/hcf)	\$0.95	\$0.99	\$1.03	\$1.07	\$1.11	\$1.15

*Note: Rates that include the Annual Payment Discount or the reduction for Qualified Income are not shown.*

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## Section 3

# Sewer Enterprise Fund

The City's flat rates for residential customers and commodity rates for nonresidential customers are intended to recover revenues sufficient to adequately fund utility operations, maintenance, and capital replacement expenditures, and meet debt service obligations, while keeping rates as competitive as possible and maintaining a prudent level of reserves.

### 3.1 Wastewater System Operations

The Public Works Department maintains approximately 40 miles of sewer collection system piping and provides operation and maintenance of six (6) wastewater pumping stations. The treatment plant is permitted for 1.4 Million Gallons per Day (MGD) and is currently processing 1 MGD. The City's treatment plant processes approximately 367 million gallons of wastewater each year. The facility is located at the south-end of Acacia Avenue and consists of 20 acres of treatment ponds with six (6) 10 horsepower mechanical brush aerators, which provides additional oxygen transfer for the biological treatment process. Treated wastewater is disposed into forty (40) acres of disposal ponds located to the west of the treatment ponds.

### 3.2 Sewer Accounts

The sewer utility provides service to its approximately 5,800 residential dwelling units and 200 commercial connections. Multiple family accounts are categorized as residential in terms of their sewer rate category and as commercial in terms of their water rate category. The number of residential accounts is projected to increase by approximately 40 per year.



### 3.3 Sewer Operating Cash Flow

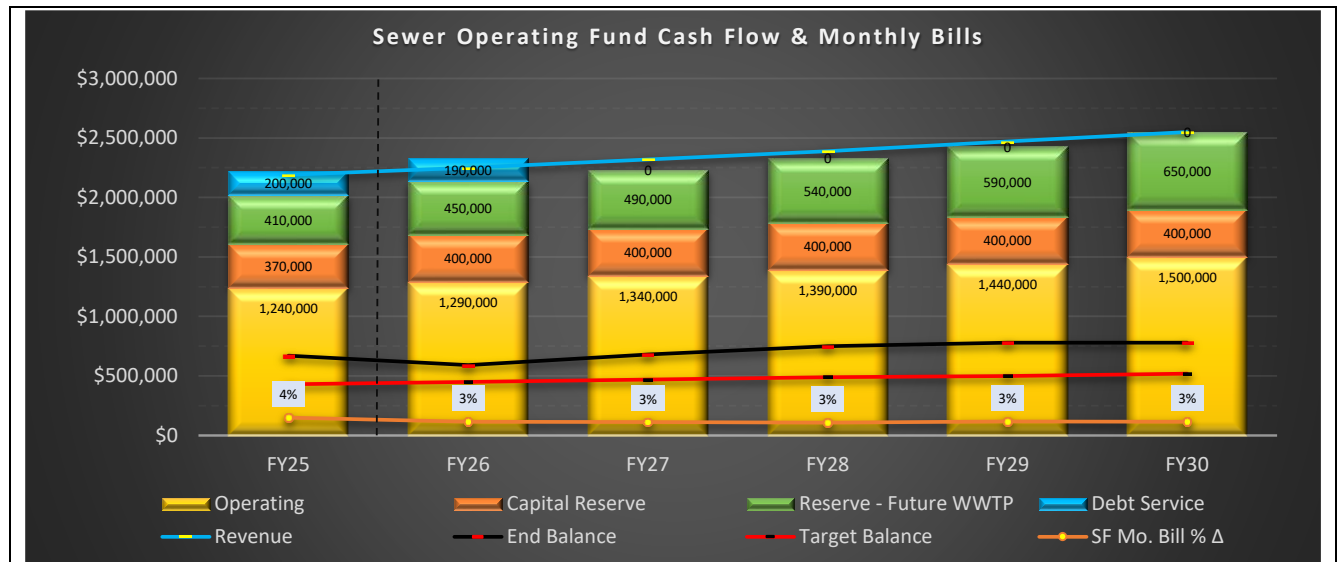
The evaluation of sewer rates involved the update of projected expenditures, revenue from rates, and number of accounts. Operating cash flow (revenues, expenditures, and beginning, ending and target fund balances), and debt service coverage ratios are shown in the table below. Note that current projections of the debt service coverage ratio exceed the technical minimum of 1.20 times Net Revenues in all years. The target reserve level of unrestricted cash is 35 percent of annual operating expenditures.

