PRELIMINARY 2016/17 SUBREGIONAL SYSTEM BUDGET AND ALLOCATION OF COSTS
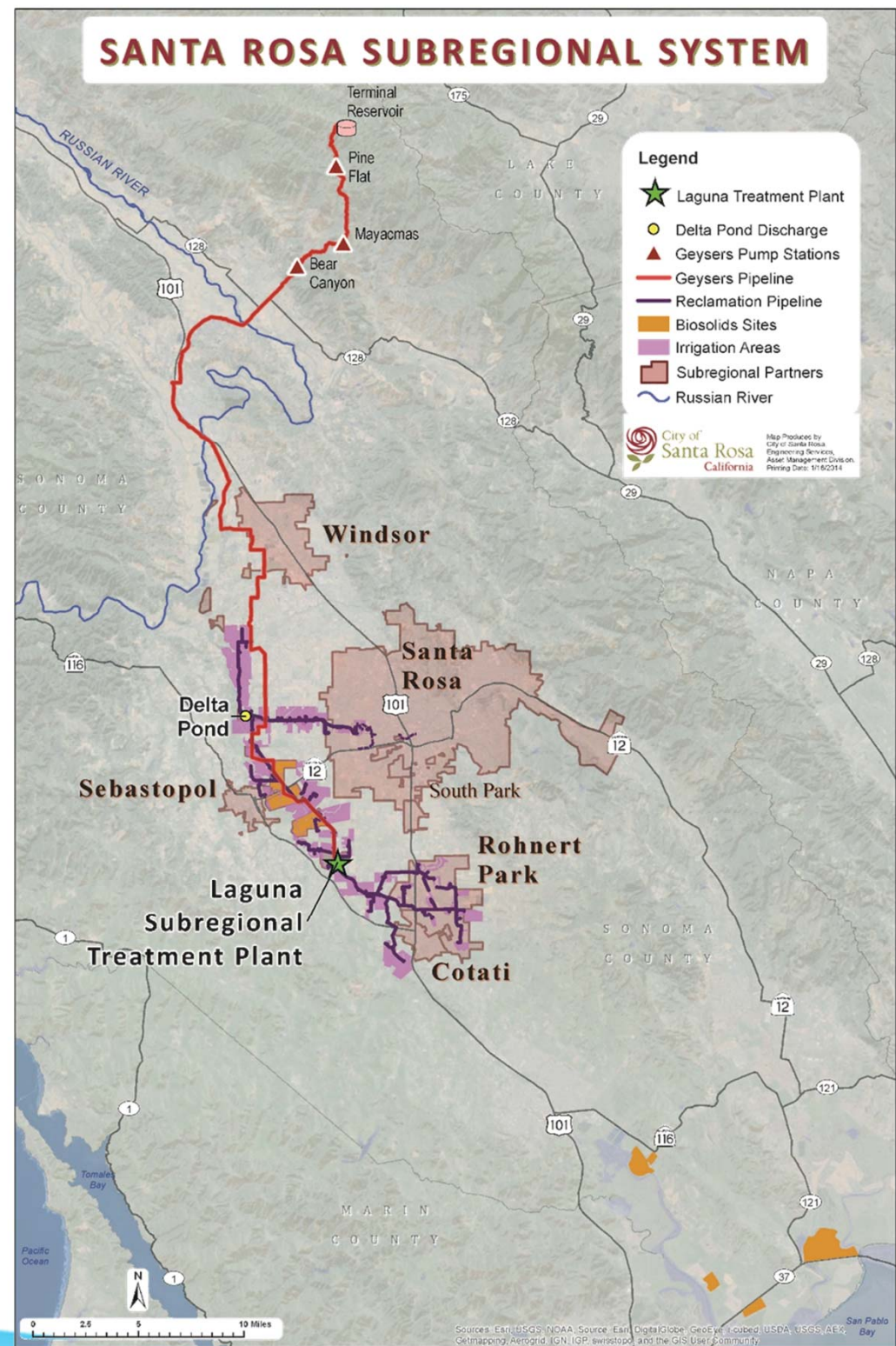

City Council

April 12, 2016

Santa Rosa Water | Our Future in Every Drop

Subregional System & Wastewater Treatment Plant – Subregional Agreement:

