



City of Westmorland
P. O. Box 699
355 South Center Street
Westmorland, CA 92281
(760) 344-3411

Name
Address
City, State ZIP

NOTICE OF PUBLIC HEARING ON PROPOSED ADJUSTMENTS TO WATER AND SEWER RATES

**Wednesday, April 1, 2026 at 6:00 pm
in the Council Chambers at 355 South Center St, Westmorland, CA 92281**

You are receiving this notice as property owner within the City of Westmorland (City). The City Council will hold a public hearing on April 1, 2026 to hear public input and to consider and potentially approve water and sewer (wastewater) rate changes for the next five years.

Background

The City of Westmorland provides water and sewer service to over 500 service connections including single family residences, apartments, businesses, and schools throughout the City. The City's Water and Sewer Funds are self-supported from rate revenues and do not receive tax revenues to fund their operations.

The City has been very successful in pursuing grant funding for water system improvements. Westmorland will receive over \$11 million for treatment upgrades and the installation of water meters. As part of the funding process, the City was required to conduct a rate study to ensure that it has funds available for operations and maintenance costs that are not covered by the grant. The proposed rates are based on a comprehensive cost of service study that calculates water and sewer rates over the next five years, beginning July 1, 2026. The proposed rates do not exceed the proportional cost of the service attributable to each parcel. Rate structure adjustments are also proposed to better align with industry standard practices, improve customer understanding, and implement metered water rates. The study upon which the rates are based is available for review on the City's website.

Why are rate increases needed?

Rate increases are needed for both the water and sewer utilities to fund operating and maintenance expenses, infrastructure improvements that will not be funded by grants, and to maintain emergency reserves. For example, the City plans to spend about \$440,000 over the next five years to purchase new water pumps, vehicles, and other equipment.

Current sewer rate revenues are no longer sufficient to cover operating expenses, and the Sewer Fund is expected to draw down reserves this year to cover costs. Rate increases are needed to cover these expenses as well as replace about \$150,000 of equipment over the next five years. It is also anticipated that the City will take on a low-cost loan in about five years to conduct critical improvements to the wastewater treatment plant, resulting in a new expense of about \$100,000 in annual debt payments.

Current Billing Method

The City is largely unmetered and residential customers are billed flat (fixed) rates for water and sewer service. The current rate structure assigns a number of equivalent dwelling units (EDUs) to each residence or business. The number of EDUs is then multiplied by the current rate to calculate customer fixed charges. Commercial customers are metered and are billed an excessive use rate for any water use above 16 thousand gallons per EDU per month. Table 1 provides the number of EDUs assigned to each customer class for water and sewer service. Each single family home or residential dwelling unit is assigned 1 EDU. Commercial customers are typically assigned multiple EDUs to reflect their higher use of the systems in comparison to one residential dwelling unit. If you have questions about your customer class or current assignment of EDUs, please contact the City.

Table 1: Current EDU Assignments

Land Use	Water EDUs	Sewer EDUs	Billing Unit
Residential Dwelling Units	1.00	1.00	per dwelling unit
Grocery / Liquor Store / Retail	0.24	0.39	per 1,000 sq. ft
Truck Stops / Cafes / Restaurants	0.73	1.18	per 1,000 sq. ft
Motels	0.30	0.49	per room
Bars & Pool Halls	0.85	1.38	per 1,000 sq. ft
Laundromats	0.85	1.36	per washer
Light Industrial	0.31	0.50	per 1,000 sq. ft
Warehouse	0.05	0.08	per 1,000 sq. ft
Service Stations	1.04	1.87	per station
Schools	0.33	0.43	per 1,000 sq. ft
Churches / Public Halls	0.12	0.19	per 1,000 sq. ft
Public Facilities	0.29	0.39	per 1,000 sq. ft
Bulk Water Sales	1.00	1.38	per 16,000 gallons

EDU – equivalent dwelling unit

Proposed Water Rate Structure Changes

The first water rate change beginning July 1, 2026 is proposed to be an inflationary adjustment to the current rates. The number of EDUs assigned to each customer is not proposed to change. Beginning August 2026 and into 2027, the City will install residential water meters and provide usage data to customers. Beginning July 1, 2027, a new, fully metered rate structure is proposed to go into effect. This change will modernize the rate structure, better align with industry standard practices, and recover costs in a manner that is more proportional to how customers use the utilities.

