



Proposition 218 Notification

NOTICE TO PROPERTY OWNERS OF PUBLIC HEARING ON PROPOSED INCREASE TO WATER RATES

Hearing Date: June 1, 2026
Time: At or after 6:30 PM
Location: City of Oakdale Council Chambers
277 N. 2nd Ave, Oakdale, CA 95361

Why Are You Receiving This Notice?

This notice is being furnished to you by the City of Oakdale (City) pursuant to the California Constitution Article XIII D (also known as "Proposition 218"). Under Proposition 218, the City is required to notify property owners of proposed changes to property-related fees such as water service. This letter serves as notice that the City will hold a public hearing on June 1, 2026, to consider changes to its current water rates.

Why Is The Rate Change Required?

The City recently completed an analysis of the capital project requirements of the water system. The utility requires extensive investment, primarily in the replacement and repair of aging pipes and other equipment, in order to maintain a safe and reliable system. These replacements will be funded primarily with water rate revenues, financial reserves, and fees paid by new development connecting to the system.

What Do Water Rates Fund?

The City provides water service to over 8,400 customers (residential and commercial) within the city limits. The water system is an enterprise fund and must be financially self-sufficient. Monthly rates paid by users of the systems are the primary source of revenue. All revenue generated from your water bill is used to maintain and operate the water system; it is not used for other general government purposes. These revenues must meet costs such as purchasing raw water, electricity, chemicals, maintenance, and salaries and benefits for utility staff. Additionally, revenue generated from these rates is used to fund the replacement of water system assets identified in the City's capital improvement program to rebuild aging components of the system.

Proposed Water Rates

The proposed rates would maintain the uniform rate per unit of water used (1 Unit = 748 gallons or One Hundred Cubic Feet "HCF") for City customers. All users will pay ascending charges by meter size installed at the customer's premises. The proposed rates are structured to meet the increasing costs of operations, maintenance, and infrastructure over the next five (5) years. The proposed rates would go into effect July 16, 2026. Subsequent year rate increases of approximately 4.4% will be implemented, as stated in the table on the following page.

Impact on Your Bill

For a typical single family home that uses 15 hundred cubic feet (HCF) of water per month, the water portion of your bill would increase from \$47.94 per month currently to \$49.61 per month under the new rates for July 16, 2026. Lower users of water and users who conserve water from their current levels will see smaller increases.

Current and Proposed Water Rates

	Current Rate	July 16, 2026	July 16, 2027	July 16, 2028	July 16, 2029	July 16, 2030
Meter Size		Fixed Charge (\$ per month)				
5/8 thru 1 inch	\$15.69	\$16.16	\$16.84	\$17.55	\$18.29	\$19.06
1-1/2 inch	\$16.65	\$17.43	\$18.17	\$18.94	\$19.74	\$20.57
2 inch	\$19.28	\$20.94	\$21.83	\$22.76	\$23.72	\$24.73
3 inch	\$38.66	\$46.74	\$48.79	\$50.88	\$53.06	\$55.33
4 inch	\$45.84	\$56.30	\$58.78	\$61.29	\$63.92	\$66.67
Fireline Size		Fixed Charge (\$ per month)				
2 inch	n/a	\$4.40	\$4.60	\$4.81	\$5.03	\$5.26
3 inch	n/a	\$12.79	\$13.37	\$13.98	\$14.61	\$15.27
4 inch	n/a	\$27.26	\$28.50	\$29.79	\$31.14	\$32.55
6 inch	n/a	\$79.18	\$82.77	\$86.53	\$90.45	\$94.55
8 inch	n/a	\$168.74	\$176.39	\$184.39	\$192.75	\$201.50
10 inch	n/a	\$303.46	\$317.22	\$331.60	\$346.63	\$362.36
		Variable Charge (\$ per HCF)				
All Customers	\$2.15	\$2.23	\$2.33	\$2.44	\$2.55	\$2.66

HOW TO PROTEST THE PROPOSED RATES

The following persons may submit a written protest against the Proposed Water Rate Increase to the City Clerk before the close of the Public Hearing.

- An owner(s) of property (parcel(s)) (“owner of record”) receiving water service from the Oakdale Water System. If the person(s) signing the protest, as an owner, is not shown on the last equalized assessment roll as the owner of the parcel(s) then the protest must contain, or be accompanied by, written evidence that such person signing the protest is the owner of the parcel(s) receiving water service;
- Tenant(s) of property (parcel(s)) (“tenant”) receiving water service from the Oakdale Water Systems. Tenant protests must contain, or be accompanied by, written evidence that such person signing the protest is a tenant of the parcel(s) receiving water service.

