



Water & Sewer Cap Setting Modification

Finance Department
Water Department

Board of Public Utilities
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What are Sewer & Water Caps?

- Sewer Cap – water and sewer accounts with irrigation
 - Maximum sewer usage charged
 - Avoids charging sewer on water used for irrigation
 - Determines water charged in Tier 1

- Water Cap – water only accounts with irrigation
 - Determines water charged in Tier 1

How are Caps Set?

- Caps are based on average metered water usage during the Winter Billing Period
 - Winter Billing Period representative of indoor use
 - 3 full billing periods during November through March
 - Begins with first read on or after November 15th
 - Typically there is no need to irrigate
 - Representative of water being discharged to sewer system
- Sewer and Water caps are effective July 1st each year

Example Calculation

➤ Usage:

| Winter Billing Period | Usage (1,000 Gallons) |
|-----------------------|-----------------------|
| First Billing Period | 5 |
| Second Billing Period | 4 |
| Third Billing Period | 4 |
| Average | 4.3 |

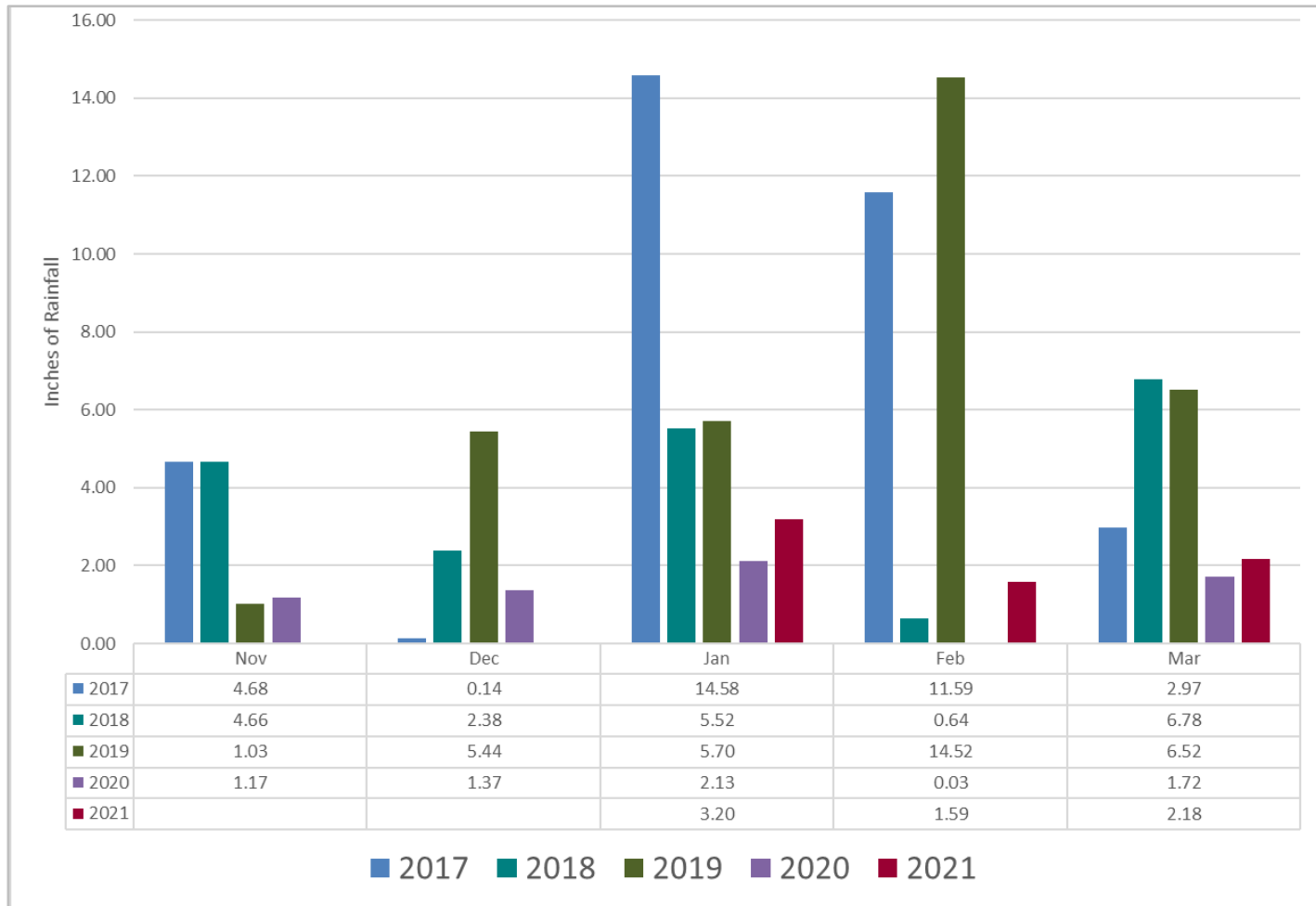
- Cap effective July 1, 2021= 4.3
- Winter Billing Period begins with first read on or after November 15th

Why is this year different?