Sewer operating fund expenditures, revenues and balances are shown below in Table 3-1.

Table 3-1. Sewer Operating Fund Cash Flow						
Sewer Operating Fund	Actual	Budget				
	FY25	FY26	FY27	FY28	FY29	FY30
Beginning Cash	697,400	673,300	593,300	684,500	748,800	782,900
Revenues						
Sewer Charges	1,940,700	2,023,700	2,093,800	2,164,600	2,239,300	2,318,600
Other Revenues	223,500	223,500	223,500	223,500	223,500	223,500
Interest	24,400	6,700	5,900	6,800	7,500	7,800
Total Revenues	2,188,600	2,253,900	2,323,200	2,394,900	2,470,300	2,549,900
Expenditures						
Operating	1,237,000	1,293,600	1,341,100	1,390,600	1,442,200	1,496,100
Debt Service	196,900	194,000	0	0	0	0
Capital Reserve	373,100	400,000	400,000	400,000	400,000	400,000
Capital Fund - Future WWTP	405,700	446,300	490,900	540,000	594,000	653,400
Total Expenditures	2,212,700	2,333,900	2,232,000	2,330,600	2,436,200	2,549,500
Revenues less Total Expenditures	(24,100)	(80,000)	91,200	64,300	34,100	400
Ending Cash	673,300	593,300	684,500	748,800	782,900	783,300
Target Cash @ 0.35x Oper & Trans	433,000	452,800	469,400	486,700	504,800	523,600
Debt Service Coverage Test						
Net Revenues	951,600	960,300	<i>debt service eliminated October 2025</i>			
Add: Developer fees	587,945	275,000				
Net Income	1,539,545	1,235,300				
Debt Service	196,900	194,000				
Coverage Ratio	7.82	6.37				
\$ Over/(Under) 1.20 Ratio	1,303,265	1,002,500				

The Capital Reserve includes funding collected for the future Waste Water Treatment Plant (WWTP). In March 2015, City Council agreed to collect funding from existing customers to fund future WWTP upgrades, to meet future state permitting requirements.

Operating cash flow (expenditures, and target and ending fund balances), debt service coverage ratios and the annual increase in Single Family monthly bills are shown in the figure below.



**Figure 3-1. Sewer Operating Fund Cash Flow, Debt Service Coverage & Monthly Bill Increases**

### 3.4 Recommended Sewer Rates

Current and recommended sewer rates are summarized in the table below. Rates that include the Annual Payment Discount or the reduction for Qualified Income are not shown.

The existing rate structure has 17 unique rates and currently recovers approximately 88% of revenues from residential customers, 9% of revenues from commercial customers (except schools and churches) and 2% of revenues from industrial customers. Rates for all customers were increased by the same percentages.