A valid written protest must include:

1. A statement that it is a protest against the proposed water rate increase;
2. The name of the record owner or tenant;
3. The identity of the affected parcel by assessor’s parcel number or service address;
4. An original signature (not photocopy, email, or fax copy) of the record owner or tenant of the identified parcel; AND
5. The date the written protest is signed.

One written protest per parcel shall be counted in calculating a majority protest. Written protests will not be accepted by email or by fax. Verbal protests will not be counted in determining the existence of a majority protest.

Written protests regarding the water rate increase may be delivered to the City of Oakdale Finance Department Office located at 285 N. 3rd Ave, placed in the City's payment drop-box located in front of the Oakdale Finance Department Building at 285 N 3rd Ave, or mailed to:

City Clerk, City of Oakdale, 285 N. 3rd Ave, Oakdale, CA 95361

or in person at the public hearing on the date and time specified above, until the close of the public hearing. No postmarks will be accepted; therefore, any written protest not actually received by the close of the Public Hearing, whether or not mailed prior to the Public Hearing, will not be counted. Protests submitted by email will not be accepted.

A representative may sign the written protest on behalf of an owner of record or a tenant provided the representative attaches to the written protest, written documentation/authorization, with original signature, to act in such capacity. Any interested party or their representative may submit comments via email to CityClerk@oakdaleca.gov by 9:00 a.m. on the day of the hearing for inclusion in the record of the hearing. All comments received by email will be transmitted to the City Council or read at the hearing.

If valid written protests are presented by a majority of owners of record and/or tenants of parcels receiving water service within the City of Oakdale's Water System, then the City will not adjust/increase the water rates. Only one protest per parcel will be counted in determining whether or not a majority protest exists.

Exhaustion of Administrative Remedies - Written Objections

How do I preserve my ability to judicially challenge the proposed water rates?

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 water rates do not comply with Article XIII D of the California Constitution (Proposition 218) unless that person or entity has timely submitted a substantive Written Objection to the proposed water rates. This is known as an Exhaustion of Administrative Remedies requirement and is separate from the Proposition 218 majority protest against the amounts of the rates through the process described above.

To exhaust your administrative remedies, your Written Objection must be submitted to the City not later than 5:00 pm on June 1, 2026, and include the specific grounds for alleging that the proposed rates do not comply with Article XIII D of the California Constitution. The City will respond to each timely Written Objection that raises a substantive issue.

Written Objections may be mailed to the City Clerk at 285 N. 3rd Ave, Oakdale, CA 95361, emailed to the City at CityClerk@oakdaleca.gov, or hand delivered to the Oakdale Finance Department Office at the City at 285 N. 3rd Ave. However, delivered, Written Objections must be received by the City by 5:00 pm on June 1, 2026. Note that this deadline for submitting a Written Objection is earlier than the deadline for submitting a Written Protest to provide the City with time to respond. A failure to file a timely objection in writing bars any right to challenge the proposed rates through a legal proceeding. The City will respond in writing to all Written Objections received by the deadline and the City Council will consider timely objections and responses during the public hearing.

A Written Objection that also complies with the requirements for a Written Protest (see “How to Protest The Proposed Water Rate Increases” above) will also be counted as a Written Protest in determining whether a majority protest exists against the proposed water rate increases.

Statute of Limitations for Challenging The Proposed Water Rates

If the City Council adopts the proposed water rates, then pursuant to California Government Code Section 53759, there will be a 120-day statute of limitations for judicially challenging the water rates that runs from the date the City adopts a resolution approving the water and wastewater rates.

AVAILABILITY OF STUDIES, REPORTS, AND INFORMATION

Additional information and analysis on the proposed water rates is available in the Water and Wastewater Rate Study, April 2026.. This report is available for review at the City’s Finance Department offices located at 285 N. 3rd Ave, Oakdale and on the City’s website at www.oakdalegov.com. Not later than May 29, 2026 the agenda, staff report, and proposed resolutions will also be available on the City’s website. In addition, customers may contact the Finance Director at (209) 845-3571 during business hours for further information about the proposed rates.

Questions? Please call the Finance Department Office at (209) 845-3571.

PUBLIC HEARING

A Public Hearing for the Proposed Water Rate Increases will be held on:

June 1, 2026 at 6:30 PM

Oakdale City Council Chambers

277 N. 2nd Ave, Oakdale

At the public hearing the City of Oakdale City Council will consider all public comment in support and in opposition of the Water Rate Increase, any substantive objections submitted prior to the deadline, and whether or not a Majority Protest exists. If approved, the Water Rate Increase would become effective July 16, 2026. A legal challenge, if any, will be limited to the issues raised at the public hearing.