- Santa Rosa
- Rohnert Park
- Cotati
- Sebastopol
- South Park County Sanitation District

Subregional Budget Review Timeline

3/10 - Preliminary SubTAC review of the O&M and CIP requests and preliminary allocations

3/17 - Board of Public Utilities Study Session – all Santa Rosa Water and Subregional O&M and CIP

4/7 - SubTAC recommendation to BPU

4/7 - BPU recommendation to City Council

4/12 - City Council Subregional budget preliminary approval

5/1 - Notify User Agencies of operating and debt requirements for 2016/17

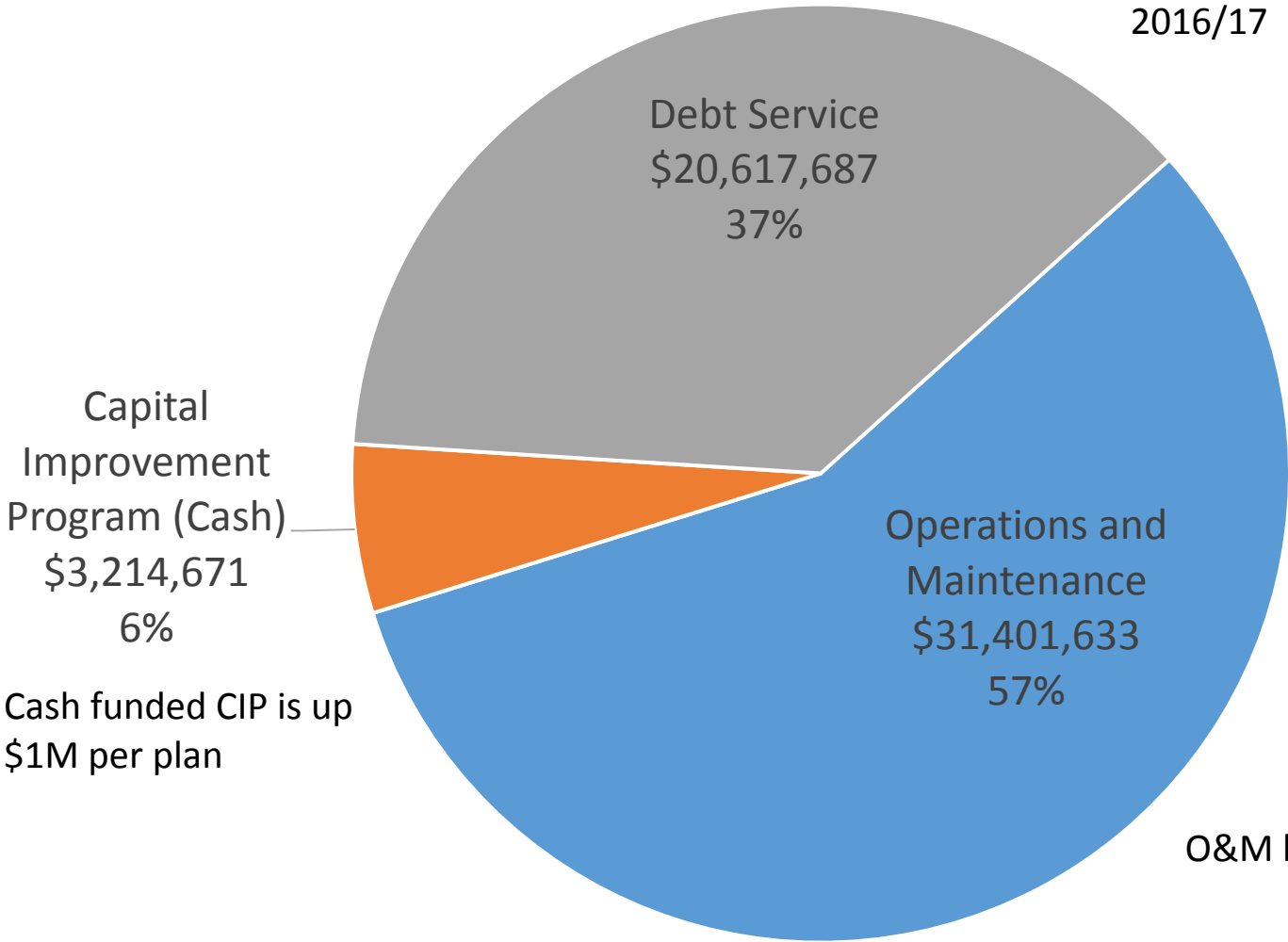Santa Rosa Water | Our Future in Every Drop

