



# COUNTY SERVICE AREA 82

## *Searles Valley*

# RATE PRESENTATION

**GREG SNYDER**

DIVISION MANAGER

THURSDAY, APRIL 2, 2026

*"We promote the safety, health and enrichment of the communities we serve by providing essential municipal services along with diverse community-based programs in an efficient and sustainable manner"*



## OVERVIEW

- Special Districts are created to deliver specialized services essential to health, safety, and well-being of communities. In many areas, communities have no other means of accessing these critical services.
- The Department of Public Works, Special Districts oversees administration, operations, capital improvement and maintenance of 17 water and sanitation Districts throughout the County.
- The last rate increase for County Service Area 82 – Searles Valley was approved by the Board of Supervisors for a 3.5% increase for 2023, 2024, and 2025. Prior to that, customer rates had remained unchanged since 2013, resulting in a prolonged period without inflationary or cost of service alignments.

# RATE STUDY

San Bernardino County Special Districts retained NBS Consulting, a California-based public finance advisory firm specializing in municipal utility rate studies and financial planning for local agencies. NBS has extensive experience preparing cost-of-service analyses, long-term financial forecasts, and Proposition 218–compliant rate structures for water, wastewater, and special districts throughout the state.

- NBS evaluated all water and sewer districts for:
  - Cost of providing service
  - Planned capital improvement projects
  - Overall expenses and revenues
- Final Rate Study Report for CSA 82 Searles Valley
  - 2.47% increase/year for 5 years is needed to sustain operations

A link to the Rate Study will be provided in the Proposition 218 notice you will receive in April 2026.



# NOTABLE INCREASES AND EXPENSES

## Labor & Equipment

- Board approved labor increases average **3.5%** per year 2024-2027 \*

## Materials

- Steel, PVC, pipeline & fittings, chemicals
- Materials Increase **35%\*\***

## Outside vendors/contractors

- CA Prevailing Wage Rates up **26%** from 2017\*\*\*

\* IBEW MOU Increase 2024-2027

\*\* CA CCCI Construction Cost Index 2017-2025

\*\*\* California Department of Industrial Relations



# OTHER FACTORS INCREASING COSTS

Capital improvements to the wastewater system.

## Regulatory Obligations

- California Air Resources Board (CARB)
- State Water Resources Control Board (SWRCB)
- U.S. Environmental Protection Agency (EPA)
- San Bernardino County Public Health (EHS)



# PROPOSED SEWER RATES

- A flat **2.47%** rate increase is proposed for 5 consecutive years.
- Rate increase proposed per guidance from 2025/26 Rate Study to ensure service levels are maintained and keep pace with rising costs.

## Current Monthly Wastewater Rate Per EDU: **\$83.12**

- Rate Year 1 - \$85.17/EDU (effective August 1, 2026)
- Rate Year 2 - \$87.28/EDU
- Rate Year 3 - \$89.43/EDU
- Rate Year 4 - \$91.64/EDU
- Rate Year 5 - \$93.91/EDU

Most typical residential homes = 1 EDU



# CSA 82 PROJECTS

Project Name	Project Scope	Cost Estimate
North Pioneer Point Septic Tank No. 2	Replacement of existing Septic Tank No. 2	\$275,000
Master Plan	A long-term strategic framework that evaluates current sewer infrastructure, forecasts future demand based on growth, and identifies necessary capital improvements	\$150,000
Sewer Line Replacement Phase 2	Replacement of existing sewer lines	\$3,250,000



## SUMMARY

- Special Districts has a duty to maintain financial health of service areas, and is proposing a modest increase to offset increases to labor, materials, equipment, and additional regulatory obligations
- Proposed rate increase of 2.47%/year for 5 years is recommended to offset rising costs
- Continued cost escalation is placing sustained pressure on both administrative and operational service levels, reducing the District's ability to maintain reliability, regulatory compliance, and long-term system sustainability

# NEXT STEPS

- **April 7, 2026 (Board meeting):** Resolution of Intent for proposed sewer rate adjustments brought to the Board of Supervisors
- **April 8, 2026:** Department mails Proposition 218 Notices to residents
- **June 9, 2026 (Board meeting):** Conduct Public Hearing and Majority Protest Tabulation (If majority protest does not exist, process will move forward)
- **June 23, 2026 (Board meeting):** Adoption of ordinance implementing revised rates
- **August 1, 2026:** Proposed revised rates go into effect





**THANK  
YOU**