

## Notice of Public Hearing on Proposed Wastewater Rate Increases



**Date: December 13, 2022**

**Time: 6:00 pm**



### JOIN US IN PERSON

City Council Chambers, 6707 Third Street, Riverbank, CA 95367



### JOIN US VIA ZOOM

<https://us02web.zoom.us/j/87684231010>



### JOIN US VIA PHONE

Dial: (669) 444-9171

Meeting ID: 87684231010

Dear Property Owner or Customer of Record,

The City of Riverbank (City) is proposing to phase in wastewater rate increases over the next five years to support operating and maintenance needs and provide adequate funding for capital improvements that will support safe and reliable service. The rates shown in this notice are the proposed maximum rates that may be authorized. Each year, the City will review its current financial position to determine the necessary rate increase to implement.

The City's wastewater enterprise is self-supporting and relies on rate revenues to meet annual funding needs. As such, wastewater rates need to be set at levels adequate to fund the cost of providing service. The proposed rate increases are phased in over the next five years, with the first rate increases scheduled to become effective for service provided on and after January 1, 2023. The proposed rates are based on a recently updated Wastewater Rate Study, developed by an independent utility rate consultant, and reflect substantial input from City staff, engineering consultants, and the City Council.

Members of the public are currently invited to attend the Public Hearing virtually or in person. If the City determines to hold the Public Hearing only

virtually due to a state of emergency or public health concern pursuant to AB 361 or other applicable law, information will be posted on our website as soon as possible and included in the meeting agenda.

## Infrastructure for the Present and Future

The current configuration of City's wastewater treatment plant was originally constructed in 1963 and is need of significant upgrades. The City is moving forward with a wastewater treatment plant project which will:

- Improve the quality of treated wastewater effluent to comply with State regulations and improve the water quality of the groundwater basin.
- Increase the capacity of the plant to support the City's planned growth connecting to the wastewater system over the next thirty years. These additional connections pay to connect to the City's wastewater system and also share in paying for the ongoing costs of the wastewater system which reduces the rate burden on existing customers.
- Improve availability of groundwater by adding recycled water production capability. Water in California is becoming increasingly scarce. Reducing reliance on local groundwater will make the City's water supply more resilient as droughts continue to be more common and severe. Recycled water capability also makes the project eligible for more grant funding and will provide a new revenue stream when the City begins to sell recycled water.



*The wastewater treatment plant and recycled water project will make the City's water supply cleaner and more secure for decades.*

The City Council reviewed several wastewater treatment plant options and chose to move forward with a phased-in expansion of the wastewater treatment plant with recycled water capability. Based on current projections, this is the most cost effective option because it will allow the City to qualify for grants while delaying the construction of some project components allowing the City to collect fees from new growth to offset the cost.

### Utility Rate Assistance Program

The City of Riverbank offers a Utility Rate Assistance Program designed to assist seniors and permanently disabled residents who are considered extremely low-income to receive discounts on their water and sewer bills. Applications are accepted year round. If approved, the discount will be effective the next full billing cycle. Information about the program can be found at [www.riverbank.org/395/Utility-Rate-Assistance-Program](http://www.riverbank.org/395/Utility-Rate-Assistance-Program).

## Community Input & Written Protest Procedures

Customers, property owners, and community members are invited to attend the Public Hearing to provide input. Customers and property owners may also submit written protests against the proposed rate increases. Pursuant to California law, **protests must be submitted in writing and must a) identify the affected property or properties, such as by its service address or Assessor's Parcel Number, b) include the name and original signature of the customer or property owner submitting the protest, and c) indicate opposition to the proposed wastewater rate increases.** Protests or comments submitted by e-mail, fax, or other electronic means are not counted as written protests.



The existing wastewater treatment plant has served the City since 1963.