WATER

Subregional Operating Expenditures Assure:

- Wastewater treatment operations, recycled water distribution, and biosolids disposal

- NPDES permit compliance activities including monitoring and reporting

- Mandated air quality permitting, monitoring, and reporting activities

- Hazardous materials and waste disposal permitting, monitoring, and reporting activities

Santa Rosa Water | Our Future in Every Drop

Subregional Expenses

Debt service is down 18% in 2016/17

Debt Service
$20,617,687
37%

Capital Improvement Program (Cash)
$3,214,671
6%

Cash funded CIP is up $1M per plan

Operations and Maintenance
$31,401,633
57%

O&M budget is up 4%

Total 2016/17 Allocation

2016/17

	O&M Contribution		Debt Service		Total	$ Change from 2015/16	% Change from 2015/16	% from each Agency - total
Santa Rosa	$23,413,670	72.89%	$15,852,284	76.89%	**39,265,954**	-2,183,763	-5.27%	**74%**
Rohnert Park	$5,948,980	18.52%	$3,059,423	14.84%	**9,008,403**	-145,409	-1.59%	**17%**
Sebastopol	$902,626	2.81%	$512,678	2.49%	**1,415,304**	-103,439	-6.81%	**3%**
Cotati	$799,836	2.49%	$770,549	3.74%	**1,570,385**	-31,186	-1.95%	**3%**
SPCSD	$1,056,811	3.29%	$422,754	2.05%	**1,479,565**	-44,357	-2.91%	**3%**
	$32,121,923	100.00%	20,617,687	100.00%	**52,739,610**	-2,508,155	-4.54%	**100%**

O&M Project Increases Of Note

- Operating Projects
  - Cost Reimbursement
  - Necessary Facility Upgrades
  - Regulatory
- Biosolids
  - New land application site leases and appurtenant costs
- Chemicals

Santa Rosa Water | Our Future in Every Drop

# Other Major O&M Line Item Increases

- Salaries
  - Environmental Compliance Officer
  - Subregional Operations Engineer
  - Overtime
    - Internal Reorganization, current vacancies
- Capital Items
  - 12" portable 5mgd pump

