

OPERATING AND CAPITAL BUDGET



FOR FISCAL YEAR 2026-2027

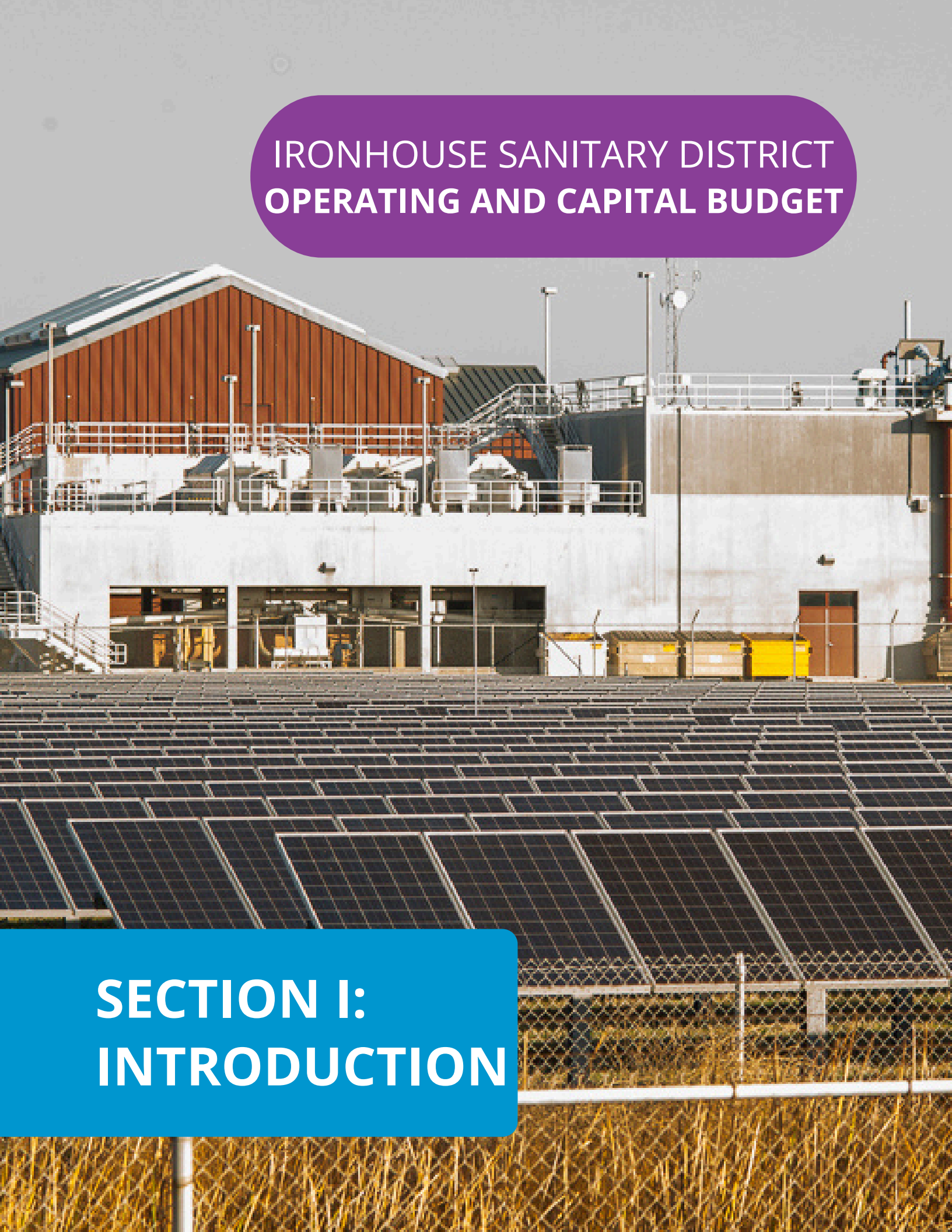


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A photograph of the Ironhouse Sanitary District facility. In the foreground, a large array of solar panels is mounted on a metal frame. Behind the solar panels is a chain-link fence. In the background, there is a large industrial building with a white lower section and a red upper section. The building has several windows and a door. To the right of the building, there are some yellow storage containers. The sky is clear and blue.

IRONHOUSE SANITARY DISTRICT OPERATING AND CAPITAL BUDGET

SECTION I: INTRODUCTION



July 17, 2026
Ironhouse Sanitary District
450 Walnut Meadows Drive, Oakley, CA 94561

Dear Members of the Board of Directors, Residents of the City of Oakley, Bethel Island, and Community Stakeholders,

I am pleased to present Ironhouse Sanitary District's (Ironhouse) Annual Operations and Capital Budget for Fiscal Year 2026–2027. This document reflects our continued commitment to reliable, high-quality wastewater collection and treatment services, financial responsibility, and long-term sustainability.

The proposed budget supports Ironhouse's core mission: safeguarding public health and the environment through sustainable wastewater collection, advanced treatment, and water reuse. It balances operational needs, capital investment priorities, and prudent fiscal management to keep Ironhouse resilient amid evolving regulatory requirements, infrastructure demands, and economic conditions.

The Budget Book will provide information to our rate payers, including:

- What are we spending?
- What are we collecting?
- What changed from last year?
- What are the capital investment priorities?
- How are we funding those priorities?

For the coming fiscal year, the budget prioritizes system reliability, regulatory compliance, and infrastructure rehabilitation. Continued investment in capital improvement projects will address aging assets, enhance system capacity, and reduce the risk of service disruptions—efforts vital to maintaining system integrity and supporting growth in the Oakley community.

On the operations side, Ironhouse remains focused on efficiency and cost control while maintaining a high level of service. Staff continues to identify opportunities for process improvements, technology enhancements, and resource optimization, with the goal of delivering essential services effectively and responsibly to our ratepayers.

Ironhouse's financial outlook remains stable, supported by sound budgeting practices, responsible reserve management, and long-range planning. The FY 2026–2027 budget

reflects a disciplined approach that meets current obligations while preparing for future needs. I thank District staff for their dedication and professionalism in developing and implementing this budget, and the Board of Directors for their guidance and leadership in shaping Ironhouse's priorities.

We remain committed to transparency, accountability, and responsible stewardship of public resources. This budget is both a financial plan and a strategic roadmap for maintaining and improving the services our community depends on.

Respectfully submitted,

Jean-Marc Petit, P.E.
General Manager
Ironhouse Sanitary District
Oakley, California

Profile of the District



Water Recycling Facility at Ironhouse Sanitary District.

Ironhouse provides wastewater collection, treatment, and recycled water services for the communities of Oakley, Bethel Island, and some unincorporated areas of East Contra Costa County.

A Brief History

Originally incorporated as the Oakley Sanitary District in 1945, the District established a Joint Powers Agreement (JPA) in the mid-1960s with County Sanitation District No. 15 to address septic system issues on Hotchkiss Tract.

In 1977, the District formed another JPA with the community of Bethel Island, creating the Oakley-Bethel Island Wastewater Management Authority. In January 1992, the Oakley Sanitary District annexed Bethel Island and dissolved that JPA, then merged with the Authority and County Sanitation District No. 15 to form the Ironhouse Sanitary District, named after a historic one-room schoolhouse in Oakley.

Today

Ironhouse provides sanitary sewer services to about 49,000 residents across a 37 square mile area. Its sphere of influence covers an additional 2.4 square miles adjacent to the District's southern boundary, the largest portion being the Veale Tract to the southeast. The City of Oakley's General Plan allows a maximum build-out of over 65,000 people, though the current population is just under 47,000; Bethel Island's population is a little over 2,100.

Ironhouse at a Glance

Function: Wastewater treatment and recycling services.

Service Area: City of Oakley and unincorporated Contra Costa County, including Bethel Island.

Population Served: Approximately 49,000.

Equivalent Service Units: 18,601.

Collections System

Areas of Responsibility: Sanitary sewer collection system and associated lift stations.

Size of Collection System: 140 miles of gravity sewers; 19 miles of force mains.

Number of Lift Stations: 32.

Age of collection system:

- 0-10 Years: 15%
- 10-50 Years: 65%
- 50-100 Years: 20%

Water Recycling Facility (WRF)

Facility Design Capacity: 4.3 million gallons per day (MGD) average daily flow; 8.6 MGD maximum wet weather flow.

Current Average Daily Flow: 2.71 MGD.

Plant Type: Advanced treatment Membrane Bioreactor process.

Process: Preliminary treatment through mechanical screens and vortex grit removal; secondary process through biological treatment; tertiary treatment through ultraviolet (UV) disinfection.

Regulatory Permits: Ironhouse operates the WRF in compliance with the Waste Discharge Requirements (WDR R5-2018-0050) issued by the Regional Water Quality Control Board, Central Valley Region. In addition, Ironhouse has obtained a National Pollutant Discharge Elimination System permit (Order R5-2024-0038, NPDES CA0085260) to regulate discharges of tertiary disinfected effluent to the San Joaquin River.

Energy Efficiency: The Water Recycling Facility requires significant electricity to operate. Ironhouse leases a 1.1-megawatt (MW) solar power system to offset the load purchased from the electrical grid.

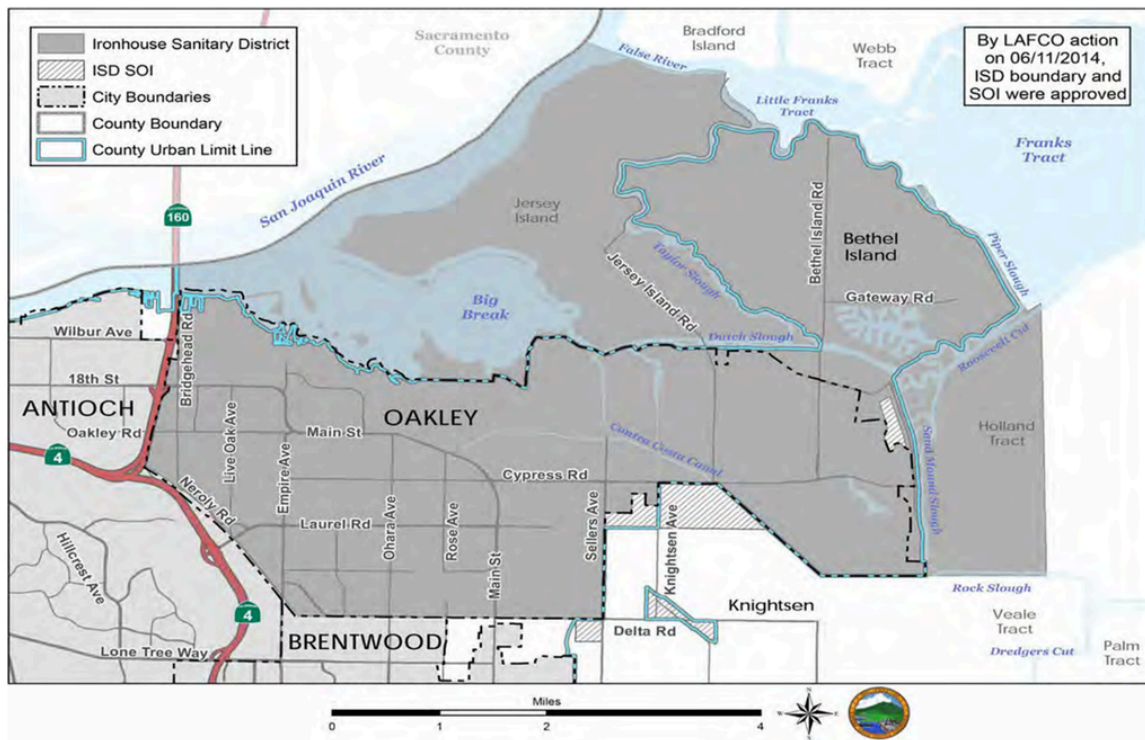
Ironhouse Service Area

Ironhouse is bounded by the San Joaquin River to the north, the Delta Diablo Sanitation District to the west, the City of Brentwood to the south, and unincorporated area in the Holland Tract to the east.

Local Economic Condition and Outlook

The City of Oakley was incorporated in 1999 and is known as a family-friendly Delta community. With a population just under 47,000, Oakley has one of the highest rates of young families in Contra Costa County. Median household income of just over \$132,000 supports local retail and service businesses, and Oakley offers new homes at affordable rates by Bay Area standards, with over 5,000 approved residential lots still to be built.

The unincorporated area of Bethel Island is known for its proximity to the Sacramento-San Joaquin Delta, with several local marinas and yacht clubs. Its population of just over 2,100 includes a high percentage of waterfront homes. In 2018, the Delta Coves development began building new waterfront homes, with a planned buildout of 500 homes ranging in price from \$700,000 to \$1.6 million.



*Ironhouse Sanitary District Boundary and SOI.
Reprinted from Contra Costa County LAFCO.*

Board of Directors

The Board of Directors is the governing body for Ironhouse Sanitary District, representing the needs and interests of its customers. The Board sets policy, adopts ordinances, ensures accountability, and allocates resources.

In addition to regular monthly meetings, Board Members serve on committees that review specific issues and make recommendations to the full Board. They also act as liaisons to partner agencies and local jurisdictions, meeting with officials and presenting to councils to represent Ironhouse and its ratepayers.

Current Board of Directors

Ironhouse is governed by a five-member Board of Directors, elected at large on a non-partisan basis within the service area during the County's general election, for staggered four-year terms that ensure consistent governance. The next election takes place in November 2026.



Angela Lowrey, President
Term Ending: 2028



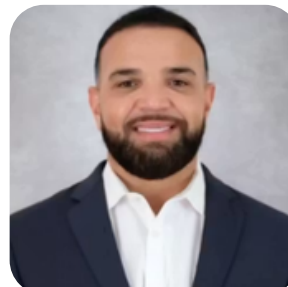
Peter Zirkle, Vice President
Term Ending: 2028



Chris Lauritzen, Director
Term Ending: 2026



Dawn Morrow, Director
Term Ending: 2028



Diego Verduzco, Director
Term Ending: 2026

The public is welcome to attend Ironhouse's Board meetings, held on the first and third Tuesday of each month at 6:30 p.m. The Finance Committee, chaired by the Board President and Vice President, meets monthly. The Board also creates limited duration Ad Hoc Committees to address particular topics or support specific initiatives. A full schedule of Board, Finance Committee, and Ad Hoc Committee meeting dates and times is available on Ironhouse's website.

Executive Management

The Board appoints a General Manager to oversee day-to-day operations across Ironhouse, including Collections and Maintenance, the Water Recycling Facility, Jersey Island, and Administration. Ironhouse employs 34 full-time and one part-time employee across five departments.



Jean-Marc Petit, P.E.
General Manager



Tyson Zimmerman, MBA
Assistant General Manager



Cecilia Goff
Secretary of the District
and Office Administrator



Danea Gemmell, P.E.
District Engineer

District Departments

Collections System – Operations and maintenance of sewers, force mains, lift stations, and fleet.

Water Recycling Facility (WRF) – Wastewater treatment plant operations and maintenance.

Jersey Island Operations – Island management, RD-830 levee maintenance, and grazing/farming lease oversight.

Administration – Executive, District Secretary, Communications and Outreach, Finance, Information Technology, Risk Management, Purchasing, HR, and Administrative Support.

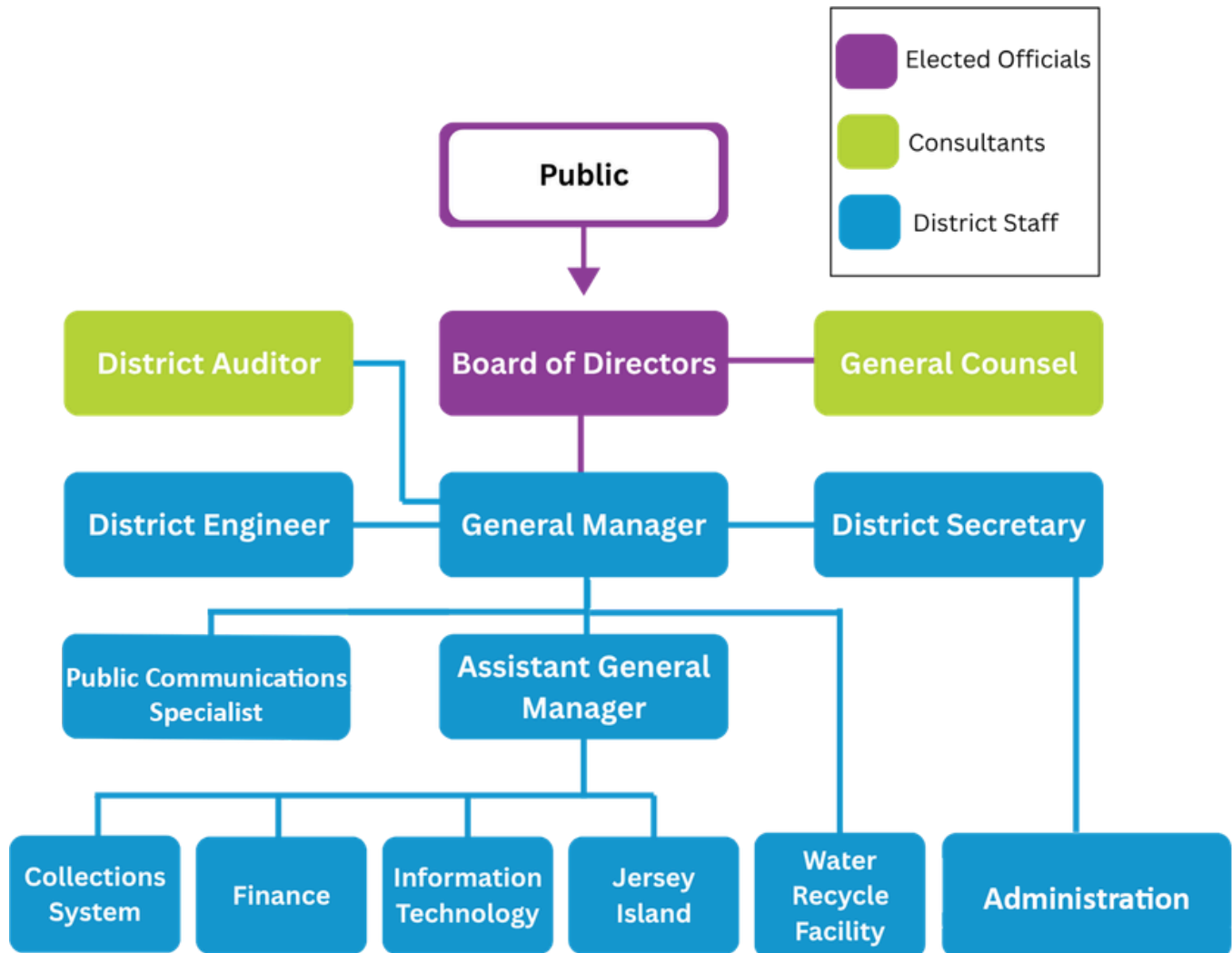
Engineering – Development, rates and fees, capital projects (planning, design, construction), permitting, and inspections.



Ironhouse Sanitary District staff.

Organizational Structure

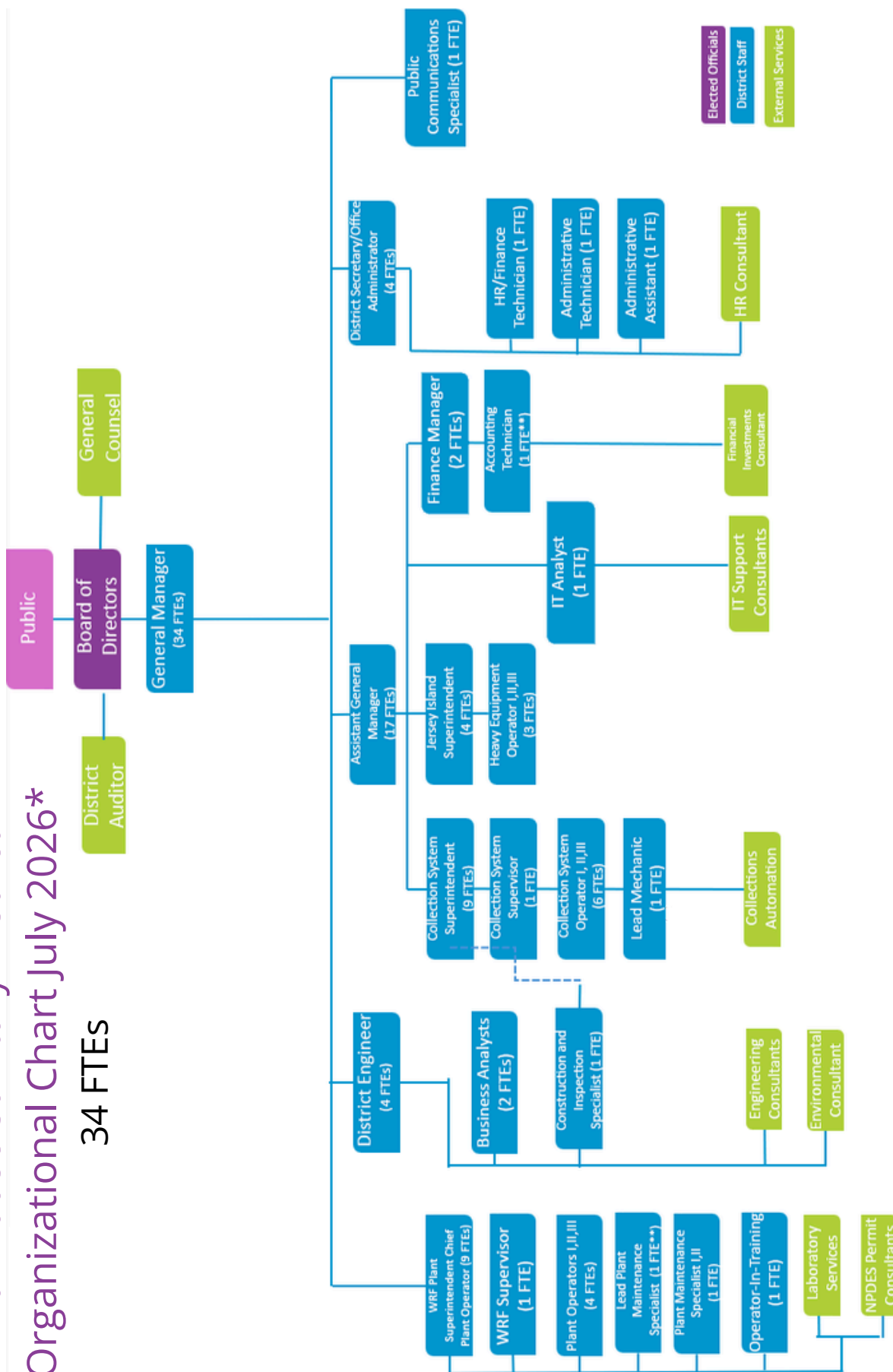
The organizational charts below and on the following page outline Ironhouse's reporting structure and leadership roles. Ironhouse's main headquarters, Board Room, Collections System Operations, and Water Recycling Facility are located at 450 Walnut Meadows Drive in Oakley; Jersey Island staff work on the island.



Ironhouse Sanitary District

Organizational Chart July 2026*

34 FTEs



*Subject to reallocation based on the District's needs
 **To be filled pending retirements

Mission

Safeguard public health and our environment by providing sustainable wastewater collection, advanced treatment, and water reuse.



Vision

Continue to be a leader in sustainable wastewater management, recognized for resilience, environmental stewardship, fiscal accountability, and public service.



Values

We value:

- A healthy, skilled, productive, and resilient organization and workforce
- Responsible management of public resources and infrastructure assets
- Innovation
- Protection of water quality and environmental resources through sustainable practices
- Protect positive relationships through active internal and external collaborations and community engagement
- Transparent and prudent financial management



Strategic Plan 2026-2031

Goals and Strategies

Goal 1: Operational Reliability and Long-Term Performance Infrastructure

- Strategy 1: Optimize asset management practices to guide capital investment decisions
- Strategy 2: Prioritize infrastructure investments based on risk, condition, operational need, and ratepayer impact
- Strategy 3: Plan proactively for system growth and long-term capacity needs
- Strategy 4: Coordinate capital projects with neighboring agencies and cultivate mutual aid agreements to strengthen emergency response capacity

Goal 2: Environmental Sustainability and Community Resilience

- Strategy 1: Support beneficial reuse opportunities and resource recovery
- Strategy 2: Broaden community education and outreach on District programs, services, and infrastructure
- Strategy 3: Proactively communicate the value of District investments to strengthen accountability and public confidence
- Strategy 4: Build and sustain relationships with strategic partners
- Strategy 5: Deliver high-quality customer service

Goal 3: Public Engagement and Strategic Partnerships

- Strategy 1: Expand public access to District information through timely, multi-channel communication
- Strategy 2: Broaden community education and outreach on District programs, services, and infrastructure
- Strategy 3: Proactively communicate the value of District investments to strengthen accountability and public confidence
- Strategy 4: Build and sustain relationships with strategic partners
- Strategy 5: Deliver high-quality customer service

Goal 4: Strong Board Governance

- Strategy 1: Ensure Board members receive timely, consistent, and complete information
- Strategy 2: Engage the Board as active participants in strategic planning, budget adoption, and capital project approval processes
- Strategy 3: Ensure Board member training and assessment

Goal 5: Enduring Organization

- Strategy 1: Identify critical staff positions, document position-specific duties and procedures, and develop succession pipelines to ensure operational continuity
- Strategy 2: Invest in ongoing employee training and professional development to build technical skills and advance career growth
- Strategy 3: Establish clear recruitment processes
- Strategy 4: Establish clear performance expectations and career pathways to attract, retain, and develop a high-performing workforce
- Strategy 5: Promote a culture of workplace safety and capital preparedness

Goal 6: Fiscal Responsibility

- Strategy 1: Operate a well-run, responsible organization emphasizing integrity and transparency
- Strategy 2: Maintain financial stability and sustainability through responsible fiscal stewardship, sound financial planning, and strategic investments
- Strategy 3: Identify and implement cost savings where appropriate
- Strategy 4: Consider rate stabilization when making financial decisions



Aeration Basin at the Water Recycling Facility.