- Winter billing period November 2020 – March 2021
 - Periods of dry weather during Winter Billing Period
 - Second Winter Billing Period had sufficient rainfall for plant needs based on recorded Eto
 - ETo (Evapotranspiration) is water needed to maintain healthy plants
 - Measured by certified Santa Rosa weather stations
 - May have been a need to irrigate during dry periods

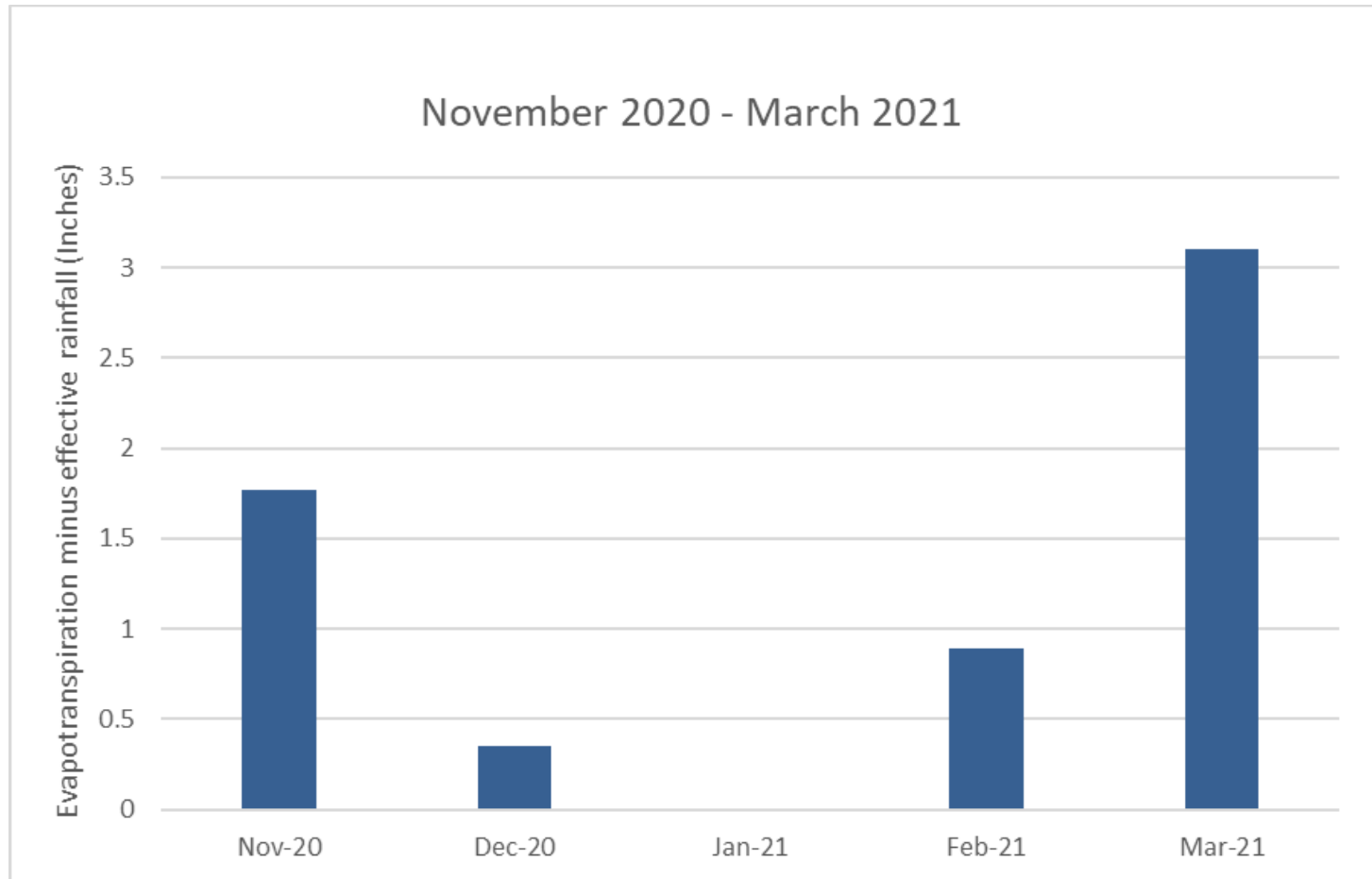
2017 – 2021 Rainfall Totals

Winter Billing Periods



Evapotranspiration (Eto) – Plant Needs

Current Winter Billing Period



Analysis

- Critically dry year with below average rainfall
- Staff reviewed Winter Billing Period
 - Analysis determined second billing period of cap setting had sufficient rainfall to meet irrigation needs of plants
- Fairest approach for 2020/21 water and sewer caps is either
 - Average Winter Billing Period; or
 - Based solely on second billing period
- Effects to accounts
 - 29% - benefit from average of Winter Billing Period
 - 50% - benefit from second winter billing period
 - 21% - no difference between either option

How will caps be applied?

- If approved, caps will be determined for each account by either
 - Average of Winter Billing Period; or
 - Solely on second billing period
 - Whichever is lower

- Water and sewer caps will be set at lower of the two options
 - Caps will go into effect July 1st

Recommendation

It is recommended by Santa Rosa Water and the Finance Department staff that the Board of Public Utilities, by resolution, establish sewer and water caps effective for the period from July 1, 2021 through June 30, 2022, by either averaging usage for three winter billing periods of November 2020 through March 2021 or based solely on the second billing period where irrigation was not required, whichever is lower.



QUESTIONS?