Santa Rosa Water | Our Future in Every Drop
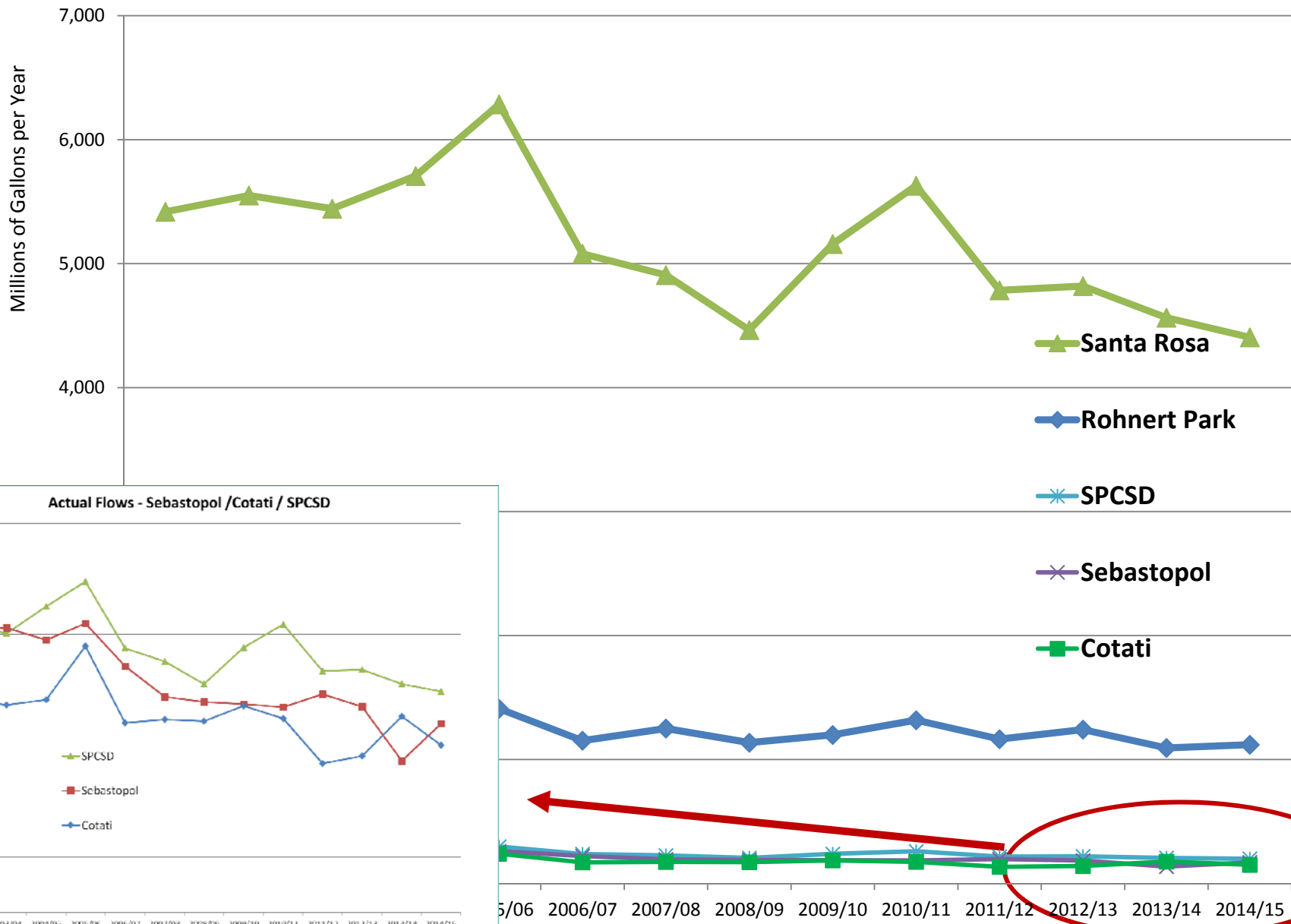
Total 2016-17 CIP Funding $3,214,671

Infrastructure and Programs

- Infrastructure replacements and upgrades are $2,764,671 or 86% of budget

- Programs such as Master Plans and Permit Compliance are $450,000 or 14% of budget