Ironhouse Through the Years

Ironhouse has served Oakley and Bethel Island since 1945, growing from a small local provider into a modern utility with advanced water recycling capabilities. Key milestones in Ironhouse's development are highlighted in the timeline below.

- 
- **1945 - Ironhouse was founded.**
 - **1946 - Early operations begin after formation.**
 - **1975 - Bethel Island joins Ironhouse (about 30 years later).**
 - **2011 - Water Recycling Facility officially opens.**
 - **2012 - Facility receives an industry award shortly after opening.**
 - **2013 - Advanced treatment technologies (MBR + UV) become fully integrated.**
 - **2015 - Ironhouse grows into a leader in water recycling.**
 - **2020 - Modern operations support tens of thousands of customers.**
 - **2024 - Facility continues treating about 2.6 million gallons daily.**
 - **2025 - 80th Anniversary of the District.**

Awards, Accreditations, and Certifications

Awards

2025

Collection System of the Year, Small Agency (CWEA-SFBS)
Collection System person of the Year: Dominick Gardiner (CWEA)

2022

California Association of Sanitation Agencies (CASA) Organizational Excellence: Strategic Plan 2022-27+ California Special Districts Association (CSDA)
Staff Member of the Year Award: Cecilia Goff

2021

California Water Environment Association (CWEA) Plant of the Year (SFBS)
Community Engagement Project of the Year (SFBS)

2020

California Water Environment Association (CWEA) Collection Person of the Year (State and SFBS): Leon Laucirica
Mechanical Technician of the Year (State and SFBS) – John Abdilla

2019

California Water Environment Association (CWEA) Plant of the Year Award (SFBS) - Small Agency
Collection System of the Year Award (SFBS) - Small Agency Supervisor of the Year Award (SFBS and State): Collections System Supervisor Louis Solana
Collection Person of the Year (SFBS): Ian Robertson Operator of the Year Award (SFBS): Adrian Vazquez
Community Engagement and Outreach: Project of the Year Award (SFBS and State): East County Regional Coalition's "No Wipes In The Pipes" campaign

Accreditations and Certifications

Government Finance Officers Association
Certificate of Achievement for Excellence in Financial Reporting **(2017 through 2024)**
Special District Leadership Foundation District of Distinction Accreditation **(2016 to 2025)**
Special District Leadership Foundation
District Transparency Certificate of Excellence **(2014 to 2024)**

It's All About Serving Our Community

Ironhouse is one of 330 special districts in California—separate local agencies that provide parks, fire protection, garbage collection, electricity, water supply, and sewer service within their boundaries. Ironhouse is an industry-leading community partner in treating wastewater to protect public health and the environment, relying on well-trained staff and quality pipes, pumps, equipment, and processes. Our team keeps the city's sewer infrastructure running efficiently.

Our licensed, skilled professionals conduct regular inspections and timely repairs to keep the system in optimal condition. We use advanced technology to identify issues and take proactive measures to prevent disruptions. Preventive maintenance remains a top priority for minimizing the risk of clogs, backups, and overflows.

Our licensed Water Recycling Facility operators monitor instruments and equipment daily to keep operations within proper parameters. Team members perform regular analyses to confirm our technology is functioning correctly and that our microbiological and ultraviolet light treatment systems effectively remove pollutants before recycled water returns to the environment.

Ironhouse's management staff continues to advance the District's mission of protecting public health, resources, and the environment through dependable, efficient, and innovative collection, treatment, and reuse of the community's wastewater.

Ironhouse will continue to pursue our vision of industry excellence, serving our diverse community with trust, transparency, and fiscal responsibility to maximize the beneficial use of our shared resources.



Children attending the 2026 Oakley Public Works Day learn about Ironhouse.

Budgeting Process, Calendar, Controls, and Spending Authorities

Introduction

Ironhouse's FY 2026–2027 Operations and Capital Budget outlines the resources and priorities necessary to deliver reliable wastewater collection, treatment, and recycled water services, reflecting Ironhouse's commitment to fiscal discipline, operational efficiency, regulatory compliance, and long-term system sustainability. Staff developed the budget through a structured, collaborative process involving department-level planning, management review, and alignment with Ironhouse's long-range financial and capital improvement strategies—evaluating operational needs, prioritizing capital projects, and forecasting revenues and expenditures to produce a balanced, sustainable plan. Built-in controls, including adherence to adopted financial policies, multi-level review, and ongoing budget monitoring, help ensure accountability, transparency, and responsible use of public funds.

The Operations Budget supports day-to-day activities, including staffing, maintenance, and utilities, ensuring safe and efficient service delivery. The Capital Budget focuses on strategic infrastructure investments, emphasizing the rehabilitation of aging assets, system reliability, and improvements that enhance performance and environmental stewardship. The FY 2026–2027 Capital Budget continues Ironhouse's focus on rehabilitating and replacing aging assets, enhancing treatment and recycling capabilities, and implementing technology and resilience improvements that strengthen system performance and adaptability.

Guided by sound financial policies and long-range planning, the overall budget balances current needs with future obligations while maintaining stable rates and adequate reserves, positioning Ironhouse to continue protecting public health and serving the community effectively in FY 2026–2027 and beyond.

Staff has carefully aligned revenue projections with anticipated expenditures to preserve financial stability, maintain adequate reserves, and ensure equitable cost allocation among ratepayers. Ironhouse remains committed to transparency and accountability, providing clear insight into how it manages and invests public funds.

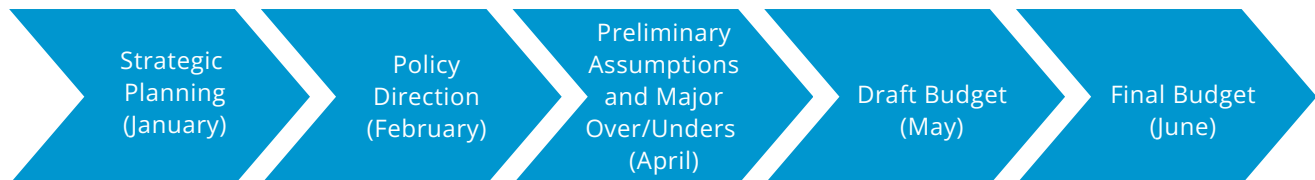
Budget Process

The iterative process for development of this budget started in FY 2025-2026. First, department heads submitted initial proposals for their departments. The General Manager and Executive Team then discussed and refined those proposals and prepared a draft budget. The draft was presented to the Board in April and again in May for review and comment. The Board's comments were incorporated and in June, the final budget was brought back for a vote. The Board voted 5-0 to adopt the budget.

The new five-year rate plan began in fall 2025 with a cost-of-service study to develop Sewer Service Charge (SSC) rates. Staff discussed the draft study and an updated Ten-Year Financial Plan with the Board at a Financial Planning workshop on January 28, 2026, where the Board expressed preliminary support for a five-year rate adjustment forecasting modest increases to address operational and capital improvement needs. Staff finalized the cost-of-service report in March 2026, issued Proposition 218 notifications that same month, and held a public hearing on May 19, 2026, where the Board considered public comments and voted to adopt the five-year rate schedule. This budget document assumes the revenues generated by these SSC rate changes.

Staff presented the Operations and Maintenance sections and the Capital budget to the Board Finance Committee prior to Board adoption of the final budget in June, aligning the budget process with the rate-setting process.

Budget Process:



Board of Directors and public input process.

Budget Calendar

A calendar of key events during the FY 2026-2027 budget process is provided below, comprising of activities from three critical business areas of the planning process.

Step	Date	Notes
Financial Workshop	January 28, 2026	Present preliminary finances and discuss rate-setting scenarios.
Rate Study Complete	February 2026	Finalize methodology and draft board report.
Board Authorization / Initiate Process	February 17, 2026	Approve notice and hearing date, opt into AB 2257.
Draft Operating Budget presented to the Finance Committee and the Board Draft Capital Improvement Budget (CIB) and Ten-Year CIP presented to the Engineering and Operations Committee Board.	May 5, 2026	Staff presentation, review responses, and receive Board input.
Public Hearing	May 19, 2026	Staff presentation, review responses, protest tabulation, Board deliberation.
Rate Adoption	May 19, 2026	Ordinance passes.
Approval of the FY 2026-2027 Operational and Capital Projects Annual Budget	June 2, 2026	Board approves budget.

Budget Controls and Spending Authorities

Ironhouse invites public participation throughout the planning process, publishing documents on its website for public review and taking input at Committee and Board meetings, financial workshops, and public hearings.

Once the budget is adopted, the General Manager has the authority to spend within the respective budgets. Payments are governed by the limits set in the Purchasing Policy for the General Manager, as shown in the tables on the next page.

Individual supervisors and managers hold authority for purchase requisitions, approvals, and payment authorizations consistent with the signature limit matrix by position via a partial delegation of the General Manager's signature authority. Expenditures over \$75,000 require Board approval.

Staff and the Board monitor spending monthly; variances of more than 125% on individual budget line-item categories go to the Finance Committee for discussion. Staff submit all expenditures monthly to the Finance Committee and the Board for review and approval, issue monthly financial statements internally and to the Board, and present monthly and annual variance explanations to the Board. The Board also reviews year-end variance explanations and determines how to use available funds from favorable variances.

For the Capital Improvement Program, project budgets are set annually. The General Manager has the authority to reallocate up to \$75,000 among projects. Reallocations above that amount, or the creation of a new unbudgeted capital project, require Board approval. The General Manager has the authority to spend up to the budgeted amounts for Debt Service.

Should it become necessary to exceed any of the overall Operations and Maintenance, Capital, Debt Service, or Reserves Budgets, formal Board action would be required to adopt an amended budget.

Contracting Authority Limits: Goods and Services

The General Manager and Board roles in the administration of financial limits related to expenditures are summarized in the two following tables:

STANDARD PURCHASING AND CONTRACTS AUTHORIZATION TABLE

Dollar Amount	Lead	Supervisor	Dept. Head	AGM and District Engineer	General Manager	Finance Committee	Board
\$0 - \$4,999.99	Lead Mechanic-Vehicle Fleet WRF						
\$5,000 - \$9,999.99		WRF Collections System					
\$10,000 - \$24,999.99			Administration Manager Finance Manager Collections Superintendent WRF Superintendent Jersey Island Superintendent				
\$25,000 - \$49,999.99				X			
\$50,000 - \$74,999.99					X		
\$75,000 - \$100,000						X	
\$100,000 +							X

QUOTE REQUIREMENT TABLE

\$0 - 4,999	No Purchase Order Required
\$5,000 - \$9,999	Two Quotes
\$10,000 - \$74,999	Three Quotes**
\$75,000 +	RFP/BID Process**

** Must comply with public procurement and contracting requirements.

Capital Improvement Program

Authorization Limits

Action		General Manager	Board of Directors
Approval of Capital Improvement Plan and Capital Improvement Budget (CIP/CIB)		None	No Limit
Transfer Funds to Individual Project Budgets		\$74,999 or Less	No Limit
Enter into Agreements	Professional Consulting Services	\$74,999 or Less	Greater than \$75,000
	Technical Consulting Services	\$74,999 or Less	Greater than \$75,000
	Professional Engineering Services	\$74,999 or Less	Greater than \$75,000
Amend Agreements		\$74,999 or Less	Greater than \$75,000
Transfer funds from CIB Contingency Account to Projects Not Included in the CIB		\$74,999* or Less per Project	Greater than \$75,000*
Authorize purchase of individual equipment items		Up to the Amount Specified in the Equipment Budget	No Limit
Authorize Supplemental Funds to Program Budgets and Contingency Account		None	No Limit
Award Construction Contracts ³		\$74,999* or Less	Greater than \$75,000*
Authorize Construction Change Orders	Additive	\$74,999* or Less	Greater than \$75,000*
	Deductive	No Limit	No Board Authorization Required
Authorize Subcontractor Substitutions		All Substitutions Unless Protested by Subcontractor	Substitutions Protested by Subcontractor
Accept Construction Projects		All Projects	Informational Announcement to the Board
Close Out Projects		All Projects	Memo Provided to the Board at the End of the Fiscal Year
Acquire Easements		\$74,999 or Less	Greater than \$75,000

1. Limited by the remaining balances of the applicable program and contingency account.
2. Limited by the remaining balance of the applicable contingency account.
3. Bid protests and rejection of all bids must go to the Board except for those under \$75,000, and which fall under the provisions of the California Uniform Public Construction Cost Accounting Act (CUPCAA) (§§ 22042 and 22042.5).

* These limits shall be raised concurrently with changes to the CUPCAA (California Public Contract Code §22032(a), representing the threshold above which formal bidding is required under the UPCCAA).

The background image shows an industrial facility, likely a water treatment plant. In the foreground, there are several large, white, rectangular electrical control cabinets or skids. Each cabinet has a door with a viewing window and some have smaller access panels at the bottom. Behind the cabinets, there are large, vertical white pipes. Some of these pipes have sections wrapped in a silver, crinkled material, possibly for insulation or noise reduction. Handwheel valves are visible on the pipes. The ceiling is high with a complex network of white steel trusses and fluorescent lighting fixtures. The walls are a light beige color.

IRONHOUSE SANITARY DISTRICT OPERATING AND CAPITAL BUDGET

SECTION II: FINANCIAL

Operating Budget

Ironhouse Operating Budget Policy Summary

It is the policy of Ironhouse to prepare and adhere to an annual budget that adequately supports its operating and capital expenditures and maintains a financially viable District able to sustain the level of service identified in the strategic plan.

Financial

Ironhouse provides wastewater collection, treatment services, and recycled water to individuals and businesses within the City of Oakley, Bethel Island, and from other unincorporated areas within Ironhouse's service boundary. Ironhouse's primary source of funding is from service charges, service connection fees, and capacity fees from users of the services provided by Ironhouse.

Ironhouse adopts an annual operating and capital budget each fiscal year. This covers Expected Revenues, Operations and Maintenance expenses (O&M), Depreciation, Reserves, and the Capital Improvement Budget (CIB) needed to operate Ironhouse. Ironhouse adheres to the goals and objectives of its five year (2022 – 2027) Strategic Planning Goals and Objectives when preparing the operating and capital budget. These goals and objectives are as follows:

- **Financial Planning and Forecasting:** Identify cost savings through innovative fiscal management, operational efficiency, and comprehensive asset management
- **Effective Management of Finances:** Provide accurate and timely information to the Board
- **Wastewater:** Ironhouse's wastewater collection and treatment will meet current and future regulatory compliance, ensuring that services and capital assets maximize value for our ratepayers
- **Operations and Maintenance:** Ironhouse will minimize risk and improve the resiliency of our assets by using best practices in operations and maintenance to maximize useful life

The Board of Directors approved the FY 2025-2026 budget at its June 17, 2025, meeting, then approved and adopted a revised Annual Budget for FY 2025-2026 at its January 20, 2026, meeting. The Board approved the FY 2026-2027 budget at its June 2, 2026, meeting. The Cost-of-Service Study (Study) informs the Operations and Capital Annual Budget for FY 2026-2027 (FY 2026-2027 Budget) and will be utilized for the next five FYs through FY 2030-2031, covering the period from July 1, 2026, through June 30, 2031. The O&M Budget Forecast (OMB) and Ten-Year Capital Improvement Plan (CIP) serve as the foundation for the study.

The FY 2026-2027 Budget includes the CIP, updated annually, which identifies and prioritizes capital projects needed to maintain reliable infrastructure. It also includes planning-level cost estimates for proposed projects and projections of the revenue sources needed to meet cash flow requirements.

The principal purpose of CIP is to provide the Board with the information required to formulate a long-range policy regarding:

- **Priority and Schedule:** Identify, prioritize, and schedule the projects necessary to accomplish Ironhouse's Vision, Mission, Values, and Goals
- **Financing:** Plan for sufficient financial resources to complete the proposed projects

The new proposed FY 2026-2027 Budget is in effect as of July 1, 2026, and ends on June 30, 2027. The proposed FY 2026-2027 budget is shown in Table 1.

Major Costs and Financial Impacts

The FY 2026-2027 Budget reflects the following changes as compared to the approved budget FY 2025-2026 Budget approved on June 17, 2025:

Revenue: Estimated Revenue: \$19,759,008 vs. \$19,439,844, a 1.6% increase from FY 2025-2026 Budget.

Interest Income: \$1,400,000. This was reduced from \$1,500,000 in the prior year because the Capital Improvement Budget needs to draw down reserves, and staff anticipate a slight reduction in interest rates.

Operating Expenses: Estimated Expenses: \$16,364,678 vs. \$15,250,656, a 7.3% increase from FY 2025-2026 Budget.

Depreciation Expenses: \$4,470,00 in depreciation expenses. There is no change from the prior FY.

Net Income: Estimated at \$324,331, which is down from \$1,219,188. Included in net income is interest income of \$1,400,000 and depreciation expense of \$4,470,000. Excluding interest income and depreciation, net income is \$3,394,331 compared to \$4,189,188 in the prior year.

This budget reflects a total cash reserve drawdown of \$14,248,870, summarized as follows:

- Cash added of \$3,394,331 from net operating income
- Cash added of \$1,400,000 for interest income
- Cash used of \$2,937,701 for debt service
- Cash used of \$16,105,500 for capital improvements

Debt Service and Administration

Ironhouse began construction in April 2009 on a new 4.3 MGD water recycling facility. The facility went into service in July 2011. Ironhouse entered into a project funding agreement with the California State Water Resources Control Board under their Clean Water State Revolving Fund Program. Ironhouse borrowed \$58,754,010 for the construction of the water recycling facility. Repayment of the loan is made in annual installments of \$2,937,701, beginning in October 2012. The final loan installment will be in October 2031.

As of June 30, 2026, the outstanding loan balance is \$17,626,203. The loan carried no stated interest; however, to borrow the funds, Ironhouse was required to provide 16.67% of the total loan amount (\$8,237,109), which is reported as prepaid interest and amortized at an effective interest rate of 1.8%.

Revenue Trends

Sewer Service Fees Revenue

Ironhouse depends on user service, connection, and capacity fees to fund operations and capital improvements. It can increase service fees only after completing the State of California Proposition 218 process. In FY 2019-2020, based on a third-party rate study, Ironhouse adopted a five-year service charge rate plan under Proposition 218 providing for increases of 9%, 5%, 5%, 0%, and 0% over five years beginning FY 2020-2021. In FY 2021-2022, Ironhouse imposed a 3% increase rather than the planned 5%. Although that Proposition 218 rate plan expired in FY 2025-2026, Ironhouse increased sewer service fees by 2% that year, representing the remaining 2% increase from the expiring plan.

During FY 2026-2027, Ironhouse completed a Cost-of-Service Study in accordance with Proposition 218. On May 19, 2026, the Board adopted a new five-year rate structure beginning July 1, 2026, that includes annual increases of 4.5%, 6.25%, 6.25%, 6.25%, and 5.25% over the next five years (see Table A on the next page).

Ironhouse's FY 2026-2027 budget for sewer service charges from existing rate payers is \$16,288,240 compared to \$15,336,666, a 6.2% increase from the FY 2025-2026 budget.

TABLE A: RATE STRUCTURE FOR FYE 27 TO FYE 31

Customer Class	Current Rate	Rate Effective July 1, 2026	Rate Effective July 1, 2027	Rate Effective July 1, 2028	Rate Effective July 1, 2029	Rate Effective July 1, 2030
Residential: Fixed Annual Charge (\$/year), per dwelling unit or space on parcel						
Single Family	\$934.18	\$967.65	\$1,028.13	\$1,092.39	\$1,160.67	\$1,221.61
Mobile Home/Recreational Vehicle	\$529.00	\$628.99	\$668.31	\$710.08	\$754.46	\$794.07
Multi-Family	\$350.88	\$441.22	\$531.55	\$564.78	\$600.08	\$631.59
Accessory Dwelling Unit	\$350.88	\$414.25	\$440.15	\$467.66	\$496.89	\$522.98
Commercial: Metered Water *						
Fixed Customer Component (\$/parcel/year)		\$139.96	\$148.71	\$158.01	\$167.89	\$176.71
Variable Component (Water use, \$/hundred cubic feet/year)						
Commercial: Low	varies	\$9.01	\$9.58	\$10.18	\$10.82	\$11.39
Commercial: Medium	varies	\$10.54	\$11.20	\$11.90	\$12.65	\$13.32
Commercial: High	varies	\$11.34	\$15.12	\$16.07	\$17.08	\$17.98
Commercial: Non-Metered Water *						
Fixed Customer Component (\$/parcel/year)		\$139.96	\$148.71	\$158.01	\$167.89	\$176.71
Variable Component (\$/building square foot/year)						
Commercial: Low	varies	\$0.22	\$0.24	\$0.26	\$0.28	\$0.30
Commercial: Medium	varies	\$0.41	\$0.44	\$0.47	\$0.50	\$0.53
Commercial: High	varies	\$1.46	\$1.56	\$1.66	\$1.77	\$1.87
Permitted Industrial User: Metered Water**						
Fixed Customer Component (\$/parcel/year)		\$139.96	\$148.71	\$158.01	\$167.89	\$176.71
Measured Wastewater Flow (\$/hundred cubic feet/year)		\$8.11	\$8.62	\$9.16	\$9.74	\$10.26
Biochemical Oxygen Demand (\$/pound/year)		\$0.81	\$0.87	\$0.93	\$0.99	\$1.05
Total Suspended Solids (\$/pound/year)		\$0.74	\$0.79	\$0.84	\$0.90	\$0.95
Schools*						
Public Elementary to High School (\$/student/year)		\$14.37	\$22.10	\$23.49	\$24.96	\$26.28
Miscellaneous *						
Non-Residential Minimum Charge (\$/parcel/year)		\$479.05	\$509.00	\$540.82	\$574.63	\$604.80

Capacity Fee Revenue

Capacity fees are paid by developers, businesses, and individuals connecting to the collection system in the City of Oakley or the unincorporated area of Bethel Island, and are restricted in use to debt service and future expansion of the collection system and Water Recycling Facility. The FY 2026-2027 capacity fee per new connection is \$10,635, with a total budget of \$1,595,243, a 30% decrease from the FY 2025-2026 budget of \$2,279,200.

Ad Valorem and Other Taxes

Contra Costa County assesses ad valorem taxes for the benefit of Ironhouse, based on property values within its service area. Ironhouse considers these taxes a steady source of non-operating revenue with modest annual increases. The FY 2026-2027 budget for ad valorem and other taxes is \$508,800, a 16.2% increase from the FY 2025-2026 budget of \$438,000.

Grazing and Farming Leases

Ironhouse owns Jersey Island and receives grazing and farming lease revenue. Grazing lease revenue is expected to decrease slightly, from \$802,000 in FY 2025-2026 to \$768,333 in FY 2026-2027, as the lease expires April 30, 2027, and is expected to renew at a potentially lower rate. The farming lease provides \$52,360 in revenue, unchanged from FY 2025-2026, and expires October 31, 2027.

Investment Income

Ironhouse invests reserves in jointly held pooled cash investment funds such as California CLASS, the Local Agency Investment Fund (LAIF), and CalTrust, as well as in certificates of deposit, U.S. Treasury bonds, other government agency obligations, and corporate bonds. In recent years, Ironhouse has earned significant income on its operational, capital expenditure, and restricted reserves. Because Ironhouse plans an aggressive capital improvement program over the next five years, it will draw down its capital expenditure and restricted capacity reserves significantly over that period, and annual interest income will decline as those reserves are depleted. The FY 2026-2027 budget for interest income is reduced from \$1.5 million in FY 2025-2026 to \$1.4 million, and will continue to decline over the next five years as reserves fund capital improvements.

Expense Trends

Administration Expenses

Ironhouse administration expenses for FY 2026-2027 are budgeted at \$717,925, compared to \$582,819 in FY 2025-2026. The increase is due principally to FY 2026-2027 being a Board of Directors election year, and to a higher training budget for staff and the Board.

Insurance

Ironhouse participates in the California Sanitation Risk Management Authority for pooled liability and physical property insurance. The projected FY 2026-2027 insurance cost is \$445,000, an 8% increase from the FY 2026 budget of \$412,000, reflecting increased industry-wide claims from natural catastrophes and inflation.

In addition, Ironhouse is initiating a \$16.1 million Capital Improvement Plan in FY 2027, which Ironhouse believes will increase premiums in future years.

Operations and Maintenance

Operations and maintenance expenses are projected at \$2,469,831 for FY 2027, a 6.2% decrease from the FY 2026 budget of \$2,632,847. This reduction primarily reflects lower anticipated operational software costs, since the FY 2026 budget included one-time expenses for implementing an Enterprise Resource Planning (ERP) system to automate and manage Ironhouse's core business processes.

Professional Services

Professional services expenses are projected at \$1,995,350 in FY 2026-2027, a 10.2% increase from the FY 2025-2026 budget of \$1,809,900, reflecting Ironhouse's investment in cybersecurity and information technology.

Salaries and Related Expenses

Ironhouse plans to add new positions and fill vacancies, totaling three full-time equivalents (FTEs), during FY 2026-2027 which brings the total workforce to 34 FTEs. The budget includes a 2.50% cost-of-living increase. Salaries and related expenses are projected at \$9,680,372 in FY 2026-2027, a 10.5% increase from the FY 2025-2026 budget of \$8,760,790. Ironhouse participates in the CalPERS retirement system, covering both Classic and PEPR members. For FY 2026-2027, CalPERS requires a \$678,623 contribution toward Ironhouse's unfunded pension liability for active and retired employees, a 12.3% increase from \$604,159 in FY 2025-2026.

During FY 2024-2025, Ironhouse contributed \$932,000 toward its retiree healthcare liability (OPEB liability), using excess interest income earned the prior year. Ironhouse contributed \$500,000 to the plan in FY 2026 and will contribute another \$500,000 in FY 2027. As of June 30, 2025, Ironhouse's total OPEB liability is \$6,963,578, of which 75.3% is funded through investments maintained at the California Employers' Retirement Benefit Trust (CERBT).