**Table 3-3. Recommended Sewer Rates**

Customer Class and Service Type	Current FY25	Recommended				
		FY26	FY27	FY28	FY29	FY30
<i>Rate Change Effective Date &gt;</i>	<i>1-Feb-2025</i>	<i>1-Feb-2026</i>	<i>1-Feb-2027</i>	<i>1-Feb-2028</i>	<i>1-Feb-2029</i>	<i>1-Feb-2030</i>
<i>Annual percent increase &gt;</i>	<i>4%</i>	<i>3.0%</i>	<i>3.0%</i>	<i>3.0%</i>	<i>3.0%</i>	<i>3.0%</i>
<b>Residential</b>						
Full Rate, \$/month						
Single family dwellings	\$26.20	\$27.00	\$27.80	\$28.60	\$29.50	\$30.40
Dwelling unit in a duplex	\$26.20	\$27.00	\$27.80	\$28.60	\$29.50	\$30.40
Dwelling unit in an apartment	\$26.20	\$27.00	\$27.80	\$28.60	\$29.50	\$30.40
Separate detached apartment	\$2.10	\$2.20	\$2.30	\$2.40	\$2.50	\$2.60
Retirement home occupants	\$5.70	\$5.90	\$6.10	\$6.30	\$6.50	\$6.70
10% Lower Income Discount, \$/month	\$23.58	\$24.30	\$25.02	\$25.74	\$26.55	\$27.36
20% Lower Income Discount, \$/month	\$20.96	\$21.60	\$22.24	\$22.88	\$23.60	\$24.32
5% Lower Income Discount, \$/month						
Single family dwellings	\$298.68	\$307.80	\$316.92	\$326.04	\$336.30	\$346.56
10% Lower Income Discount	\$268.81	\$277.02	\$285.23	\$293.44	\$302.67	\$311.90
20% Lower Income Discount	\$238.94	\$246.24	\$253.54	\$260.83	\$269.04	\$277.25
<b>Commercial</b>						
Minimum Base Rate, \$/month	\$25.00	\$25.80	\$26.60	\$27.40	\$28.20	\$29.00
Flow Charge - Full Rate, \$/hcf	\$1.50	\$1.55	\$1.60	\$1.65	\$1.70	\$1.75
Minimum Base Rate, Annual, \$/month	\$285.00	\$294.10	\$303.20	\$312.40	\$321.50	\$330.60
Flow Charge, \$/hcf - 95% Rate	\$1.60	\$1.47	\$1.50	\$1.50	\$1.50	\$1.50
Minimum Base Rate w/Lndscp Credit	\$25.00	\$25.80	\$26.60	\$27.40	\$28.20	\$29.00
Flow Charge - Lndscp Credit, hcf	\$1.44	\$1.48	\$1.52	\$1.57	\$1.62	\$1.67
<b>Industrial</b>						
Flow Charge, \$/1000 gallons	\$2.00	\$2.10	\$2.20	\$2.30	\$2.40	\$2.50
Biochemical Oxygen Demand, \$/1000 pounds	\$204.50	\$210.60	\$216.90	\$223.40	\$230.10	\$237.00
Suspended Solids, \$/1000 pounds	\$226.20	\$233.00	\$240.00	\$247.20	\$254.60	\$262.20

*Note: Rates that include the Annual Payment Discount or the reduction for Qualified Income are not shown.*

## Section 4

# Garbage Enterprise Fund

The City's rates are intended to recover revenues sufficient to adequately fund utility operations, maintenance, and capital replacement expenditures, while keeping rates as competitive as possible and maintaining a prudent level of reserves.

## 4.1 Garbage Operations

City commercial accounts have the option to retain garbage disposal services from other service providers. Garbage and disposal services are provided to approximately 4,820 residential and multiple family accounts and 73 commercial accounts.

## 4.2 Garbage Operating Cash Flow

The evaluation of garbage rates involved the update of projected expenditures, revenue from rates, and number of accounts. Operating cash flow (revenues, expenditures, and beginning, and ending and target fund balances), are shown in the table below. The target reserve level of unrestricted cash is 20 percent of annual operating expenditures.

Garbage operating fund expenditures, revenues and balances are shown below in Table 4-1.

Table 4-1. Garbage Operating Fund Cash Flow						
Garbage Operating Fund	Actual	Budget				
	FY25	FY26	FY27	FY28	FY29	FY30
Beginning Cash	211,200	142,700	198,800	441,700	671,000	908,700
Revenues						
Garbage Charges	2,695,800	3,017,100	3,390,800	3,539,100	3,694,300	3,856,800
Other Revenues	23,600	7,600	12,000	24,300	45,200	76,000
Total Revenues	2,719,400	3,024,700	3,402,800	3,563,400	3,739,500	3,932,800
Expenditures						
Operating	2,754,800	2,918,600	3,009,900	3,104,100	3,201,800	3,303,100
Capital Reserve	33,100	50,000	150,000	230,000	300,000	380,000
Total Expenditures	2,787,900	2,968,600	3,159,900	3,334,100	3,501,800	3,683,100
Revenues less Total Expenditures	(68,500)	56,100	242,900	229,300	237,700	249,700
Ending Cash	142,700	198,800	441,700	671,000	908,700	1,158,400
Target Cash @ 0.20x Operating	551,000	583,700	602,000	620,800	640,400	660,600

The increase in transfer to the Capital Reserve is due to State regulatory requirements, relating to organic waste recycling. The regulatory requirements will result in needing an extra garbage truck and added cans, in addition to other operating expenses.

Operating cash flow (expenditures, and target and ending fund balances), debt service coverage ratios and the annual increase in Single Family monthly bills are shown in the figure below.