Programs
14%

Infrastructure
86%
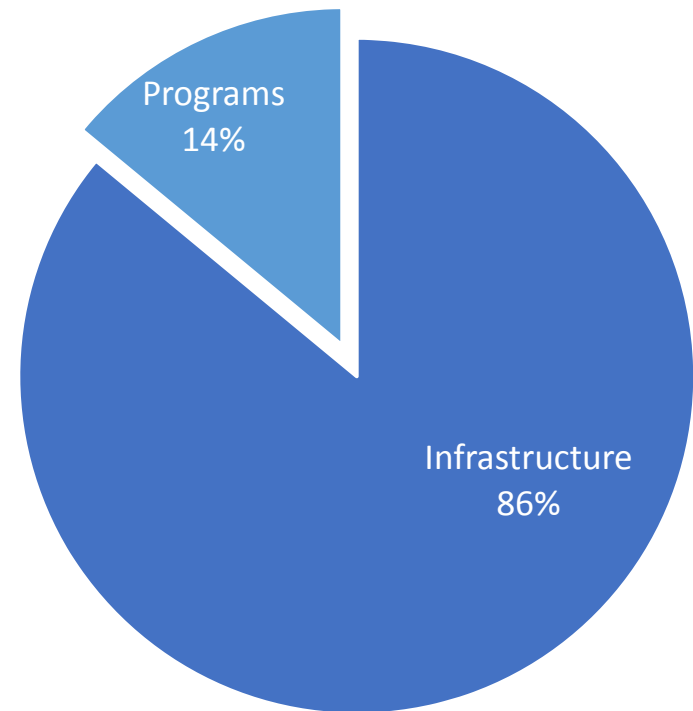
OPERATING COSTS ARE DETERMINED BY FLOW

Actual Flows by User Agency

2016/17 Operating Allocation – Based on Flow

Entity	Operations			
	2015/16	2016/17		
Santa Rosa	$22,246,005	$23,413,670	5.2%	$1,167,665
Rohnert Park	$5,330,756	$5,948,980	11.6%	$618,224
Sebastopol	$860,013	$902,626	5.0%	$42,613
Cotati	$664,090	$799,836	20.4%	$135,746
SPCSD	$1,002,374	$1,056,811	5.4%	$54,437
	$30,103,238	$32,121,923	6.7%	$2,018,685

Santa Rosa Water | Our Future in Every Drop

Debt Service

Legend: Santa Rosa, Rohnert Park, Sebastopol, Cotati, SPCSD
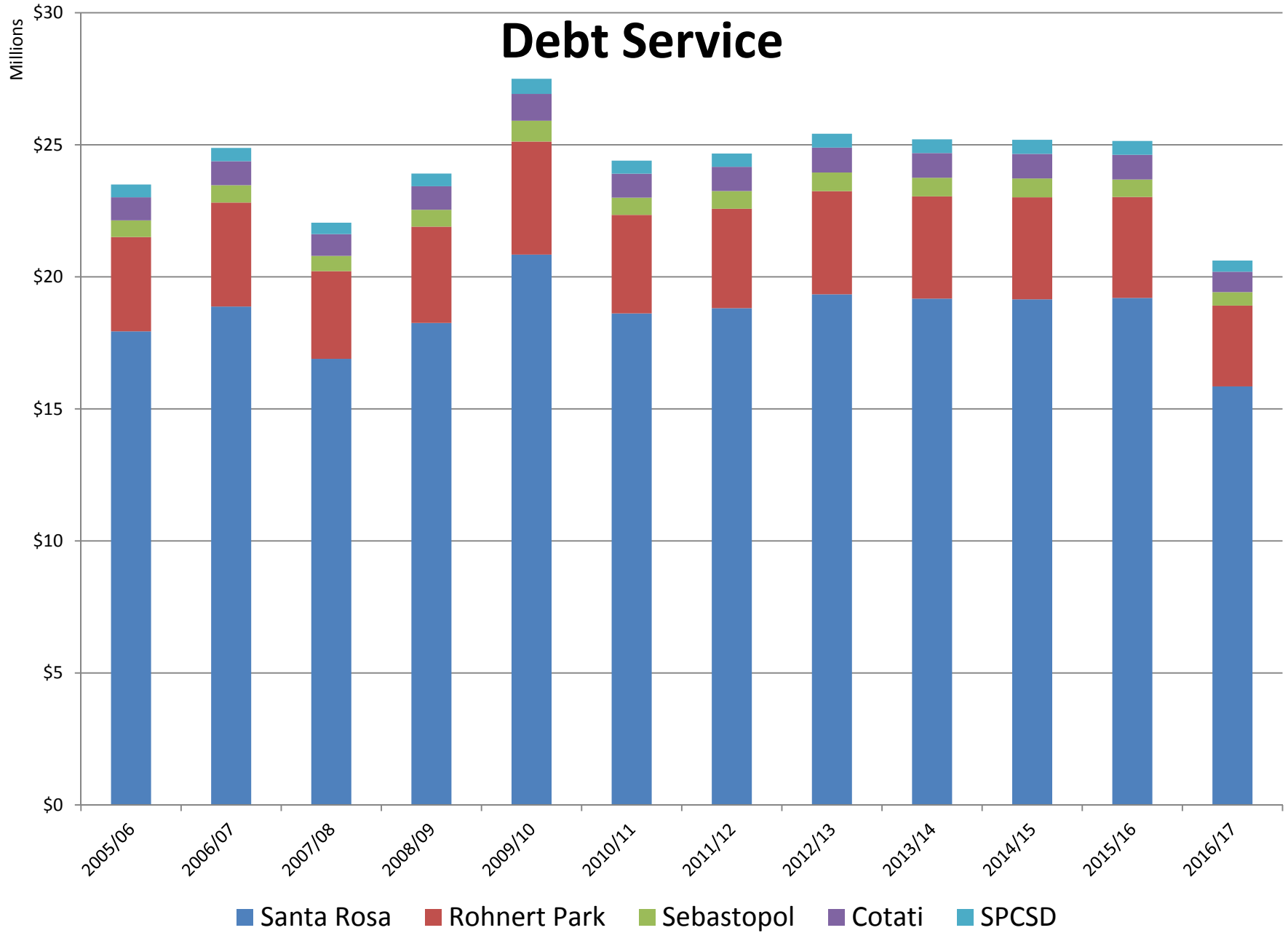
2016/17 Debt Service Allocation – Based on Agreement