Utilities

Utilities are projected to be \$1,056,200 in FY 2026-2027 compared to a budget of \$1,052,300 in FY 2025-2026, a 0.4% increase. In January 2026, the Board approved a Power Purchase Agreement (PPA) with REC Solar. This new PPA allows Ironhouse to contract with a third-party provider to design, build, finance, operate, and maintain the 1.5 MW solar system with battery storage for the term of the agreement. In exchange for monthly payments tied to the energy generated, the provider guarantees a minimum level of production. This structure provides multiple financial advantages:

- Low upfront costs: Ironhouse is not required to make capital expenditures for system design or installation
- Fixed electricity costs: Energy generated under the PPA is priced according to the terms of the agreement, providing long-term cost certainty
- Access to incentives: The third-party provider qualifies for incentive programs and tax benefits that will benefit Ironhouse, reducing overall installation costs
- Maintenance and performance guarantee: The provider is responsible for system operation and maintenance, ensuring the guaranteed energy production level
- Cost savings: Monthly PPA payments are projected to be less than estimated energy costs from Pacific Gas & Electric (PG&E), resulting in net savings

The PPA was executed on April 21, 2026, and is expected to provide \$16 million in net benefit savings over the 30-year base term. The agreement also includes an optional 5-year extension, which would allow Ironhouse to continue purchasing electricity for up to 35 years.

Changes in Net Position

Net position is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. It is classified into three categories: Investment in Capital Assets, Unrestricted Net Position, and Restricted Net Position. Net position measures Ironhouse's overall financial condition; changes in net position represent revenue less expenses for the fiscal year, accounted for under Generally Accepted Accounting Principles.

Since the fiscal year ending June 30, 2020, Ironhouse's net position has grown at an average annual rate of 8.6% through June 30, 2025, and is projected to grow 1.1% in FY 2026-2027. This slower projected growth, compared to the prior five fiscal years, primarily

reflects rising operating costs driven by higher professional services expenses for studies and operational planning and by investments in cybersecurity and information technology.

Staffing levels are also expected to increase, from 28 full-time equivalents (FTEs) at the end of FY 2025-2026 to 34 by the end of FY 2026-2027, based on a staffing needs assessment completed in FY 2024-2025 that identified the need for additional personnel to support Ironhouse amid increased residential development and population growth in Oakley and Bethel Island.

Cash Reserves

Reserves are shown in Table 3. Ironhouse maintains several reserve funds, including an Operating Reserve, three Restricted Reserves (Debt service, Capacity, and Trunk Line Capacity), and a Board Designated Capital Expenditure.

Current Budget Factors, Priorities and Challenges

Jersey Island Sale Purchase Agreement with Diablo Water District

Ironhouse has signed a purchase and sale agreement with Diablo Water District for the sale of Jersey Island, scheduled to close on December 2, 2026. If the sale closes, Ironhouse will transfer the proceeds to reserve, and the Board will determine the best use of those funds.

Attachments:

- Table 1: FY 2026-2027 Revenues and Operations and Capital Annual Budget
- Table 3: Reserve Analysis and Rollforward
- Budget Fulltime Equivalent Positions

TABLE 1: FY 2026-2027 REVENUES AND OPERATIONS AND CAPITAL ANNUAL BUDGET

	Proposed FY 26/27 Budget	FY 25/26 Original Budget	Budget 26/27 \$ Change Orig Budget 25/26	Budget 26/27 % Change Orig Budget 25/26	FY 25/26 Revised Budget	Budget 26/27 Change Revised Budget 25/26	Budget 26/27 % Change Budget 25/26
1 REVENUE							
2 Sewer Service Charge	16,288,240	15,336,666	951,574	6.2%	15,084,491	1,203,749	8.0%
3 Inspection Fees	208,575	135,000	73,575	54.5%	135,000	73,575	54.5%
4 Plan Check Fees	100,425	65,000	35,425	54.5%	65,000	35,425	54.5%
5 Sewer Use Charge (New Permits)	96,732	102,818	(6,086)	-5.9%	102,818	(6,086)	-5.9%
6 Capacity Fees	1,595,243	2,279,200	(683,957)	-30.0%	2,128,980	(533,737)	-25.1%
7 Leases and Easements	-	-	-	-	-	-	-
8 Bank and Credit Card Revenue	10,000	-	10,000	-	-	10,000	-
9 Grazing Leases	768,333	802,000	(33,667)	-4.2%	802,000	(33,667)	-4.2%
10 Farming Leases	52,360	52,360	-	0.0%	52,360	-	0.0%
11 RD830 Levee Maintenance	100,000	175,000	(75,000)	-42.9%	175,000	(75,000)	-42.9%
12 Undercrossing Maintenance	25,000	25,000	-	0.0%	25,000	-	0.0%
13 Mineral Rights	-	8,500	(8,500)	-100.0%	-	-	-
14 Jersey Island Use Fees	300	300	-	0.0%	300	-	0.0%
15 Recycled Water Fees	-	-	-	-	-	-	-
16 Other Fees and Reimbursements	-	10,000	(10,000)	-100.0%	18,500	(18,500)	-100.0%
17 Ad Valorem and Other Taxes	508,800	438,000	70,800	16.2%	448,000	60,800	13.6%
18 Offers of Dedication	-	-	-	-	-	-	-
19 Miscellaneous Income	5,000	10,000	(5,000)	-50.0%	10,000	(5,000)	-50.0%
20 Total Revenue	19,759,008	19,439,844	319,164	1.6%	19,047,449	711,560	3.7%
21 EXPENSES							
22	Proposed FY 25/26 Budget	FY 25/26 Original Budget	Budget 26/27 \$ Change Orig Budget 25/26	Budget 26/27 % Change Orig Budget 25/26	FY 25/26 Revised Budget	Budget 26/27 \$ Change Budget 25/26	Budget 25/26 % Change Budget 24/25
23							
25 Salaries and Related Expenses							
26 Salaries and Wages							
27 Base Staff Salaries	5,515,869	5,000,048	515,821	10.3%	4,676,207	839,662	18.0%
28 Stand By/On Call	48,000	48,000	-	0.0%	48,000	-	0.0%
29 Overtime Pay	87,000	80,000	7,000	8.8%	80,000	7,000	8.8%
30 Vehicle Allowance	16,440	17,400	(960)	-5.5%	15,720	720	4.6%
31 Vacation Buy-Back	70,000	66,000	4,000	6.1%	66,000	4,000	6.1%
32 Accrued Time Pay-Out	80,000	50,000	30,000	60.0%	50,000	30,000	60.0%
33 Other Pay	10,000	-	10,000	-	-	10,000	-
34 Director Pay	52,500	52,500	-	0.0%	52,500	-	0.0%
35 Temporary Staff Wages	50,000	25,000	25,000	100.0%	68,200	(18,200)	-26.7%
36 Total Salaries and Wages	5,929,809	5,338,948	590,861	11.1%	5,056,627	873,182	17.3%
37 Health, Life and Disability							
38 Medical Insurance - Staff	1,053,211	925,280	127,931	13.8%	844,035	209,176	24.8%
39 Medical Insurance - Directors	24,228	42,922	(18,694)	-43.6%	42,922	(18,694)	-43.6%
40 Dental Insurance - Staff	123,103	111,571	11,532	10.3%	101,431	21,671	21.4%
41 Dental Insurance - Directors	2,118	3,357	(1,239)	-36.9%	3,357	(1,240)	-36.9%
42 Vision - Staff	12,288	11,132	1,156	10.4%	10,160	2,128	20.9%
43 Vision - Directors	345	531	(186)	-35.0%	531	(186)	-35.0%
44 Life and Disability	22,502	18,595	3,907	21.0%	17,098	5,404	31.6%
45 Total Health, Life and Disability	1,237,794	1,113,388	124,406	11.2%	1,019,534	218,260	21.4%
46 Retirement - CalPERS	1,548,727	1,393,443	155,284	11.1%	1,348,786	199,941	14.8%
47 Employer Match 401(a) Plan	237,028	200,000	37,028	18.5%	200,000	37,028	18.5%
48 OPEB Annual Req. Contribution	500,000	500,000	-	0.0%	500,000	-	0.0%
49 Workers Compensation Insurance	122,683	122,320	363	0.3%	112,446	10,237	9.1%
50 Payroll Taxes - Employer	104,331	92,691	11,640	12.6%	92,657	11,674	12.6%
51 Total Salaries and Related Expenses	9,680,372	8,760,790	919,582	10.5%	8,330,049	1,350,323	16.2%
52 Administration Expenses							
53 Bank and Credit Card Service Fees	10,000	10,000	-	0.0%	10,000	-	0.0%
54 Coalitions	23,500	27,200	(3,700)	-13.6%	27,200	(3,700)	-13.6%
55 County - LAFCO	10,000	12,000	(2,000)	-16.7%	9,289	711	7.7%
56 County - Processing Fees	13,000	15,000	(2,000)	-13.3%	12,500	500	4.0%
57 Dues and Memberships	48,260	47,400	860	1.8%	47,400	860	1.8%
58 Election Expenses	65,000	-	65,000	-	-	65,000	-
59 Meetings and Events	30,000	29,800	200	0.7%	29,800	200	0.7%

		Proposed FY 26/27 Budget	FY 25/26 Original Budget	Budget 26/27 \$ Change Orig Budget 25/26	Budget 26/27 % Change Orig Budget 25/26	FY 25/26 Revised Budget	Budget 26/27 Change Revised Budget 25/26	Budget 26/27 % Change Budget 25/26
60	Employee Wellness Program	7,500	7,500	-	0.0%	7,500	-	0.0%
61	Expensed Computer Hardware	18,000	17,500	500	2.9%	17,500	500	2.9%
62	Expensed Furniture and Fixtures	23,000	24,119	(1,119)	-4.6%	24,119	(1,119)	-4.6%
63	Licenses - Certifications	7,000	3,800	3,200	84.2%	3,800	3,200	84.2%
64	Office Supplies and Expenses	28,000	27,500	500	1.8%	27,500	500	1.8%
65	Permits	114,700	114,700	-	0.0%	114,700	-	0.0%
66	Physicals & Exams	5,600	4,900	700	14.3%	4,900	700	14.3%
67	Postage and Delivery	3,600	3,600	-	0.0%	3,600	-	0.0%
68	Printing and Reproduction	20,000	14,500	5,500	37.9%	14,500	5,500	37.9%
69	Public Education and Outreach	21,500	21,500	-	0.0%	21,500	-	0.0%
70	Records Management	12,000	10,000	2,000	20.0%	10,000	2,000	20.0%
71	Telecommunications							
72	Cellular Services	36,000	18,300	17,700	96.7%	28,300	7,700	27.2%
73	Office Line, Internet and Data	55,940	54,500	1,440	2.6%	45,900	10,040	21.9%
74	Temporary Support Services	25,000	5,000	20,000	400.0%	45,000	(20,000)	-44.4%
75	Training, Tuition and Conferences	135,325	109,000	26,325	24.2%	109,000	26,325	24.2%
76	Miscellaneous Administration	5,000	5,000	-	0.0%	5,000	-	0.0%
77	Total Administration Expenses	717,925	582,819	135,106	23.2%	619,008	98,917	16.0%
78	Insurance							
79	CSRMA Business Package	443,000	410,000	33,000	8.0%	410,000	33,000	8.0%
80	Crime Insurance	2,000	2,000	-	0.0%	2,000	-	0.0%
81	Total Insurance	445,000	412,000	33,000	8.0%	412,000	33,000	8.0%
82	Operations and Maintenance							
83	Bio-Solids Removal	500,000	525,000	(25,000)	-4.8%	525,000	(25,000)	-4.8%
84	Encroachment Permits	5,000	5,000	-	0.0%	5,000	-	0.0%
85	Equipment Rental	15,800	15,800	-	0.0%	15,800	-	0.0%
86	Fuel							
87	Diesel - On Road	14,000	16,600	(2,600)	-15.7%	16,600	(2,600)	-15.7%
88	Diesel - Off Road	26,500	36,500	(10,000)	-27.4%	36,500	(10,000)	-27.4%
89	LPG	1,000	1,000	-	0.0%	1,000	-	0.0%
90	Gasoline	37,800	44,800	(7,000)	-15.6%	44,800	(7,000)	-15.6%
91	Janitorial Service and Supplies	60,000	73,000	(13,000)	-17.8%	73,000	(13,000)	-17.8%
92	Landscaping Services & Supplies	35,000	41,000	(6,000)	-14.6%	41,000	(6,000)	-14.6%
93	Maintenance and Repair							
94	Building Maintenance and Repair	42,500	46,500	(4,000)	-8.6%	46,500	(4,000)	-8.6%
95	Collection and Recycled Water Repair	65,000	105,000	(40,000)	-38.1%	105,000	(40,000)	-38.1%
96	Farm and Field Maintenance	5,000	3,000	2,000	66.7%	3,000	2,000	66.7%
97	Ground Maintenance	72,000	57,000	15,000	26.3%	57,000	15,000	26.3%
98	Homeless Encampment Clean-up	15,000	15,000	-	0.0%	15,000	-	0.0%
99	Pond Maintenance	35,000	35,000	-	0.0%	35,000	-	0.0%
100	Undercrossing Maintenance	25,000	25,000	-	0.0%	25,000	-	0.0%
101	Vehicle & Equip. Maintenance	80,500	59,000	21,500	36.4%	59,000	21,500	36.4%
102	WRF Maintenance & Repair	100,000	95,000	5,000	5.3%	95,000	5,000	5.3%
103	WRF Maintenance Contracts	305,000	305,000	-	0.0%	305,000	-	0.0%
104								
105	Mosquito Abatement	23,000	23,000	-	0.0%	23,000	-	0.0%
106	Operational Software	259,665	339,581	(79,916)	-23.5%	388,181	(128,516)	-33.1%
107	Supplies and Materials							
108	Chemicals	136,500	131,500	5,000	3.8%	131,500	5,000	3.8%
109	Lab Supplies	15,000	15,000	-	0.0%	15,000	-	0.0%
110	Operating and Maintenance Supplies	31,000	36,500	(5,500)	-15.1%	36,500	(5,500)	-15.1%
111	Qrtly Ground watering Monitoring	20,000	10,000	10,000	100.0%	15,000	5,000	33.3%
112	Reclamation Assessments	339,566	339,566	-	0.0%	339,566	-	0.0%
113	Safety Related Expenses	80,000	89,000	(9,000)	-10.1%	161,000	(81,000)	-50.3%
114	Telemetry System & Calibration	60,000	85,000	(25,000)	-29.4%	85,000	(25,000)	-29.4%
115	Tools and Expensed Equipment	27,500	22,500	5,000	22.2%	22,500	5,000	22.2%
116	Uniforms and Servicing	30,000	29,500	500	1.7%	37,500	(7,500)	-20.0%
117	Security	7,500	7,500	-	0.0%	7,500	-	0.0%
118	Total Operations and Maintenance	2,469,831	2,632,847	(163,016)	-6.2%	2,766,447	(296,616)	-10.7%
119	Professional Services							
120	Accounting Services	100,000	150,000	(50,000)	-33.3%	165,000	(65,000)	-39.4%
121	Auditing and Tax Services	30,000	25,000	5,000	20.0%	25,000	5,000	20.0%
122	Caretaker Costs	16,800	16,800	-	0.0%	16,800	-	0.0%
123	Consulting Services							

		Proposed FY 26/27 Budget	FY 25/26 Original Budget	Budget 26/27 \$ Change Orig Budget 25/26	Budget 26/27 % Change Orig Budget 25/26	FY 25/26 Revised Budget	Budget 26/27 Change Revised Budget 25/26	Budget 26/27 % Change Budget 25/26
124	Connection Rate Studies	50,000	100,000	(50,000)	-50.0%	100,000	(50,000)	-50.0%
125	Engineering Services	195,000	50,000	145,000	290.0%	145,000	50,000	34.5%
126	Financial Analysis Projections	35,500	12,000	23,500	195.8%	17,000	18,500	108.8%
127	GIS and Mapping	60,000	35,000	25,000	71.4%	55,000	5,000	9.1%
128	HR Analysis and Services	50,000	35,000	15,000	42.9%	35,000	15,000	42.9%
129	Information Technology	350,800	36,000	314,800	874.4%	211,029	139,771	66.2%
130	Inspection Services	-	-	-	-	25,597	(25,597)	-100.0%
131	Regulatory and Environmental	250,000	165,000	85,000	51.5%	165,000	85,000	51.5%
132	Programming Services	15,000	15,000	-	0.0%	15,000	-	0.0%
133	Strategic and Other Planning	40,000	-	40,000	-	28,000	12,000	42.9%
134	Studies and Assessments	200,000	95,000	105,000	110.5%	399,199	(199,199)	-49.9%
135	Other Contracted Services	20,000	570,000	(550,000)	-96.5%	20,000	-	0.0%
136	Lab Testing							
137	General Lab Services	205,000	104,100	100,900	96.9%	104,100	100,900	96.9%
138	Legal Services							
139	General Business Issues	283,250	250,000	33,250	13.3%	275,000	8,250	3.0%
140	Personnel Related	10,000	20,000	(10,000)	-50.0%	20,000	(10,000)	-50.0%
141	Payroll, Benefits & Bill Pmt. Processing	49,000	31,000	18,000	58.1%	31,000	18,000	58.1%
142	Public Outreach Services	35,000	100,000	(65,000)	-65.0%	100,000	(65,000)	-65.0%
143	Total Professional Services	1,995,350	1,809,900	185,450	10.2%	1,952,725	42,625	2.2%
144	Utilities							
145	Diablo Water District	30,200	26,300	3,900	14.8%	26,300	3,900	14.8%
146	Electric and Gas	1,026,000	1,026,000	-	0.0%	1,026,000	-	0.0%
147	Total Utilities	1,056,200	1,052,300	3,900	0.4%	1,052,300	3,900	0.4%
148	Total Operating Expense Before Depreciation	16,364,678	15,250,656	1,114,022	7.3%	15,132,529	1,232,149	8.1%
149	Net Operating Income (Deficit) Before Depr.	3,394,331	4,189,188	(794,857)	-19.0%	3,914,920	(520,589)	-13.3%
150	Depreciation Expense	4,470,000	4,470,000	-	0.0%	4,470,000	-	0.0%
151	Net Operating Income (Deficit) After Depr.	(1,075,669)	(280,812)	(794,857)	283.1%	(555,080)	(520,589)	93.8%
152	Other Income							
153	Interest Income	1,400,000	1,500,000	(100,000)	-6.7%	1,650,000	(250,000)	-15.2%
154	Unrealized Gains and (Losses)	-	-	-	-	-	-	-
155	Total Other Income	1,400,000	1,500,000	(100,000)	-6.7%	1,650,000	(250,000)	-15.2%
156	Net Income (Deficit)	324,331	1,219,188	(894,857)	-73.4%	1,094,920	(770,589)	-70.4%
157	Adjustments to Net Cash Flow							
158	Less: Debt Service	(2,937,701)	(2,937,701)	-	0.0%	(2,937,701)	-	0.0%
159	Less: Capital Expenditures	(16,105,500)	(8,612,000)	(7,493,500)	87.0%	(6,984,096)	(9,121,404)	130.6%
160	Add: Depreciation Expense	4,470,000	4,470,000	-	0.0%	4,470,000	-	0.0%
161	Net Cash Inflow (Outflow)	(14,248,870)	(5,860,513)	(8,388,357)	143.1%	(4,356,877)	(9,891,993)	227.0%

TABLE 3: RESERVE ANALYSIS AND ROLLFORWARD FY 2026/2027

	Operating Reserve	Debt Service	Restricted Reserves Capacity	Trunkline Capacity	Total Restricted	Board Designated Capital Expenditure	Total Board Designated/ Restricted	Total Reserves
Estimated Balance 6/30/26	8,827,309	2,937,701	16,463,759	3,898,182	23,299,642	18,728,731	42,028,373	50,855,682
Expected Inflows	18,163,765		1,595,243		1,595,243		1,595,243	19,759,008
Interest Income	910,000		414,400	75,600	490,000		490,000	1,400,000
Expected Disbursements	(16,364,678)		(1,540,053)	(3,605,000)	(5,145,053)	(10,960,447)	(16,105,500)	(32,470,178)
Debt Service Payment	(1,571,670)		(1,366,031)		(1,366,031)		(1,366,031)	(2,937,701)
Transfers for Operating Excess	(418,664)				0	418,664	418,664	0
Estimated Balance 6/30/27	9,546,062	2,937,701	15,567,318	368,782	18,873,801	8,186,948	27,060,750	36,606,812
Est. Change in Net Asset Reserve Balance	718,753	0	(896,441)	(3,529,400)	(4,425,841)	(10,541,783)	(14,967,623)	(14,248,870)

Reserve Requirements per Adopted Policies:

Target	9,546,062	2,937,701	N/A	N/A	N/A
Minimum	5,454,893	2,937,701	N/A	N/A	5,335,403
Maximum	9,546,062	N/A	N/A	N/A	10,670,806

Meets Target Expectation	TRUE	TRUE	N/A	N/A	N/A
Pass Minimum Balance Requirement	TRUE	TRUE	N/A	N/A	TRUE
Does not Exceed Maximum Balance	TRUE	N/A	N/A	N/A	TRUE

Budgeted Full-Time Equivalent Positions FY 2026-2027

Table 1 shows budgeted staffing totals for the indicated periods, including 34 budgeted FTE positions. The General Manager may also hire interns or summer students as needed to support District operations. Table 2 provides a detailed breakdown of FTEs by department and division.

TABLE 1: BUDGETED STAFFING

	FY 2024-2025 Year-End Actual	FY 2025-2026 Budgeted	FY 2026-2027 Budget
Regular Employees	30.5	33.0	34.0
Summer Students	0	1.0	2.0
Interns	1.0	2.0	1.0
Total Temporary Employees	1.0	3.0	3.0

TABLE 2: BUDGETED FULL-TIME EQUIVALENTS

Department	Division	Position	FY 2024-2025	FY 2025-2026	FY 2026-2027
Administration	Executive Management	General Manager	1	1	1
Administration	Executive Management	Assistant General Manager	1	1	1
		Total Executive Management	2.0	2.0	2.0
Administration	Communications	Public Communications Specialist	0.5	1	1
		Total Public Communications	0.5	1.0	1.0
Administration	HR	HR Technician	1	1	1
		Total HR	1.0	1.0	1.0
Administration	Finance	Finance Manager	1	1	1
Administration	Finance	Finance Technician*	0	0	1
		Total Finance	1.0	1.0	2.0
Administration	Executive Management/HR	District Secretary/Office Administrator	1	1	1
Administration	Purchasing and Contracts	Administrative Technician	1	1	1
Administration	Administration	Administrative Assistant	1	1	1
		Total Administration	3.0	3.0	3.0

Department	Division	Position	FY 2024-2025	FY 2025-2026	FY 2026-2027
Administration	Information Technology	IT Analyst	0	1	1
Total Information Technology			0	1.0	1.0
Engineering	Executive Management/Engineering	District Engineer	1	1	1
Engineering	Development	Business Analyst - Development	1	1	1
Engineering	Capital Projects	Business Analyst - Capital and Construction Management	0	0	1
Engineering	Development	Construction and Inspection Specialist	0.5	1	1
Total Engineering			2.5	3.0	4.0
Water Recycling Facility	Treatment	WRF Plant Superintendent/Chief Plant Operator	1	1	1
Water Recycling Facility	Treatment	WRF Supervisor	1	1	1
Water Recycling Facility	Treatment	Plant Operators I/II/III	4	4	4
Water Recycling Facility	Treatment	Lead Plant Mechanic*	0	0	1
Water Recycling Facility	Treatment	Plant Maintenance Specialist I/II	1	1	1
Water Recycling Facility	Treatment	Operator in Training	0	1	1
Total WRF			7.0	8.0	9.0
Collection System	Collection	Collection System Superintendent/Fleet Management	1	1	1
Collection System	Collection	Collection System Supervisor	1	1	1
Collection System	Collection	Collection System Operator/I/II/III	6.5	6	6
Collection System	Collection	Lead Mechanic	1	1	1
Total Collection/Fleet Management			9.5	9	9
Jersey Island	Jersey Island	Jersey Island Superintendent	1	1	1
Jersey Island	Jersey Island	Jersey Island Heavy Equipment Operator	3	3	3
Total Jersey Island			4.0	4.0	4.0
Total FTEs			30.5	33	34*

* New positions will not be filled until retirement is realized.

Staffing Changes

Ironhouse's FTE headcount was 33 during FY 2025-2026. During the FY 2026-2027 budget development process, staff reviewed staffing needs by division, weighing alternatives and cost-benefit analyses with the Executive Team and the Staff Needs Analysis consultant. This assessment recommended three new positions, increasing the budgeted headcount from 33 to 34* in FY 2026-2027; two of these positions will remain unfilled until vacancies arise from pending retirements. In addition to the 34 permanent FTEs, the budget includes one summer student and one intern.

The changes to the organization are shown below and are included in the FY 2026-2027 Budget:

Public Outreach and Communications: Filling a vacant position; hiring a full-time position.

Administration and Finance *: Adding a finance technician position to handle invoice processing and loading invoices into the ERP.

Engineering Department: Filling a vacant Business Analyst position and adding a Capital Projects and Construction Business Analyst. This Business Analyst will support the Ironhouse Engineer in ensuring capital program elements progress at the scheduled annual rate.

Water Recycling Facility: Filling two vacant positions for Plant Operators I/III, and filling a new position, Lead Plant Mechanic *.

Collection System Superintendent: No new FTE but adding the role of Fleet Management.