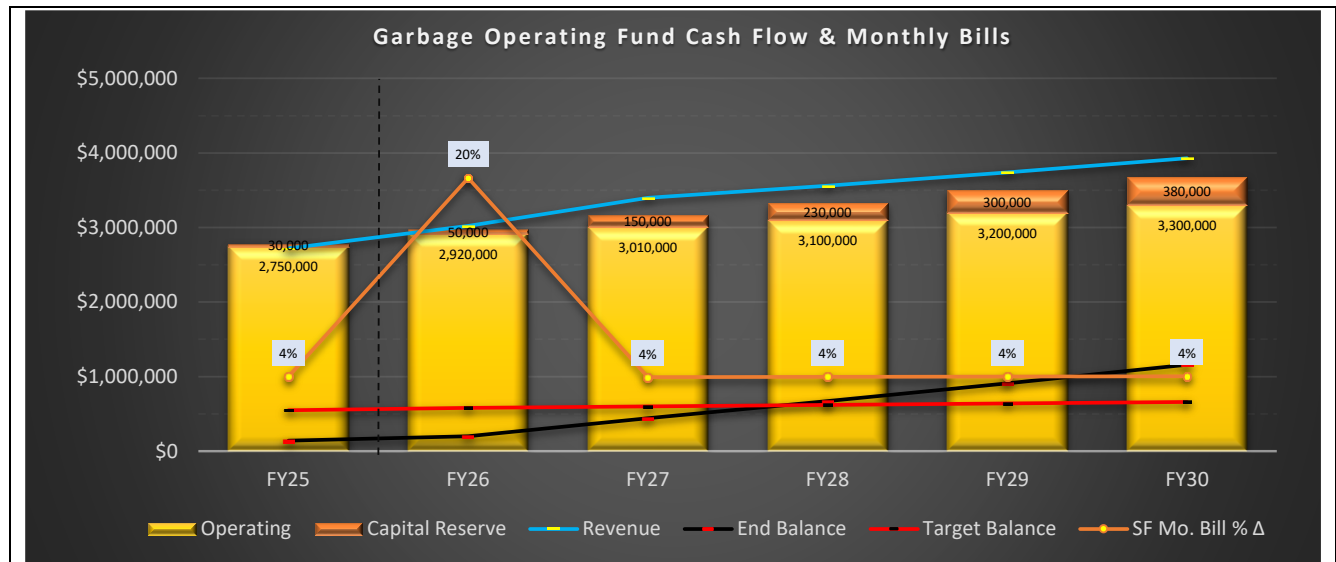


Figure 4-1. Garbage Operating Fund Cash Flow, Debt Service Coverage & Monthly Bill Increases

### 4.3 Recommended Garbage Rates

Current and recommended garbage rates are summarized in the tables on the next pages. The existing rate structure has approximately 85 unique rates that are derived from unit costs of service, low-income discounts, and an advance payment discount.

The rate structure currently recovers approximately 97% of revenues from residential customers, 2% of revenues from commercial customers and 1% of revenues from bulk service customers. Rates for all customers were increased by the same percentages.

Table 4-2. Recommended Garbage Unit Costs

Customer Class and Service Type		Current FY25	Projected				
			FY26	FY27	FY28	FY29	FY30
<i>Rate Change Effective Date &gt;</i>		1-Feb-2025	1-Feb-2026	1-Feb-2027	1-Feb-2028	1-Feb-2029	1-Feb-2030
<i>Annual percent increase &gt;</i>		4.0%	20.0%	4.0%	4.0%	4.0%	4.0%
<u>Unit Costs and Categories</u>							
Black can	\$40.85		\$49.00	\$50.95	\$53.00	\$55.10	\$57.30
Additional black can	\$17.35		\$20.80	\$21.65	\$22.50	\$23.40	\$24.35
Green can	\$3.45		\$4.15	\$4.30	\$4.45	\$4.65	\$4.85
Tubbie, per dump	\$46.35		\$55.60	\$57.80	\$60.10	\$62.50	\$65.00
Backyard service per can	\$8.90		\$10.70	\$11.15	\$11.60	\$12.05	\$12.55

