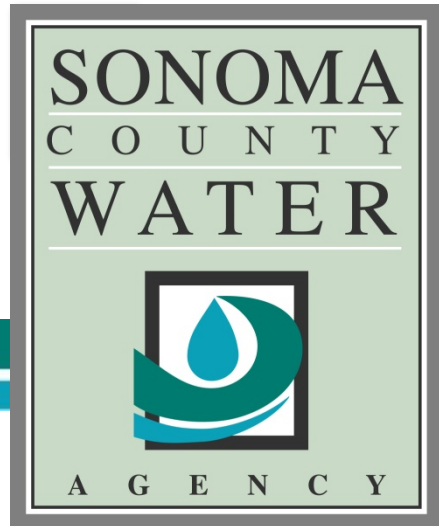


FY15-16 Proposed Budget and Rates Water Transmission System



Presentation to:



www.sonomacountywater.org

Proposed Rates for FY 15-16

Charge / Aqueduct	Santa Rosa
Deliveries (Acre-Feet)	50,590
O&M	\$507.22
Water Management Planning	\$3.92
Watershed Planning & Restoration	\$79.67
Recycled Water	\$15.58
Water Conservation	\$40.53
Total O&M	\$646.92
Storage & Common Bond/Loan Charges	\$78.63
Sonoma Aqueduct Bond/Loan Charge	
Prime Contractors	\$725.55
<u>Discretionary Charges</u>	
Capital Charges - <i>to build fund balance for future projects</i>	\$19.50
Local Recycled Water Tier 2 Program (LRT2)	\$16.00
Prime Contractors	\$35.50
Total Prime Contractors	\$761.05
Total Overall Increase:	4.16%



City of Santa Rosa - Impact to Average Consumer

Sample Bill - Water Portion Only

SCWA Increase of 4.16% equates to a pass-through to Santa Rosa customers of 1.9% on the water usage charge

	tg		July Increase	New Amount
Water Usage Tier 1	5.2	\$25.27	\$0.48	\$25.75
Water Usage Tier 2	3.5	\$19.57	\$0.37	\$19.94
Water Fixed Charge		\$12.52	0	\$12.52
		\$57.36	\$0.85	\$58.21

tg = thousand gallons

Rate Setting Calculation (EXAMPLE)

Cost of Operations
and Maintenance

Water Sold

=

Cost of Water

(Dollars per acre-foot)

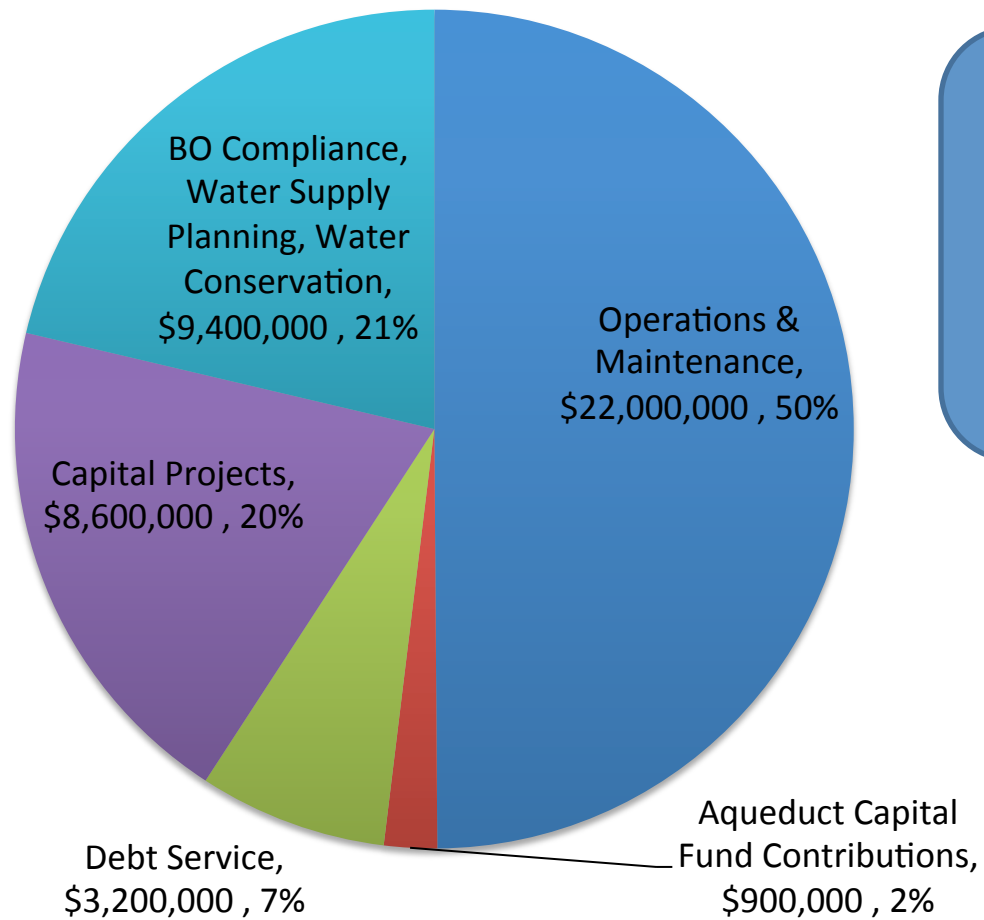
Water Sold = Lesser of:

Average of last 3
years annual
water deliveries

or

Last 12 months
of actual water
deliveries

FY 15-16 Expenditures



Use of Fund
Balance
\$1,685,000

Expenditures Compared to FY 14-15

	FY 14-15	FY 15-16	Change
Operations and Maintenance	\$21 Million	\$21.7 Million	\$700,000
Capital Projects	\$8.3 Million	\$8.6 Million	\$300,000
BO Compliance, Water Supply Planning, Water Conservation	\$8.1 Million	\$9.4 Million	\$1.3 Million
Debt Service	\$3.8 Million	\$3.2 Million	(600,000)
Aqueduct Capital Contribution	\$800,000	\$878,000	\$78,000
Totals	\$41.9 Million	\$43.7 Million	\$1.8 Million

Historic Drought

FY 14-15

Cost of Operations and Maintenance = Cost of Water (Dollars per acre-foot)

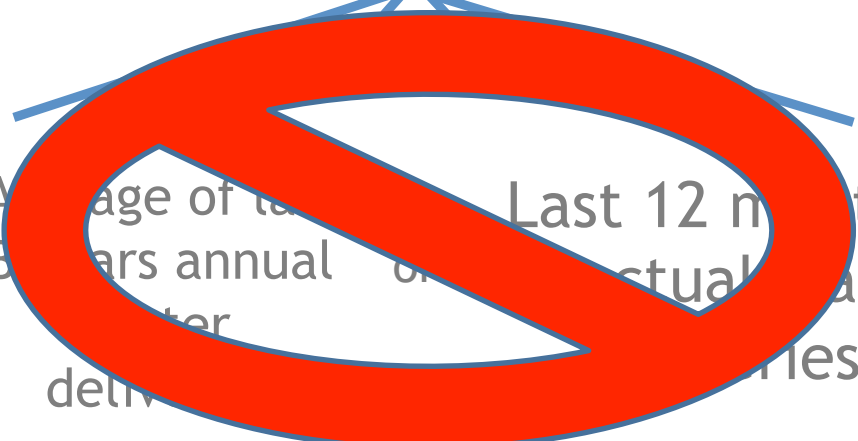
46.000

Budgeted almost **\$6 million** in Use of Fund Balance to soften impact to rate payers

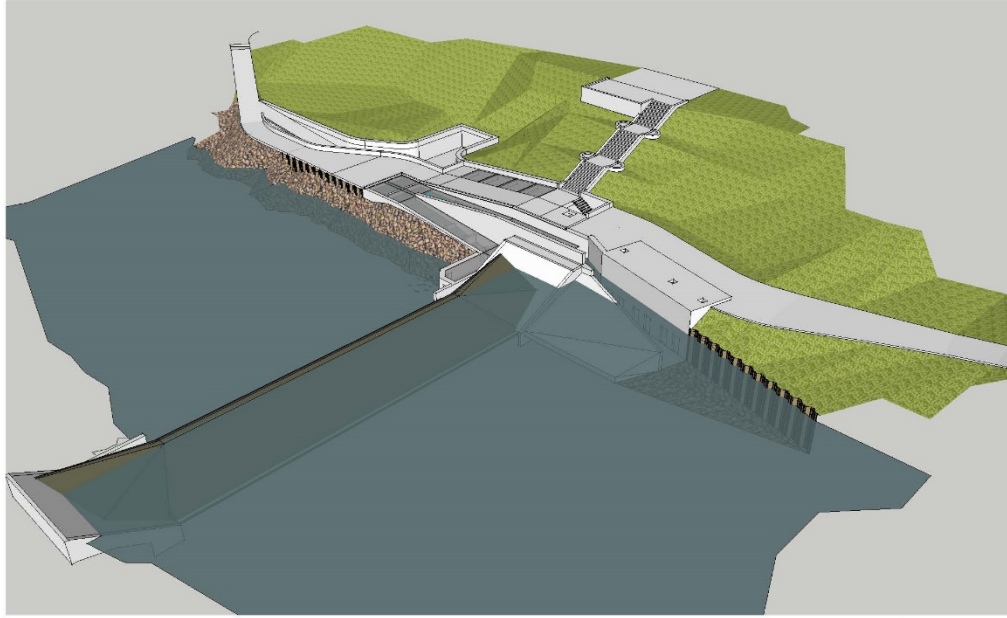
Rate increase went from >13% down to 3.6%

