

Ironhouse Sanitary District (ISD)



What Sewer Rates Pay For

1. What services do sewer rates pay for?

Sewer rates pay for the operation, maintenance, and improvement of the wastewater system. These services include:

- Sewer pipelines, pump stations, and structures such as manholes and rodding inlets
- Wastewater treatment and water recycling facilities
- Regulatory monitoring and environmental compliance
- Emergency response and system repairs
- Replacing aging infrastructure and building needed improvements
- Maintaining required financial reserves

These services make sure wastewater is safely collected, moved, and treated to protect the community, public health, and the environment.

2. Are sewer rates used for anything other than wastewater services?

No. By law, money from sewer rates can only be used for wastewater services and related systems, like pipes and treatment plants. It cannot be used for other District services.

3. What infrastructure does the sewer system include?

The sewer system includes:

- 144 miles of gravity sewer pipelines
- 3,330 gravity structures, including manholes
- 32 wastewater pump lift stations
- 19 miles of pressurized forcemain pipelines and 52 forcemain structures
- 6 miles of effluent pipe
- 1 state-of-the-art Water Recycling Facility with automatic controls and monitoring equipment
- 1.1 MW solar photovoltaic system
- 1.5 MW solar photovoltaic system with batteries (planned expansion project)

4. What improvements are being funded?

Sewer rate revenue helps pay for important upgrades and repairs, including:

- Fixing and improving sewer pipes
- Upgrading pump stations
- Improving the treatment plant's control and monitoring systems (SCADA)

- Improving biosolids equipment and systems
- Replacing old equipment and vehicles
- Replacing old sewer pipes before they break

These improvements **help keep the system working properly and lower the chance of expensive emergency repairs.**

5. How does ISD make sure the sewers are working 24/7?

ISD works all day and night, every day, to keep the sewer system safe and running. The system has automatic controls and monitors that alert staff if there are any problems, so they can fix them quickly and make sure wastewater is safely collected and treated.

How are Sewer Rates Are Set?

6. How are sewer rates determined?

Sewer rates are set using a **professional rate study**. This study looks at the cost of providing sewer service, different types of customers, future operating costs, needed system improvements, and required financial reserves for emergencies.

The study follows industry standards and must meet **California Proposition 218 requirements**, which make sure customers only pay their fair share of the service costs.

7. What is Proposition 218, and how does it affect sewer rates?

Proposition 218 is a California constitutional amendment approved by voters in 1996. It limits how local governments can impose or increase property-related fees — including sewer service charges.

Proposition 218 requires:

- Public notice to all affected property owners
- A clear explanation of how the proposed rates were calculated
- A public hearing before the rates can be adopted
- The opportunity for property owners to submit written protests or objections to the proposed rates.
- A rule that fees cannot be higher than the cost of providing the service

ISD's follows all Proposition 218 requirements to ensure the rate-setting process is transparent and fair.

8. How do I submit a written protest or objection under Proposition 218?

Under Proposition 218, property owners may submit a written protest **before or during the public hearing on May 19, 2026, at 6:30 p.m.** Your protest must include your name, property address, and signature.

Protests can be **mailed, emailed, or delivered to ISD**, and each property owner may submit **one protest per parcel**. If written protests are received from **more than 50% of affected property owners**, the District **cannot adopt the proposed rate schedule**.

9. How are rates calculated for non-residential customers?

Businesses (commercial customers):

Businesses pay:

- A **fixed fee** for being connected.
- A **variable fee** based on water use or building size (non-metered customers).
- Type of business, as some businesses send stronger wastewater (like restaurants), so they pay more because it costs more to treat.

For more details on how these groups were calculated, see the **Cost-of-Service Study**.

Customer Billing

10. How are residential sewer rates determined?

Residential customers pay a flat **annual sewer service charge** per dwelling unit. Each residential customer class pays the same sewer rate because it is based on the average wastewater from a typical home and the cost of providing sewer service.

There are four flat rate residential customer classes:

- 1) Single-Family Homes,
- 2) Multi-Family Residential,
- 3) Mobile Homes and Recreational Vehicles, and
- 4) Accessory Dwelling Units (ADUs).

A flat sewer rate helps keep customer bills predictable and stable. The rate is established through a cost-of-service analysis and adopted in accordance with Proposition 218 requirements.

Residential sewer charges are collected through the **County property tax roll** and appear as a separate line item on the annual property tax bill.

11. Why do residential customers pay a flat rate?

Wastewater use is not individually measured for homes, and residential sewer use is generally consistent and predictable. Because of this, a **flat annual rate** is commonly used and is the industry standard. This approach also follows **California Proposition 218 requirements**.

12. Why is the sewer charge on my property tax bill?

Sewer charges are collected through the property tax roll to **reduce administrative costs** and ensures consistent, timely payment. This method is commonly used among California wastewater agencies and helps **keep rates lower**.