Table 4-3. Recommended Garbage Rates

Customer Class and Service Type		Current FY25	Projected				
			FY26	FY27	FY28	FY29	FY30
Residential							
Full Rate	Rate Code						
Res Curbside 1 Blk	501	\$40.90	\$49.00	\$50.95	\$53.00	\$55.10	\$57.30
Res Curbside 2 Blk	502	\$58.20	\$69.80	\$72.60	\$75.50	\$78.50	\$81.65
Res Curbside 3 Blk	503	\$75.70	\$90.60	\$94.25	\$98.00	\$101.90	\$106.00
Res Curbside 4 Blk	504	\$93.00	\$111.40	\$115.90	\$120.50	\$125.30	\$130.35
Res Curbside 1 Blk + 1 Grn	510	\$44.30	\$53.15	\$55.25	\$57.45	\$59.75	\$62.15
Res Curbside 1 Blk + 2 Grn	511	\$47.70	\$57.30	\$59.55	\$61.90	\$64.40	\$67.00
Res Curbside 2 Blk + 1 Grn	512	\$61.60	\$73.95	\$76.90	\$79.95	\$83.15	\$86.50
Res Curbside 2 Blk + 2 Grn	513	\$65.00	\$78.10	\$81.20	\$84.40	\$87.80	\$91.35
Res Curbside 3 Blk + 1 Grn	514	\$79.10	\$94.75	\$98.55	\$102.45	\$106.55	\$110.85
Res Curbside 4 Blk + 1 Grn	515	\$96.40	\$115.55	\$120.20	\$124.95	\$129.95	\$135.20
Res Curbside 1 Blk + 3 Grn	516	\$51.10	\$61.45	\$63.85	\$66.35	\$69.05	\$71.85
Res Curbside 1 Blk + 4 Grn	517	\$71.85	\$86.40	\$89.80	\$93.30	\$97.10	\$101.05
Res Curbside 2 Blk + 3 Grn	518	\$68.40	\$82.25	\$85.50	\$88.85	\$92.45	\$96.20
Res Curbside 3 Blk + 2 Grn	519	\$82.45	\$98.90	\$102.85	\$106.90	\$111.20	\$115.70
Res Curbside #2 Blk Only	520	\$17.40	\$20.80	\$21.65	\$22.50	\$23.40	\$24.35
Res Curbside #2 Blk + Grn	521	\$20.80	\$24.95	\$25.95	\$26.95	\$28.05	\$29.20
Res Curbside 1 Grn Only	522	\$3.40	\$4.15	\$4.30	\$4.45	\$4.65	\$4.85
Res Backyard 1 Blk	523	\$49.70	\$59.70	\$62.10	\$64.60	\$67.15	\$69.85
Res Backyard 1 Blk + 1 Grn	524	\$61.90	\$74.55	\$77.55	\$80.65	\$83.85	\$87.25
Res Curbside 2 Grn Only	525	\$6.80	\$8.30	\$8.60	\$8.90	\$9.30	\$9.70
Multiple Dwelling							
Duplex Curbside	560	\$81.40	\$98.00	\$101.90	\$106.00	\$110.20	\$114.60
Duplex Curbside + 1 Grn	561	\$84.80	\$102.15	\$106.20	\$110.45	\$114.85	\$119.45
Duplex Curbside + 2 Grn	562	\$88.20	\$106.30	\$110.50	\$114.90	\$119.50	\$124.30
4-Plex Curbside + Grn Can	564	\$167.50	\$200.15	\$208.10	\$216.45	\$225.05	\$234.05
Duplex Curbside 2 Blk + 1 Grn (561+520)	568	\$102.20	\$122.95	\$127.85	\$132.95	\$138.25	\$143.80
Triplex Curbside	565	\$122.60	\$147.00	\$152.85	\$159.00	\$165.30	\$171.90
