

LA County Public Works:

PROPOSED RATE INCREASE

Frequently Asked Questions

HOW IS LOS ANGELES COUNTY WATERWORKS DISTRICTS (LACWD) FUNDED?

The LACWD and its water system is primarily funded by the water rates paid by customers. Paying your water bill helps keep the system operating safely and reliably for your community.

WHAT DO MY WATER RATES PAY FOR?

Revenues collected through water rates and charges support critical water infrastructure, including hundreds of miles of water pipelines, groundwater wells, and tanks. Water rates fund operations, maintenance, repairs, water purchases, water quality monitoring, pumping, emergency reserves, and necessary capital improvement projects. In short, rates pay for everything that is required to ensure the reliable delivery of high-quality water to homes and businesses.

WHY ARE RATE CHANGES NEEDED?

LACWD is proposing a general rate increase to cover the full cost of operating and maintaining the water system, upgrade aging infrastructure, and help ensure there are enough reserve funds for emergencies and future needs. Currently, revenues are not sufficient to ensure ongoing reliable service. New rates will help LACWD to continue providing safe, reliable water service to your community. While LACWD has implemented annual pass-through adjustments to reflect inflation and higher wholesale water costs, the proposed general rate increase is needed to cover increased costs related to infrastructure improvements, operational costs, and water supply reliability.

DIDN'T MY RATES JUST CHANGE?

On May 1, 2025, water rates were adjusted to keep up with inflation and the costs of purchasing water from suppliers. The Inflationary Pass-Through Adjustment is calculated annually based on the annual increase in the Consumer Price Index determined by the United States Department of Labor, Bureau of Labor Statistics, for our region including Los Angeles, Riverside, and Orange counties. Additionally, a significant component of the cost of delivering water to customers is a product of the rates imposed on LACWD and the Marina del Rey Water System for purchased water, including from the Antelope Valley-East Kern Water Agency, Los Angeles Department of Water and Power, Santa Clarita Valley Water Agency, and West Basin Municipal Water District.

WHY ARE SOME DISTRICTS EXPERIENCING HIGHER RATE INCREASES THAN OTHERS?

Each District has different costs and challenges related to water supply, system maintenance, and day-to-day operations. Additionally, each District has its own distinct funds, and funds are not intermingled between Districts. We understand that rate changes may be difficult for some customers, but they are necessary to continue delivering reliable water service. To assist customer with controlling costs, LACWD has several water conservation programs available to assist with reducing water use. Conservation program information is available at <https://pw.lacounty.gov/core-service-areas/water-resources/waterworks-districts/water-conservation/>.

WHEN WAS THE LAST TIME THE LACWD INCREASED ITS RATES?

Most Districts have not had a general rate increase since 2012. While annual pass-through rate adjustments have helped cover inflation and increased cost of purchased water, they have not fully recovered the entire cost of operating and maintaining the water system, meeting reserve targets, or funding necessary improvement to aging infrastructure. Failing to properly maintain infrastructure may result in an increased risk of water main breaks, greater need for infrastructure repairs, or other system failures, which can negatively impact customer service by disrupting service to customers.

HOW WILL I BE NOTIFIED OF PROPOSED CHANGES TO MY WATER RATES?

Customers are being notified via a Public Notice of a Public Hearing to consider proposed rates. This Notice is required by California Proposition 218, which is mailed no less than 45 days before the Public Hearing. This Notice provides the hearing date, proposed rates, and procedures for the public's right to protest proposed rates.



WHAT IS THE TIMELINE FOR IMPLEMENTING NEW RATES?

If the Board adopts new rates, they will take effect on January 1, 2026 and will be increased each January 1 through 2030 up to the amounts set forth in the Notice.

HOW ARE PROPOSED RATES CALCULATED?

Proposed rates were calculated based on an in-depth analysis of the cost of providing water service, in addition to review of LACWD current finances as well as the ways customers use water and related impacts on cost. The study was conducted by an independent financial consultant. The rate study evaluated revenue requirements by comparing expenses and revenues within each District. Expense projections were based on current operation and maintenance and capital budgets, reserve funding needs, and loan repayments, as applicable.

Setting new rates is a collaborative effort involving staff with key data and expertise, professional rate consultants who analyze and recommend solutions, engaged residents and customers, and elected leaders. Proposed rates were determined through evaluation and analysis of cost escalations related to operations and maintenance, water treatment and distribution, capital project costs, general inflation, and cost increases for materials and power. Ultimately, the County Board of Supervisors reviews the financial plan, rate study, staff recommendations, and public input before making the final decision.

