

1. Water Rate Study Informational Workshop

Recommendation:

No action is requested at this time. Staff recommends that the Board of Directors receive the presentation from Bartle Wells Associates, discuss the preliminary findings of the 2026 Water Rate Study, and provide direction to staff as appropriate.



Item Number: 1

City Council / Board of Directors

Written Communications

Meeting of: April 27, 2026

Submitted By:

Doug Mathews, Director of Public Works and Water

Subject:

Water Rate Study Informational Workshop

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Fiscal Impact:

There is no fiscal impact associated with this item. This item is for information purposes only and a separate intent meeting and public hearing is required per the Proposition 218 formal rate adoption process.

Strategic Plan Goal:

The 2026 Water Rate Study is being conducted as a cost-of-service analysis to evaluate proposed future water rates. This study supports Goal A: Financial Sustainability by ensuring that any future rate adjustments are reasonable, transparent, and aligned with projected operational and system needs. It also advances Goal E: Invest in Infrastructure by identifying long-term funding requirements necessary to support ongoing capital improvements and maintain a compliant, reliable water system. This informational workshop provides an overview of the study process and how the results will guide future rate recommendations consistent with these strategic priorities.

Background:

On July 20, 2021, the Board of Directors adopted Resolution No. VWD 21-011, establishing new water rates, fees, and charges for a five-year period covering Fiscal Year (FY) 2021/2022 through FY 2025/2026.

As the Victorville Water District (District) is now in the final year of that rate cycle, a new Water Rate Study is required to evaluate projected operational, capital, and financial needs for the next five-year period (FY 2026/2027 through FY 2030/2031).

Concurrent with the rate study, the District is also updating its Water Master Plan (WMP). The WMP identifies future water demand and long-term infrastructure requirements. These identified improvements are reviewed and incorporated into the rate model to ensure adequate funding over the upcoming five years. The WMP update is being completed with assistance from Water Systems Consulting (WSC) and will be presented to the Board for adoption at a later date.

In September 2025, the District, in coordination with the Purchasing Division, issued a Notice Inviting Proposals for the Water Rate Study. Four proposals were received by the October 3, 2025 deadline. Following a committee review, Bartle Wells Associates was selected and awarded the contract.

A Notice to Proceed was issued to Bartle Wells Associates on December 22, 2025, initiating the data collection and analysis phase of the study.

Discussion:

Over the past four months, staff have worked closely with the Bartle Wells Associates team to develop proposed future water rates that ensure sufficient funding to operate and maintain the water system, while continuing to prioritize affordability for District customers.

In light of recent court decisions affecting tiered rate structures (Patz v. City of San Diego), the District is proposing a transition from its current tiered water rate structure to a single-use rate by customer class. This shift is intended to align the District's rate methodology with recent legal findings and to ensure full compliance with Proposition 218 cost-of-service requirements. As a result of this methodology change, some customer classes may experience rate increases while others may see cost reductions.

The purpose of this workshop is to provide the Board with an update on the preliminary findings of the 2026 Water Rate Study and to receive any feedback or direction the Board would like to offer at this stage.

Kim Bohler, from Bartle Wells Associates, will present an overview of the study and its preliminary results. Staff are available to answer any questions.

Prepared By:

Mel Krejckant, Public Works and Water Administrative Manager

Attachments: None