

REPORT SUMMARY  
PROPOSITION 218 PROCEDURES – 2026  
STRATHMORE PUBLIC UTILITY DISTRICT

Following is a Summary of the Report prepared in support of proposed rate increases which has been prepared in accordance with the provisions of Article XIII D of the California Constitution and specifically in accordance with the provisions of section 53750 through 53753.5 of the Government Code of the State of California. These Constitutional and statutory provisions implement Proposition 218, which was intended to establish certain mandatory procedures for the levy of charges by special agencies.

The Strathmore Public Utility District's (District) Board of Directors has determined that the District should request, of affected landowners, permission to increase monthly water and sewer utility rates which will in, in part, fund defined operation and maintenance activities of the District. The total amount proposed to be collected from the landowners in the District is shown in Table 1 totaling \$325,280 per year by Fiscal Year 2030-2031 for water and \$120,055 per year by Fiscal Year 2026-2027 for sewer. These amounts reflect estimated fixed costs of the District, which it incurs to be able to provide water and sewer services. The charges generate revenues necessary to allow the District to pay the costs incurred in generating and delivering the domestic water supply and in collecting, treating and disposing of the sewage from the community.

The District was last authorized to increase water rates in 2006. Since that time, the District has experienced increases in all areas of the operating budget. The District was also authorized to increase sewer rates in 2006. Since that time, the District has experienced increases in costs associated with operation and maintenance activities, fee increases and a mandate to

upgrade wastewater treatment and disposal operations. On the revenue side, the District has experienced slight increases in property tax revenues which are currently dedicated all to the water utility. In addition to current costs, the proposed monthly fee increases will fund increases in depreciation funds due to increasing ages of facilities.

The proposed increases in charges were subjected to a benefits examination as a part of the Report. All customers have an equal opportunity to receive service benefit from the utility systems of the District. It was determined that the benefits associated with the continued maintenance of the utility systems were equal as to the lands currently receiving service. A uniform increase, on a single-family residential equivalent basis was, therefore, determined to be the most reasonable method of allocating the increased cost. The proposed monthly increases per single-family residential unit equivalent are summarized in Table S-1 projected to Fiscal Year 2030-2031. If the proposed action is implemented, the charges will be levied on a monthly basis and will continue at the indicated level.

A public hearing will be held by the District in order to consider and address comments and questions from the landowners. Procedures whereby landowners may participate in the hearing, as well as the mandatory procedures by which all landowners affected by the assessment are entitled to vote upon its imposition, have been put into place by the Board of Directors.

TABLE S-2  
PROPOSED ANNUAL MONTHLY RATE INCREASES (1)  
STRATHMORE PUBLIC UTILITY DISTRICT

UTILITY	AMOUNT FOR	07/2025(2)	07/2026	07/2027	07/2028	07/2029	07/2030
Water	Year	\$0.00	\$6.85	\$7.60	\$7.55	\$7.55	\$7.55
	Total	\$48.15	\$55.00	\$62.60	\$70.15	\$77.70	\$85.25(3)
Sewer	Year	\$0.00	\$14.50	\$0.00	\$0.00	\$0.00	\$0.00
	Total	\$24.35	\$38.85	\$38.85	\$38.85	\$38.85	\$38.85

- (1) For single-family residential connections.
- (2) Existing. Consumption rate is \$0.47 per 1,000 gallons.
- (3) Consumption rate maximum is \$0.83 per 1,000 gallons.