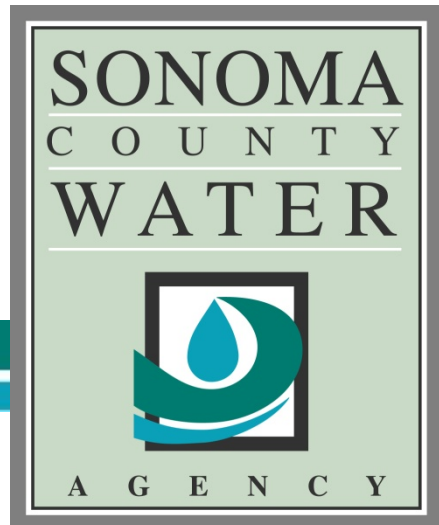


FY 17-18 Proposed Budget and Rates Water Transmission System



Presentation to:

Board of Public Utilities Meeting
March 2, 2017



www.sonomacountywater.org

Proposed Rates for FY 17-18

Charge/ Aqueduct	Santa Rosa	Petaluma	Sonoma
Deliveries (Acre-Feet)	41,446	41,446	41,446
O&M	\$574.04	\$574.04	\$574.04
Water Management Planning	\$3.14	\$3.14	\$3.14
Watershed Planning & Restoration	\$86.40	\$86.40	\$86.40
Recycled Water and Local Supply	\$10.01	\$10.01	\$10.01
Water Conservation	\$43.77	\$43.77	\$43.77
Total O&M	\$717.36	\$717.36	\$717.36
Storage & Common Bond/Loan Charges	\$109.92	\$109.92	\$109.92
Sonoma Aqueduct Bond/Loan Charge			\$85.28
Prime Contractors	\$827.28	\$827.28	\$912.56
<u>Discretionary Charges</u>			
Capital Charges - <i>to build fund balance for future projects</i>	\$19.50	\$19.50	\$32.00
Local Recycled Water Tier 2 Program	\$0.00	\$0.00	\$0.00
Prime Contractors	\$19.50	\$19.50	\$32.00
Total Prime Contractors	\$846.78	\$846.78	\$944.56
Total Overall Increase:	4.98%	4.98%	5.58%

Rate Setting Calculation (EXAMPLE)

\$35,100,000

\$847/ Acre Foot

41,446 AF

Water Sold = Lesser of:

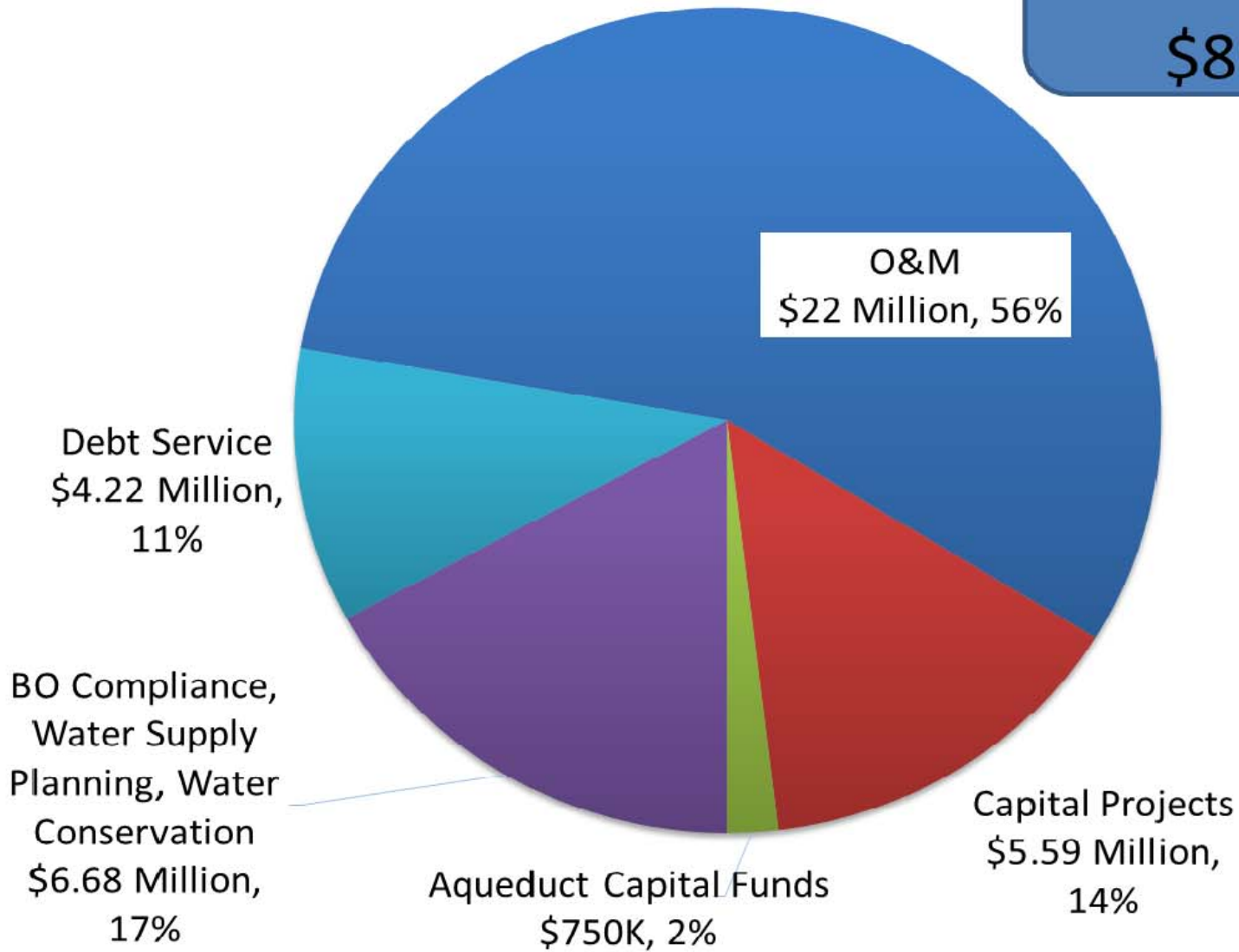
44,187 AF

or

41,446 AF

FY 17-18 Expenditures

Grants and Use
of Fund Balance
\$860,000



Expenditures Compared to FY 16-17

	FY16-17	FY17-18	
	Budget	Budget	Change
Operations and Maintenance	\$19.99 Million	\$22.00 Million	\$2,000,000
Capital Projects	\$8.57 Million	\$5.59 Million	(\$2,970,000)
BO Compliance, Water Supply Planning, Water Conservation	\$7.97 Million	\$6.68 Million	(\$1,290,000)
Debt Service	\$3.68 Million	\$4.22 Million	\$540,000
Aqueduct Capital Contribution	\$750,000	\$750,000	\$0
Totals	\$40.96 Million	\$39.24 Million	(\$1,720,000)

Grants, Use of Fund Balance, and Bond Proceeds	\$14,880,000	\$860,000	(\$14,020,000)
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Historic Drought

Budgeted
\$860,000
in Grants, Use of Fund
Balance, and Bond
Proceeds to soften impact
to rate payers

Cost of
Operations
and Maintenance

41,446

= Cost of Water
(Dollars per
acre-foot)