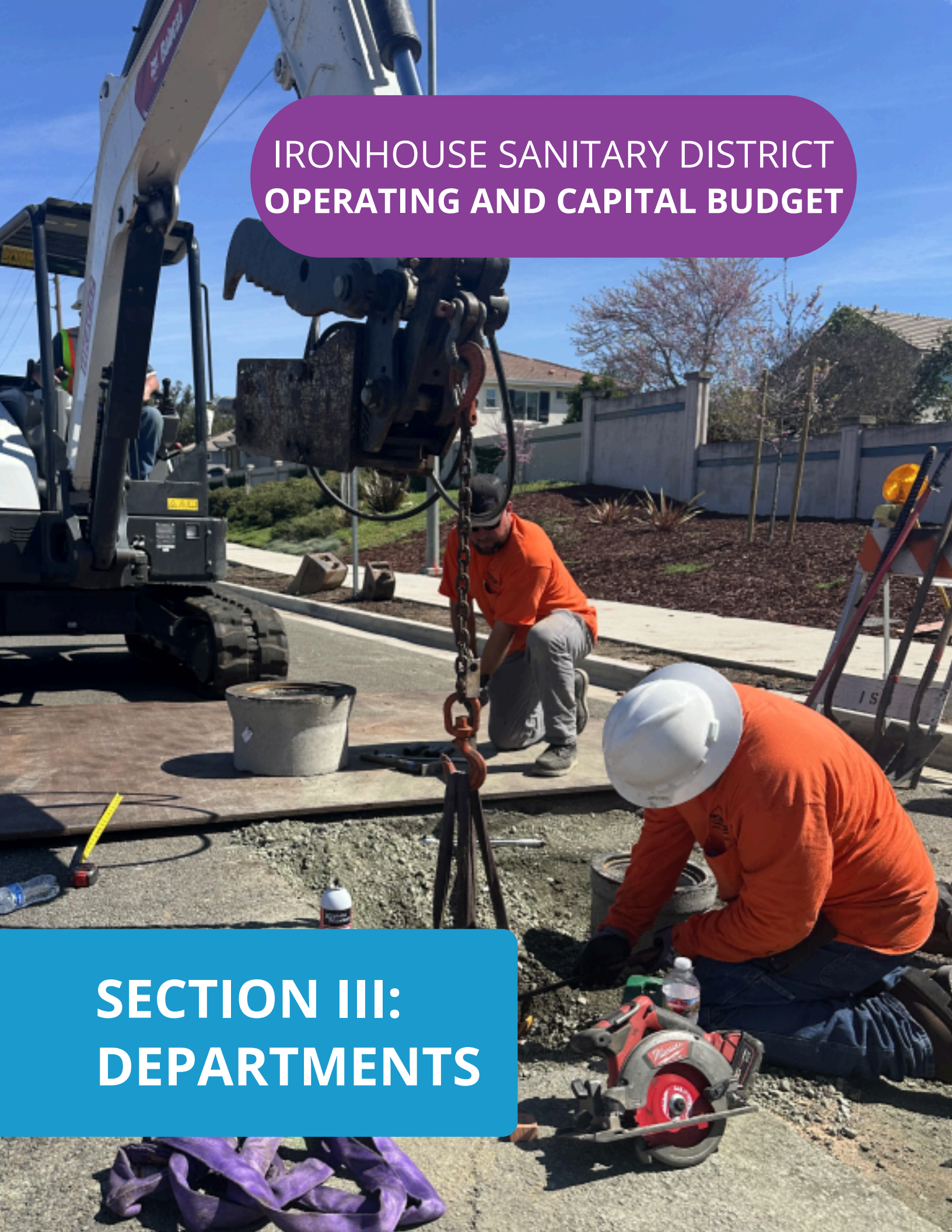
Interns: Ironhouse may hire one intern to assist with records management and other administrative tasks. Interns are limited to a maximum of 960 hours.

Summer Students: Ironhouse may hire one to two summer students to assist Ironhouse, such as assistance with administrative tasks for the Administration Department or vocational tasks in the Operations departments.

CSCDA Statewide Community Infrastructure Program (SCIP)

The Statewide Community Infrastructure Program (SCIP) is a financing program administered by the California Statewide Communities Development Authority (CSCDA) that helps fund public infrastructure, facilities, and development impact fees associated with private development projects. It operates primarily through tax-exempt bonds, often pooled across multiple projects, with repayment secured by long-term assessments or special taxes on the benefiting properties. SCIP allows cities, counties, and special districts to receive infrastructure funding or impact fee payments upfront, while property owners repay the obligation over time—typically up to 30 years—improving project cash flow and feasibility. The program can be structured through assessment districts or community facilities districts (Mello-Roos) and functions as a turnkey solution that reduces administrative burden for local agencies while giving developers of all sizes access to lower-cost capital. Since its 2003 launch, SCIP has financed billions of dollars in infrastructure and fees across hundreds of projects statewide, supporting residential, commercial, and industrial development.

Program	Sewer Improvements for Ironhouse	Development
2024B	\$ 54,733.60	Summer Lake North (V1, 2)
2025A	\$ 566,500.00	Summer Lake North (V4, 7)
2025C	\$ 247,777.85	Summer Lake North (V6)
2026A	\$ 600,880.00	Rosewood Estates

A photograph of a construction site under a clear blue sky. In the foreground, a worker in an orange shirt and white hard hat is kneeling on the ground, using a red Milwaukee circular saw to cut through a concrete slab. To his left, another worker in an orange shirt is kneeling and adjusting a heavy metal chain that hangs from a white excavator's bucket. The excavator is positioned on the left side of the frame. In the background, there is a concrete wall, some landscaping with mulch and small trees, and a residential house. A purple banner is overlaid at the top, and a blue banner is at the bottom.

IRONHOUSE SANITARY DISTRICT OPERATING AND CAPITAL BUDGET

SECTION III: DEPARTMENTS

District Collections System

Operations and Maintenance



Collection System Maintenance staff.

Ironhouse's award-winning collections system spans 140 miles of gravity lines, 19 miles of force mains, and 32 lift stations, conveying wastewater from Oakley and Bethel Island to the Water Recycling Facility.

Our team of nine skilled professionals maintains the collection system, ensures swift emergency responses, and upholds regulatory compliance. They rebuild pumps, rehabilitate lift stations and electrical control panels, inspect sewer lines, and work closely with developers to ensure new collection facilities and lines meet Ironhouse's standards. All staff hold certification in Collections System Maintenance from the California Water Environment Association. The Collections staff carries out a formal preventative maintenance plan to stop problems before they occur, providing safe and reliable service to Ironhouse customers. Staff clean pipelines throughout the collection system on a routine schedule and inspect them by closed-circuit television to identify where additional maintenance is needed.

Ironhouse's vacuum combination truck cleans wastewater collection pipelines with powerful water jets and removes debris using a vacuum system, which eliminates obstructions and prevents sewage spills. The operations budget for Collections and Maintenance for the fiscal year 2026-2027, excluding depreciation expense and administrative overhead allocation, is projected at \$3.3 million.

District Water Recycling Facility

Ironhouse's award-winning Water Recycling Facility (WRF) was commissioned in 2011 to meet state standards for advanced wastewater treatment. The facility, the first of its kind in Contra Costa County, incorporates biological nutrient removal, advanced membrane bioreactor technology, and ultraviolet light disinfection, providing some of the highest quality recycled water in Northern California. Our team of skilled professionals maintains the WRF, ensures swift emergency responses, and upholds regulatory compliance.

In recognition of its use of advanced membrane filtration technology and ultraviolet (UV) light for disinfection, the WRF won the California Association of Sanitation Agencies Technological Innovation and Achievement Award (2011). The Facility has also received the California Water Environment Association San Francisco Bay Area Plant of the Year (2021, 2019, 2017, and 2016), as well as the California Water Environment Association State Overall Plant of the Year (2017). Ironhouse's Water Recycling Facility produces effluent that meets the highest California Department of Public Health Title 22 standards, making it a reliable, unrestricted, and non-potable reclaimed water source.

The Treatment Facility uses the Membrane Bioreactor (MBR) process, an advanced wastewater treatment technology that combines a biological treatment process (like activated sludge) with Biological Nutrient Removal (BNR), followed by membrane filtration. Municipal wastewater treatment plants widely use MBR for its ability to produce high-quality effluent suitable for reuse.



Aerial view of the Water Recycling Facility.

MBR technology cleans wastewater using an aeration system with biological bacteria and membrane filtration, rather than standard open tank clarifiers, and disinfects with ultraviolet light instead of chemical-based treatment. Ironhouse holds two permits for disposing of effluent: an NPDES permit to discharge effluent into the San Joaquin River year-round, and a second permit to distribute tertiary recycled water meeting Title 22 requirements at the residential fill station. Licensed plant operators run the WRF 24/7, programmable logic controllers (PLCs) control the facility, and staff monitor operational processes and test samples to ensure regulatory compliance.

Biosolids are nutrient-rich organic materials resulting from domestic sewage treatment. When properly treated and processed, they can be safely recycled and applied as fertilizer to improve and maintain productive soils. Our facility dewater solids using aerobic digestion and belt filter presses, then hauls the resulting sludge cake to farmlands in

Sacramento County under a contract with Synagro.

The WRF's operations budget for the fiscal year 2026-2027, excluding depreciation expense and an allocation of administrative overhead, is projected at \$4.9 million.

Jersey Island

Ironhouse acquired Jersey Island in 1993 to provide additional space for discharging treated effluent onto agricultural fields, accommodating growth in its service area. Jersey Island is zoned for heavy agriculture and operated as a cattle ranch with farming operations for many years.

When Ironhouse took ownership of the island, District staff continued farming operations to take advantage of the agronomic uptake of nitrogen from the treated effluent discharged there, and continued cattle operations for vegetation management. When Ironhouse commissioned the Water Recycling Facility in 2011, the District obtained state permits to discharge effluent directly to the San Joaquin River.

After several years of operation, the Board directed staff to stop Ironhouse-run cattle and farming operations on Jersey Island. In December 2021, the Board awarded a grazing lease to Auburn Ravine Ranch, LLC (ARR).

In October 2022, the Board awarded ARR a farming lease covering approximately 400 acres on Jersey Island and the mainland Ironhouse property; ARR had already mobilized and begun its grazing lease in June 2022. At the end of 2024, Ironhouse stopped applying biosolids to Jersey Island and began hauling them to farm fields in Sacramento County instead.

The operations budget for FY 2026-2027, excluding depreciation expense and overhead allocation, is \$1.3 million.



Jersey Island.

Administration

The Administration Department provides services that support Ironhouse's efficient operation, including the General Manager's office, Financial Management (including purchasing), Human Resources (HR), Information Technology (IT), and Risk Management. The department also handles internal communications, interagency relations, and public outreach.

Administration – Executive, District Secretary, Communications and Outreach, Finance, IT, Risk Management, Purchasing, HR, and Administrative Support.

Engineering – Development, rates and fees, capital projects (planning, design, construction), permitting, and inspections.

The Administration budget for fiscal year 2026-2027, excluding depreciation expense and overhead allocation, is \$6.9 million.

General Manager

The General Manager (GM) is Ironhouse's highest-ranking staff executive, reporting directly to the Board. The GM represents Ironhouse to other agencies, oversees all operations, implements the strategic plan, manages finances, and provides overall leadership for the District.

The General Manager works with the Board to establish and implement policies, procedures, and Ironhouse's overall goals and Strategic Plan, including interagency relations, legislative activities, communications, and optimization efforts. The role also involves overseeing Ironhouse's operations, managing staff, and ensuring regulatory compliance.

The General Manager also provides direction, support, and resources to internal departments.

Assistant General Manager

The Assistant General Manager (AGM) oversees Finance, Information Technology, Risk Management, Collections System, and Jersey Island Operations; supports the General Manager; and manages and coordinates District activities in accordance with Board policies. The AGM supports Ironhouse's Strategic Plan, keeps the General Manager informed on projects and programs to facilitate decision-making, and serves on the Executive Team.

Secretary of the District and District Administration Manager

The Secretary of the District reports to the General Manager and provides administrative support to the five elected Board Members. The office manages the Board and Committee meeting process, including preparing and distributing agendas and minutes and publishing notices of public hearings; coordinates compliance with Fair Political Practices Commission Regulations and the Brown Act; receives legal claims against Ironhouse; coordinates elections with the Contra Costa County Elections Office; and arranges Brown Act training for the Board and staff. It also manages Ironhouse's Records Management Program and responds to Public Records Act requests.

The District Administration Manager manages Human Resources, Benefits, Employee Relations, and Labor Relations, and oversees Board and Administrative Support Services. The Administration Manager and District Secretary serves on the Executive Team.

Engineering Department

The Engineering Department ensures that Ironhouse's infrastructure is well-maintained and equipped for the future by working with development and permitting and managing regulatory permits, while anticipating regulatory changes, climate impacts, and the end of assets' useful lives.

The Capital Projects Division is responsible for the planning, design, construction, and/or rehabilitation of the treatment plant, collection system, and recycled water infrastructure. The Development Division handles development services, including right-of-way, property management, inspection, and mainline plan review; and financial planning for rate-setting; planning.

District Engineer

The District Engineer manages the Engineering Department; administers Ironhouse's Capital and Renewal & Replacement Programs; oversees long-term planning for the collection system and treatment facility; issues permits for construction, repairs, and annexations; and reviews plans and specifications. The District Engineer serves on the Executive Team.

Public Communications Specialist

The Public Communications Specialist (PCS) reports directly to the GM and supports communication with the Board, GM, Executive Team, employees, customers, stakeholders, agencies, legislators, elected officials, and the broader community. Responsibilities include community outreach, media relations, emergency communications, publications, events, student education, and public outreach programs. At the GM's request, the PCS may also serve as Public Information Officer (PIO).

Finance

The Finance division is responsible for managing Ironhouse's finances and oversees the budget, financial reporting, operational accounting services, and procurement functions. As a steward of public dollars, Finance is also responsible for designing, implementing, and maintaining fiscal policies and internal controls over the financial reporting of all Ironhouse funds and accounts. It administers transactions related to cash and investments, long-term debt, accounts receivable, accounts payable, payroll/benefits, and capital assets. It is also responsible for developing and monitoring the budget and coordinating this process with all other divisions at Ironhouse. Various interim and annual financial reports are prepared, reviewed, and analyzed by this division and provided to the Board, Finance Committee, and management as essential information to aid with informed decision-making and for budget monitoring and accountability tracking purposes.

Ironhouse is subject to an annual independent audit, which is administered and coordinated by this division. The Finance Division assembles the Annual Comprehensive Financial Report (ACFR), which is submitted annually to the Board and the Government Finance Officers Association (GFOA) to be considered for the prestigious Certificate of Achievement for Excellence in Financial Reporting Award.

The Finance Division also ensures Ironhouse's annual budget meets the requirements of the GFOA's Distinguished Budget Presentation Award, for which it is submitted annually. This division is also responsible for the procurement function, entailing the sourcing, purchasing, and contracting for goods and services (excluding public works/construction procurements handled by the Engineering Division) in accordance with internal policies, best practices, and prevailing wage laws/regulations.

Finance Manager

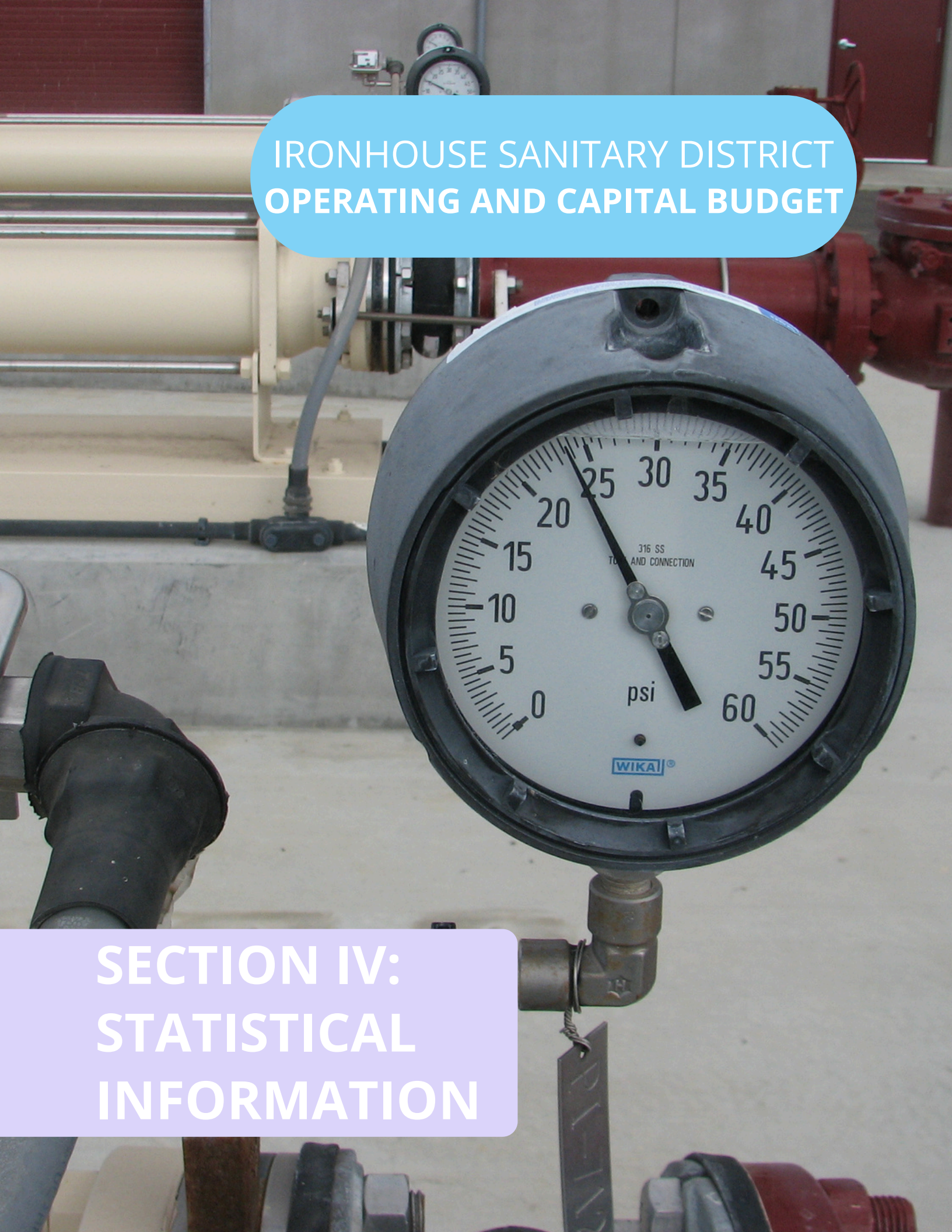
The Finance Manager manages Ironhouse's financial controls and reporting system, including budgeting, cash flow, investments, billings, payments, payroll, financial audits and compliance. The Finance Manager also ensures that Ironhouse is meeting its fiduciary responsibilities and oversees activities related to debt issuance and compliance. The Finance Manager assists other managers in budget monitoring and project costing.

Human Resources

Human Resources manages employee and labor relations: recruitment, testing, and selection; classification and compensation; benefits administration; agency-wide training; organizational development; employee engagement; and payroll.

Information Technology

The Information Technology Division supports all computer hardware, software, and telecommunications needs at Ironhouse, manages cybersecurity, and helps lead the improvement and automation of business processes agencywide.

The background image shows industrial equipment, likely part of a water treatment or distribution system. In the foreground, a large, circular pressure gauge with a black frame and a white face is prominently displayed. The gauge has a scale from 0 to 60 psi, with major markings every 5 units and minor markings every 1 unit. The needle is pointing to approximately 22 psi. Text on the gauge face includes "316 SS", "TOP AND CONNECTION", "psi", and the "WIKAI" logo. In the background, there are various pipes, valves, and another smaller gauge mounted on a wall. A blue semi-transparent banner is overlaid on the top part of the image, and a purple semi-transparent banner is overlaid on the bottom left.

IRONHOUSE SANITARY DISTRICT OPERATING AND CAPITAL BUDGET

SECTION IV: STATISTICAL INFORMATION

Statistical Section

This section presents detailed information to assist with understanding what the accompanying financial statements, notes disclosures, and required supplementary information say about Ironhouse's overall financial health.

Contents

Statement of Net Position for the Past Ten Fiscal Years

This schedule contains trend information to help the reader understand how Ironhouse's financial performance and well-being have changed over the past ten years.

Statement of Revenues, Expenses and Changes in Net Position for the Past Ten Fiscal Years

This schedule contains trend information to help the reader understand how Ironhouse's financial performance, in terms of revenues, expenses, and net position, has changed over the past ten years.

Service Charge by Activity Single Family Residential FY 2026 - 2027

This graphic displays a breakdown of the unit service charge by activity for a Single-Family Residence.

Service Charge Revenue Past Ten Years

This chart contains trend information to help the reader understand how the service charge revenue has changed over the past ten years.

Single Family Residential Service Charge Rates per ESU - Past Ten Years

This chart contains trend information to help the reader understand how the service charge rate per Equivalent Service Unit (ESU) has changed over the past ten years.

Capacity Fees - Past Ten Years

This chart contains trend information to help the reader understand how the capacity fees have changed over the past ten years.

Principal Revenue Payers - Past Fiscal Year

This table displays the highest principal revenue payers for the past fiscal year.

STATEMENT OF NET POSITION FOR THE PAST 10 FISCAL YEARS (IN THOUSANDS)

	FY 24/25	FY 23/24	FY 22/23	FY 21/22	FY 20/21	FY 19/20	FY 18/19	FY 17/18	FY 16/17
Assets									
Current assets	\$ 58,495	\$ 53,424	\$ 47,531	\$ 41,852	\$ 33,577	\$ 29,797	\$ 28,637	\$ 26,129	\$ 23,585
Capital assets, net	81,987	84,532	87,097	88,812	90,147	88,511	84,361	87,137	89,355
Other long-term assets	3,132	3,400	3,706	4,050	3,308	3,851	4,750	5,106	5,838
Total Assets	143,614	141,356	138,334	134,714	127,032	122,159	117,748	118,372	118,778
Deferred Outflow of Resources									
Changes in the net pension liability	2,311	2,915	2,915	1,232	1,224	1,227	1,386	1,938	2,128
Changes in the net OPEB liability	1,531	1,290	1,197	1,062	429	355	337	24	-
Total Deferred Outflow of Resources	3,842	4,205	4,112	2,294	1,653	1,582	1,723	1,962	2,128
Total Assets and Deferred Outflows of Resources	\$ 147,456	\$ 145,561	\$ 142,446	\$ 137,008	\$ 128,685	\$ 123,741	\$ 119,471	\$ 120,334	\$ 120,906
Liabilities									
Current liabilities	\$ 5,251	\$ 4,570	\$ 4,155	\$ 4,854	\$ 4,433	\$ 3,787	\$ 3,651	\$ 3,951	\$ 3,617
Long-term liabilities	25,796	29,066	31,273	30,270	35,589	38,211	41,045	44,303	45,018
Total Liabilities	31,047	33,636	35,428	35,124	40,022	41,998	44,696	48,254	48,635
Deferred Inflows of Resources									
Changes in the net pension liability	51	138	253	2,296	168	269	235	211	332
Changes in the net OPEB liability	35	48	60	535	80	75	-	-	-
Total Deferred Inflow of Resources	86	186	313	2,831	248	344	235	211	332
Net Position									
Net investment in capital assets	61,344	60,870	60,603	58,784	60,359	56,246	49,656	50,030	49,885
Unrestricted:									
Undesignated	8,896	7,031	6,897	5,935	5,581	5,548	5,255	5,093	4,962
Designated	23,402	24,989	20,557	16,803	10,087	11,789	12,358	9,532	10,254
Total Unrestricted	32,298	32,020	27,454	22,738	15,668	17,337	17,613	14,625	15,216
Restricted for debt service, expansion and capacity	22,681	18,849	18,648	17,531	12,388	7,816	7,271	7,214	6,838
Total Net Position	116,323	111,739	106,705	99,053	88,415	81,399	74,540	71,869	71,939
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 147,456	\$ 145,561	\$ 142,446	\$ 137,008	\$ 128,685	\$ 123,741	\$ 119,471	\$ 120,334	\$ 120,906

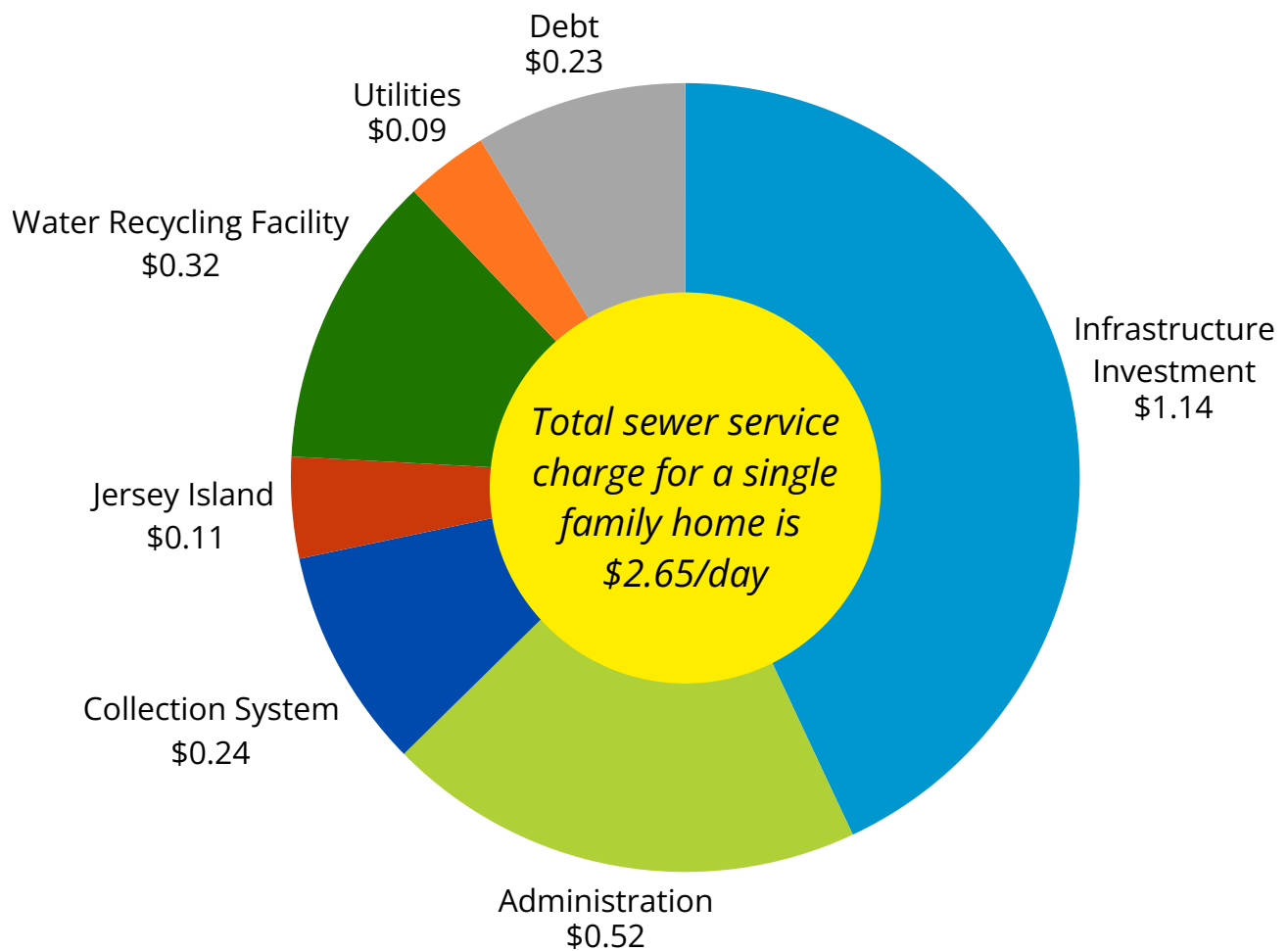
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION FOR THE PAST 10 FISCAL YEARS (IN THOUSANDS)

