



Frequently Asked Questions

Proposed Water, Recycled Water, and Sewer Rate Adjustment

Why are rates being adjusted?

The proposed rate adjustments are intended to address rising operating costs, aging infrastructure, inflation, evolving regulations, emergency needs, and reserve funding. The City's notice explains that current revenues are no longer adequate to support ongoing operations and the system improvements and maintenance planned over the next 5 to 10 years.

What do my rates pay for?

Utility rates fund the cost of providing service, including operations and maintenance, capital improvements, debt service, reserves, and treatment-related needs. These costs include items such as purchased water, electricity, chemicals, supplies, repair and replacement of pipes, wells, pump stations, and other essential facilities.

When would the new rates take effect?

If adopted by the City Council, the proposed rate adjustments would take effect on July 1, 2026, with annual local rate adjustments on January 1 of each year from 2027 through 2030.

How much could my bill change?

First-year examples for a typical 5/8-inch single-family residential meter. A customer using 16 HCF over a two-month billing cycle would see an estimated increase of \$3.22; a customer using 36 HCF would see an estimated increase of \$5.58; and a customer using 47 HCF would see an estimated increase of \$7.01. Actual bill impacts will vary depending on meter size and water use.

What happens if rates are not adjusted now?

Current rates are not sufficient to sustain the utility enterprise funds. Without adjustments, the City may need to defer critical infrastructure investment and maintenance, increasing the risk of service interruptions, higher long-term costs, and possible regulatory consequences.

How are rates determined?

The rates are based on a cost-of-service study that evaluates projected operating costs, capital needs, debt service, and reserve targets for the water and wastewater systems. The goal is to establish rates that are equitable, financially sufficient, and consistent with the cost of providing service.

Does the City make a profit on water or sewer service?

No. Under state law, utility rate revenues may only be used to fund the cost of providing service, including operations, maintenance, capital improvements, debt service, and reserves.

How are the utilities funded?

The water and sewer utilities are funded primarily through customer rates and charges. The notice explains that the majority of funding needed to operate and invest in these systems comes directly from the rates customers pay for service.

Will future wholesale increases be passed through to customers?

Possibly. The proposed rates include projected costs from wholesale service providers, including IEUA. If actual wholesale increases exceed those assumptions, the City may pass through those added costs, subject to the limits stated in the notice and only to the extent permitted by law.

Proposition 218 and Customer Rights

What is Proposition 218?

Proposition 218 is the California constitutional process that governs certain utility rate adjustments. It requires notice to affected property owners, a public hearing, and an opportunity to submit written protests before rates may be adopted.

When is the Public Hearing?

The Public Hearing is scheduled for Monday, June 8, 2026, at 6:00 p.m.

What are my rights if I want to oppose the proposed rates?

The notice provides two separate written processes: a Protest, which is part of the Proposition 218 majority protest process, and an Objection, which is used to preserve the ability to later challenge the rates on legal grounds. These processes have different purposes and different deadlines.

What is the difference between a Protest and an Objection?

A Protest is a written statement opposing the proposed rates and is counted toward the majority protest process. An Objection is a separate written submission that identifies the specific legal grounds on which a person believes the proposed rates do not comply with Proposition 218.

How do I file a Protest?

To be counted, a written Protest must state opposition to the proposed water rates, sewer rates, or both; identify the property; and include the required name and signature information. Protests must be submitted to the City Clerk by the deadline stated in the notice. Oral comments at the hearing do not count as formal Protests.

How do I file an Objection?

To preserve the ability to later challenge the rates, a written Objection must identify the property, include the required name and signature information, and state the specific grounds for alleging noncompliance with Proposition 218. Written Objections must be received by the City Clerk by 4:00 p.m. on Monday, May 18, 2026.

Where do I send a Protest or Objection?

Protests and Objections must be submitted to the City Clerk, ATTN: Utility Rates Protest or Objection, City of Upland, 460 N. Euclid Ave., Upland, CA 91786, as stated in the notice.

What is a majority protest?

A majority protest exists if valid written Protests submitted and not withdrawn represent a majority of the parcels receiving the applicable service. The notice explains that this determination is made separately for the proposed water rates and the proposed sewer rates.

What happens if there is a majority protest?

If a majority protest exists for the proposed water rates or the proposed sewer rates, the City Council cannot adopt those proposed rate adjustments.

Comments and questions can be submitted to Richard Gonzales, Deputy Public Works Director, at **909-291-2966** or at **rgonzales@uplandca.gov**.