Commercial customers are proposed to be charged a fixed fee based on meter size. Residential customers are proposed to be charged a base fee that is billed per dwelling unit. The base fee is proposed to include

an allotment of water usage which varies by customer class as shown in Table 2. Any usage above each customer's base allotment is proposed to be billed an excessive use rate charged per thousand gallons of metered water use. For single family residential customers, the proposed allotment included in the base fee is 15 thousand gallons per month. For multifamily residential customers, the proposed usage allotment included in the base fee is 8 thousand gallons per month per dwelling unit.

Proposed Sewer Rate Structure Changes

For sewer service, most customers are proposed to continue to be billed fixed charges for service. Single family residential and commercial customers will be billed the same fixed charge per dwelling unit or per business. However, it is proposed that new customer classes be created for multifamily residential customers and for schools. Multifamily residential customers are still proposed to be billed per dwelling unit, but at a lower rate to reflect their lower average usage of the sewer system in comparison to single family customers. Schools are proposed to be billed a fixed rate per student. A new flow fee is proposed for commercial customers which will be a volumetric charge billed per thousand gallons (based on metered water usage) for all indoor usage above 6,000 gallons. It is recommended that customers with large irrigation water usage install a dedicated irrigation meter to ensure that no irrigation water usage is billed the sewer flow rate.

Proposed Monthly Rates

Table 2 and Table 3 list the current and proposed water and sewer rates, respectively. If adopted, new rates would go into effect July 1 of each year from 2026 to 2030. The bill impacts to each customer will vary based on customer class and water usage. For a single family residential customer, the current monthly water bill is \$75.60 (1 EDU) and the proposed July 1, 2026 water bill is \$77.87, an increase of \$2.27. The current monthly sewer bill is \$43.03 (1 EDU) and the proposed July 1, 2026 single family bill is \$44.00, an increase of \$0.97. If you would like additional information on how the proposed changes in water and sewer rates will affect your monthly bill, please contact the City at (760) 344-3411.

Senior Discount

Beginning July 1, 2026, the City will offer a discount of 10% off the total water and sewer utility bill for seniors aged 65 or older. To qualify for the discount, the utility billing account must be in the senior's name (not a family member) and the service address must be a single family home. The account holder must provide proof of age. To apply for the program, please contact the City at (760) 344-3411.

How do I file a protest or participate in the public hearing?

Proposition 218 provides that "Property Related Fees" such as the water and sewer rates the City is proposing to adjust are subject to a "majority protest" process. Any property owner may submit a written protest of the proposed rates; provided, however, that only one protest will be counted per property. If protests are filed on behalf of a majority of the properties subject to the rates, the City cannot adopt the proposed rates. Please see page 5 of this notice for a detailed description of how to submit a written protest to the proposed rates.

Table 2: Current and Proposed Monthly Water Rates

CURRENT		PROPOSED						
		FY2027	Water Included in Customer Class Base Fee (1,000 gal)		FY2028	FY2029	FY2030	FY2031
All Customers	Base Fee	July 1, 2026	Customer Class	Base Fee (1,000 gal)	July 1, 2027	July 1, 2028	July 1, 2029	July 1, 2030
Rate per EDU	\$75.60	+3%	Multifamily (per dwelling unit)	8	\$53.38	\$57.25	\$61.40	\$65.85
For EDU information see Table 1 on this notice		\$77.87	Single Family (per dwelling unit)	15	\$82.08	\$88.03	\$94.41	\$101.25
			Commercial Meter Size					
			3/4"	15	\$82.08	\$88.03	\$94.41	\$101.25
			1"	25	\$136.80	\$146.72	\$157.36	\$168.77
			1 1/2"	50	\$273.60	\$293.44	\$314.71	\$337.53
			2"	80	\$437.76	\$469.50	\$503.54	\$540.05
			3"	160	\$875.52	\$939.00	\$1,007.08	\$1,080.09
Excessive Use Rate (\$/1,000 gallons)			Excessive Use Rate (\$/1,000 gallons)					
Rate for use over 16,000 per Non-residential EDU	\$4.65	\$4.79	Rate for use over the amounts shown above for all customers		\$4.10	\$4.40	\$4.72	\$5.06