	FY 24/25	FY 23/24	FY 22/23	FY 21/22	FY 20/21	FY 19/20	FY 18/19	FY 17/18	FY 16/17
Operating Revenues									
Services charges	\$ 14,662	\$ 14,749	\$ 14,601	\$ 13,459	\$ 12,258	\$ 10,572	\$ 10,409	\$ 10,239	\$ 10,083
Service connection and related fees	230	175	31	112	95	455	325	618	435
Capacity fees	4,482	914	2,149	7,280	5,888	1,839	1,338	1,743	1,736
Other fees and revenue	389	247	800	317	273	162	256	251	274
Total Operating Revenues	19,763	16,085	17,581	21,168	18,514	13,028	12,328	12,851	12,528
Operating Expenses									
Salaries, benefits and payroll taxes	8,012	6,494	5,510	5,008	5,252	5,178	4,378	4,746	3,780
Administration expenses	591	447	481	345	310	300	332	372	427
Operations and maintenance	1,912	1,648	1,978	1,493	1,577	1,424	1,385	1,442	1,396
Professional services	2,470	1,051	903	801	926	610	731	804	752
Insurance	395	346	285	269	194	157	130	128	128
Utilities	1,079	1,029	911	805	823	714	638	607	688
Depreciation	4,343	4,350	4,287	4,310	4,258	4,089	3,929	3,848	3,786
Total Operating Expenses	18,802	15,365	14,355	13,031	13,340	12,472	11,523	11,947	10,957
Operating income	961	720	3,226	8,137	5,174	556	805	904	1,571
Non-Operating Revenues (Expenses)									
Cattle income, net of expenses	-	-	-	1,342	719	625	833	892	819
Taxes	478	457	403	379	356	336	319	292	285
Investment income	2,436	2,293	798	(214)	77	667	727	120	39
Lease revenue	854	854	802	134	-	-	-	-	-
Other non-operating revenue	14	14	805	652	301	222	251	182	56
Interest expense	(306)	(345)	(383)	(421)	(460)	(497)	(536)	(574)	(612)
Total Net Non-Operating Revenues	3,476	3,273	2,425	1,872	993	1,353	1,594	912	587
Income before capital contributions	4,437	3,993	5,651	10,009	6,167	1,909	2,399	1,816	2,158
Capital contributions	147	1,041	2,001	629	849	4,950	272	131	38
Increase in net position	4,584	5,034	7,652	10,638	7,016	6,859	2,671	1,947	2,196
Net position, beginning of year (Note 1)	111,739	106,705	99,053	88,415	81,399	74,540	71,869	69,922	69,743
Net position, end of year	\$ 116,323	\$ 111,739	\$ 106,705	\$ 99,053	\$ 88,415	\$ 81,399	\$ 74,540	\$ 71,869	\$ 71,939

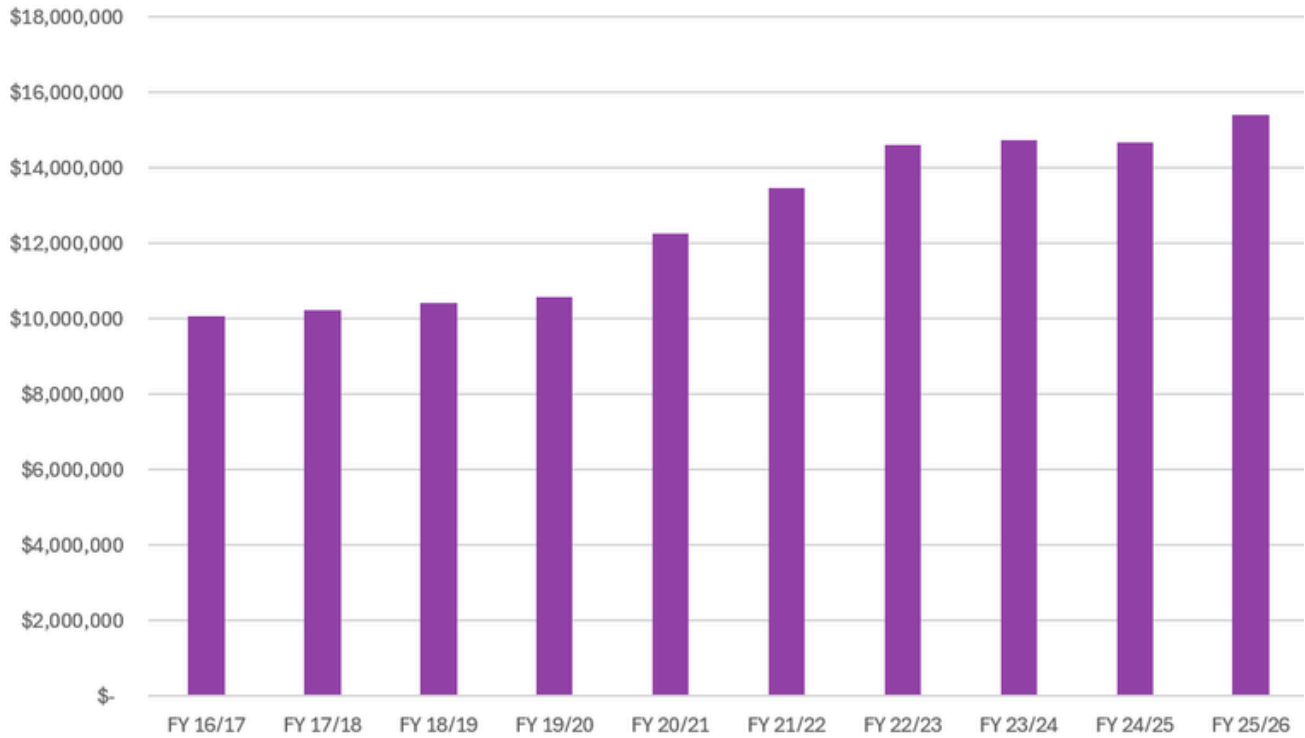
Notes:

(1.) The beginning net position for fiscal year 2018 was adjusted as a result of implementation of GASB 75.

SERVICE CHARGE BY ACTIVITY - SINGLE FAMILY RESIDENTIAL - FY 2026-2027

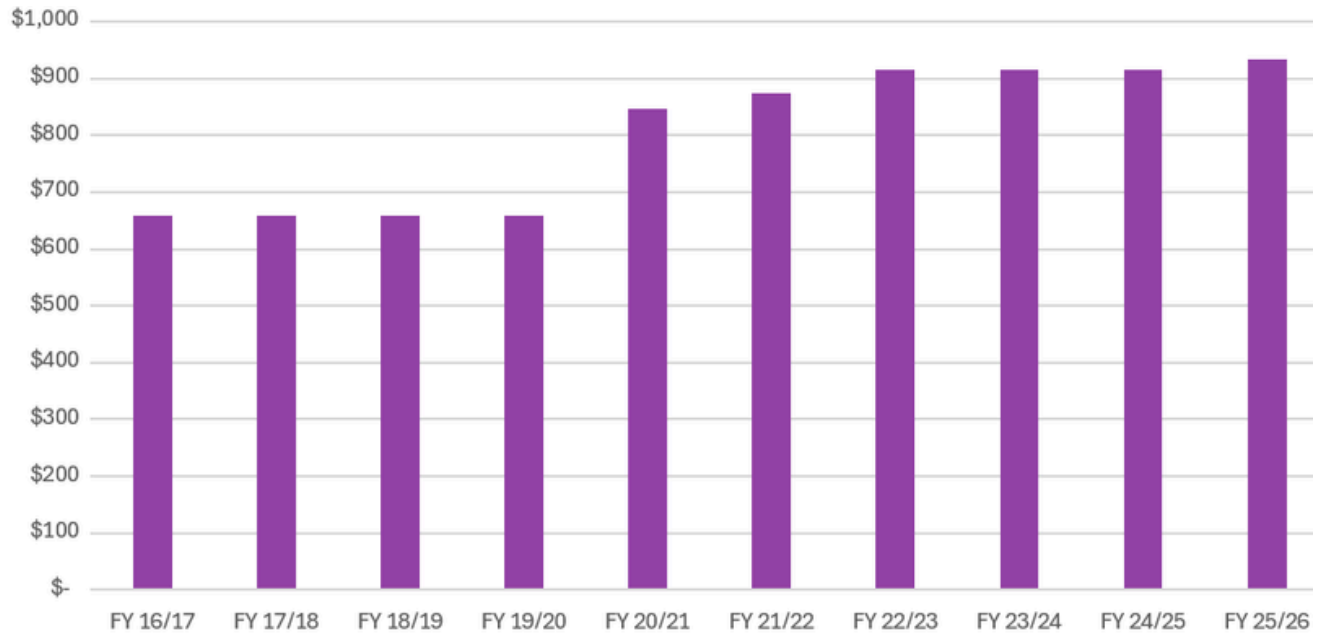


SERVICE CHARGE REVENUE - PAST 10 YEARS



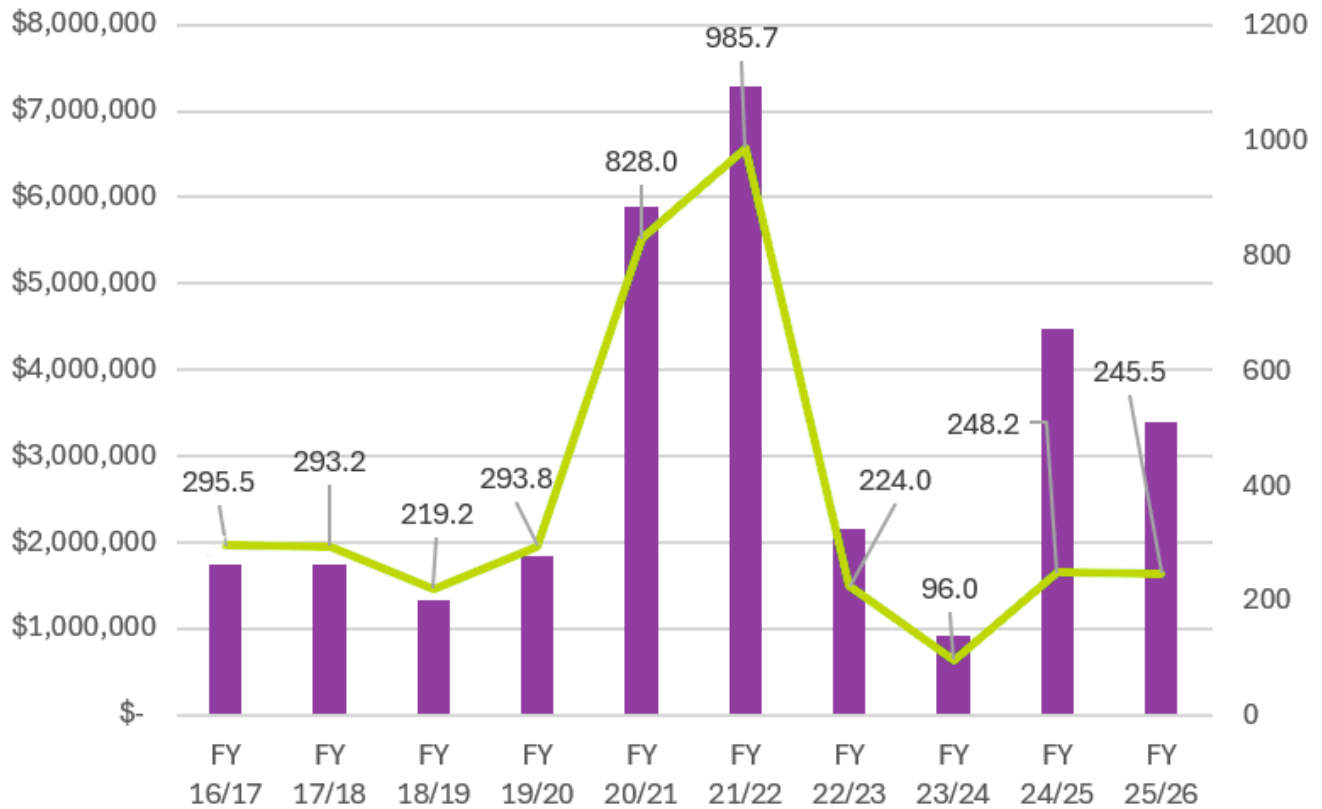
Fiscal Year	Service Charges	Percent Change
FY 16/17	\$ 10,083,384	1.7%
FY 17/18	\$ 10,239,268	1.5%
FY 18/19	\$ 10,409,002	1.7%
FY 19/20	\$ 10,571,895	1.6%
FY 20/21	\$ 12,258,321	16.0%
FY 21/22	\$ 13,459,266	9.8%
FY 22/23	\$ 14,600,576	8.5%
FY 23/24	\$ 14,748,921	1.0%
FY 24/25	\$ 14,661,626	-0.6%
FY 25/26	\$ 15,403,733	5.1%

SINGLE FAMILY RESIDENTIAL SERVICE CHARGE RATES PER ESU - PAST 10 YEARS



Fiscal Year	Single Family Resident Service Rate per ESU	Percent Change
FY 16/17	\$ 658	0.0%
FY 17/18	\$ 658	0.0%
FY 18/19	\$ 658	0.0%
FY 19/20	\$ 658	0.0%
FY 20/21	\$ 847	28.7%
FY 21/22	\$ 873	3.0%
FY 22/23	\$ 916	5.0%
FY 23/24	\$ 916	0.0%
FY 24/25	\$ 916	0.0%
FY 25/26	\$ 934	2.0%

CAPACITY FEES COLLECTED - PAST 10 YEARS



Fiscal Year	Capacity Fees Collected	Number of New ESUs
FY 16/17	\$ 1,735,595	295.5
FY 17/18	\$ 1,742,750	293.2
FY 18/19	\$ 1,338,234	219.2
FY 19/20	\$ 1,839,709	293.8
FY 20/21	\$ 5,887,876	828.0
FY 21/22	\$ 7,280,334	985.7
FY 22/23	\$ 2,149,492	224.0
FY 23/24	\$ 913,757	96.0
FY 24/25	\$ 4,481,656	248.2
FY 25/26	\$ 3,392,038	245.5

Notes:

1. For FY 24/25, includes \$2,157,248 of required SCIP revenue recognition.
2. For FY 25/26, includes \$848,658 of required SCIP revenue recognition.
3. For FY 25/26, the number of new ESUs added in the month of June is assumed based on past trends.

PRINCIPAL REVENUE PAYERS CURRENT FISCAL YEAR

FY 25/26		
Payer	Service Charge Revenue	Percent of Total Service Charge
NP Oakley LLC (Amazon - Wilbur Avenue)	\$ 135,866	0.9%
NP Oakley LLC (Amazon - Wilbur Avenue)	\$ 127,296	0.8%
NP Oakley Building II LLC	125,714	0.8%
Santiago Island Village (Santiago Village Mobile Home Park)	\$ 111,621	0.7%
The Willows MHP LLC (Willows Mobile Home Park)	\$ 91,519	0.6%
59 Carol Lane (Sr./Family Apts - Carol Lane)	\$ 72,983	0.5%
Elm Lane Oakley LP (Anton Viridian Apts - 5301 Elm Lane)	\$ 60,000	0.4%
NPIF IV Oakley Building II LLC	\$ 58,632	0.4%
Canepa Vincent J TRE (Eagle City Mobile Park)	\$ 57,133	0.4%
Oakley Regency LLC	\$ 56,231	0.4%
	\$ 896,995	5.8%



**IRONHOUSE SANITARY DISTRICT
OPERATING AND CAPITAL BUDGET**

**SECTION V:
CAPITAL
IMPROVEMENT
BUDGET FY
2026-2027**

Ironhouse Capital Improvement Budget (CIB)

Ironhouse has developed a robust ten-year Capital Improvement Program (CIP) and an annual Capital Improvement Budget (CIB) that addresses growth, rehabilitation, and replacement. Increased operational efficiencies throughout Ironhouse have allowed Ironhouse to transfer additional funds to the reserve. Due to the strong housing market, Ironhouse has also seen more connections, leading to higher annual revenues.

Overview

Ironhouse funds a Capital Improvement Program (CIP) designed to preserve, maintain, and enhance Ironhouse's assets; meet regulatory requirements; accommodate the community's needs; and protect public health and the environment. Capital improvements are construction or renovation activities that add value to Ironhouse's fixed assets (pipelines, buildings, facilities, and equipment) or significantly extend their useful life.

Capital Expenditures Definition

Capital expenditures are cash outlays by Ironhouse that result in the acquisition or construction of a capital asset. A capital asset is any asset of significant value, over \$5,000, with a useful life of one year or more. Examples of capital assets include treatment plant renovations, collection system sewer replacements, equipment replacements, vehicle acquisitions, buildings, and land. Land is always considered a capital asset, regardless of value. All capital assets and improvements acquired or constructed are included in the CIP.

Capital Improvement Program Process

Annually, Ironhouse updates its Ten-Year Capital Improvement Plan (Ten-Year CIP). The CIP identifies and prioritizes capital projects needed to accomplish Ironhouse's Strategic Plan and provides the basis for project scheduling, staffing, and long-range financial planning. The CIP also serves as the framework for rate setting and decisions based on planned expenditures. The CIP undergoes several levels of review by Ironhouse as detailed in the Ten-Year CIP section (Section V). Once a project is deemed necessary, usually based on operational or maintenance needs or condition assessments, the project is listed in the Capital Improvement Budget (CIB). In addition, new or rescheduled projects may occur during any given year due to urgent requirements or unforeseen circumstances. These projects are referred to as new or contingency projects and are included in the CIB as needed.

The CIB provides a detailed presentation of the estimated budget needed for the first year

of the Ten-Year CIP beginning on July 1 and ending on June 30, referred to as a fiscal year. Since most capital projects take longer than a year to complete, future years are presented and estimated to predict potential budget appropriations for current projects. The CIB includes expenditures for the planning, design, and construction of capital projects and is categorized into five programs: 1) Collection System, 2) Treatment Plant (WRF), 3) General Improvements, 4) Jersey Island, and 5) Recycled Water. All CIB projects are reviewed and prioritized yearly, especially as projects are refined during the predesign phase, which includes comprehensive condition assessments. The CIB also consists of two types of contingency funding for capital projects. The first, project contingency, is determined at the time of a project's award. The second, CIB contingency, can be used in any program and is intended to cover contingency projects and potential budget overruns. By adopting the CIB, the Board of Directors (Board) authorizes staff to pursue work on the identified projects in all five programs with firm individual project budgets. In addition, any previously approved budget may be carried forward to the current fiscal year. Staff reports to the Board the final CIB expenditures after the end of each fiscal year and updates the Board on the status of the CIP.

Capital Revenue

The CIP is funded by the sewer's fees and reserves and charges listed below, which are discussed in detail in the Financial Summary:

- Capacity Fees
- Property Taxes
- Interest on Investments
- Sewer Service Charges
- Reimbursement from Others
- Statewide Community Infrastructure Program (SCIP)
- Potential State or Federal Grant Funding

While Ironhouse generally follows a pay-as-you-go philosophy, Sewer Service Charge (SSC) rate increases can be mitigated by utilizing the Clean Water State Revolving Fund Program, which has historically offered low-cost financing for a wide variety of water quality projects to spread the payment over time. This is not planned for FY 2026-2027.

Individual Project Drivers

Projects included in the CIP address one or more of the four major drivers for implementing capital improvement projects: 1) Aging Infrastructure; 2) Regulatory; 3) Capacity; and 4) Sustainability. Most project scopes include several project elements that address a range of drivers. Below is a description for each of the four major drivers:

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency

- **Aging Infrastructure:** This project driver describes projects required to maintain the performance and reliability of existing assets to ensure reliable conveyance and treatment of wastewater.

Ironhouse operates and maintains several million dollars of assets, and several projects in each program have been initiated or are in progress to meet replacement or rehabilitation infrastructure needs. Most existing treatment plant facilities were constructed in late 2011, and some collection system facilities and piping were constructed as early as the 1940s or earlier. Ironhouse recognizes the need to address aging infrastructure and has developed an Asset Management System.

- **Regulatory:** This project driver describes projects required to reliably comply with regulatory requirements that are designed to protect human health and the environment, and includes planning needed to anticipate potential future regulatory requirements. Regulatory drivers that may trigger capital improvement projects include potential changes in future state and/or federal water, air, and solids regulations; changes to air emission limits, and solids handling/management and disposal regulations; recycled water, including potential coordinated projects with water agencies on Title 22, Direct Potable Reuse (DPR) opportunities; and collection system regulatory requirements such as the reduction of sewer system spills. Occasionally, improvements are required to enhance the reliability of existing facilities, ensuring 100% compliance with regulatory permits and protecting human health and the environment.
- **Capacity:** This project driver describes projects required to increase the capacity of existing facilities.

Capacity drivers that may trigger capital improvement projects include potential upgrades to mitigate hydraulic bottlenecks and increase the capacity of existing facilities to accommodate wastewater flows and loads, as well as projects required to accommodate planned growth.

- **Resiliency:** This project driver describes projects to minimize life cycle costs, maximize benefits, and achieve economic stability through optimization, resiliency, resource recovery, and energy projects. Sustainability drivers that may trigger capital projects for upgrades to improve the resiliency of Ironhouse facilities. Improvements to strive towards energy self-sufficiency include energy efficiency measures, such as installing more energy-efficient equipment or treatment processes, and renewable energy projects, such as solar.

Example of Project Driver(s)

Each project is described on the following pages. Each project summary includes the project name, description, prioritization, purpose, operating department impact, funding source, location, budgetary information, and driver(s) (i.e., the main impetus for the project). The main driver(s) for each project are identified with a green background. Driver(s) that are less significant or not relevant are displayed with a gray background.

Capital Improvement Budget - Collection System Program

The following are the significant points of emphasis for the FY 2026-2027 Collection System Program:

- Design the 14-inch Parallel Force Main (FM) addition to handle flow from new developments east of the city of Oakley. This would provide redundancy to the existing 14-inch FM on Cypress Avenue.
- Renovate sewers as they end their useful lives to avoid structural failure, spills, sewer service disruptions, and control maintenance costs
- Improve the electrical safety, reliability, and operations of the pumping stations

Capital Improvement Budget - WRF Treatment Plant Program

The following are the significant points of emphasis for the FY 2026-2027 WRF Treatment Plant Program:

- Replace equipment at the end of its useful life to avoid structural and mechanical failures, reduce downtime, and control maintenance costs
- Rehabilitate aging infrastructure and ensure process systems are reliable
- SCADA and PLC Upgrades
- The main projects in this program are adding the influent bar screens, replacing the grit classifier, and installing a fourth drum fine screen and associated wash compactors

Capital Improvement Budget - General Improvement Program

The following are the significant points of emphasis for the FY 2026-2027 General Improvement Program:

- Ironhouse Campus Building improvements for Collection, Administration and WRF
- IT and Security Equipment
- Fleet and Vehicle Replacement

Capital Improvement Budget - Recycled Water Program

The following are the significant points of emphasis for the FY 2026-2027 Recycled Water Program:

- Replace equipment at the end of its useful life for the Recycled Fill Station

Capital Improvement Budget - Jersey Island Program

With the pending sale of Jersey Island, no Capital Project has been budgeted for FY 2026-2027.

Deposits for Sale Agreement

Ironhouse entered into a membrane replacement agreement at a fixed price in fiscal year 2022. Ironhouse anticipates needing replacements in FY 2025-2026 and FY 2027-2028. Ironhouse chose to pay the entire value of the anticipated replacements in FY 2022-2023 which allows them to defer the delivery of membranes into a future year, at the current price, provided that all membranes are received and accepted within 15 years of the up-front payment. The membranes are scheduled to be replaced this Fiscal Year.

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Project No. CS26-01 - Parallel 14-Inch Force Main

Purpose: Improve system reliability, redundancy, and operational flexibility within Ironhouse's wastewater conveyance system. Key drivers include accommodating ongoing growth, integrating previously constructed infrastructure, addressing aging and failure-prone pipeline components, and enhancing Ironhouse's ability to manage flows under varying operating conditions. The project also supports long-term asset management objectives by incorporating infrastructure designed for a 50-to-70-year service life.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency

Description: The project consists of the design and construction of approximately 10,000 linear feet of new 14-inch redundant force main to complete a critical conveyance corridor within Ironhouse's wastewater system. Portions of the force main have already been constructed as part of adjacent development projects along the E. Cypress Corridor. The remaining segments will connect these existing improvements, provide a continuous transmission pipeline to the Wastewater Reclamation Facility, address deficiencies at the Marsh Creek Bridge crossing, and evaluate operational enhancements between the Cypress Grove and Emerson Ranch pump stations.

Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Capacity Fees (Restricted Reserves - Capacity and Trunkline Capacity).

Current Phase: Design/Construction

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	\$350,000	\$1,200,000	-	-	-	-	\$1,550,000
Construction	-	\$2,300,000	\$6,000,000	\$4,000,000	-	-	\$12,300,000
FY Total	\$350,000	\$3,500,000	\$6,000,000	\$4,000,000	\$0	\$0	\$13,850,000



Project Location.

