



# City of La Verne

Investing in Our Critical Water and Sewer Systems

**Proposed Water and Sewer Rates  
Community Information Session**  
October 18, 2025





# Discussion Items

- Introductions
- About City Public Utilities
- Principles of Utility Funding
- Critical Capital Investments
- How Rates Are Determined, Proposed Rates, and Bill Impacts
- Your Rights to Object and/or Protest
- Public Resources & Next Steps
- Q & A



# Water & Sewer Divisions

## WATER DIVISION

### **Water Sources:**

- **Local Groundwater** (24%) - from the Pomona and Live Oak basins pumped from 8 operational wells, 4 blending facilities, 10 reservoirs and 2 water treatment plants.
- **Imported Water** (76%) - purchased from Three Valleys Municipal Water District from the Colorado River and State Water Project. Water is blended and treated at the Miramar Treatment Plant.

### **Responsible for:**

- Operation and maintenance of water production and distribution
- Maintenance and reading of the water meters.

## SEWER DIVISION

The City's sewer system collects waste and conveys it to the Los Angeles County Sanitation District for treatment and discharge.

### **Responsible for:**

- Maintenance of and cleaning the sewer system
- 112 miles of sewer main lines
- 2 sewer lift stations

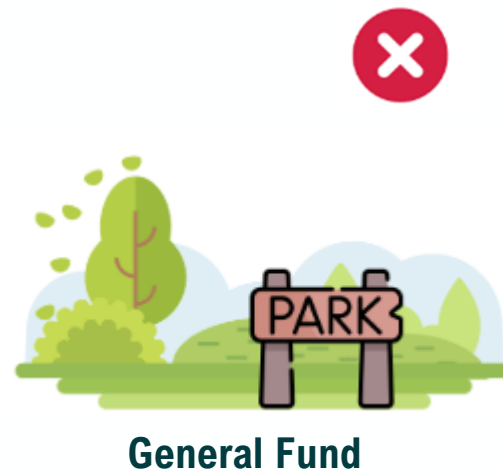


# Principles of Utility Funding

An aerial photograph of a city, likely Los Angeles, with mountains in the background. The image is overlaid with a blue gradient and wavy patterns. The title "Principles of Utility Funding" is centered in white serif font.

# How Utilities Are Funded

- NOT Funded through General Fund and Taxes
  - Funded through Water and Sewer Enterprise Funds
- Enterprise Funds primary revenue is from customer rates
- Enterprise Funds CANNOT be used to fund other government services, such as parks and public safety.



# What Rate Revenues Pay For

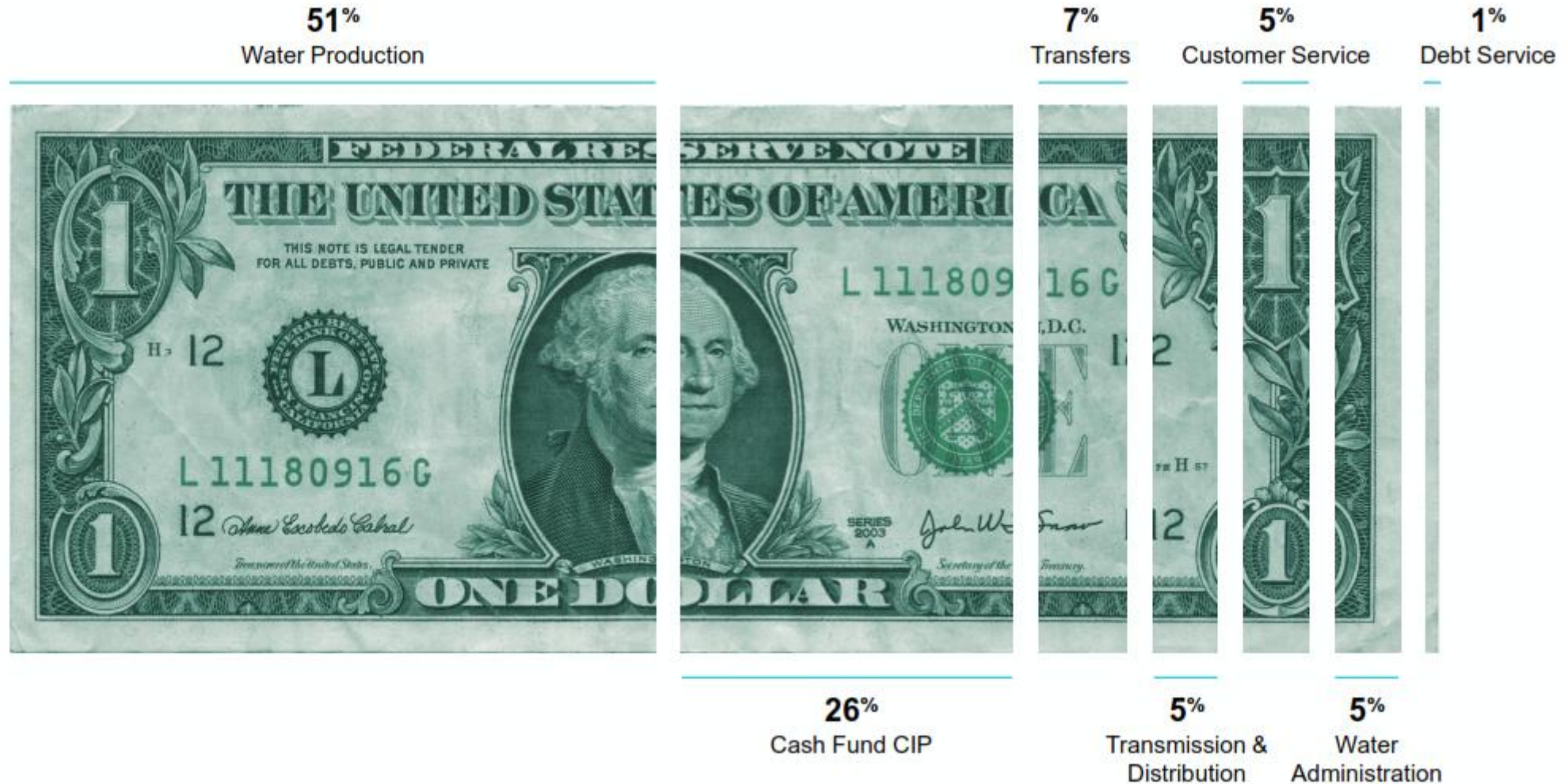
## Water System Operation & Maintenance Expenses Include:

- Administration—Nearly \$1 million
- Water Production—\$9.8 million
- Distribution—About \$1 million
- Customer Service—Nearly \$1 million
- **Total O&M in 2026 will cost more than \$13.9 million**

## Sewer System Operation & Maintenance Expenses Include:

- Administration—More than \$700,000
- Sewer System Maintenance—More than \$900,000
- **Total O&M in 2026 will cost more than \$1.8 million**

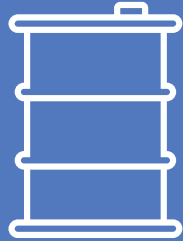
# Cost Breakdown of Water Utility Expenses



# Comparing Price Per Gallon



**Orange Juice**  
**\$12.80**



**Gasoline**  
**\$3.89**



**Tap Water**  
**< \$0.01**



**Bottled Water**  
**\$3.84**

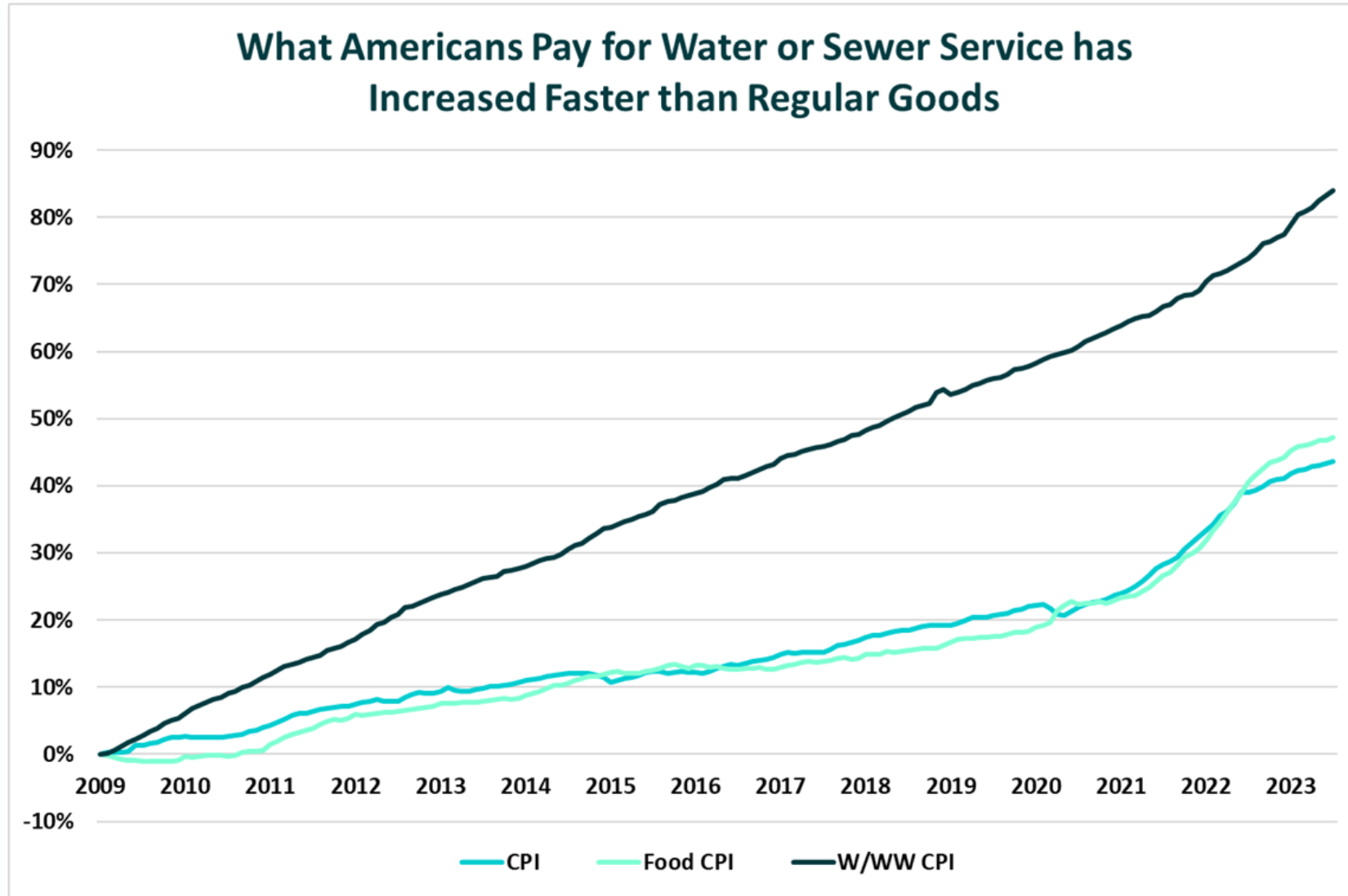


**Milk**  
**\$3.84**



Source: Retail Price Survey, 9/24/25  
Ralphs.com, Gasbuddy.com

# Inflation



# Inflation Considerations

- Utility systems **must keep up with rising costs** and be able to implement critical capital projects, as well as fund reserves for emergencies
- Water and Sewer Rates have not been adjusted since 2018
- The water utility has been operating in the red and depleting reserves
- From 2018 to now the CPI has increased by 28%
- Typically, utility rates increase about 2% more than CPI per year which would add another 15%
- Cost of treated water at MWD has risen by over 50% in the same time frame