Triplex Curbside + 1 Grn	566	\$126.00	\$151.15	\$157.15	\$163.45	\$169.95	\$176.75
4-Plex Curbside	567	\$164.10	\$196.90	\$204.80	\$213.00	\$221.50	\$230.40
Commercial							
Comm Curbside 1 Tubbie + 3 Blk	563	\$307.95	\$369.40	\$384.05	\$399.40	\$415.30	\$431.90
Comm Curbside 1 Blk	570	\$40.90	\$49.00	\$50.95	\$53.00	\$55.10	\$57.30
Comm Curbside 2 Blk	571	\$81.70	\$98.00	\$101.90	\$106.00	\$110.20	\$114.60
Comm Curbside 2 Blk + 1 Grn (571+522)	569	\$85.15	\$102.15	\$106.20	\$110.45	\$114.85	\$119.45
Comm Curbside 3 Blk	572	\$122.55	\$147.00	\$152.85	\$159.00	\$165.30	\$171.90
Comm Curbside 1 Blk + 1 Grn	573	\$44.30	\$53.15	\$55.25	\$57.45	\$59.75	\$62.15
Comm Curbside 9 Blk + 1 Grn	574	\$371.10	\$445.15	\$462.85	\$481.45	\$500.55	\$520.55
Comm Backyard 1 Blk	575	\$49.70	\$59.70	\$62.10	\$64.60	\$67.15	\$69.85
Comm Backyard 1 Blk + 1 Grn	577	\$62.10	\$74.55	\$77.55	\$80.65	\$83.85	\$87.25
Comm Curbside 1 Tubbie	578	\$185.40	\$222.40	\$231.20	\$240.40	\$250.00	\$260.00
Comm Curbside 2 Tubbies	579	\$370.80	\$444.80	\$462.40	\$480.80	\$500.00	\$520.00
Comm Curbside ANN 1 Blk	580	\$466.26	\$558.60	\$580.83	\$604.20	\$628.14	\$653.22
Comm Curbside ANN 1 Blk + 1 Grn	583	\$505.02	\$605.91	\$629.85	\$654.93	\$681.15	\$708.51
Comm Curbside 4 Blk 1 Grn	581	\$166.85	\$200.15	\$208.10	\$216.45	\$225.05	\$234.05
Comm Curbside ANN 3 Blk	582	\$1,397.07	\$1,675.80	\$1,742.49	\$1,812.60	\$1,884.42	\$1,959.66
Comm Curbside ANN Tubbie	587	\$2,113.56	\$2,535.36	\$2,635.68	\$2,740.56	\$2,850.00	\$2,964.00
Comm Curbside 2 Grn	588	\$6.80	\$8.30	\$8.60	\$8.90	\$9.30	\$9.70
Comm Curbside 4 Grn (588x2)	591	\$13.60	\$16.60	\$17.20	\$17.80	\$18.60	\$19.40
Comm Curbside 6 Grn	592	\$20.40	\$24.90	\$25.80	\$26.70	\$27.90	\$29.10
Comm Curbside 2 Blk + 5 Grn	593	\$98.95	\$118.75	\$123.40	\$128.25	\$133.45	\$138.85
Comm Curbside 2 Blk + 12 Grn	594	\$123.10	\$147.80	\$153.50	\$159.40	\$166.00	\$172.80
Comm Curbside 1 Blk + 2 Grn	589	\$47.70	\$57.30	\$59.55	\$61.90	\$64.40	\$67.00
Bulk							
5-Plex	590	\$204.25	\$245.00	\$254.75	\$265.00	\$275.50	\$286.50
Tiffany Estates 43 Blk cans	595	\$1,758.70	\$2,107.00	\$2,190.85	\$2,279.00	\$2,369.30	\$2,463.90
Zion Curbside 9 Grn	598	\$30.60	\$37.35	\$38.70	\$40.05	\$41.85	\$43.65