Water Sold = Lesser of:

Average of last 3 years annual water deliveries
Last 12 months actual water deliveries



Capital Projects



MIRABEL FISH SCREEN AND FISH LADDER REPLACEMENT
SONOMA COUNTY WATER AGENCY 02/21/2013



Mirabel Fish Screen – Fish Ladder Project

- Replace existing Fish Screen-Fish Ladder
- State grant offsetting design and construction costs.
- FY 15-16 \$1.5 million to complete project

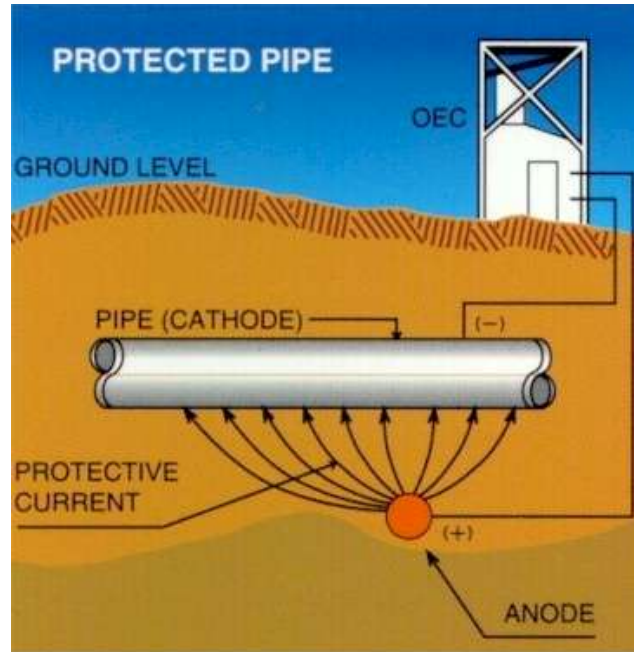
Capital Projects



Isolation Valves

- Install additional isolation valves at strategic locations throughout the system.
- FY 15-16 \$3.56 million included in budget.
- FEMA Funding of \$1.9 million.