# Planned Capital Improvement Projects

## Water System Capital Improvement Projects



**Pipeline Rehabilitation**

\$4 million



**Well Repair and Rehabilitation**

\$1.4 million



**Treatment Plant Upgrade**

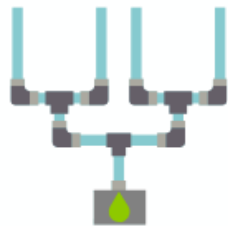
\$2.5 million



**Meter Conversion**

\$2.7 million

## Sewer System Capital Improvement Projects



**Pipeline Rehabilitation**

\$1.2 million



**Manhole Cleanout**

\$2.2 million



**Sewer Relining**

\$9.8 million

# WATER – Key Capital Improvement Projects

- Pipeline Rehabilitation (~\$4 million)
- AMI Meter Conversion (~\$2.7 million)
- 6<sup>th</sup> and White Treatment Plant Upgrades (~\$2.5 million)
- Well Repairs (~\$1.4 million)
- SCADA System Upgrade (~\$422,000)



# SEWER – Key Capital Improvement Projects

- Sewer Relining (~\$9.8 million)
- Manhole/Cleanout Rehabilitation (~\$2.2 million)
- Pipeline Rehabilitation (~\$1.2 million)
- Purchase of Portable Backup Generators (~\$200,000)




# Timeline



# Outreach and Engagement Summary

- 10 Ad Meetings from 10/2024 - 7/2025
- 1 Joint Special Meeting 4/7/2025
- Prop 218 Authorization 8/4/2025



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3660 D Street  
La Verne, CA 91750

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## WATER & SEWER RATE STUDY PROCESS

Did you know the City is currently conducting a water and sewer rate study? The City's water and sewer rates, unchanged since 2019, fall short of the actual cost needed to deliver these services, especially in light of inflation which has risen more than 18%. Water and sewer services are critical to our daily lives and keeping them reliable is one of the City's top priorities.

This process is a collaborative effort between City staff, financial experts, and the Ad Hoc Water and Sewer Rate Study Committee, and we're eager to hear from you! In the coming months, the City will be hosting workshops and community events where you'll have the opportunity to learn more about how rates are determined, why they matter, and the potential impacts if rates don't keep pace with rising costs and regulatory requirements. We also warmly invite you to attend our Ad Hoc Water and Sewer Rate Study Committee meetings. Your voice is essential in shaping our community's future!

To get involved or stay informed, visit our website at [www.cityoflaverne.org/ratestudy](http://www.cityoflaverne.org/ratestudy), or simply scan the QR code below.

**OCTOBER TO DECEMBER 2024**

Rate study process starts, analyzing financial goals and cost to provide service.

**JANUARY TO APRIL 2025**


Workshops and community events are held for residents to learn more about the rate study.

**APRIL TO JUNE 2025**


Proposed rate increases are sent to all residents and public hearings are held.

**JULY 1, 2025**

New rates are considered and determined by City Council.



Facility tours were conducted in October and November.



**DID YOU KNOW?** The City's water and sewer fund, supported mainly by residents' bimonthly utility bills, is exclusively used to maintain the City's water and sewer systems. By law, revenue from this fund cannot exceed the necessary costs to provide these services. Typical expenses include infrastructure maintenance, labor, and water purchases.



Community News

## CITY MANAGER NEWSLETTER



**STAY INFORMED WITH THE LATEST UPDATES FROM THE CITY OF LA VERNE!**

Our monthly City Manager Newsletter covers important city business, upcoming events, and regional news you won't want to miss.

Check out our archives at [cityoflaverne.org/cmnews](http://cityoflaverne.org/cmnews).

Want to subscribe? Visit [cityoflaverne.org/notifyme](http://cityoflaverne.org/notifyme) or call (909) 596-8726.

Stay connected and be in the know!

## WATER AND SEWER RATE STUDY

*Keeping La Verne Flowing: How You Can Shape the Future of Water and Sewer Services*

Water and sewer services are critical to our daily lives and keeping them reliable is one of the City's top priorities. But have you ever wondered how the rates you pay for these services are set?

Since the last rate adjustment in 2019, the cost of providing water and sewer services has gone up more than 18% due to inflation. To ensure we can continue to operate, maintain, and improve these essential services, the City is conducting a rate study (also called a cost-of-service study). These studies are typically done every 3-5 years to ensure transparency and help us plan for the future, including maintaining infrastructure, meeting new state and federal regulations, and upgrading technologies.

This process involves collaboration between City staff, financial experts, community members, Ad Hoc Water & Sewer Rate Study Committee Members, and the City Council, all within the guidelines of California Proposition 218. And we need your input! The City will be hosting workshops and community events in the coming months, giving you a chance to learn more about how rates are determined, why they're important, and the potential consequences if they don't keep up with rising costs and regulatory demands. We also invite you to join us for our Ad Hoc Water & Sewer Rate Study Committee meetings.

To get involved or stay informed, visit our website at [www.cityoflaverne.org/ratestudy](http://www.cityoflaverne.org/ratestudy), or simply scan the QR code. You can also share your thoughts or questions by emailing [ksanchez@cityoflaverne.org](mailto:ksanchez@cityoflaverne.org) or calling (909) 596-8744.

Together, we can ensure our water and sewer systems remain strong for years to come.

## Notify Me!

Stay in the loop with the latest updates from the City of La Verne!

Sign-up for text and email notifications at [cityoflaverne.org/notifyme](http://cityoflaverne.org/notifyme).

Get instant alerts for newsletters, Event Calendars, Meeting Agendas, and more.

Don't miss out on important news and events—subscribe today!






4 | [www.cityoflaverne.org](http://www.cityoflaverne.org)



An aerial photograph of a town, likely in a mountainous region, with a semi-transparent blue overlay at the bottom. The town features a mix of residential houses and larger commercial or institutional buildings. In the background, there are large, rugged mountains under a clear blue sky. A river or stream flows through the landscape. The overall scene is bright and clear.