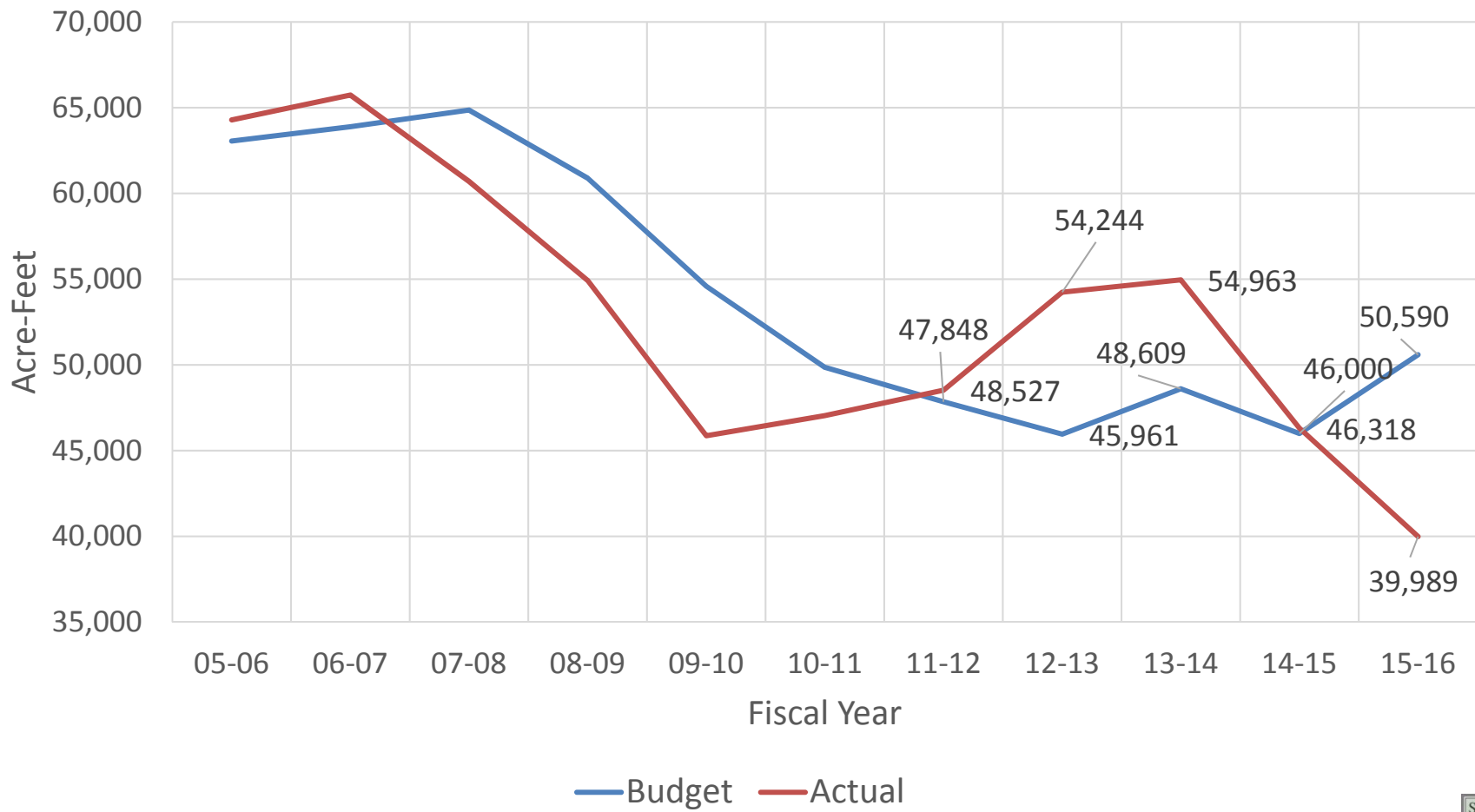
Water Sold = Lesser of:

Average of last
3 years annual
water
deliveries

or

Last 12 months
of actual water
deliveries

Historical Water Transmission Deliveries



Capital Projects

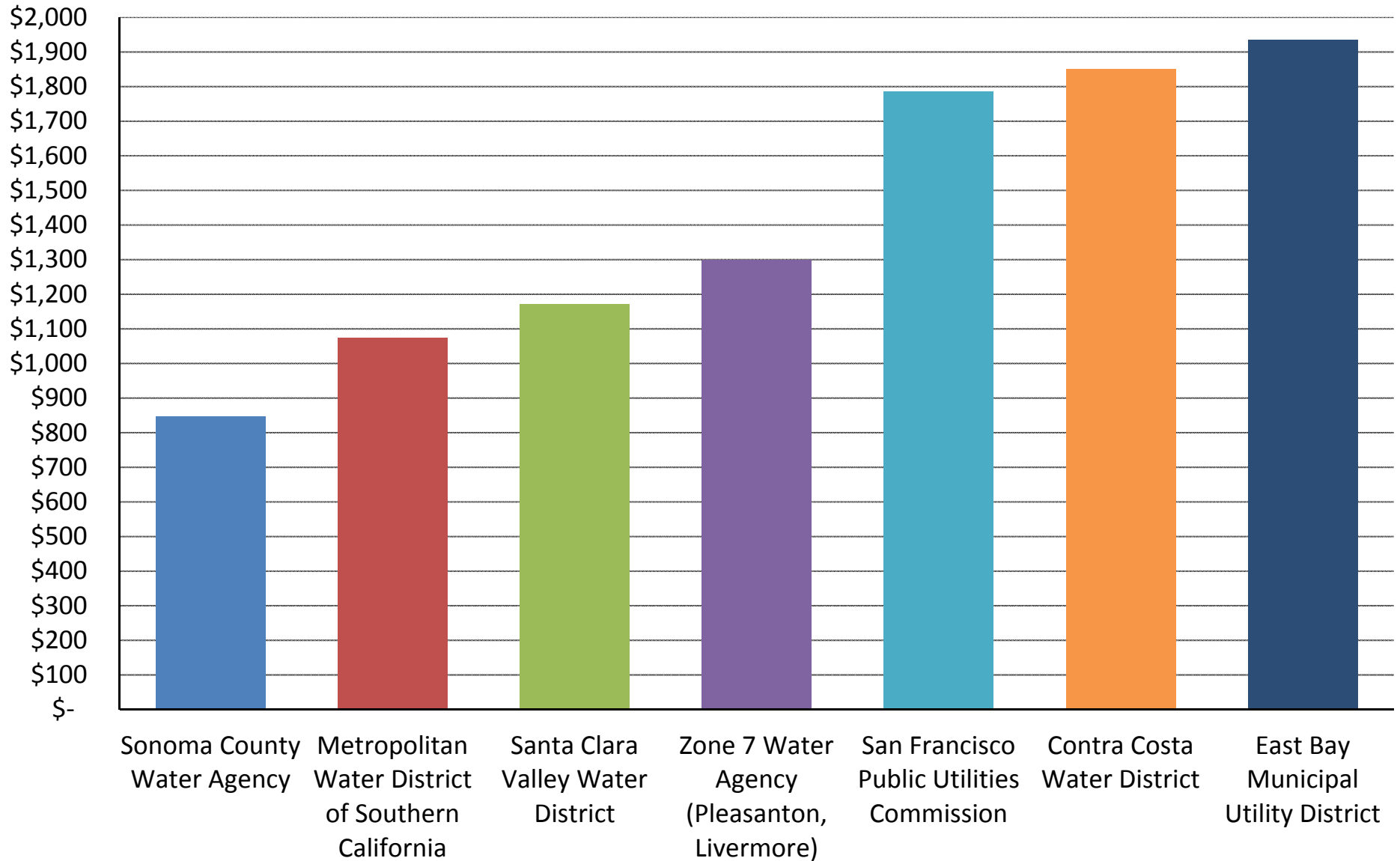
- Begin construction of Russian River and Mark West Creek Crossings - Hazard Mitigation Projects
- Complete Construction of Ralphine Tanks Flow thru Conversion Project, and Isolation Valves Hazard Mitigation Project

Large Non-Routine Maintenance



- Recoat interior and exterior surfaces of water tanks
- Replace cathodic protection system
- Kastania Tank - remove coal-tar interior coating

2017 Wholesale Water Rates Per Acre-Foot



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Next Steps

- **Presentation to TAC and vote on March 6th**
- **City Councils/ District Boards as requested during March.**
- **Vote by WAC on Monday, April 3th**
- **Adoption by the Board of Directors – by April 30**

FY 17-18 Proposed Budget and Rates Water Transmission System

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