On your property tax bill, the charge appears as a separate line labeled “ISD Sewer Use Fee.”

13. I am a renter and do not pay property taxes. Where do I pay my sewer bill?

If you are a renter, you do not receive a separate sewer bill. The property owner pays the sewer charge, and it included in their annual property tax bill.

14. How are commercial sewer bills calculated?

Commercial customers pay two types of charges:

- A fixed customer charge
- A variable charge based on either water use (metered customers) or building size (non-metered customers)

This sewer rate structure helps ensure customers pay based on how much they use the wastewater system.

15. I am a senior citizen on a fixed income. Can I get a discount on my annual sewer rates?

ISD is a not-for-profit government agency. We are fiscally governed by the legal Proposition 218 guidelines for our annual cost of service rates. This does not allow for any discounts, or the ability for one customer to subsidize another customer when covering the cost of the wastewater services we provide them.

16. Why do commercial customers have different rate categories?

Some businesses produce stronger wastewater than a typical home. This wastewater can require more energy, chemicals, and treatment to process.

ISD uses low-, medium-, and high-strength commercial categories, so businesses pay based on the cost of treating their wastewater. This helps ensure each customer pays a fair share of the costs.

Why Rates Change

17. Why does ISD periodically review sewer rates?

ISD reviews sewer rates regularly to make sure there is enough money to run and maintain the sewer system. Costs for things like electricity, fuel, chemicals, and equipment go up over time.

Adjusting rates helps ISD continue providing safe and reliable sewer service, follow environmental rules, fix or replace old pipes, and make improvements for the future.

18. How often does ISD review sewer rates?

ISD reviews sewer rates through **periodic financial and rate studies**. These studies help ensure that revenues are enough to **cover operating expenses, maintain and replace infrastructure, and maintain required reserves**.

ISD’s last adjusted sewer rates on June 16, 2020. Under California law, wastewater agencies cannot adopt rate schedules that extend beyond **five years** without completing a new sewer rate review and holding a public hearing.

19. Why do rates increase even though new homes are being built?

New development pays connection fees to cover the cost of expanding system capacity. However, these **fees cannot be used for ongoing operations and maintenance**.

Growth does not reduce the cost of maintaining the existing system.

20. How much will my sewer service bill increase?

The exact increase **depends on your customer type** -single-family, multi-family, mobile home, or commercial.

A full sewer rate table is included in the **Proposition 218 notice** and available at IronhouseSanitaryDistrict.com/sewerrates

ISD can also calculate a property-specific estimate upon request.

21. Can customers reduce their sewer bill?

For residential customers, sewer charges **are typically fixed** because wastewater flow is not individually metered.

Commercial customers, where charges are based on water use, **can reduce their sewer bill by managing water consumption**.

22. How have ISD sewer rates be adjusted?

	1	2	3	4	5	6	7	8	9	10
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Adopted Rates	0%	0%	0%	0%	9%	5%	5%	0%	0%	0%
Actual Rates	0%	0%	0%	0%	varies by class	3%	5%	0%	0%	2%
Single-Family	\$ 658.00	\$ 658.00	\$ 658.00	\$ 658.00	\$ 847.33	\$ 872.74	\$ 916.38	\$ 916.38	\$ 916.38	\$ 934.18

Financial Management

23. How does ISD ensure financial accountability and control costs?

ISD carefully manages public funds through **strong financial oversight** and long-term planning. The Board of Directors reviews and approves the budget each year at a public meeting. Financial performance is monitored throughout the year, and spending is controlled with internal policies and purchasing rules.

ISD also undergoes an **independent annual financial audit** by an outside certified public accounting firm. ISD follows **formal financial policies**, including:

- Long-range financial planning
- A Capital Improvement Program (CIP)
- Reserve policies
- Debt management policies
- An investment policy
- Competitive bidding for public works projects

Since 2017, ISD has received the **Certificate of Achievement for Excellence in Financial Reporting** from the Government Finance Officers Association (GFOA). This national award recognizes ISD's commitment to transparency, and high-quality financial reporting.

Sewer service charges are set through cost-of-service analysis and in compliance with Proposition 218, which ensures that revenues do not exceed the cost of providing sewer service.

24. Why can't ISD use grants instead of raising sewer rates?

Grants are competitive, limited, and usually tied to specific projects. They **cannot pay for daily operations**, routine maintenance, or most infrastructure replacement. Sewer rates must cover the full cost of providing ongoing service.

25. How does ISD plan for emergencies or unexpected costs?

ISD keeps **financial reserves** to handle **emergencies** like equipment failures, storm damage, or new regulatory changes. Having these reserves help protect ratepayers by reducing the need for **sudden rate increases**.