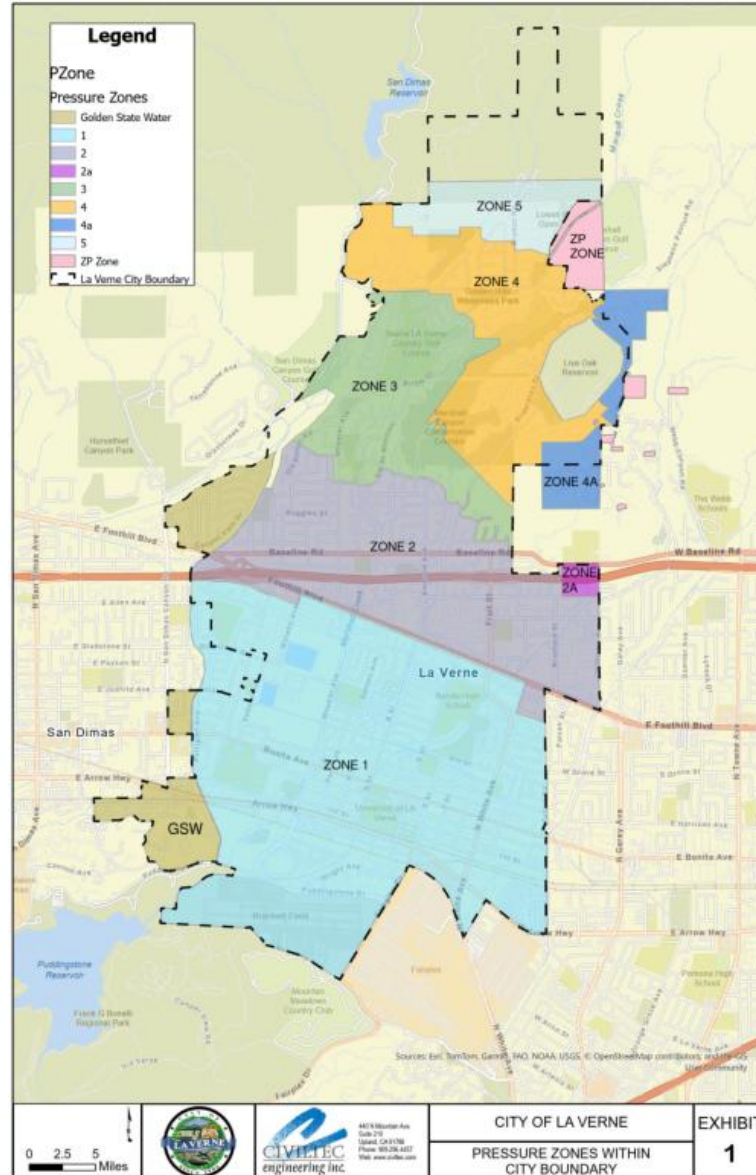
# Proposed Rates

# WATER - Proposed Meter Charges & Added Unit Charges

Meter Size Rates are shown bi-monthly	Current	Effective 1/1/2026	Effective 7/1/2026	Effective 7/1/2027	Effective 7/1/2028	Effective 7/1/2029
5/8" AND 3/4"	\$36.40	\$48.53	\$60.66	\$69.76	\$76.73	\$84.41
1"	\$51.00	\$72.95	\$91.19	\$104.86	\$115.35	\$126.88
1 1/2"	\$65.60	\$134.00	\$167.50	\$192.62	\$211.89	\$233.08
2"	\$106.00	\$207.26	\$259.08	\$297.94	\$327.73	\$360.50
3"	\$400.00	\$402.62	\$503.28	\$578.77	\$636.65	\$700.32
4"	\$509.60	\$622.41	\$778.01	\$894.71	\$984.18	\$1,082.60
6"	\$764.40	\$1,232.92	\$1,541.15	\$1,772.32	\$1,949.56	\$2,144.51
8"	\$1,055.60	\$1,965.54	\$2,456.92	\$2,825.46	\$3,108.00	\$3,418.80
10"	\$1,456.00	\$2,942.35	\$3,677.94	\$4,229.63	\$4,652.60	\$5,117.86
<b>Bi-Monthly Added Unit Charges</b>						
All Meters	\$11.20	\$17.86	\$22.33	\$25.67	\$28.24	\$31.07



# WATER - Proposed Volumetric Rates by Pressure Zone



# WATER - Proposed Volumetric Rates

VOLUMETRIC RATES (per 1,000 gallons)	Current	Effective 1/1/2026	Effective 7/1/2026	Effective 7/1/2027	Effective 7/1/2028	Effective 7/1/2029
Zone 1	\$3.92	\$5.67	\$7.09	\$8.16	\$8.97	\$9.87
Zone 2	\$4.02	\$5.96	\$7.45	\$8.57	\$9.43	\$10.37
Zone 3	\$4.21	\$6.32	\$7.90	\$9.09	\$10.00	\$11.00
Zone 4	\$4.42	\$6.33	\$7.92	\$9.10	\$10.01	\$11.02
Zone 5	\$4.53	\$7.44	\$9.30	\$10.69	\$11.76	\$12.94
Zone 6	\$4.77	\$7.44	\$9.30	\$10.69	\$11.76	\$12.94
Zone P	\$5.37	\$7.44	\$9.30	\$10.69	\$11.76	\$12.94
Zone L	\$2.74	\$7.44	\$9.30	\$10.69	\$11.76	\$12.94