Table 3: Current and Proposed Monthly Sewer Rates

CURRENT		PROPOSED						
		Customer Class	FY2027	FY2028	FY2029	FY2030	FY2031	
All Customers	Base Fee		July 1, 2026	July 1, 2027	July 1, 2028	July 1, 2029	July 1, 2030	
Rate per EDU	\$43.03	Multifamily Total Fee	\$34.66	\$37.77	\$42.68	\$48.44	\$54.98	+9.0% +13.0% +13.5% +13.5%
For EDU information see Table 1 on this notice		Single Family Total Fee	\$44.00	\$47.96	\$54.19	\$61.51	\$69.81	
		School per Student	\$1.35	\$1.47	\$1.66	\$1.88	\$2.13	
		Commercial Base Fee	\$44.00	\$47.96	\$54.19	\$61.51	\$69.81	
		Commercial Flow*	\$5.47	\$5.96	\$6.73	\$7.64	\$8.67	
		(*over the first 6,000 gallons of metered water use)						

EDU – equivalent dwelling unit. Non-residential customers are currently assigned EDUs based on their estimated water consumption or sewer flow and land use. Residential customers are assigned 1 EDU per dwelling unit.

How to Participate

The proposed rate increases are governed by section 6 of Article XIII D of the California Constitution (Proposition 218), Government Code sections 53751 et seq. and 53759 et seq., and related laws. Property owners subject to the proposed rates may participate in this ratemaking in a variety of ways. More information and the Rate Study Report are on the City's website at <https://www.cityofwestmorland.net/> or you can call (760) 344-3411.

The City will hold a public hearing on April 1, 2026, to receive public comment, including any written protests to the proposed rates. Any property owner may submit one written protest per parcel. Immediately following the close of the public hearing on April 1, 2026, protests will be counted and validated. If valid protests are submitted for a majority (50% plus 1) of the parcels subject to the proposed rate increases, the City Council will not adopt the rates.

Every written protest MUST include ALL of the following to be counted:

1. A statement that it is a protest against the proposed water rates, sewer rates, or both;
2. Name of the property owner who is submitting the protest;
3. Identification of the assessor's parcel number or street address (service address) of the property for which the protest is made; and
4. An original signature of the property owner who is submitting the protest.

Written protests may be submitted by:

1. Mail to: Prop 218 Protest, P. O. Box 699 - 355 South Center St, Westmorland, CA 92281; or
2. In-person delivery during normal business hours at 355 South Center St, Westmorland, CA 92281; or
3. In-person delivery at the Public Hearing, before the end of the Public Hearing.

Regardless of how the written protest is submitted, it must be received by the City before the end of the public hearing to be held on April 1, 2026, beginning at 6:00 p.m. at 355 South Center Street (City Council chambers), Westmorland, CA 92281. (Postmark dates will not be accepted.) To ensure protests are genuine, they will not be accepted by e-mail or other electronic means. Please identify on the front of the envelope for any written protest, whether mailed or submitted in person to the City, that the enclosed protest is for the Proposition 218 Protest. Oral comments at the Public Hearing will not qualify as formal protests unless accompanied by a written protest, but the Council welcomes all public input.

At the end of the public hearing, written protests will be counted in public view. Only one written protest per parcel in the City's service area (i.e. address/assessor parcel number) will be counted. If valid written protests are not submitted for a majority (50% plus 1) of the properties subject to the fees, the Council may adopt the proposed rates. The first rate change, if approved, will take effect on or after July 1, 2026.

Pursuant to California Government Code 53759, a 120-day statute of limitations applies to any legal challenge to a new, increased, or extended fee adopted by the City Council pursuant to this notice. If you challenge this proposal in court, you may be limited to raising only those issues you, or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City Clerk at, or prior to, the public hearing.