The proposed rates cannot be adopted if written protests are received from a majority (more than 50%) of affected parcels with one protest counted per parcel. Written protests can be mailed or hand delivered to: City of Riverbank, City Clerk, 6707 Third Street Ste. A, Riverbank, CA 95367. Hand delivered protests may be delivered to the City's front office or deposited in the drop box located in the Administration Department at 6707 Third St. Ste. A, Riverbank, CA 95367, or may be hand-delivered to the City Clerk at the Public Hearing. Written protests must be received by the City Clerk before the close of the Public Hearing on December 13, 2022.

As a public entity, the City does not profit from charges for wastewater services. Pursuant to California law, all funds collected for wastewater service are used to pay for the costs of operating, maintaining, and investing in the wastewater infrastructure. We understand that rate increases place an additional burden on our customers, particularly people with fixed incomes, and we plan to re-evaluate our finances and rates each year to ensure rates continue to recover the costs of providing service without unnecessary increases.

## Proposed Maximum Wastewater Rates

The City is proposing to phase in a series of annual wastewater rate increases over the next five years with the maximum allowable rates as shown on the table below. The City is actively pursuing grant funding for the wastewater treatment plant project. If the City receives grants, it may be able to implement rates lower than the maximum noticed rates. Wastewater rate increases are needed to support wastewater system operating expenses, provide adequate funding for maintenance of facilities and equipment, meet annual debt service funding requirements, and fund the wastewater treatment plant project. The proposed wastewater rates also help support high-priority capital improvements to Riverbank's aging sewer collection system pipelines and sewer lift stations to support safe and reliable service. The City's wastewater rates include a number of components including:

- **Base Monthly Rates:** The base monthly rate is a fixed charge paid by all customers on a monthly basis.
- **Volumetric Rates:** Non-residential customers pay a volumetric charge in addition to the base rate. The volumetric rate to be paid is determined by the customer classifications described in the following table.

Proposed wastewater charges are based on an updated cost-of-service analysis designed to ensure that all customers continue to pay their proportionate share of the City's costs of providing wastewater service.

Proposed Rates Maximum Wastewater Rates	Current Rates	Proposed Maximum Rates Effective On or After				
		Jan. 1, 2023	Jan. 1, 2024	Jan. 1, 2025	Jan. 1, 2026	Jan. 1, 2027
<b>Residential Sewer Rates</b>						
Monthly Fixed Rate	\$49.48	\$58.39	\$68.90	\$81.30	\$95.12	\$109.39
<b>Commercial Sewer Rates</b>						
Min. Monthly Base Charge	\$49.48	\$58.39	\$68.90	\$81.30	\$95.12	\$109.39
<b>Volumetric Rates (\$/Gallon) for Usage Greater Than 7,480 Gallons per Month*</b>						
<u>Group 1</u>						
Schools w/o cafeterias, Offices	\$0.002512	\$0.002964	\$0.003498	\$0.004128	\$0.004830	\$0.005555
<u>Group 2</u>						
Commercial, hospitals, extended care facilities, markets (w/o deli's), automobile shops	\$0.003350	\$0.003953	\$0.004665	\$0.005505	\$0.006441	\$0.007407
<u>Group 3</u>						
Schools w/ cafeterias, Restaurants, Short order facilities, markets w/ deli's	\$0.004523	\$0.005337	\$0.006298	\$0.007432	\$0.008695	\$0.009999
<u>Group 4</u>						
Restaurants w/ full kitchens	\$0.007370	\$0.008697	\$0.010262	\$0.012109	\$0.014168	\$0.016293

\*Volumetric charges do not apply to residential customers

## Additional Information

Pursuant to California Government Code 53759, there is a 120-day statute of limitations for challenging any new, increased, or extended fees. This statute of limitations applies to the wastewater service charges proposed in the notice and future changes to wastewater rates and charges. The City of Riverbank is committed to operating as cost-effectively as possible while providing safe and reliable service. For questions or more information about wastewater service in the City or the proposed rates, please contact us at [talcantor@riverbank.org](mailto:talcantor@riverbank.org) or at (209) 863-7109 or visit us at [www.riverbank.org](http://www.riverbank.org).