# WATER - Proposed Private Fire Charges

Meter Size Rates are shown bi-monthly	Current	Effective 1/1/2026	Effective 7/1/2026	Effective 7/1/2027	Effective 7/1/2028	Effective 7/1/2029
<b>Private Fire Charges</b>						
5/8"	\$0.00	\$12.19	\$15.24	\$17.53	\$19.28	\$21.21
3/4"	\$0.00	\$12.38	\$15.47	\$17.79	\$19.57	\$21.53
1"	\$0.00	\$12.92	\$16.15	\$18.57	\$20.43	\$22.47
1 1/2"	\$0.00	\$14.86	\$18.58	\$21.36	\$23.50	\$25.85
2"	\$46.60	\$18.21	\$22.77	\$26.18	\$28.80	\$31.68
3"	\$65.30	\$30.25	\$37.81	\$43.48	\$47.83	\$52.61
4"	\$102.60	\$51.00	\$63.75	\$73.32	\$80.65	\$88.71
6"	\$130.66	\$125.49	\$156.87	\$180.40	\$198.44	\$218.28
8"	\$167.70	\$253.98	\$317.47	\$365.09	\$401.60	\$441.76
10"	\$205.10	\$447.24	\$559.05	\$642.91	\$707.20	\$777.92



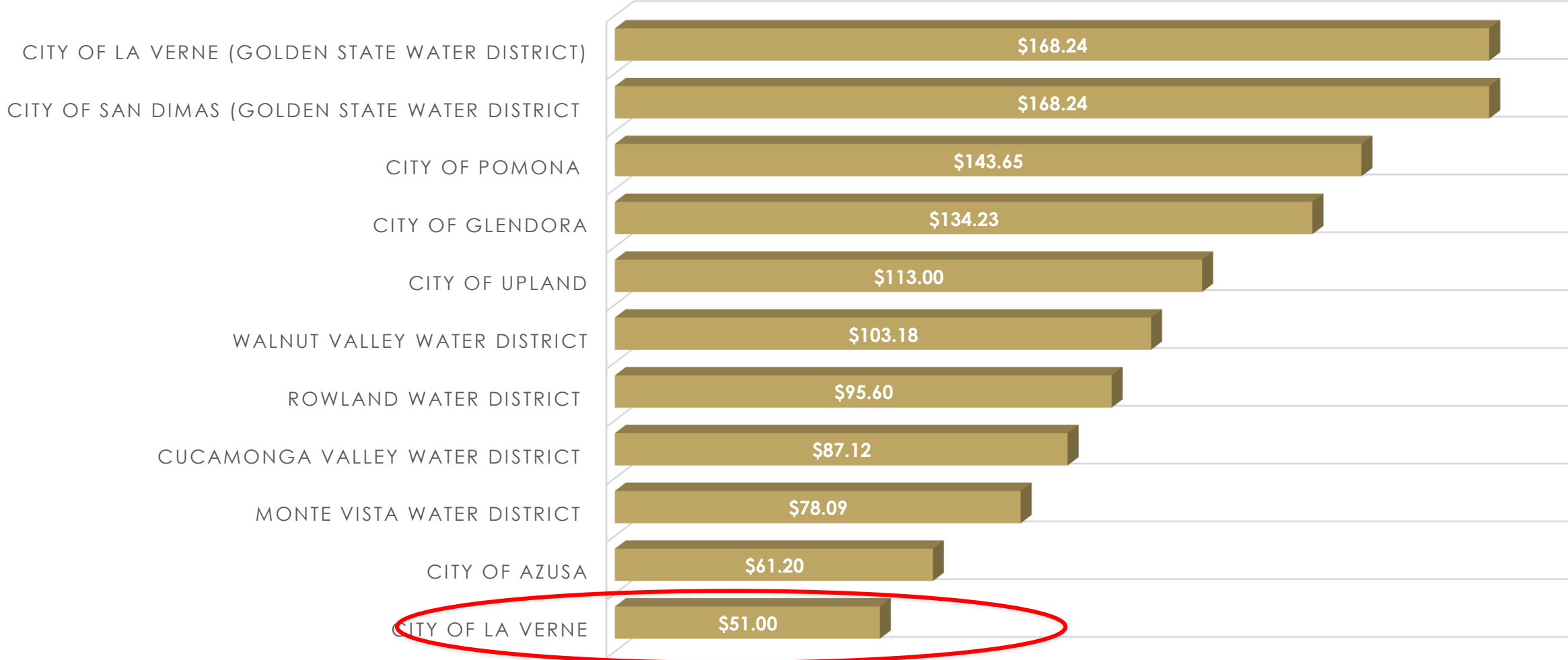
# SEWER - Proposed Rates

	Current	Effective 1/1/2026	Effective 7/1/2026	Effective 7/1/2027	Effective 7/1/2028	Effective 7/1/2029
Bi-Monthly Fixed Charge - All Customer Classes	\$23.43	\$26.61	\$30.61	\$35.21	\$40.50	\$46.58
Volumetric Rate for Residential Customers	N/A	N/A	N/A	N/A	N/A	N/A
Volumetric Rate (per 1,000 gallons) for Institutional, Commercial, and Manufacturing Customer Classes	\$0.20	\$0.29	\$0.34	\$0.40	\$0.46	\$0.53