Project No. CS26-02 - Collection System Reimbursement Program

Purpose: The purpose of this program is to equitably allocate the cost of capacity-enhancing infrastructure by reimbursing parties who construct improvements that benefit the broader wastewater system. The program is driven by the need to equitably allocate the cost of capacity-enhancing infrastructure, support planned growth, and ensure the timely delivery of backbone facilities. It also promotes cost efficiency by leveraging developer and city-led construction while maintaining Ironhouse's long-term system planning, reliability, and capacity objectives.

Description: This project establishes a reimbursement program to compensate developers who have paid for constructing oversized or additional sewer main improvements required by Ironhouse to support future capacity and connections, and to reimburse the City of Oakley for installation of a new 14-inch force main along E. Cypress Road.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency



Sewer construction project.

Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Capacity Fees (Restricted Reserves - Capacity and Trunkline Capacity).

Current Phase: Construction

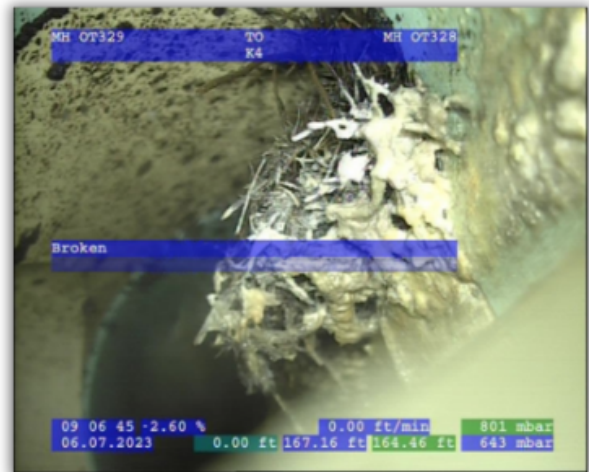
Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	-	-	-	-	-	-	\$0
Construction	\$2,869,596	\$1,020,000	\$175,000	-	-	-	\$4,064,596
FY Total	\$2,869,596	\$1,020,000	\$175,000	\$0	\$0	\$0	\$4,064,596

Project No. CS26-03 - Collection System Renovations Program

Purpose: The purpose of this project is to ensure the long-term reliability and functionality of Ironhouse's wastewater collection system through systematic reinvestment in aging infrastructure. Key drivers include aging pipelines and appurtenances, the need to reduce the risk of sanitary sewer overflows and emergency repairs, regulatory expectations for asset maintenance, and Ironhouse's commitment to a proactive asset management program. The program also supports financial stability by distributing renewal costs through consistent annual funding rather than reactive capital spending.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency

Description: This project provides ongoing annual funding for the rehabilitation and replacement of wastewater collection system infrastructure. Work includes pipeline repair, rehabilitation, and replacement activities to address deteriorating assets and maintain system performance, reliability, and capacity over time. Multiple projects will be delivered each year under this program, and any individual project exceeding \$100,000 will be established as a separate project for tracking and reporting purposes.



Closed Circuit TV video of root intrusion in sewer.

Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Sewer Service Fees (Board Designated Capital Expenditures).

Current Phase: Design/Construction

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	\$80,000	\$120,000	\$120,000	\$120,000	\$120,000	\$150,000	\$710,000
Construction	\$320,000	\$480,000	\$480,000	\$480,000	\$480,000	\$600,000	\$2,840,000
FY Total	\$400,000	\$600,000	\$600,000	\$600,000	\$600,000	\$750,000	\$3,550,000

Project No. CS26-04 - Pump Station Improvements

Purpose: The purpose of this project is to maintain and enhance the reliability, capacity, and operational efficiency of Ironhouse's pump station facilities. Key drivers include aging equipment, increased maintenance needs, system growth, and the need to reduce the risk of equipment failure and service disruptions. The project also supports regulatory compliance and Ironhouse's commitment to proactive asset management and long-term capital planning.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency

Description: This project provides funding for improvements to Ironhouse's 32 wastewater pump stations. Work may include rehabilitation or replacement of mechanical, electrical, SCADA and control system components, as well as structural upgrades to maintain safe and reliable operation. Multiple improvement projects may be implemented under this program, and any individual project exceeding \$100,000 will be established as a separate project for tracking and reporting purposes.



Pump replacement and drywell rehabilitation.

Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Sewer Service Fees (Board Designated Capital Expenditures).

Current Phase: Design/Construction

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	\$32,000	\$68,000	\$16,000	\$17,000	-	-	\$133,000
Construction	\$440,000	\$600,000	\$150,000	\$170,000	\$81,000	\$92,000	\$1,533,000
FY Total	\$472,000	\$668,000	\$166,000	\$187,000	\$81,000	\$92,000	\$1,666,000

Project No. CS26-05 - Manhole Rehabilitation and Linear Assets Spot Repair Program

Purpose: The purpose of this project is to preserve the integrity and extend the service life of Ironhouse's wastewater collection system through targeted, cost-effective repairs. Key drivers include protection of hydrogen sulfide-related corrosion of manholes, aging infrastructure, infiltration and inflow reduction, prevention of system failures and sanitary sewer overflows, regulatory compliance requirements, and Ironhouse's commitment to proactive asset management and efficient use of capital resources.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency

Description: This project provides ongoing funding for the rehabilitation of wastewater manholes and spot repair of linear collection system assets. Work includes manhole rehabilitation (e.g., coating, sealing, and structural repairs) and targeted pipeline repairs to address localized defects, infiltration and inflow, and deterioration. Due to elevated hydrogen sulfide levels within the collection system, manhole rehabilitation is a critical component of this program to prevent corrosion and extend asset life.



Manhole cover and frame.

Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Sewer Service Fees (Board Designated Capital Expenditures).

Current Phase: Construction

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	-	-	-	-	-	-	\$0
Construction	\$75,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$375,000
FY Total	\$75,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$375,000

Project No. CS26-06 - Collection Equipment Replacement Program

Purpose: The purpose of this project is to maintain a reliable and effective fleet of equipment necessary to support collection system operations and maintenance activities. Key drivers include aging and obsolete equipment, increasing maintenance costs, risk of equipment failure, and the need to support efficient response to system issues and emergencies. The program also supports proactive asset management and long-term financial planning through planned, periodic replacement of critical equipment.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency

Description: This project provides ongoing funding for the replacement of collection system equipment used in the operation and maintenance of Ironhouse's wastewater system. Equipment may include, but is not limited to, vehicles, Vactor trucks, and specialized maintenance/construction equipment.

Replacements are based on condition, age, and operational needs to ensure reliable and efficient system performance. Planned purchases currently include a dump truck and traffic control equipment in FY 2025–26, a vacuum truck in FY 2027–28, and a boom truck in FY 2030–31.



Collections staff prepare to utilize a sewer jet/vacuum truck.

Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Sewer Service Fees (Board Designated Capital Expenditures).

Current Phase: Acquisition

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	-	-	-	-	-	-	\$0
Construction	\$225,000	-	\$850,000	-	-	\$225,000	\$1,300,000
FY Total	\$225,000	\$0	\$850,000	\$0	\$0	\$225,000	\$1,300,000

Project No. CS27-01 - Collections SCADA and PLC Upgrades

Purpose: The purpose of this project is to ensure reliable, secure, and efficient monitoring and control of Ironhouse's wastewater facilities. Key drivers include aging and obsolete SCADA and PLC components, increasing maintenance challenges, cybersecurity considerations, evolving technology standards, and the need to support system growth and operational efficiency. The program supports proactive asset management and long-term capital planning through consistent system modernization.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency

Description: This project provides ongoing funding for upgrades and replacement of Ironhouse's Supervisory Control and Data Acquisition (SCADA) system and Programmable Logic Controllers (PLCs) used to monitor and control wastewater system operations. Work may include hardware and software upgrades, communication systems, instrumentation integration, and replacement of obsolete components to maintain system functionality and reliability.

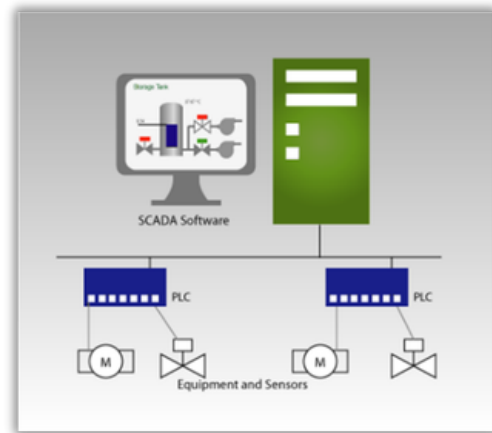


Diagram illustrating SCADA software and PLC operations.

Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Sewer Service Fees (Board Designated Capital Expenditures).

Current Phase: Construction

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	-	-	-	-	-	-	\$0
Construction	\$25,000	\$1,850,000	-	-	-	-	\$1,875,000
FY Total	\$25,000	\$1,850,000	\$0	\$0	\$0	\$0	\$1,875,000

Project No. CS27-02 - Portable Generators and Pumps Replacement Program

Purpose: The purpose of this project is to maintain reliable and deployable backup equipment necessary to support uninterrupted wastewater service and emergency operations. Key drivers include aging and deteriorating equipment, increased risk of failure during critical events, regulatory expectations for system reliability and overflow prevention, and the need to respond effectively to power outages and wet weather conditions. The program supports proactive asset management and long-term capital planning through scheduled equipment replacement.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency

Description: This project provides ongoing funding for the replacement of portable generators and pumps used to support wastewater collection system operations, maintenance, and emergency response. Equipment replacements are based on age, condition, and operational reliability to ensure readiness during power outages, peak flow events, and system failures.



Generator used for emergency power outages.

Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Sewer Service Fees (Board Designated Capital Expenditures).

Current Phase: Acquisition

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	-	-	-	-	-	-	\$0
Construction	-	\$75,000	\$75,000	-	-	\$75,000	\$225,000
FY Total	\$0	\$75,000	\$75,000	\$0	\$0	\$75,000	\$225,000

Project No. CS31-01 - Force Main Inspection

Purpose: Improve system reliability, redundancy, and operational flexibility within Ironhouse's wastewater conveyance system.

Key drivers include, addressing aging and failure-prone force main pipeline components, and enhancing Ironhouse's ability to manage flows under varying operating conditions. The project also supports long-term asset management objectives by incorporating infrastructure designed for a 50- to 70-year service life.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency

Description: The project consists of establishing a force main of inspecting program to evaluate the condition the 18.6 miles of force main pipelines which is a critical conveyance asset of Ironhouse's wastewater system. Force main connects Ironhouse's 33 lift station to the gravity system so the wastewater can be safely transported to the WRF for treatment.



Closed Circuit Television operating station.

Operating Department Impact and Funding Source:

This project will not impact the operating budget. All project expenditures will be funded through Sewer Service Fees (Board Designated Capital Expenditures).

Current Phase: Planning

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	-	-	-	-	-	-	\$0
Construction	-	-	-	-	-	\$25,000	\$25,000
FY Total	\$0	\$0	\$0	\$0	\$0	\$25,000	\$25,000

Project No. GI26-01 - Ironhouse Campus Building Improvements

Purpose: Improve the functionality, resiliency, safety, and long-term usability of District facilities through coordinated campus and operational building upgrades that support efficient operations and long-term workforce needs.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency

Description: This project combines multiple previously planned facility improvement projects into a single coordinated capital project to achieve greater economies of scale, improve construction efficiency, and create a more cohesive architectural and operational aesthetic across the Ironhouse campus and Wastewater Recycling Facility (WRF). Planned campus improvements include expansion of the Collection System garage to support operational needs; installation of backup generator systems for the Administrative and Collection System buildings to improve emergency resiliency; renovation of the Collection System locker rooms to add showers and address underground plumbing deficiencies affecting restroom facilities in both the Collection System and Administrative buildings; and Administrative Building renovations to secure and enclose the public lobby area and add office space to accommodate operational needs. The project also includes the construction of a new WRF maintenance building to provide equipment storage and dedicated shop space. The building will include administrative space designed to create a more functional open office area, a conference room, and properly equipped locker room and shower facilities for both men and women. These functions were included in the original 2010 WRF design but were removed during value engineering with the expectation that they would be constructed later. These facilities are now critically needed to support current operations and provide appropriate washroom accommodations for all staff.



District main campus.

Operating Department Impact and Funding Source: This project will add to O&M costs for the new WRF administrative facility, with costs not currently known. All project expenditures will be funded through Capacity Fees (Restricted Reserves - Capacity).

Current Phase: Design/Construction

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	\$100,000	\$180,000	-	-	-	-	\$280,000
Construction	-	\$850,000	\$2,300,000	\$50,000	-	-	\$3,200,000
FY Total	\$100,000	\$1,030,000	\$2,300,000	\$50,000	\$0	\$0	\$3,480,000

Project No. GI26-02 - IT and Security Equipment

Purpose: The purpose of this project is to maintain secure, reliable, and efficient technology systems that support District operations and protect critical infrastructure and data assets. Key drivers include aging and obsolete equipment, increasing cybersecurity risks, evolving technology standards, regulatory and security compliance requirements, and the need to support operational continuity and system resiliency. The project supports proactive asset management and long-term capital planning through planned technology modernization and replacement.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency

Description: This project provides ongoing funding for the replacement, upgrade, and acquisition of information technology and security equipment across District facilities. Work may include servers, network infrastructure, workstations, storage systems, cybersecurity hardware and software, surveillance systems, access control equipment, and related technology improvements necessary to support secure and reliable operations. Equipment replacements and upgrades are based on age, condition, performance, and evolving operational requirements.



Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Sewer Service Fees (Board Designated Capital Expenditures).

Current Phase: Acquisition

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	-	-	-	-	-	-	-
Construction	\$10,000	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$72,500
FY Total	\$10,000	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$72,500

Project No. GI26-03 - Fleet and Vehicle Replacement

Purpose: Maintain a reliable, safe, and efficient fleet to support District operations through planned vehicle replacement and long-term asset management.

Description: This project provides ongoing funding for the scheduled replacement and life cycle management of standard District fleet vehicles based on age, condition, maintenance history, and operational needs. Vehicle replacements may include administrative, supervisory, and light-duty field service vehicles necessary to support daily District operations and emergency response activities. This project is separate from CS26-06 Collection Equipment Replacement, which funds specialty collection system trucks and heavy equipment such as vacuum trucks, boom trucks, and other large operational equipment.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency



Manhole frame and cover replacement.

In April 2026, Ironhouse entered into a five-year master equity lease agreement with Enterprise Fleet Management for six District vehicles. The annual lease payment of \$40,000 will be funded through this project. Future vehicle replacement needs will be evaluated to determine whether direct purchase or expansion of the Enterprise lease program provides the most cost-effective and operationally efficient solution. The program supports proactive asset management and long-term financial planning by replacing vehicles on a planned life cycle basis rather than through reactive replacement following equipment failure.

Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Sewer Service Fees (Board Designated Capital Expenditures).

Current Phase: Acquisition

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	-	-	-	-	-	-	\$0
Construction	\$160,000	\$40,000	\$49,000	\$58,000	\$76,000	\$85,000	\$468,000
FY Total	\$160,000	\$40,000	\$49,000	\$58,000	\$76,000	\$85,000	\$468,000

Project No. GI27-01 - Administrative Building EV Charging Stations

Purpose: Support Ironhouse's sustainability goals and future operational needs by preparing the Administrative Building for electric vehicle charging infrastructure.

Description: This project provides funding for installation of conduits and supporting electrical infrastructure necessary to accommodate future electric vehicle charging stations at Ironhouse's Administrative Building. This work will be coordinated with Project RW27-03, the Recycled Water Demonstration Gardens project, to minimize construction costs and site disruption by completing underground infrastructure improvements concurrently.

Because the Demonstration Gardens project is funded through an EPA grant and electric vehicle charging infrastructure is not an eligible grant expense, this project separately funds the EV-related improvements. Initial work will focus on conduit and supporting infrastructure installation, with charger equipment installation to occur later as operational needs and funding priorities warrant. The project supports long-term facility planning, future fleet electrification, and evolving sustainability initiatives.

Operating Department Impact and Funding Source: Energy costs may increase as a result of adding these chargers. Public Access to chargers would be mitigated by service provider. All project expenditures will be funded through Sewer Service Fees (Board Designated Capital Expenditures).

Current Phase: Design

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	-	-	-	-	-	-	\$0
Construction	-	\$15,000	-	-	-	-	\$15,000
FY Total	\$0	\$15,000	\$0	\$0	\$0	\$0	\$15,000

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency



Examples of EV charging stations.

Project No. GI27-02 - Paving, Sidewalks, and Exterior Lighting

Purpose: Maintain and improve the safety, accessibility, and long-term functionality of Ironhouse's Collections and Administrative facilities through planned site infrastructure upgrades.

Description: This project provides ongoing funding for paving, sidewalk, and exterior lighting improvements at Ironhouse's Collections and Administrative buildings. Work may include pavement rehabilitation and replacement, slurry seals, striping, sidewalk repairs and ADA accessibility upgrades, exterior lighting replacement or enhancement, and related site improvements necessary to maintain safe access, visibility, and reliable facility operations.

Improvements are identified based on asset conditions, safety needs, accessibility requirements, and long-term facility planning objectives. The program supports proactive maintenance of critical site infrastructure, reduces the risk of deferred maintenance issues, and extends the useful life of facility assets. Multiple projects may be implemented each year under this program, and any individual project exceeding \$100,000 will be established as a separate project for tracking and reporting purposes.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency



Asphalt being applied after gravity pipeline replacement.

Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Sewer Service Fees (Board Designated Capital Expenditures).

Current Phase: Construction

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	-	-	-	-	-	-	-
Construction	\$0	\$38,000	\$0	\$25,000	\$3,000	\$0	\$66,000
FY Total	\$0	\$38,000	\$0	\$25,000	\$3,000	\$0	\$66,000

Project No. GI28-01 - Furniture and Fixtures

Purpose: The purpose of this project is to replace aging office equipment, furniture and fixtures that support District operations. Key drivers include aging and obsolete equipment, ergonomic design, regulatory and security compliance requirements, and the need to support operational continuity. The project supports proactive asset management and long-term capital planning through planned office furniture, fixture modernization and replacement.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency

Description: This project provides ongoing funding for the replacement, upgrade, and acquisition of office equipment, furniture, and fixtures for all the departments across District facilities. Office furniture and equipment replacements and upgrades are based on age, condition, performance, and evolving operational requirements.



Conceptual photo of furniture replacement.

Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Sewer Service Fees (Board Designated Capital Expenditures).

Current Phase: Acquisition

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	-	-	-	-	-	-	-
Construction	-	-	\$30,000	\$20,000	\$20,000	\$20,000	\$90,000
FY Total	\$0	\$0	\$30,000	\$20,000	\$20,000	\$20,000	\$90,000

Project No. RW27-01 - Residential Fill Stations Rehabilitation

Purpose: The purpose of this project is to maintain safe, reliable, and compliant operation of Ironhouse's recycled water fill station while extending the service life of the facility. Key drivers include aging infrastructure, wear from regular use, regulatory requirements related to backflow prevention and water quality protection, and the need to ensure continued availability of recycled water service. The project supports proactive asset management and long-term system reliability.

Description: This project provides funding for the rehabilitation and improvement of Ironhouse's recycled water fill station located at the Ironhouse campus. Work may include structural repairs, replacement of valves, piping, meters, and backflow prevention devices, as well as site and accessibility improvements to maintain safe and reliable operation. In accordance with Ironhouse's capitalization policy, equipment and improvements with a unit cost of \$5,000 or greater will be capitalized.

Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Sewer Service Fees (Board Designated Capital Expenditures).

Current Phase: Construction

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	-	-	-	-	-	-	\$0
Construction	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$30,000
FY Total	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$30,000

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency



Recycled Water Fill Station.

Project No. RW27-02 - Recycled Water Pumping Improvements

Purpose: Improve the reliability, redundancy, and operational efficiency of Ironhouse's recycled water pumping system. Key drivers include increasing recycled water demand, limitations of the existing pumping configuration, the need for operational redundancy, and improving pressure stability and system independence from effluent pumping operations. The project supports long-term recycled water system reliability, operational flexibility, and proactive asset management objectives.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency

Description: This project provides funding for improvements to Ironhouse's recycled water pumping facilities for the recycled water fill station and to provide sufficient irrigation water for the new landscape project. The project includes replacement of the existing 7.5 horsepower recycled water booster pump with a new 20 horsepower pump designed to meet maximum recycled water demand. The new pump will



Installation of a recycled water pump station.

operate on variable frequency drives and utilize the existing dual 90 gallon hydropneumatic tanks to maintain system pressure. The project also includes construction of a new connection to the effluent wet well to supply the recycled water system, replacing the existing connection to the effluent pump discharge header. This improvement will isolate recycled water system operations from fluctuations associated with effluent pump operations and improve overall system reliability and performance.

Operating Department Impact and Funding Source: This project will not impact the operating budget. This project is funded with \$400,000 of EPA Grant money and a required 20% match or \$100,000, funded through Sewer Service Fees (Board Designated Capital Expenditures).

Current Phase: Design

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	-	\$50,000	-	-	-	-	\$50,000
Construction District Funded	-	\$100,000	-	-	-	-	\$100,000
Construction EPA Funded	-	\$400,000	-	-	-	-	\$400,000
FY Total	\$0	\$550,000	\$0	\$0	\$0	\$0	\$550,000

Project No. RW27-03 - Demonstration Gardens (EPA Grant)

Purpose: The purpose of this project is to demonstrate and promote the safe and effective use of recycled water through visible, publicly accessible landscaping improvements at Ironhouse's facilities. Key drivers include water conservation objectives, ADA accessibility improvements, public education and outreach, sustainability initiatives, and maximizing the benefits of available EPA grant funding. The project also supports Ironhouse's long-term recycled water program goals and commitment to responsible water resource management.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency

Description: This project consists of the installation of demonstration landscaping improvements along Ironhouse entrance, driveway, and surrounding the Administrative Office Building to showcase the beneficial use of recycled water for irrigation. Improvements may include irrigation system installation, landscape enhancements, signage, sidewalk replacement, and accessibility upgrades to address ADA requirements, and related site improvements designed to promote public awareness and education regarding recycled water use and water conservation practices. Project funding will be provided through an EPA grant.



Example of landscape signage.

Operating Department Impact and Funding Source: This project will not impact the operating budget. This project is funded with \$720,000 of EPA Grant money and a required 20% match or \$180,000, funded through Sewer Service Fees (Board Designated Capital Expenditures). Design services for the project have been funded through prior-year operating budgets, dating back to FY 2023-24.

Current Phase: Design/Construction

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	\$175,000	-	-	-	-	-	\$175,000
Construction District Funded	-	\$250,000	-	-	-	-	\$250,000
Construction EPA Funded	-	\$350,000	\$370,000	-	-	-	\$720,000
FY Total	\$175,000	\$600,000	\$370,000	\$0	\$0	\$0	\$1,145,000

Project No. WT26-01 - Chemical Feed Room and Equipment Improvements

Purpose: Repairing deteriorated infrastructure in the Chemical Feed Room will improve reliability, safety, and operability of chemical feed systems. Implementation of this project will optimize chemical pumping and piping arrangements, repair structural damage, and reduce leaks, corrosion, and maintenance challenges.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency

Description: The project includes evaluation and repair for the damaged shared wall between the Chemical and Aeration Blower rooms, redesigning chemical pump skids and piping configurations, improved drainage and containment, enhanced system cleanout accessibility, upgrades to protective coatings, and plumbing layouts to maintain separation between citric acid and sodium hypochlorite systems. After evaluation of the damage, the project may require additional funding when the scope of the project is fully determined.



Chemical pumps and feed lines.

Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Sewer Service Fees (Board Designated Capital Expenditures).

Current Phase: Design/Construction

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	\$50,000	-	-	-	-	-	\$50,000
Construction	\$200,000	\$122,000	-	-	-	-	\$322,000
FY Total	\$250,000	\$122,000	\$0	\$0	\$0	\$0	\$372,000

Project No. WT26-02 - Drum Screen Improvements

Purpose: The purpose of this project is to rehabilitate and improve the reliability, ventilation, and corrosion resistance of the Wastewater Recycling Facility (WRF) drum screen system to ensure continued operational performance, expand capacity, maintain redundancy, and extend the service life of critical headworks equipment.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency

Description: Drum Screens #1–3 are experiencing significant corrosion of concrete, stainless steel, and mechanical components due to hydrogen sulfide levels and inadequate ventilation within the screen housings. Work will include modifications to the drum screen enclosures to provide dedicated air intake ventilation, replacement of corroded drive and utility spray water components, and temporary removal of screen units using a crane to allow concrete repairs and the application of chemical-resistant coatings around the screen bases. The project also includes installing a fourth drum screen with a dedicated washer-compactor to improve operational redundancy, expand capacity, and enhance reliability. The placement location for drum screen 4 currently exists.



Water Recycling Facility Drum Screens.

Currently, Drum Screens 1 and 2 share a washer-compactor, creating a potential operational vulnerability. The additional drum screen and washer-compactor will allow rehabilitation of Drum Screens 2 and 3 under a future project while maintaining the required screening capacity.

Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Capacity Fees (Restricted Reserves - Capacity).

Current Phase: Design/Construction

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	\$250,000	-	-	-	-	-	\$250,000
Construction	-	\$1,700,000	-	-	-	-	\$1,700,000
FY Total	\$250,000	\$1,700,000	\$0	\$0	\$0	\$0	\$1,950,000

Project No. WT26-03 - MBR Process Rehabilitation

Purpose: The purpose of this project is to improve the reliability, operational efficiency, and long-term treatment capacity of Ironhouse's Membrane Bioreactor (MBR) system through membrane replacement, equipment upgrades, and process control modifications.

Description: This project includes replacement of MBR membranes and related system improvements to support future treatment demands and improve performance. Ironhouse pre-purchased replacement membranes valued at \$2,327,563.20 as part of the original 2010 construction. The purchase was reaffirmed by the current manufacturer in 2021 following ownership changes. Based on a 10 to 15 year service life, one-half of the membranes will be installed in FY 2026-27, with the remaining half installed in FY 2028-29.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency



Membrane Bioreactor area.