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## Section 5

# Evaluation of Single Family Monthly Bills

The impact of rate increases on customer classes are evaluated separately for each enterprise.

## 5.1 Combined Impact of Water, Sewer and Garbage Rates

The combined impact on the monthly bill for a residential customer with a 1-inch water meter and 16 hcf per month water use, a sewer connection and residential curbside 1 black + 1 green service is shown in the table and figure below.

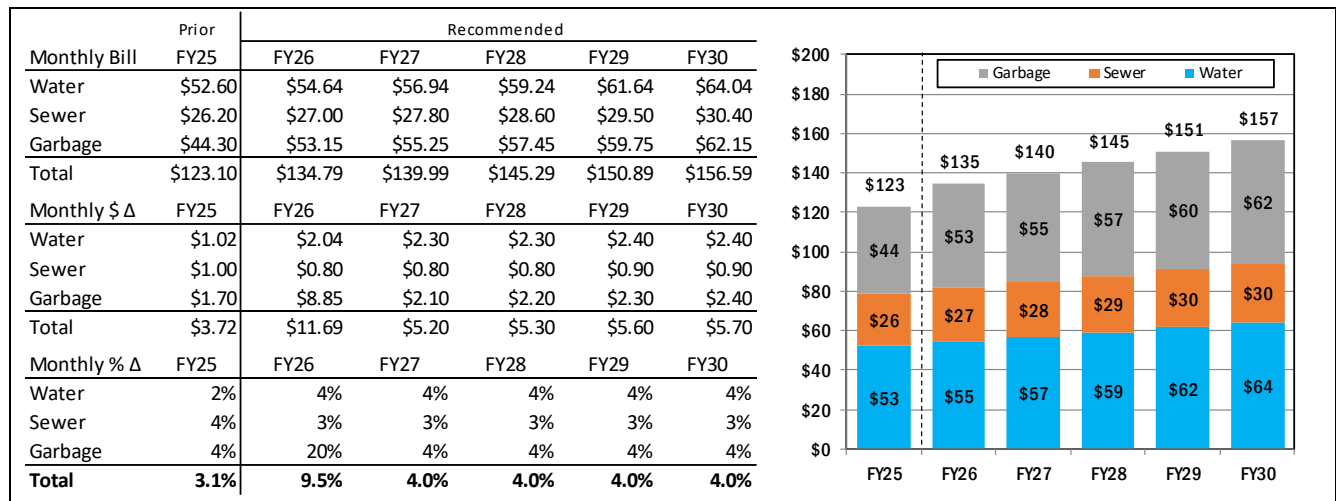


Figure 5-1. Impact of Water, Sewer and Garbage Rates on Residential Monthly Bills

## 5.2 Survey of Residential Customer Bills

Current and projected Ripon FY26 residential customer bills were compared to those in the cities of Ceres, Escalon, Lathrop, Manteca, Modesto, Oakdale and Riverbank based on comparable levels of service.

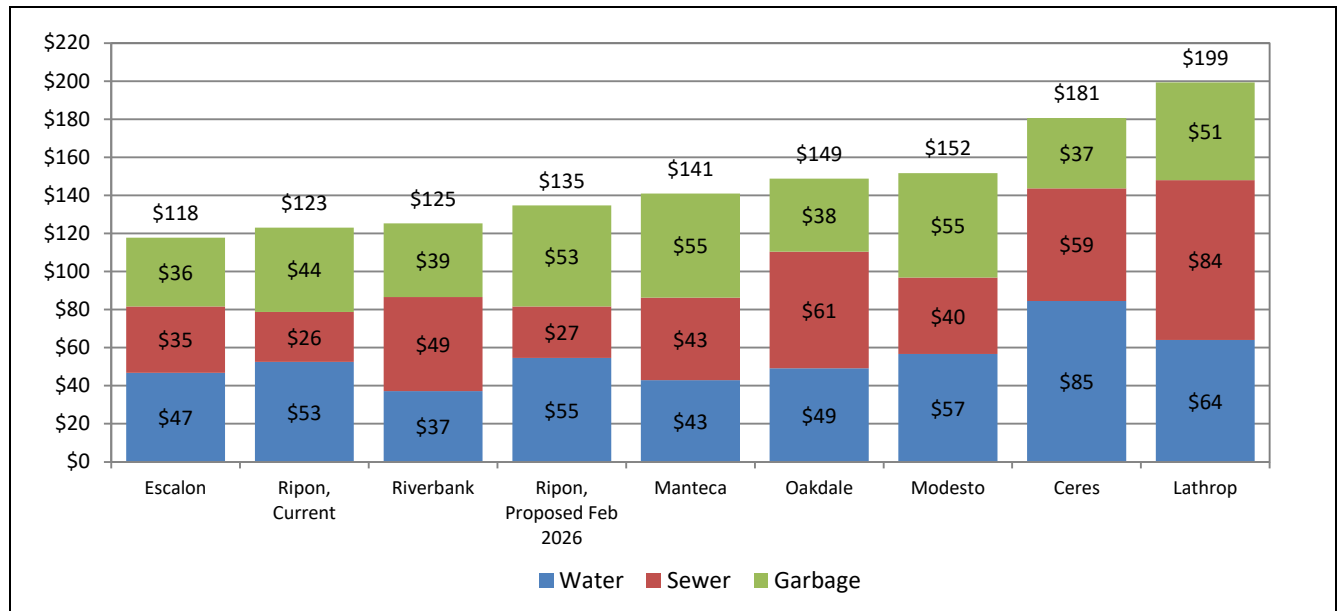


Figure 5-2. Survey of Single Family Customer Bills

## Section 6

# Limitations

This document was prepared solely for the City of Ripon in accordance with professional standards at the time the services were performed and in accordance with the agreement between the City of Ripon and Pavletic Consulting LLC. This document is governed by the specific scope of work authorized by the City of Ripon in an Agreement dated February 11, 2025; it is not intended to be relied upon by any other party. We have relied on information or instructions provided by the City of Ripon and, unless otherwise expressly indicated, have made no independent investigation as to the validity, completeness, or accuracy of such information.

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