

Bond Case Briefs

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PUBLIC UTILITIES - CALIFORNIA

Toy v. City and County of San Francisco

Court of Appeal, First District, California. - July 24, 2026 - Cal.Rptr.3d - 2026 WL 2131108

Two separate groups of water ratepayers brought separate class actions against city, asserting city's adopted water rates violated rules restricting ability of state and local government to impose taxes and fees by exceeding cost of service and seeking refund, declaratory relief, equitable relief, and writ of mandate.

The Superior Court consolidated actions and granted city's motion for judgment on the pleadings without leave to amend, holding that ratepayers were required to bring reverse validation action and failed to comply with mandatory validation procedures. Ratepayers appealed.

The Court of Appeal held that:

- City did not waive application of statutes requiring use of validation statutes to challenge change to water rates by participating in class actions, and
- Ratepayers lacked good cause for failure to comply with mandatory validation procedures.