The new membranes provide greater surface area, allowing operation with fewer cassettes while preserving capacity for future expansion. The project also includes replacement of existing 10 horsepower air compressors with 15 horsepower units and piping modifications to improve permeate flow measurement accuracy, flow stability, and reduce valve cycling. This project will also require the addition of an MBR Air Scour Blower (see WT-27-07).



Membrane Bioreactor filters.

Operating Department Impact and Funding Source:

This project will not impact the operating budget. All project expenditures will be funded through Sewer Service Fees (Board Designated Capital Expenditures).

Current Phase: Construction

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	-	-	-	-	-	-	\$0
Construction	\$130,000	\$250,000	\$50,000	\$300,000	\$100,000	\$50,000	\$880,000
FY Total	\$130,000	\$250,000	\$50,000	\$300,000	\$100,000	\$50,000	\$880,000

Project No. WT26-04 - WRF Piping Rehabilitation

Purpose: Maintain the integrity, reliability, and long-term performance of Ironhouse's Wastewater Reclamation Facility (WRF) and effluent conveyance system by addressing corrosion, protecting critical infrastructure, and extending asset service life.

Description: This project provides ongoing funding for the rehabilitation and protection of process piping at the WRF and Ironhouse's effluent conveyance pipeline. Work includes protective coating and painting of piping systems within the treatment plant to address corrosive conditions, inspection of the effluent pipeline (including external condition assessments and cathodic protection testing), and rehabilitation of approximately six miles of effluent line as needed based on condition and performance.

Improvements are identified through routine inspections, asset condition assessments, and operational risk evaluation. The program is intended to reduce corrosion-related failures, improve system reliability, and extend the service life of critical treatment and effluent infrastructure. Multiple projects may be implemented each year under this program, and any individual project exceeding \$100,000 will be established as a separate project for tracking and reporting purposes.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency



Influent pump station discharge piping.

Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Sewer Service Fees (Board Designated Capital Expenditures).

Current Phase: Construction

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	-	-	-	-	-	-	\$0
Construction	\$250,000	\$25,000	\$55,000	\$75,000	\$175,000	\$55,000	\$635,000
FY Total	\$250,000	\$25,000	\$55,000	\$75,000	\$175,000	\$55,000	\$635,000

Project No. WT26-05 - Aeration Basin Structural Repair

Purpose: The purpose of this project is to rehabilitate and preserve the structural integrity and operational reliability of the aeration basin system through crack repairs, protective coating restoration, and condition assessment of critical process equipment. Operating three aeration basins in conjunction with the aerobic digester is projected to provide adequate treatment capacity for the planned residential buildout population.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency

Description: This project includes repair of a structural crack located at a control joint that appears to extend through all four aeration basins. The anticipated repair method is epoxy injection. As each aeration basin is taken offline individually for repairs, the exposed Return Activated Sludge (RAS) piping will be recoated to address deteriorated protective coatings and prevent further corrosion.

The project also includes inspection of the basin air diffusers during outages to evaluate their condition and determine anticipated replacement timing based on remaining service life. In support of future treatment demands, a third aeration basin is planned to be brought online during the 2026–2027 timeframe, while the existing abbreviated aerobic digester may remain in operation.



Structural crack at aerobic digester.

Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Sewer Service Fees (Board Designated Capital Expenditures).

Current Phase: Design/Construction

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	\$20,000	-	-	-	-	-	\$20,000
Construction	\$80,000	-	-	-	-	-	\$80,000
FY Total	\$100,000	\$0	\$0	\$0	\$0	\$0	\$100,000

Project No. WT26-06 - Scheduled Equipment Rehab/Replacement

Purpose: Maintain the reliability, efficiency, and long-term performance of Ironhouse's water treatment facilities through planned rehabilitation and replacement of critical treatment equipment.

Description: This project provides ongoing funding for the scheduled rehabilitation, replacement, and upgrade of water treatment equipment based on asset condition, performance history, manufacturer-recommended service intervals, and operational requirements. Work may include replacement or refurbishment of pumps, motors, valves, instrumentation, treatment process equipment, electrical and control components, and other mechanical systems necessary to support reliable treatment operations and regulatory compliance.

Scheduled improvements are intended to address aging infrastructure, reduce the risk of unexpected equipment failures, improve treatment performance and energy efficiency, and extend the useful life of critical assets. The program supports proactive asset management by allowing equipment to be replaced on a planned life cycle basis rather than through reactive emergency repairs. Multiple projects may be implemented each year under this program, and any individual project exceeding \$100,000 will be established as a separate project for tracking and reporting purposes.

Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Sewer Service Fees (Board Designated Capital Expenditures).

Current Phase: Design/Construction

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	\$50,000	\$52,500	\$52,500	\$52,500	\$72,500	\$75,000	\$355,000
Construction	\$450,000	\$472,500	\$472,500	\$472,500	\$652,500	\$675,000	\$3,195,000
FY Total	\$500,000	\$525,000	\$525,000	\$525,000	\$725,000	\$750,000	\$3,550,000

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency



Sludge Pump before rehab.



Sludge Pump after rehab.

Project No. WT26-07 - WRF SCADA and PLC Upgrades

Purpose: The purpose of this project is to ensure reliable, secure, and efficient monitoring and control of Ironhouse's wastewater facilities. Key drivers include aging and obsolete SCADA and PLC components, increasing maintenance challenges, cybersecurity considerations, evolving technology standards, and the need to support system growth and operational efficiency. The program supports proactive asset management and long-term capital planning through consistent system modernization.

Description: This project provides ongoing funding for upgrades and replacement of Ironhouse's Supervisory Control and Data Acquisition (SCADA) system and Programmable Logic Controllers (PLCs) used to monitor and control wastewater system operations. Work may include hardware and software upgrades, communication systems, instrumentation integration, and the replacement of obsolete components to maintain system functionality and reliability.

Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Sewer Service Fees (Board Designated Capital Expenditures).

Current Phase: Design/Construction

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	-	-	-	-	-	-	\$0
Construction	\$100,000	\$2,000,000	\$2,500,000	-	-	-	\$4,600,000
FY Total	\$100,000	\$2,000,000	\$2,500,000	\$0	\$0	\$0	\$4,600,000

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency



PLC Control Panel.

Project No. WT26-08 - WRF Site Improvements

Purpose: Maintain and enhance the safety, accessibility, and long-term functionality of Ironhouse's Wastewater Reclamation Facility (WRF) through planned site infrastructure improvements.

Description: This project provides ongoing funding for site infrastructure improvements at Ironhouse's Wastewater Reclamation Facility, with a primary focus on concrete and paving rehabilitation and replacement. Work may include roadway and pavement improvements, concrete flatwork replacement, drainage corrections, and other repairs necessary to maintain safe access and reliable site operations.

The project may also include installation of electric vehicle charging stations, access improvements to groundwater monitoring wells, fencing upgrades, and related site enhancements to support operational efficiency, regulatory access requirements, and evolving facility needs. Improvements are identified based on asset condition, operational priorities, and long-term facility planning objectives.

Multiple projects may be implemented each year under this program, and any individual project exceeding \$100,000 will be established as a separate project for tracking and reporting purposes.

Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Sewer Service Fees (Board Designated Capital Expenditures).

Current Phase: Construction

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	-	-	-	-	-	-	\$0
Construction	\$50,000	-	\$300,000	\$35,000	-	-	\$0
FY Total	\$50,000	\$0	\$300,000	\$35,000	\$0	\$0	\$385,000

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency



Biosolids Building.

Project No. WT27-01 - Influent Piping and Screening Improvements

Purpose: The project is intended to improve system redundancy, reduce operational risk during peak flow conditions, and proactively address equipment deterioration in one of the most corrosive areas of the facility.

Description: Current peak wet weather flows can exceed 5 Million Gallons per Day (MGD), and the hydraulic capacity of one of the two existing perforated plate mechanical screens may be exceeded if one screen is out of service. To maintain firm treatment capacity of up to 10 MGD peak wet weather flow with one screening unit offline, the project includes installation of a third mechanical screen, along with an associated washer/compactor and modification of the existing screenings discharge chute. The project also includes replacement of the existing grit classifier, which is severely corroded and nearing the end of its useful life, as well as replacement of the existing influent pump discharge riser piping in the wet wells. The riser piping has experienced coating failure and is beginning to corrode. Because coating maintenance in the hazardous confined-space wet well environment is costly and typically required every 10 years, replacement with 316 stainless steel is recommended to eliminate future coating maintenance needs. Remaining ductile iron piping above the wet well will also be recoated to address ongoing coating degradation. Additional piping, coatings, and related appurtenant improvements may be included as needed to address accelerated corrosion, improve reliability, and support long-term headworks performance.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency



Influent pump station headworks.

Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Capacity Fees (Restricted Reserves-Capacity).

Current Phase: Design/Construction

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	-	\$165,000	-	-	-	-	\$165,000
Construction	-	\$400,000	\$1,500,000	-	-	-	\$1,900,000
FY Total	\$0	\$565,000	\$1,500,000	\$0	\$0	\$0	\$2,065,000

Project No. WT27-02 - Biosolids Improvement Facility

Purpose: Evaluate and implement long-term biosolids management improvements that enhance operational efficiency, reduce disposal risk, and support sustainable, cost-effective biosolids handling at the WRF.

Description: Currently, Ironhouse dewateres biosolids using a belt filter press, with resulting solids hauled by Synagro for land application as Class B biosolids. While this process remains functional, increasing transportation and disposal costs, along with evolving regulatory and market constraints associated with Class B biosolids, are making long-term reliance on the existing approach more challenging. A biosolids alternatives analysis has been completed and narrowed to three viable long-term options. One option includes participation in a regional partnership with the city of Brentwood to utilize its planned biosolids processing system, which would require capital participation and development of a biosolids transfer facility. A second option includes construction of an on-site thermal and chemical conditioning facility using Lystek® technology within the existing Solids Building to produce a fertilizer product with expanded beneficial reuse opportunities. A third option includes installation of a thermal drying system DryVac® within the Solids Building to reduce biosolids volume and produce a high-solids Class A EQ product, thereby reducing hauling volumes and associated disposal costs. Ironhouse has allocated \$7 million over the next five years and an additional \$8 million over the following five years, providing sufficient funding capacity to implement any of the identified alternatives. This project will select the preferred option, and complete design and construction of the chosen solution to improve long-term operational reliability, regulatory compliance, and lifecycle cost efficiency for Ironhouse's biosolids program.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency



Biosolids belt press.

Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Capacity Fees (Restricted Reserves-Capacity).

Current Phase: Design

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	-	\$100,000	\$100,000	\$200,000	-	-	\$400,000
Construction	-	-	-	\$2,600,000	\$4,000,000	-	\$6,600,000
FY Total	\$0	\$100,000	\$100,000	\$2,800,000	\$4,000,000	\$0	\$7,000,000

Project No. WT27-03 - Odor Control Rehabilitation for Solids Building

Purpose: Maintain reliable odor control performance and protect facility operations, equipment, and surrounding areas from odor-related impacts through rehabilitation of the Solids Building odor control system.

Description: This project provides funding for rehabilitation and replacement of odor control equipment serving Ironhouse's Solids Building at the Wastewater Reclamation Facility (WRF). Work may include replacement or rehabilitation of fans, ductwork, chemical treatment systems, media, controls, instrumentation, and related appurtenances necessary to maintain effective odor capture and treatment. Improvements are identified based on equipment condition, operational performance, corrosion, maintenance history, and regulatory or operational requirements. The Solids Building operates in a corrosive environment that accelerates equipment deterioration and increases maintenance demands. Planned rehabilitation is intended to restore reliable odor control performance, reduce the risk of equipment failure, improve operational efficiency, and extend the service life of critical odor control infrastructure.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency



Biosolids Building.

Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Sewer Service Fees (Board Designated Capital Expenditures).

Current Phase: Construction

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	-	\$50,000	\$125,000	-	-	-	\$175,000
Construction	-	-	\$225,000	\$350,000	-	-	\$575,000
FY Total	\$0	\$50,000	\$350,000	\$350,000	\$0	\$0	\$750,000

Project No. WT27-04 - Stormwater Retention Pond Improvements – Phase 1

Purpose: Improve operational flexibility and treatment reliability at the Wastewater Recycling Facility (WRF) by enabling controlled management of stormwater storage during prolonged wet weather conditions and ensure protection of treatment capacity and regulatory compliance.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency

Description: This project provides funding for the installation of a drain return line from the stormwater retention basin to the WRF headworks. The system will include a motor-operated gate valve with an actuator extension and an outdoor-rated actuator to allow automated control of stormwater return flows. An open-channel flow meter will also be installed in a new or modified manhole on the return line to provide measurement of return flow rates. These improvements will allow the return flow to be actively controlled and automatically adjusted or shut off based on influent conditions at the plant. If total influent flow to the facility approaches capacity during peak wet weather events, the system will be capable of automatically reducing or stopping return flows to prevent hydraulic overloading of the headworks. The project also includes rehabilitation of access roads around the North Pond, South Pond, and Stormwater Pond to restore safe and reliable access for operations, maintenance, and inspection activities. The project is intended to enhance system resilience during prolonged wet weather conditions and improve operational control of stormwater storage infrastructure.



Stormwater retention pond (circled in red).

Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Sewer Service Fees (Board Designated Capital Expenditures).

Current Phase: Design/Construction

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	-	-	\$75,000	-	-	-	\$75,000
Construction	\$5,000	\$5,000	\$80,000	\$5,000	\$705,000	\$5,000	\$805,000
FY Total	\$5,000	\$5,000	\$155,000	\$5,000	\$705,000	\$5,000	\$880,000

Project No. WT27-05 - UV Effluent Gate Installation

Purpose: Improve operational control and hydraulic isolation of the UV effluent system at the WRF by addressing leakage associated with existing counterweighted gate infrastructure.

Description: This project provides funding for the installation of UV effluent isolation gates to improve control and prevent unintended leakage through existing counterweighted gates. To address this issue, the project includes installation of open-close weir gates downstream of the existing counterweighted gates, which will remain in place. The new gates will operate in a fully open position when the channel is online and fully closed when offline, preventing leakage and improving hydraulic isolation. This approach is preferred over replacing the system with modulating weir gates, as open-close gate operators are less costly and avoid the need for additional level sensing instrumentation and more complex SCADA integration. The project is intended to improve operational reliability, reduce unintended flow bypass, and provide a cost-effective solution for system isolation and maintenance flexibility.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency



Ultraviolet light channel.

Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Sewer Service Fees (Board Designated Capital Expenditures).

Current Phase: Design

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	-	-	-	\$75,000	-	-	\$75,000
Construction	-	-	-	\$200,000	-	-	\$200,000
FY Total	\$0	\$0	\$0	\$275,000	\$0	\$0	\$275,000

Project No. WT27-06 - LED Lighting Upgrades

Purpose: The purpose of this project is to improve the reliability, energy efficiency, safety, and resiliency of the WRF through replacement of aging lighting infrastructure with modern Light-Emitting Diode (LED*) technology.

Description: This project includes upgrading existing lighting systems throughout the wastewater treatment plant by replacing aging and inefficient fixtures with high-efficiency LED lighting. Many of the existing lighting components are approaching or exceeding their useful service life, resulting in increased maintenance requirements, reduced reliability, and higher energy consumption. The LED upgrades will improve illumination quality, reduce operational and maintenance costs, and enhance worker safety throughout plant facilities and process areas. The project will also improve overall facility resiliency by installing durable, long-life lighting systems better suited to the demanding wastewater treatment environment. Improvements may include replacement of fixtures, controls, wiring, and associated electrical components as needed to support reliable long-term operation and compatibility with backup power systems and future facility upgrades.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency



Light fixtures at the Water Recycling Facility.

*LED: (a semiconductor diode which glows when a voltage is applied).

Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Sewer Service Fees (Board Designated Capital Expenditures).

Current Phase: Construction

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	-	-	-	-	-	-	\$0
Construction	-	\$50,000	-	-	\$50,000	-	\$100,000
FY Total	\$0	\$50,000	\$0	\$0	\$50,000	\$0	\$100,000

Project No. WT27-07- MBR Air Scour Blower Addition

Purpose: In coordination with Project WT-26-03 MBR Membrane Replacement, the purpose of this project is to improve the reliability, operational efficiency, and long-term treatment capacity of Ironhouse's Membrane Bioreactor (MBR) system through membrane replacement, equipment upgrades, and process control modifications.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency

Description: The project includes the addition of a new Air Scour Blower design with the air flow capacity to match the new (lower) air requirement of the new MBR membranes installed under WT26-03.

Operating Department Impact and Funding

Source: This project will help reduce energy costs and positively impact the operating budget. All project expenditures will be funded through Sewer Service Fees (Board Designated Capital Expenditures).



Aeration blowers for Membrane Bioreactor.

Current Phase: Design/Construction

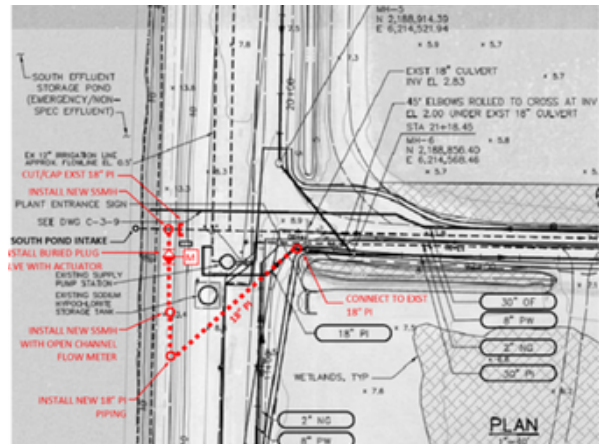
Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	\$0	\$50,000	-	-	-	-	\$50,000
Construction	\$0	\$350,000	100,000	-	-	-	\$450,000
FY Total	\$0	\$400,000	\$100,000	\$0	\$0	\$0	\$500,000

Project No. WT27-04 - Stormwater Retention Pond Improvements - Phase 2

Purpose: Improve operational flexibility and treatment reliability at the Wastewater Recycling Facility (WRF) by enabling controlled management of stormwater storage during prolonged wet weather conditions and ensure protection of treatment capacity and regulatory compliance.

Project Drivers	
Aging Infrastructure	Capacity
Regulatory	Resiliency

Description: As part of the 2011 WRF construction project, a gravity diversion from the suction side of the supply pump station to the 30" primary influent sewer line was added to allow the south pond to be drained back into the WRF headworks. The return flow from the south pond to the headworks is not easily controllable, as it is only initiated by a buried manual plug valve with no means of flow measurement. This project is being considered to address this issue, as uncontrolled south pond flow return to the headworks can overload headworks equipment. The recommended improvement involves reconfiguring the 18" piping connecting the south pond intake to the main 30" primary influent sewer to install a motor actuated plug valve and several manholes, one of which would include an open channel sewer flow meter. PLC programming would be added to allow for the operator to set a desired flow rate, and for automatic control of the plug valve to obtain the specified flow rate set point.



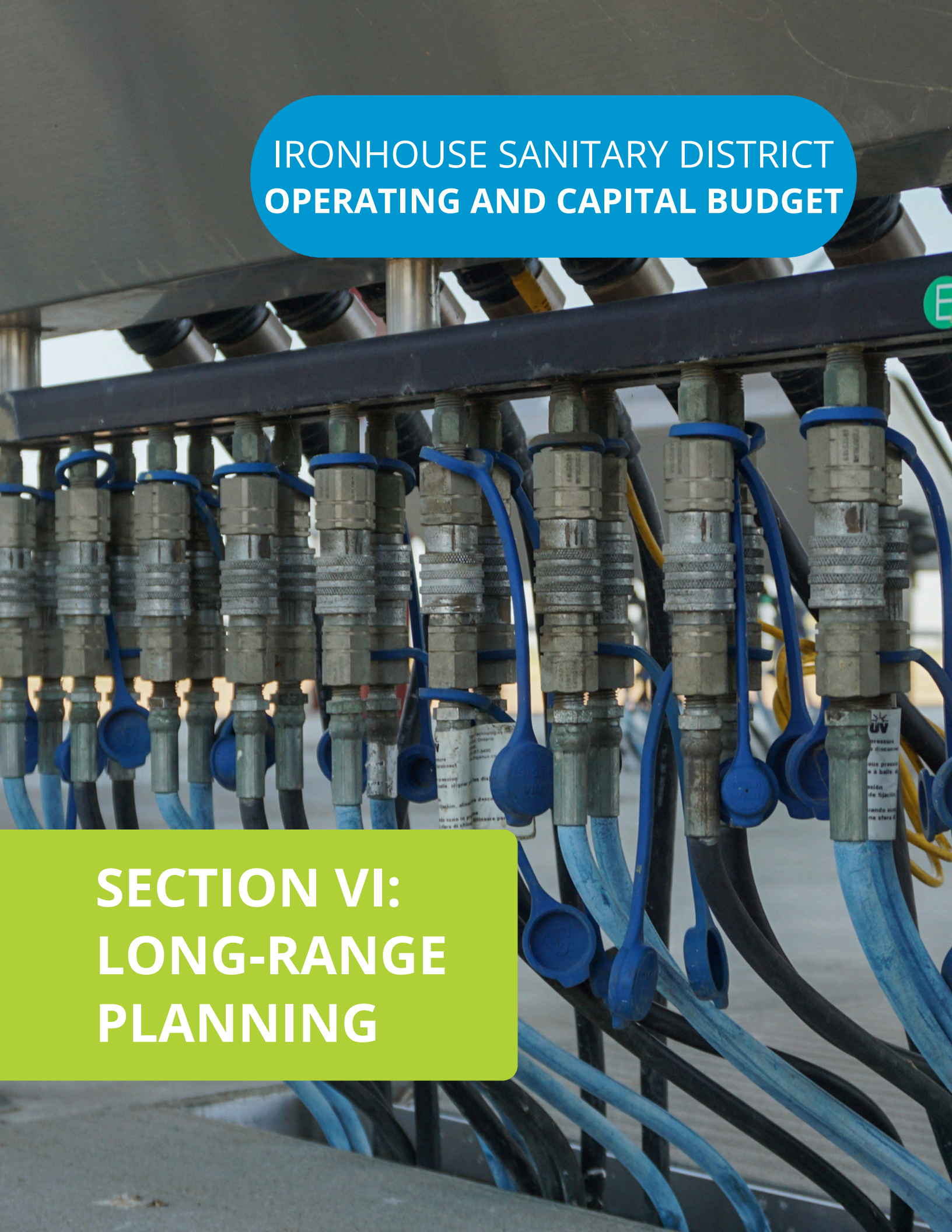
South Pond Return concept.

Operating Department Impact and Funding Source: This project will not impact the operating budget. All project expenditures will be funded through Sewer Service Fees (Board Designated Capital Expenditures).

Current Phase: Design/Construction

Phase	Budget-to-Date	FY 2026-2027	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	Total
Design	-	-	-	-	\$100,000	-	\$100,000
Construction	-	-	-	-	\$650,000	-	\$650,000
FY Total	\$0	\$0	\$0	\$0	\$750,000	\$0	\$750,000





IRONHOUSE SANITARY DISTRICT OPERATING AND CAPITAL BUDGET

SECTION VI: LONG-RANGE PLANNING

LONG-RANGE PLANNING

Ten-Year Capital Improvement Plan (FYE 2027 - FYE 2036)

Ten-Year Capital Improvement Plan (CIP) - FY 2026-2027 to FY 2035 - 2036

Five Different Programs:

1. Collection Systems
2. WRF Operations
3. General Improvements
4. Recycled Water
5. Jersey Island

Ironhouse has developed a Ten-Year Capital Improvement Plan (CIP) for capital facilities and financing needs. The Ten-Year CIP covers the period from July 1, 2026, to June 30, 2035. It incorporates the recommendations from various major studies and master plans that were prepared during Fiscal Year 2024-2025:

- Wastewater Master Plan (WTMP) prepared by Waterworks Engineers and HDR for the Water Recycling Facility (WRF)
- Collection System Master Plan (CSMP) by VW Housen and Associates
- Energy Evaluation Study by NV5
- Solar System Analyst by Arc Alternatives

The Ten-Year CIP is updated every year. Specifically, the plan identifies and prioritizes capital projects needed to accomplish Ironhouse's Vision, Mission, Values, and Goals. It also includes planning-level cost estimates for proposed projects and projections of the various revenue sources needed to meet cash flow requirements. The principal purpose of the Ten-Year CIP is to provide the Board of Directors with the necessary information to formulate a long-range policy regarding:

- **Priority and Schedule** - Identify, prioritize, and schedule the projects necessary to accomplish Ironhouse's Vision, Mission, Values, and Goals
- **Financing** - Plan for sufficient financial resources to complete the proposed projects

The Master Plans were a critical tool used by Ironhouse to implement the following strategies from Ironhouse's Strategic Plan 2026-2031.

The Ten-Year CIP section provides a general description of the plan for future capital projects. As projects develop and are prioritized, they are grouped into five programs: 1. Collection System (CS), WRF, General Improvements (GI), Recycled Water (RW), and Jersey Island (JI), as shown in the Capital Improvement Budget (CIB). A brief description of each

program and a list of significant projects for the Ten-Year CIP are provided in the Capital Improvement Plan sections for each of the five programs. In total, the estimated costs for all the projects listed in the Ten-Year CIP are \$86,000,000.

Changes to the Ten-Year Capital Improvement Plan

Last year, the total estimated costs for the Ten-Year CIP were approximately \$25 million. The increase in the CIP is due to three main factors: market-rate adjustments, a higher estimate for the Force Main Project, and a high replacement cost at the WRF.

Ironhouse's long-term biosolids handling has been re-evaluated and significantly impacts the costs within the WRF Program. Staff continues to finalize the long-term plan and does not anticipate starting any major work on the Biosolids project for the next two fiscal years. The Biosolids handling process continues to be evaluated to define the Biosolids Project timeline. However, the costs for the Biosolids Project will depend on the final recommendation of the ongoing planning efforts.