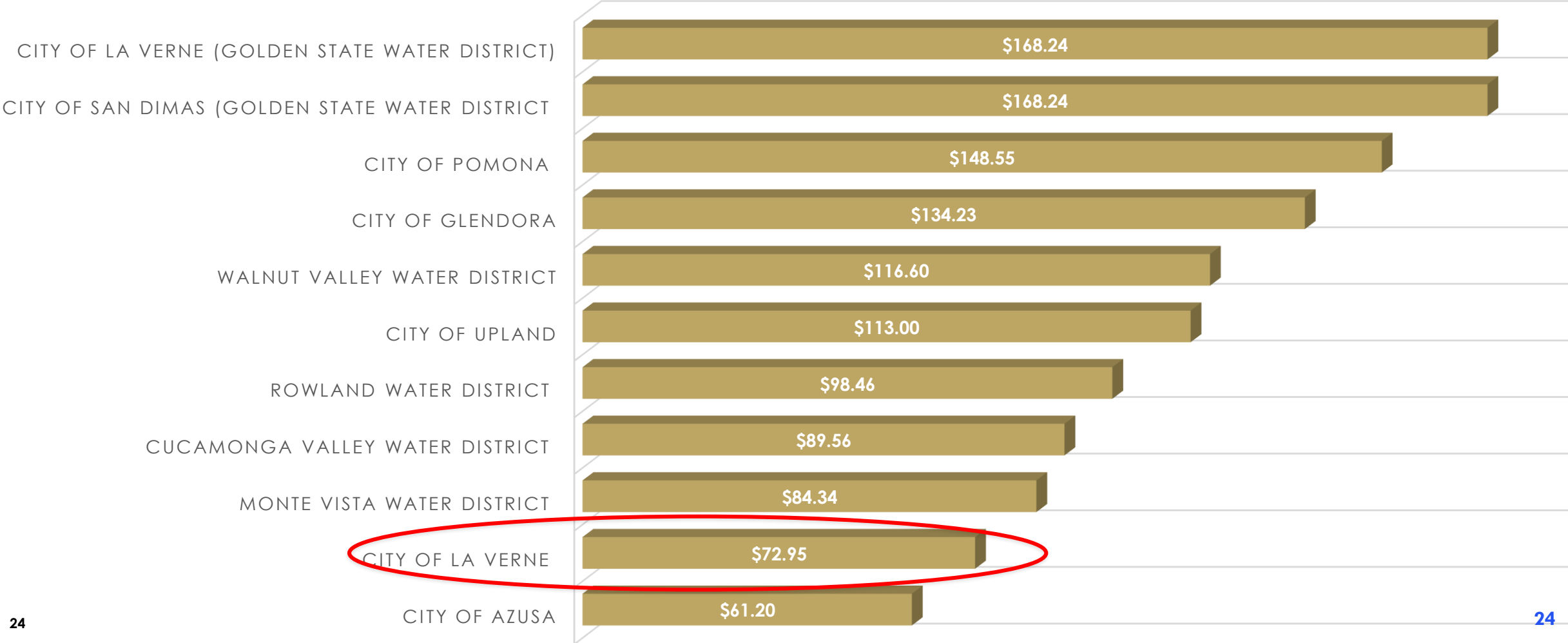
# WATER – Comparison Chart

## CURRENT BI-MONTHLY 1 INCH METER CHARGE



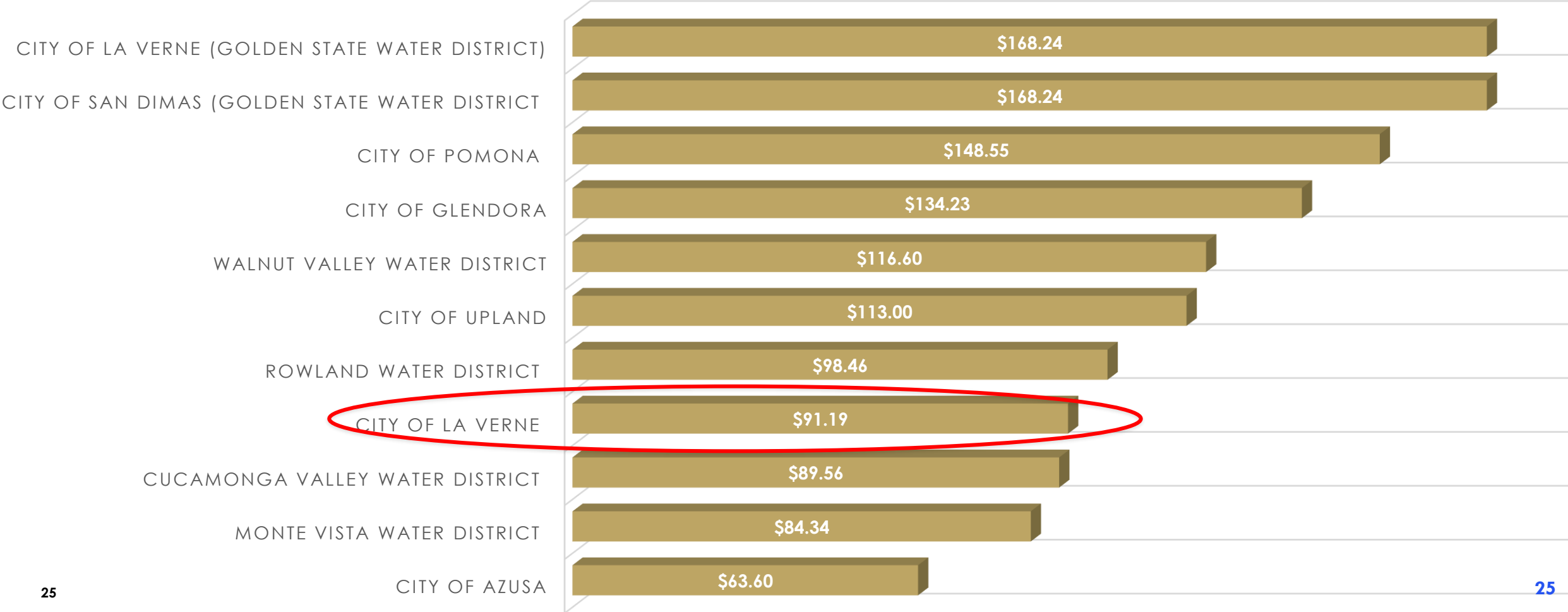
# WATER – Comparison Chart

50% INCREASE BI-MONTHLY 1 INCH METER CHARGE  
RATE EFFECTIVE JANUARY 1, 2026

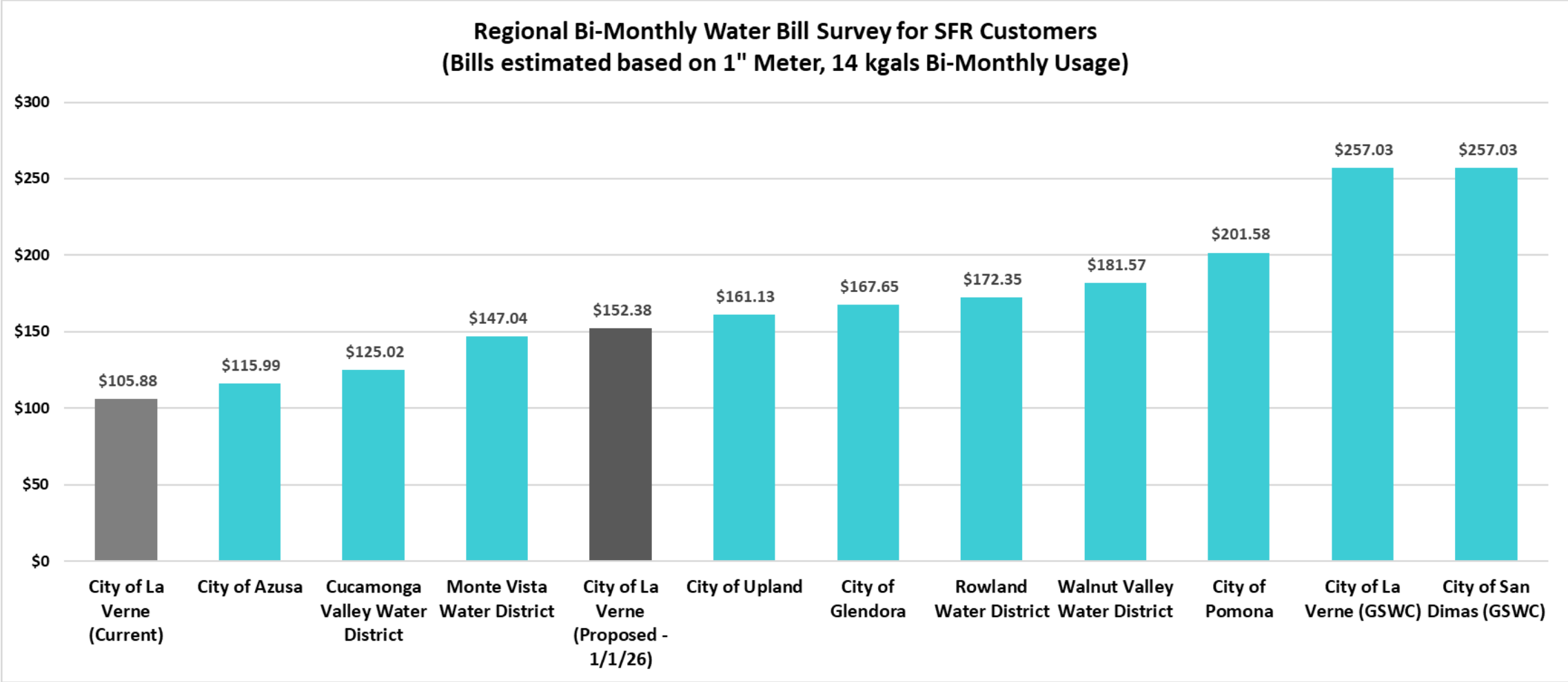


# WATER – Comparison Chart


**25% INCREASE BI-MONTHLY 1 INCH METER CHARGE  
EFFECTIVE JULY 1, 2026**



# WATER – Comparison Chart

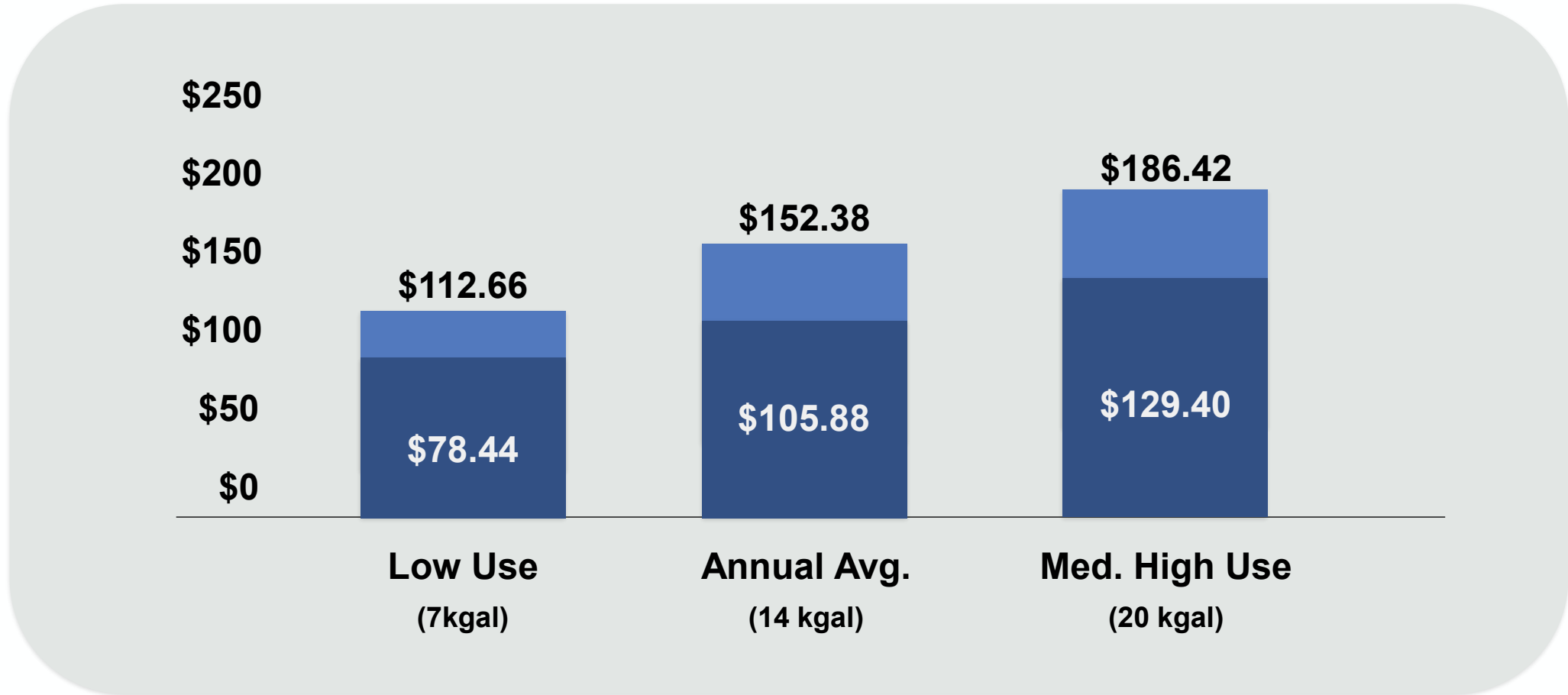


Agency rates shown current as of July 1, 2025.

An aerial photograph of a city, likely Los Angeles, with a blue overlay and wavy patterns. The text is centered in the upper half of the image.

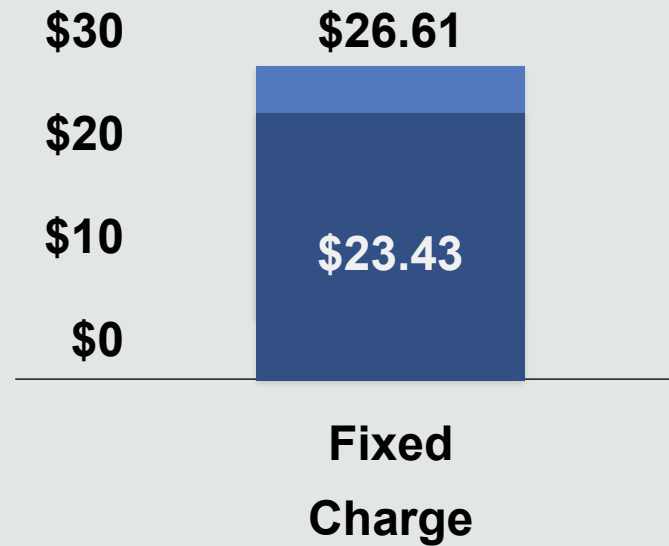
# Sample Bill Impacts: Single Family Residential

# Bi-Monthly Water Bill Impacts



-  2025 Rates
-  With 2026 Rates (Proposed)

# Bi-Monthly Sewer Bill Impacts



- 2025 Rates
- With 2026 Rates (Proposed)

# Your Right to Object and/or Protest

**Two options under California law for residents to formally oppose proposed rate increases:**



**Objection** – claims rates don't follow the law



**Protest** – formal opposition to adoption



**Both** must be in writing



# Your Right to Object and/or Protest

## Filing an Objection



- Written explanation of non-compliance
  - Due by 4 p.m., October 27, 2025
  - Submit by mail, in person, or email
  - Preserves right to legal challenge
- 
- **Mailing Address:**  
City Clerk – Utility Rates Objection  
City of La Verne  
3660 D Street  