Entity	2015/16	Debt Service 2016/17	% change	$ change
Santa Rosa	$19,203,711	$15,852,284	-17.5%	-$3,351,428
Rohnert Park	$3,823,056	$3,059,423	-20.0%	-$763,633
Sebastopol	$658,730	$512,678	-22.2%	-$146,052
Cotati	$937,481	$770,549	-17.8%	-$166,932
SPCSD	$521,548	$422,754	-18.9%	-$98,794
	$25,144,526	$20,617,687	-18.0%	-$4,526,840

Santa Rosa Water | Our Future in Every Drop

WATER

Total 2016/17 Allocation

2016/17

	O&M Contribution		Debt Service		Total	$ Change from 2015/16	% Change from 2015/16	% from each Agency - total
Santa Rosa	$23,413,670	72.89%	$15,852,284	76.89%	**39,265,954**	-2,183,763	-5.27%	**74%**
Rohnert Park	$5,948,980	18.52%	$3,059,423	14.84%	**9,008,403**	-145,409	-1.59%	**17%**
Sebastopol	$902,626	2.81%	$512,678	2.49%	**1,415,304**	-103,439	-6.81%	**3%**
Cotati	$799,836	2.49%	$770,549	3.74%	**1,570,385**	-31,186	-1.95%	**3%**
SPCSD	$1,056,811	3.29%	$422,754	2.05%	**1,479,565**	-44,357	-2.91%	**3%**
	$32,121,923	100.00%	20,617,687	100.00%	**52,739,610**	-2,508,155	-4.54%	**100%**

Santa Rosa Water | Our Future in Every Drop

DISCUSSION / QUESTIONS?

CONNECT WITH US!

CALL: 707.543.4200

EMAIL: SRWATER@SRCITY.ORG

VISIT: SRCITY.ORG/WATER

Santa Rosa Water | Our Future in Every Drop

WATER