HOW CAN CUSTOMERS PARTICIPATE IN THE RATE INCREASE PROCESS?

Property owners and water account holders may participate in several ways, including coming to public meetings, the Public Hearing, providing oral or written testimony, submitting a protest against the proposed rates, or submitting a legal objection identifying a perceived legal problem with the rates. These options are explained in the Notice, which is being mailed at least 45 days prior to the public hearing. The Board of Supervisors will consider all comments, protests, and objections, and will be prohibited from adopting proposed rate increases if the owners of a majority of the separate parcels subject to the proposed rates submit a written protest.

HOW DO I PROTEST WATER RATE INCREASES?

The Public Notice mailed to property owners and customers includes specific procedures to submit a written protest. Generally, to protest a proposed water rate increase, you must submit a written protest before or during the public hearing. Written protests must include:

- A statement that you are protesting the proposed rates;
- The address or parcel number of the property receiving service; and
- Your printed name and signature.

Only one written protest will be considered for each parcel. Written protests must be received before the close of the public hearing on the proposed rate increase. Late submissions will not be counted. The public notice specifies submittal locations (EX: a mailing address or drop-off location). Verbal comments during the public hearing do not count as official protests. If a majority protest exists (50%+1), proposed rates cannot be adopted at that time.

WHAT IS THE DIFFERENCE BETWEEN A WRITTEN PROTEST AND A WRITTEN OBJECTION?

In California, a **written protest** to proposed water rates is a formal, countable statement submitted by a property owner to oppose the rate change under Proposition 218. It must include specific information—such as the parcel address, a signature, and a clear statement of protest—and is used to determine if a majority protest exists, which can block the rate increase. A **written objection**, on the other hand, must include specific grounds for alleging noncompliance of the proposed rates with Proposition 218. This is known as an **Exhaustion of Administrative Remedies** requirement and is separate from the Proposition 218 majority written protest process. Pursuant to California Government Code Sections 53759.1 and 53759.2, a person or entity will be prohibited from bringing a judicial action or proceeding alleging that the proposed rates do not comply with Proposition 218 unless that person or entity has submitted a written objection to the proposed rates within the objection period. The public has a minimum of 45 days to submit a written objection ahead of the public hearing. The County will consider and respond in writing to all timely written objections to become part of the County's administrative record. Procedures for submitting a written objection will be included in the public notice and posted to the County's rate study webpage.



HOW CAN I FIND A SPANISH TRANSLATION OF THE NOTICE?

We recognize the importance of providing accessible information to all members of our community, especially in areas with a significant number of Spanish-speaking residents. The Spanish version of the Notice is available on our website ([Proposition 218 - LA County Public Works](#)), or customers may call our Spanish-speaking customer service representatives who can assist with translation and answer any questions. Our goal is to maintain transparency and ensure that all residents have the opportunity to understand important information about their water rates.

WHAT ARE THE CONSEQUENCES IF WE DO NOT CONTINUALLY INVEST IN OUR WATER SYSTEMS?

Water is a core, critical service necessary for a healthy community. If rates are not raised, the LACWD would need to review the pressing needs of its aging utility systems and prioritize those that are most critical to ensure public and environmental health.

LACWD would need to defer major infrastructure projects, which would leave the existing systems vulnerable. Deferring until later will only guarantee higher costs and potentially increased regulatory oversight by permitting agencies. Proactive investment keeps water services affordable and reliable now and into the future.

DOES LACWD EARN A PROFIT?

No. By law, we cannot charge customers more than it costs to provide the service. The County's public utility systems are owned by customers and governed by the Board of Supervisors; we do not have shareholders or pay dividends.

IS REVENUE FROM WATER RATES USED ON OTHER COUNTY PROJECTS?

No. Revenues from rates collected for water services can only be used for the water utility. For example, monies collected through rates cannot be used for any other purpose, such as to fund libraries, parks, or public safety.

WHERE CAN I GET MORE INFORMATION?

Rate-related information is available at [Proposition 218 - LA County Public Works](#). The Water Rate Study Report and Proposition 218 Notice announcing the Public Hearing are posted on the website. Additionally, the community is invited to attend an upcoming meeting to learn more about proposed rate changes and provide feedback. A calendar of meetings is listed on our website, above.



Scan QR Code to visit website or go to pw.lacounty.gov/go/Prop218-WWD



For additional questions and comments, please contact us at
waterworkscustomerservice@pw.lacounty.gov
Hotline: (877) 637-3661

For emergencies, please contact Public Works' 24/7 emergency line
at **1-800-675-HELP (4357)**