La Verne, CA 91750



# Your Right to Object and/or Protest

## Filing a Protest



- Written opposition to the rates
- Must include: name, address, signature
- One Protest per property
- Due by close of Public Hearing: Nov. 3, 2025
  
- **Mailing Address:**  
City Clerk – Utility Rates Objection  
City of La Verne  
3660 D Street  
La Verne, CA 91750



# Your Right to Object and/or Protest

## What Happens Next with Protests



- **Majority Protest (50% + 1):** Rates cannot be adopted
- **No majority:** Council may adopt
- **If adopted:** New rates start Jan. 1, 2026



# Two More Items

## Drought Surcharges Remain In Effect



## Importance of Water Conservation



# Three More Items

Water Conservation | La Verne, CA

https://www.laverneca.gov/307/Water-Conservation

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CITY OF LAVERNE

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## WATER CONSERVATION

In Southern California, we don't have enough water in some parts of the region to meet normal demands. Every drop we save today counts. [Metropolitan Water District](#) (MWD) and local water districts are taking extraordinary efforts to ensure we have what we need in the coming months. Now is the time to dramatically reduce your water use. For information on water efficiency rebates currently available, please visit the [Rebates](#) portion of our website.

### CONSERVATION IS THE CALIFORNIA WAY OF LIFE

California has adopted a new statewide regulation that makes water conservation a permanent part of how we live and work. Here's what it means for our community:

#### WHAT THE REGULATION REQUIRES

- **Indoor Water Use** – Families are encouraged to use water efficiently inside the home.
- **Outdoor Watering** – Landscaping should be watered based on the type of plants and local climate.
- **Leaks and Water Loss** – Cities and water agencies must reduce wasted water from leaks and pipes.
- **Businesses and Institutions** – Schools, parks, and businesses must use water wisely too.

Select Language Google Translate



# Public Resources

**Website:** [www.laverneca.gov/ratestudy](http://www.laverneca.gov/ratestudy)

- FAQs
  - Videos
  - Presentations
  - Community Info Sessions
    - Virtual and in-person
  - City Council Workshop
  - Prop 218 Notice
  - Rates Study Report
  - Public Hearing
- Bill Calculator
    - [www.laverneca.gov/ratestudy](http://www.laverneca.gov/ratestudy)



Scan to access  
bill calculator



# Summary

- Cities and utility agencies perform rate studies to ensure rates keep up with the cost of providing the service.
- Rate studies are conducted to ensure that a utility's financial health is maintained and set a course toward meeting future financial obligations.
- In California, rate setting is guided by Proposition 218.
- Customers and community members are encouraged to provide input in the rate setting process through to the Public Hearing.



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bill calculator



Q & A