The Force Main Project starts this fiscal year, starting with design and environmental work. The budget for this project was developed using preliminary estimates and will be updated upon the completion of the design. The current estimate of \$13.85 million is currently funded in the Ten-Year Plan.

Ten-Year Capital Improvement Plan Budget Process

The Ten-Year CIP assumes that funds will be available to support the plan. For FY 2026-2027, these funds come from sources discussed in the Financial Summary Section. The only two controllable sources are adjusting the capital component of the Sewer Service Charge and possibly issuing debt. With respect to debt, the Capital Plan assumes that a 2011 State Revolving Fund (SRF) loan will be used to fund the WRF Project until it is repaid in FYE 2031-2032.

One other potential debt offering is currently assumed in the ten-year financial plan. This external financing may take the form of the issuance of revenue bonds or the application of new SRF loans. There is also an expectation that Ironhouse will apply for an additional SRF loan, but the lower interest rates related to SRF loans are not assumed in the financial plan, as no assurance is currently available that this competitive funding will be available. If the SRF loan applications are successful, Ironhouse's financial plan will be revised accordingly.

The Ten-Year CIP is budgeted year-by-year when the CIP for the upcoming fiscal year is formally authorized and adopted by the Board. Changes in capital revenue forecasts or

changes in recommended expenditure might result in changes to the future Ten-Year CIP.

Master Planning Efforts

The Wastewater Treatment Master Plan (WTMP), Collection System Master Plan (CSMP), and the Energy Study were completed on June 30, 2025. A key deliverable of Master Planning (MP) is an updated Capital Improvement Plan for the next ten-year planning horizon (2026-2035). The MP includes descriptions, rationales, and estimated costs for collection system and WRF capital improvement projects and ongoing programs to address aging infrastructure, meet existing and anticipated regulatory requirements, accommodate planned growth, optimize energy use, and implement Ironhouse's vision for the WRF that is consistent with Ironhouse's Strategic Plan.

The MP is also a critical tool for maintaining a high level of service, establishing long-term, fiscally responsible policies for Ironhouse's customers, and providing a clear direction for Ironhouse. To accomplish this, the WTMP:

- Confirmed Capital Improvement Program projects, costs, and site layouts for future facilities
- Identified linkages among the major capital improvement projects and repair and replacement strategies such that the projects can be rescheduled as planning assumptions and needs change
- Identified triggers for implementing preliminary design and construction of the recommended capital improvement projects to determine efficient "just-in-time" project implementation
- Identified new or updated policies, programs, and guidelines for Board consideration to address overall program implementation, including project prioritization, implementation costs, project delivery methods, potential funding sources, and an estimated schedule for implementing plan elements
- Confirmed and incorporated operations, maintenance, and energy management strategies
- Accelerated and coordinated condition assessments by implementing the Asset Management Plan and confirmed long-term repair and replacement strategies

Ten-Year CIP - Collection System Program

The Collection System Program includes projects that will address aging and deteriorating infrastructure needs, meet regulatory requirements, address capacity deficiencies, improve reliability, and help reduce energy costs. The emphasis of the Ten-Year CIP Collection System Program will be on a new 14-inch force main, rehabilitating and replacing deteriorating sewer pipes, supporting new development and sewer expansion by developers within Ironhouse's service area, upgrading aging pumping stations, and implementing force main inspection programs. The inspection program will help assess the condition of the existing infrastructure and confirm the timing and cost of

rehabilitating or replacing force mains. Overall, these projects aim to reduce the risk of spills in the Ironhouse's collection system.

Ironhouse, with the support of consultants, will continue to update the new collection system hydrodynamic model (InfoWorks®) to confirm the need and timing for future projects required to alleviate capacity deficiencies and determine sewer replacement needs. Ironhouse uses a software program that combines closed-circuit television inspection scoring results, sewer cleaning frequency data, pipe age, and other information to assign a likelihood of failure score to each pipe segment in the collection system.

Ten-Year CIP - WRF Program

The WRF Program includes projects that will address aging infrastructure needs, meet regulatory requirements, address any hydraulic or process capacity deficiencies, and improve sustainability or help meet energy efficiency and savings-related goals. The emphasis of the Ten-Year CIP WRF Program will be on the repair and replacement of aging WRF infrastructure, improving existing facilities to ensure reliable compliance with increasingly stringent regulatory requirements, improving the resiliency of existing structures, and improving overall energy efficiency.

Ten-Year CIP - General Improvements Program

The General Improvements Program includes projects that will address aging infrastructure needs, meet regulatory requirements, improve sustainability, or help meet sustainability-related goals. This includes implementing property and building improvements, addressing equipment needs, acquiring new properties if required, completing the development of the Asset Management Program, upgrading information management systems and data management systems, enhancing general security improvements, and cybersecurity. Many of Ironhouse's buildings are over 25 years old. They are starting to require general building upgrades to both the interiors and exteriors, such as painting, replacing ceiling tiles, upgrading fixtures, replacing roofs, replacing worn furniture and other equipment, and upgrading buildings to meet staffing needs and security standards. The emphasis of the General Improvements Program for the Ten-Year CIP will be on upgrading many of those aging buildings. In addition, Ironhouse will also continue to require routine acquisition of new equipment, vehicle replacement, security improvements, information technology improvements, and cybersecurity enhancements.

Ten-Year CIP - Recycled Water Program

The Recycled Water Program includes projects that will address infrastructure needs, meet regulatory requirements, address capacity deficiencies, and improve reliability. The emphasis of the Ten-Year CIP Recycled Water Program will be on continued expansion of the Recycled Water Program, ongoing rehabilitation, and replacement of recycled water distribution system assets. Ironhouse staff will continue to explore and plan for other

potential recycled water projects and related improvements and expansions that may be required. These projects will likely involve the wholesale supply of recycled water to a water purveyor.

Ten-Year CIP - Jersey Island Program

The Jersey Island Program includes projects addressing road maintenance, land and field, irrigation with the siphons, and drainage ditch maintenance. Ironhouse will continue to explore using the Island for either agricultural use via a land lease project, cattle grazing via a land lease project, and working with RD 830 to maintain the levees.

It should be noted that a portion of the northeast corner is currently under an option to sell 189 acres to MIH for GGS mitigation.

Ironhouse is also evaluating a third-party offer from Diablo Water District to purchase the Island. Therefore, the CIP for Jersey Island was set only for the next five years, FY 2029-2030.

Ten-Year CIP Expenditures

The Ten-Year CIP provides a basis for policy decisions concerning Ironhouse's long-range CIP and management of the Sewer Construction Fund. It also serves as the capital improvement expenditure basis for performing the fee analysis.

This plan includes projected expenditures totaling \$79,283,500 (in 2026 dollars) from FY 2026-2027 through FY 2035-2036. A summary of the planned expenditures by program without future inflation for the Ten-Year CIP is included in Attachment 4.

Ironhouse will continue to explore using the Island for either agricultural use via a land lease project, cattle grazing via a land lease project, and working with RD 830 to maintain the levees.

It should be noted that a portion of the northeast corner is currently under an option to sell 189 acres to MIH for GGS mitigation.

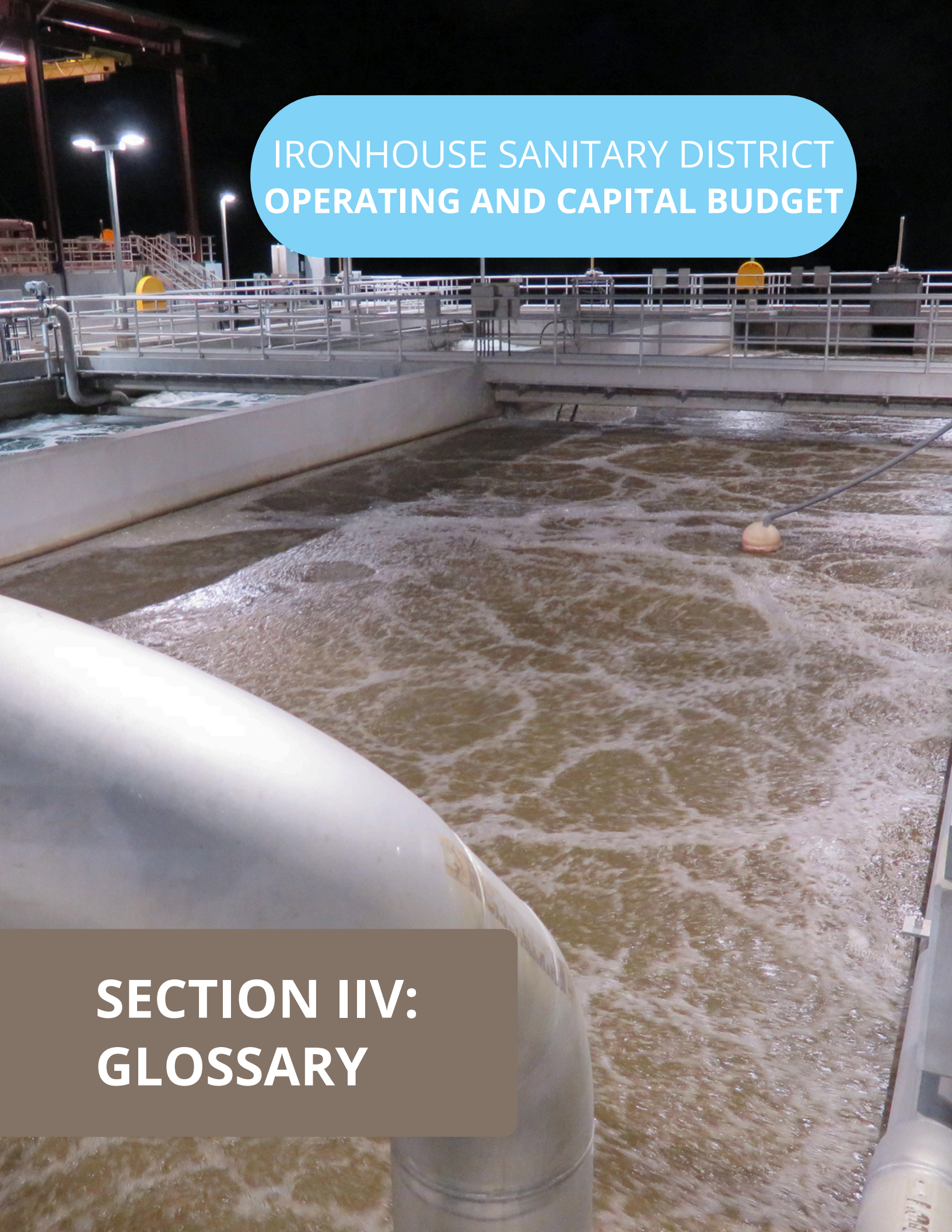
Ironhouse is also evaluating a third-party offer from Diablo Water District to purchase the Island. Therefore, the CIP for Jersey Island was set only for the next five years, FY 2029-2030.

Attachment 4 - Fiscal Year 2026-2027 Ten-Year Capital Improvement Plan (CIP) New Allocations by Year

Ten Year CIP Ironhouse Sanitary District		FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029	FY 2029-2030	FY 2030-2031	FY 2031-2032	FY 2032-2033	FY 2033-2034	FY 2034-2035	FY 2035-2036		
Project No.	Program	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	5-Year Total	10-Year Total
CS	Collection System Program	\$1,499,356												
CS26-01	14-inch Parallel Forcemain	\$350,000	\$3,500,000	\$6,000,000	\$4,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,500,000	\$13,500,000
CS26-02	Collection System Reimbursements	\$2,869,596	\$1,020,000	\$175,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,195,000	\$1,195,000
CS26-03	Collection System Renovation Program - Phase 1	\$400,000	\$600,000	\$600,000	\$600,000	\$600,000	\$750,000	\$0	\$0	\$0	\$0	\$0	\$3,150,000	\$3,150,000
CS26-04	Pump Station Improvements Program	\$472,000	\$668,000	\$166,000	\$187,000	\$81,000	\$92,000	\$550,000	\$96,000	\$5,000	\$279,500	\$55,000	\$1,194,000	\$2,179,500
CS26-05	Manhole Rehab/Linear Asset Spot Repairs	\$75,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$300,000	\$600,000
CS26-06	Collection Equipment Replacement Program	\$225,000	\$0	\$850,000	\$0	\$0	\$225,000	\$400,000	\$225,000	\$0	\$0	\$0	\$1,075,000	\$1,700,000
CS27-01	Collection System SCADA & PLC Upgrades	\$25,000	\$1,850,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,850,000	\$1,850,000
CS27-02	Portable Generator/Pumps Replacement Program	\$0	\$75,000	\$75,000	\$0	\$0	\$75,000	\$75,000	\$0	\$0	\$75,000	\$0	\$225,000	\$375,000
CS31-01	Force Main Inspection	\$0	\$0	\$0	\$0	\$0	\$25,000	\$225,000	\$300,000	\$300,000	\$0	\$0	\$25,000	\$850,000
Future	CS Bldg EV Charging Stations	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0	\$50,000
Future	Collection System Renovation Program- Phase 2	\$0	\$0	\$0	\$0	\$0	\$0	\$750,000	\$750,000	\$750,000	\$850,000	\$850,000	\$0	\$3,950,000
WT	Wastewater Treatment Program													
WT26-01	Chemical Feed Room and Equipment Improvements	\$250,000	\$122,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$122,000	\$122,000
WT26-02	Drum Screen Improvements	\$250,000	\$1,700,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,700,000	\$1,700,000
WT26-03	MBR Process Rehabilitation	\$130,000	\$250,000	\$50,000	\$300,000	\$100,000	\$50,000	\$50,000	\$50,000	\$100,000	\$100,000	\$1,100,000	\$750,000	\$2,150,000
WT26-04	WRF Piping Rehabilitation	\$250,000	\$25,000	\$55,000	\$75,000	\$175,000	\$55,000	\$25,000	\$25,000	\$55,000	\$25,000	\$25,000	\$385,000	\$540,000
WT26-05	Aeration Basin Structural Repair	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
WT26-06	WRF Scheduled Equipment Rehab/Replacement	\$500,000	\$525,000	\$525,000	\$525,000	\$725,000	\$750,000	\$1,050,000	\$1,050,000	\$1,550,000	\$1,550,000	\$1,500,000	\$3,050,000	\$9,750,000
WT26-06	WRF SCADA & PLC Upgrades	\$100,000	\$2,000,000	\$2,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,500,000	\$4,500,000
WT26-07	WRF Site Improvements	\$50,000	\$0	\$300,000	\$35,000	\$0	\$0	\$0	\$0	\$0	\$35,000	\$0	\$335,000	\$370,000
WT27-01	Influent Piping and Screening Improvements	\$0	\$565,000	\$1,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,065,000	\$2,065,000
WT27-02	Biosolids Improvement Facility	\$0	\$100,000	\$100,000	\$2,800,000	\$4,000,000	\$0	\$0	\$2,000,000	\$3,000,000	\$2,000,000	\$1,000,000	\$7,000,000	\$15,000,000
WT27-03	Odor Control Rehab Solids Building	\$0	\$50,000	\$350,000	\$350,000	\$0	\$0	\$0	\$0	\$0			\$750,000	\$750,000
WT27-04	Stormwater Retention Pond Improvements	\$5,000	\$5,000	\$155,000	\$5,000	\$705,000	\$5,000	\$5,000	\$155,000	\$5,000	\$5,000	\$5,000	\$875,000	\$1,050,000
WT27-05	UV Effluent Gate Installation	\$0	\$0	\$0	\$275,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$275,000	\$275,000
WT27-06	LED Lighting Upgrades	\$0	\$50,000	\$0	\$0	\$50,000	\$0	\$0	\$0	\$0	\$50,000	\$0	\$100,000	\$150,000
WT27-07	MBR Air Scour Blower Addition	\$0	\$400,000	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$500,000	\$500,000
WT30-01	Stormwater Retention Pond Improvements - Phase 2	\$0	\$0	\$0	\$0	\$750,000	\$0	\$0	\$0	\$0	\$0	\$0	\$750,000	\$750,000
Future	South Pond Return Line Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$750,000	\$0	\$0	\$0	\$0	\$0	\$750,000
Future	Old WWTP facilities Demolition	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$350,000	\$0	\$0	\$0	\$350,000
Future	Security System Upgrades	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$250,000	\$0	\$0	\$0	\$0	\$250,000
Future	Add Third Small Effluent Pump (Redundant)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$750,000	\$0	\$0	\$750,000
Future	UV Wiper Replacements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,500,000	\$0	\$0	\$1,500,000
Future	Expand Aerobic Digester (use anaerobic)	\$0	\$0	\$0	\$0	\$0	\$0	\$165,000	\$0	\$0	\$0	\$0	\$0	\$165,000
Future	WRF Planning	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$250,000	\$150,000	\$0	\$400,000

Attachment 4 - Fiscal Year 2026-2027 Ten-Year Capital Improvement Plan (CIP) New Allocations by Year

Ten Year CIP Ironhouse Sanitary District		FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029	FY 2029-2030	FY 2030-2031	FY 2031-2032	FY 2032-2033	FY 2033-2034	FY 2034-2035	FY 2035-2036		
Project No.	Program	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	5-Year Total	10-Year Total
GI	General Improvements Program													
GI26-01	IRONHOUSE Campus Building Improvements	\$100,000	\$1,030,000	\$2,300,000	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0		\$3,380,000	\$3,380,000
GI26-02	IT & Security Equipment	\$10,000	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$62,500	\$125,000
GI26-03	Fleet and Vehicle Replacement	\$160,000	\$40,000	\$49,000	\$58,000	\$76,000	\$85,000	\$110,000	\$150,000	\$125,000	\$75,000		\$308,000	\$768,000
GI27-01	Admin. Bldg EV Charging Stations	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,000	\$15,000
GI27-02	Paving, Sidewalks, & Exterior Lighting	\$0	\$38,000	\$0	\$25,000	\$3,000	\$0	\$0	\$3,000	\$25,000	\$0	\$0	\$66,000	\$94,000
Future	Furniture and Fixtures	\$0	\$0	\$30,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$90,000	\$190,000
RW	Recycled Water Program													
RW27-01	Residential Fill Stations Rehabilitation	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$25,000	\$50,000
RW27-02	REW Pumping and Distribution System	\$0	\$150,000	\$0	\$0	\$0	\$0	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$150,000	\$175,000
RW27-03	Demonstration Gardens (EPA Grant)	\$0	\$250,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$250,000	\$250,000
JY26-01	Jersey Island Program													
JY26-01	Fleet and Vehicle Replacement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Contingency	\$100,000	\$1,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000,000	\$1,000,000
	Total Allocation by Fiscal Year	\$6,426,596	\$16,105,500	\$15,957,500	\$9,382,500	\$7,362,500	\$2,209,500	\$4,307,500	\$5,156,500	\$6,367,500	\$7,647,000	\$4,787,500	\$51,017,500	\$79,283,500



IRONHOUSE SANITARY DISTRICT OPERATING AND CAPITAL BUDGET

SECTION IIV: GLOSSARY

Technical Terms

Connection Fees – Governed by Ordinances No. 25 and 86. Connection fees represent one-time contributions of resources to Ironhouse, imposed on developers. The intent of these fees is to recover the capacity cost of sewer facilities within the existing system.

Cost of Living Adjustment (COLA) – An increase in wage compensation to offset the adverse conditions of inflation on salaries, or a provision for price increases based on the historical index of general inflation. Labor contract adjustments are based upon the Consumer Price Index-Wage Earners San Francisco-Oakland-Hayward (CPI-W) for the period of April of the preceding year through April of the current year.

Depreciation – Loss in asset value over the useful life of a capital asset as a result of wear, deterioration, or obsolescence.

District Service Charges – Revenues received from customers for sewer services, under Ordinance No. 37.

Effluent – Treated wastewater.

Enterprise Fund – Accounts for operations and business activities in a manner similar to a private business, where the intent is that the costs of providing services to the general public are recovered primarily through user fees.

Fiscal Year (FY) – A 12-month financial measurement period between July 1 and June 30.

Fund – A fiscal accounting entity with a self-balancing set of accounts recording cash and other financial resources, liabilities, and equity. Funds are segregated based on specific services or objectives in accordance with special regulations, restrictions, or limitations.

Grants – Contributions by other governmental entities or organizations to provide funding for a specific project.

Investment Income – Revenues received by Ironhouse from investments.

Lift Station – facilities to move wastewater from a lower to a higher elevation.

Long-Range Plan – Ironhouse maintains a long-range Construction Plan. It details planned projects by cost and target year. During each budget cycle, the planned projects for the next FY are moved into the budget document and the Board approves necessary funds for their implementation. The plan forecasts both capital project requirements and long-term needs for major repairs and maintenance of the sewer system (R&R).

Negative Declaration – A document that states upon completion of an initial study, that there is no substantial evidence that the project may have a significant effect on the environment.

Net Position – The difference between assets plus deferred outflow of resources, and liabilities plus deferred inflow of resources.

Non-Operating Revenues or Expenses – Enterprise fund revenues or expenses that are not a result of its primary service activities.

Operating Expenses – Cost incurred by Ironhouse in the course of service to customers.

Operating Revenues – Funds received by Ironhouse through its normal business operations.

Operation & Maintenance (O&M) – Accounts for revenues and expenses related to the day-to-day operations of sewer services.

Ordinance – A local law set forth by the Board of Directors.

Other or Miscellaneous Revenues or Expenses – Revenues or expenses aggregated on the financial statements for accountability purposes.

Overhead Rates – The purpose of overhead rates is to recover the cost of benefits, non-productive time, and other resources, such as administration and engineering services.

Overhead Recovery – Revenues from the application of overhead rates to actual staff salaries, for time spent on projects and assignments in renewal and replacement, capital improvement projects, solid waste and recycling activities.

Permits and Inspection Fees – Fees imposed to cover the cost of issuing sewer permits, inspecting sewer work, and maintaining permanent District records. Those fees are governed by Ordinance No. 35.

Proposition 218 – Passed by California voters on November 5, 1996 with effective date July 1, 1997, it requires local governments to obtain the approval of property owners in a local ballot measure before levying a new or increased tax assessment of those property owners. In 2006, the California Supreme Court ruled that Proposition 218 applies to local water, recycling and sewer charges.

Renewal and Replacement (R&R) – Accounts for revenues and expenses associated with repairs on maintenance of collections and treatment facilities or equipment.

Rents and Leases – Revenues received from customers, pursuant to operating leases or rental agreements.

Residential Recycling Charges – Revenues received from customers for mandatory recycling services provided under AB 939, based on annual recycling charges governed by Ordinance No. 34 and collected on Alameda County's property tax bill.

Resolution – A special or temporary order of the Board of Directors. A resolution requires less formality than a statute or ordinance.

Revenues – Income received by providing services, or from investments or other sources.

Sewer Rates – Fees paid by customers for sewer services. Residential customers pay a flat rate charged annually, depending on the type of residence. Commercial and industrial sewer rates are based on water consumption volume. The sewer rates for heavy industrial users also include components for biochemical oxygen demand (BOD) and suspended solids (SS).

Sewer Services – sewage collection, treatment, and disposal. This function is further divided into:

- Operantion & Maintenance (O&M)
- Renewal and Replacement (R&R)
- Capital Improvement Program (CIP)

Acronyms Used

BOD - Biochemical Oxygen Demand, a measurement of the strength of wastewater.

CalPERS - California Public Employees Retirement System.

CASA - California Association of Sanitation Agencies, a nonprofit organization ensuring clean water for California.

CCTV - Closed-circuit television.

CPI-U - Consumer Price Index, for all urban consumers.

CEQA - California Environmental Quality Assessment, which provides for legal review by regulatory agencies of the general public.

CIB - Capital Improvement Budget.

CIP - Capital Improvement Program.

CIWQS - California Integrated Water Quality System.

COLA - Cost of Living Adjustment.

CPI - Consumer Price Index. Consumer Price Index, for wage earners.

CPVC - Chlorinated Polyvinyl Compound (plastic pipe).

CSRMA - California Sanitation Risk Management Authority, a JPA that provides liability, property and workers' compensation insurances.

CWEA - California Water Environment Association, a professional organization issuing certification for various trades.

DWF - Dry Weather Flow.

EPA - The Environmental Protection Agency of the United States is a federal regulatory agency.

ERP - Enterprise Resource Planning software.

FASB - Financial Accounting Standards Board.

FY - Fiscal Year.

GAL - Gallon, a unit of liquid volume.

GASB - Governmental Accounting Standards Board.

GFOA - Government Finance Officer Association of United States and Canada, a professional organization for finance.

H₂S - Hydrogen Sulfide, a corrosive substance commonly found in sewer systems and treatment works.

HDPE - High-density polyethylene.

HVAC- Heating, ventilation, air conditioning.

I/I - Inflow/Infiltration; water that enters the wastewater flow from the environment, rather than from a plumbing system.

JPA - Joint powers authority, a separate public agency formed pursuant to a joint exercise of powers agreement.

KWH - Kilowatt, a measure of power.

LAIF - Local Agency Investment Fund.

MOU - Memorandum of Understanding, an agreement between labor groups and the District.

NAICS - North America Industry Classification System (NAICS Codes) is a universal numbering method that helps identify a company's industry affiliation.

NPDES - National Pollution Discharge Elimination System is a federally mandated program allowing Ironhouse to discharge its effluent.

O&M - Operations and Maintenance.

PACP - Pipeline Assessment Certification Program.

PDGC - Pipeline Defect Grading Criteria.

P.E. - Professional Engineer.

PLC - Programmable Logic Controller, an electronic device that provides preset controls for plant equipment.

PWE - Present worth of expenditures.

PWWF - Peak wet weather flow.

R&R - Renewal and Replacement Program.

RAS - Return Activated Sludge; sludge that settles in the secondary clarifier and is returned back to the aeration system.

SCADA - Supervisory Control and Data Acquisition, description of the functions and abilities of the treatment plant's computer system.

SRF- State Revolving Fund.

SS - Suspended Solids, measurement of residual solids, a method for determining sewage strength and treatment plant efficiency.

SSMP - Sewer System Management Plan.

SSO - Sanitary Sewer Overflow.

VCP - Vitrified Clay Pipe.

WAS - Waste Activated Sludge; sludge that is removed from the activated sludge system each day, as part of the treatment process.



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