Capital Projects



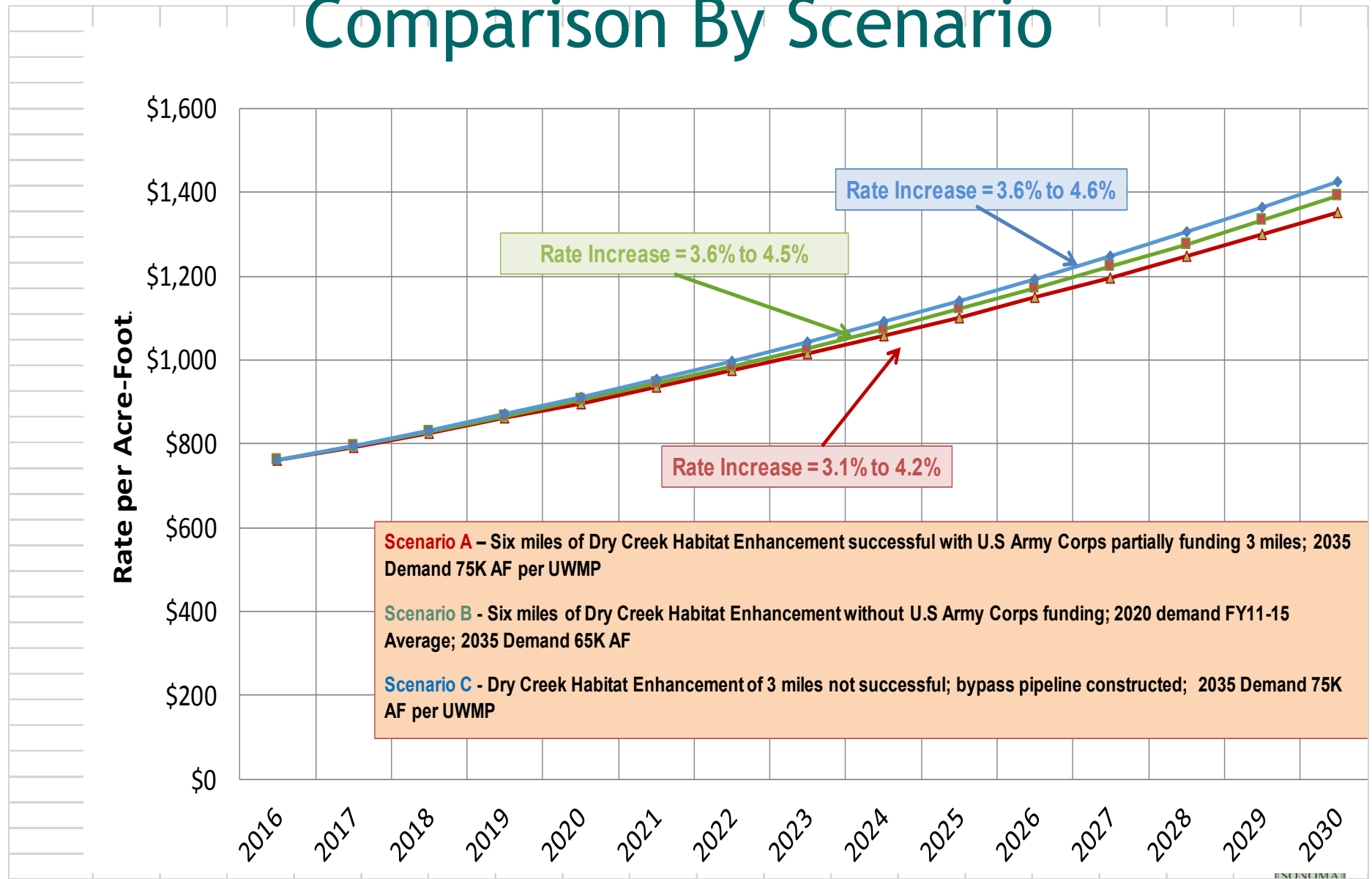
Cathodic Protection

- Upgrade Aqueducts' Cathodic Protection to an impressed current system to reduce risk of corrosion.
- FY 15-16 Budget includes \$710,000 for this work.

Recent Grants Received by Agency for
Water Transmission Costs

\$7.8 Million

Example Santa Rosa AQ Rate Comparison By Scenario



Next Steps

- **TAC recommended the Budget on March 2**
- **Vote by WAC on Monday, April 6th**
- **Adoption by the Board of Directors – by April 30**

Proposed Rates for FY 15-16

Charge / Aqueduct	Santa Rosa
Deliveries (Acre-Feet)	50,590
O&M	\$507.22
Water Management Planning	\$3.92
Watershed Planning & Restoration	\$79.67
Recycled Water	\$15.58
Water Conservation	\$40.53
Total O&M	\$646.92
Storage & Common Bond/Loan Charges	\$78.63
Sonoma Aqueduct Bond/Loan Charge	
<i>Prime Contractors</i>	\$725.55
<u>Discretionary Charges</u>	
Capital Charges - <i>to build fund balance for future projects</i>	\$19.50
Local Recycled Water Tier 2 Program (LRT2)	\$16.00
<i>Prime Contractors</i>	\$35.50
Total Prime Contractors	\$761.05
Total Overall Increase:	4.16%

FY 15-16 Proposed Budget and Rates Water Transmission System

Michael Gossman
Division Manager
mgossman@scwa.ca.gov
707-521-6207

Lynne Rosselli
Finance & Accounting Mgr
lynne.rosselli@scwa.ca.gov
707-524-3771

www.sonomacountywater.org

