**SUSANVILLE SANITARY DISTRICT**

**NOTICE OF PUBLIC HEARING**

**ON PROPOSED SEWER CHARGE RATE INCREASE**

**TO PROPERTY OWNER / CUSTOMER:**

**NOTICE IS HEREBY GIVEN** that on Tuesday, June 10, 2025, at 1:00 p.m., or as soon thereafter as the matter may be heard, the Susanville Sanitary District (“District”) Board of Directors will hold a public hearing in the District’s Board Room, located at 45 S. Roop Street, Susanville, CA 96130, to consider proposed increases to the District’s sewer charge rates. If approved by the District Board, the proposed sewer charge rate increases will be effective on or after July 1, 2025.

**WHY ARE RATE CHANGES BEING CONSIDERED?**

The District has not adjusted its sewer charge rates since July 1, 2016. Over the past nine years, the cost of operating and maintaining the District’s sewer system has increased due to factors such as inflation, rising labor costs, and the need for ongoing system maintenance. These increased costs have led to a structural deficit, with current revenues insufficient to cover necessary expenses. Without a sewer rate adjustment, the District will not have adequate revenues to cover operations and maintenance of the sewer system and conduct necessary capital improvements and repairs.

**SEWER RATE STUDY AND OPERATIONS FUNDING PLAN**

To address the financial challenges and ensure the long-term sustainability of the sewer system, the District commissioned a Sewer Rate Study and Five-Year Operations Funding Plan. This study evaluated the District’s operational costs and revenue requirements; however, future capital projects and associated reserves are excluded. Key findings and recommendations from the study include:

* **Structural Deficit.** The District’s FY 2024-25 budget reflects a cumulative increase of approximately $420,000 in salaries and benefits, materials, supplies, services, and unfunded liabilities compared to the prior fiscal year.
* **Insufficient Revenues**. Current revenues are insufficient to cover operation, maintenance, and future capital costs. Operating reserves are projected to be nearly depleted by the end of FY 2025-26 if no rate adjustments are made.
* **Reserve Goals**: To minimize financial risks, the District should continue adhering to its Board-adopted reserve policies. These include maintaining a working capital reserve target of 25% by FY 2029-30 and an Unfunded Pension Liability Reserve of $400,000.
* **Rate Adjustment**: The study recommends increasing the sewer charge fee by 31.6% beginning in July 2025, followed by annual increases of 3% through FY 2029-30.

Additionally, the District is developing a Sewer Master Plan, expected to be completed in Spring 2026, which will assess system conditions, identify necessary upgrades, and outline long-term infrastructure priorities. Upon its completion, the District will establish a new capital sewer charge to provide a dedicated funding source for capital projects and any associated debt service, ensuring that system upgrades can be made while minimizing financial impacts on ratepayers.

**PROPOSED RATES**

The District’s current residential sewer rates are $18.50 per month for a two-bedroom home and $23.50 per month for a three-bedroom or larger home. Under the proposed adjustments effective July 1, 2025, these rates will increase by 31.6% to $24.35 per month for a two-bedroom home and $30.93 per month for a three-bedroom or larger home, with subsequent annual increases of 3% through FY 2029-30. The proposed adjustments aim to ensure financial sustainability while keeping the District’s rates among the lowest in the region. Below is a table that summarizes the current and proposed sewer rates for various user classes.

****

**HOW WILL THE PROPOSED RATES IMPACT PROPERTY OWNERS?**

Under the proposed rate adjustments effective July 1, 2025, the District’s residential rates will increase by 31.6% to $24.35 per month for a two-bedroom home and $30.93 per month for a three-bedroom or larger home. Despite this increase, the District’s sewer rates will remain among the lowest in the region compared to neighboring jurisdictions, where monthly rates range from approximately $30.00 to $112.00.

**HOW CAN I PROTEST?**

Proposition 218 allows property owners to respond to the proposed fees prior to or during the public hearing. Consistent with Proposition 218 and California Government Code §53755, this Notice has been mailed to all property owners within the service area based on the most current information published by the Lassen County Assessor. Any record owner of a parcel upon which the sewer charge rates are proposed for imposition and any tenant directly liable for the payment of sewer charges (i.e., a customer of record) may submit a written protest to the proposed rate increases; provided, however, only one written protest will be counted per identified parcel. If you object to the proposed fees as described in this Notice, you may file a written protest with the District at or before the time set for the public hearing. Written protests may be hand-delivered or mailed to the Susanville Sanitary District at 45 S. Roop Street, Susanville, CA 96130.

To be valid, written protests must include the following:

1. The name of the record owner or owners of the property.
2. Service address and assessor’s parcel number (APN).
3. A statement of protest/opposition to the proposed increase (“I protest” will suffice).
4. The original signature of the protesting owner or owners (photocopies will not be accepted).

If the District receives timely written protests in excess of 50 percent of the parcels receiving sewer service from the District, the Board will not adopt the proposed rates. Please note that each property will be counted as a single vote, regardless of the number of owners. If there are two record owners, both must sign the written protest. If there are more than two owners, the protest must be signed by a majority of the owners. Multiple protests returned for a single property will be disallowed, and the District will only accept one protest per property. Email, fax, telephone, or oral protests of any kind will not be counted. Protests must be received prior to the conclusion of the public hearing on June 10, 2025. Please identify on the front of the envelope that the enclosed letter is for the Public Hearing on the Proposed Sewer Charge Rate Increases. Oral comments at the public hearing will not qualify as formal protests unless accompanied by a written protest. Mailed protests received after the close of the public hearing will not be counted, even if they were postmarked earlier.

**IMPORTANT NOTICE REGARDING LEGAL CHALLENGES**

Please be advised that pursuant to California law, if you wish to challenge the proposed sewer charge rate increases in court, you may be limited to raising only those issues you or someone else raised in written correspondence delivered to the District prior to the conclusion of the public hearing described in this Notice. Failure to raise an objection in writing may constitute a waiver of your right to challenge the rate increases in the future.

**WHERE DO I FIND ADDITIONAL INFORMATION REGARDING THE PROPOSED RATES?**

For more information regarding the proposed sewer charge rate increases, please visit the District’s website at [www.susanvillesanitarydistrict.com](https://www.susanvillesanitarydistrict.com) or contact the District’s office at (530) 257-5665. Copies of the Sewer Rate Study and Five-Year Operations Funding Plan are available for review at the District’s office during regular business hours.

Your participation and input are important to us. We encourage you to attend the public hearing and provide your feedback on the proposed sewer charge rate increases.

**EN ESPAÑOL:**

Para recibir una copia de este aviso en español sobre los aumentos propuestos a la tarifa de servicio de alcantarillado, llame al (530) 257-5665, de lunes a jueves de 7:30 a.m. a 4:30 p.m.