

Regional Technical Advisory Committee Meeting

March 11, 2021



Kimberly Zunino
Deputy Director Administration



Santa Rosa Water | Our Future in Every Drop

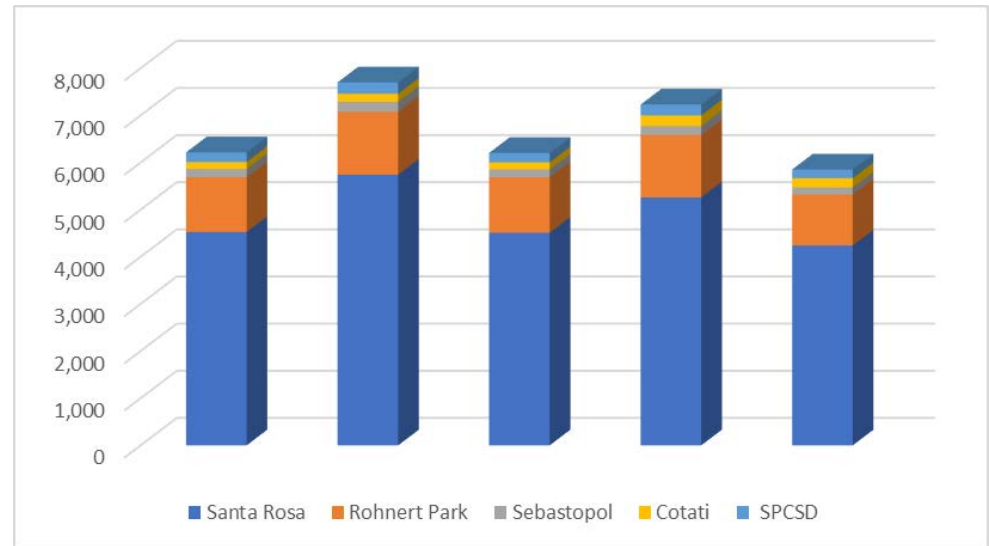
Overview

- Annual flows
- O&M Expenditures
- Miscellaneous Revenue
- CIP
- Allocations
- Budget Schedule



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Annual Flow In Million Gallons



Actual Annual Flows	2015/16	2016/17	2017/18	2018/19	2019/20	2019/20 Percentage
Santa Rosa	4,528.13	5,741.70	4,512.33	5,259.45	4,240.24	72.50%
Rohnert Park	1,161.02	1,337.22	1,173.63	1,327.10	1,083.91	18.50%
Sebastopol	175.73	211.09	169.85	187.91	147.05	2.50%
Cotati	146.30	168.51	147.77	225.04	196.87	3.40%
SPCSD	203.84	242.01	200.61	230.58	183.63	3.10%
	6,215.02	7,700.53	6,204.19	7,230.08	5,851.70	



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Regional Operations

Expenditure Object	2020-21 Total Request	2021-22 Total Request	Change	%
0000 Total Uncategorized	\$2,081,933	\$2,948,909	\$866,976	41.6
5100 Total Salaries	\$9,766,571	\$9,354,803	(\$411,768)	-4.2
5200 Total Benefits	\$5,854,577	\$6,048,215	\$193,638	3.3
5320 Total Professional Services	\$2,732,985	\$3,488,364	\$755,379	27.6
5360 Total Other Miscellaneous	\$518,457	\$680,738	\$162,281	31.3
5330 Total Vehicle Expenses	\$1,165,024	\$1,099,434	(\$65,590)	-5.6
5331 Total Utilities	\$3,929,375	\$3,967,295	\$37,920	1.0
5340 Total Operational Supplies	\$3,348,514	\$3,063,560	(\$284,954)	-8.5
5349 Total Information Technology	\$758,066	\$767,681	\$9,615	1.3
5351 Total Liab/Property Insurance	\$841,830	\$960,042	\$118,212	14.0
5350 Total Debt Service	\$417,678	\$399,366	(\$18,312)	-4.4
5400 Total Indirect Costs	\$3,966,122	\$3,206,370	(\$759,752)	-19.2
5500 Total Capital Outlay	\$20,000	\$0	(\$20,000)	0.0
Total 1631 - Regional Operations	\$35,401,132	\$35,984,777	\$583,645	1.6



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Main Budget Drivers

- Debt Service UV Bond \$2,133,000
 - Expected at \$3,000,000
- Professional Services – Lystek \$1,098,521
 - Saves \$8.7m over 20 years
 - Reduction in significant future capital needs as facility was in need of large repairs
- O&M Projects – UV System maintenance \$427,500
 - Aging system and new compliance requirements
- CHP Engines and Generators - \$230,000
 - Due for 24,000 hour service

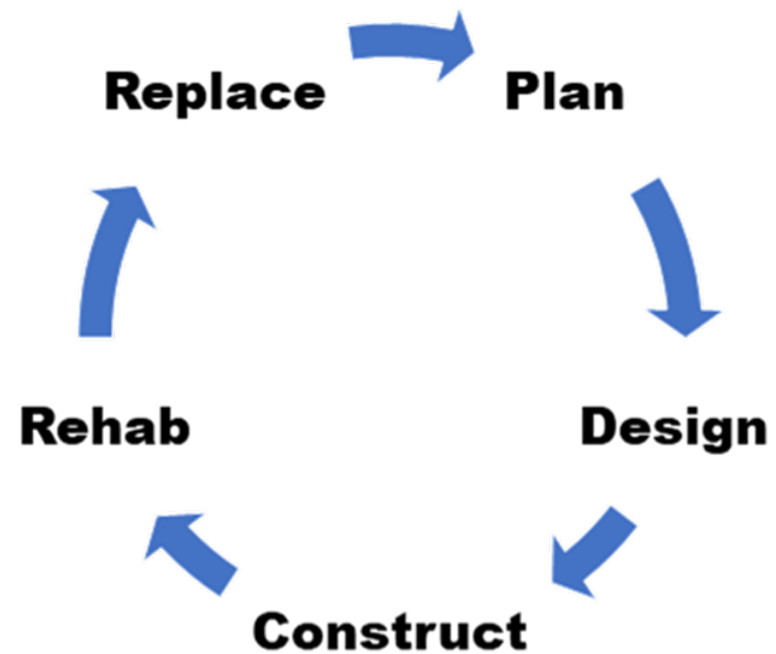
Budget Reduction Measures

- Reduced O&M Budget from 9.8% to 1.6%
 - Reduction in overhead, redistribution between funds
 - Reduced O&M maintenance projects, to minimum level
 - Reduced professional service, delayed funding of new multi-year permit requirements until year 2
- Reduced overall rate increase from 11% to 6.5%

Capital Improvement Program

20 Year Plan

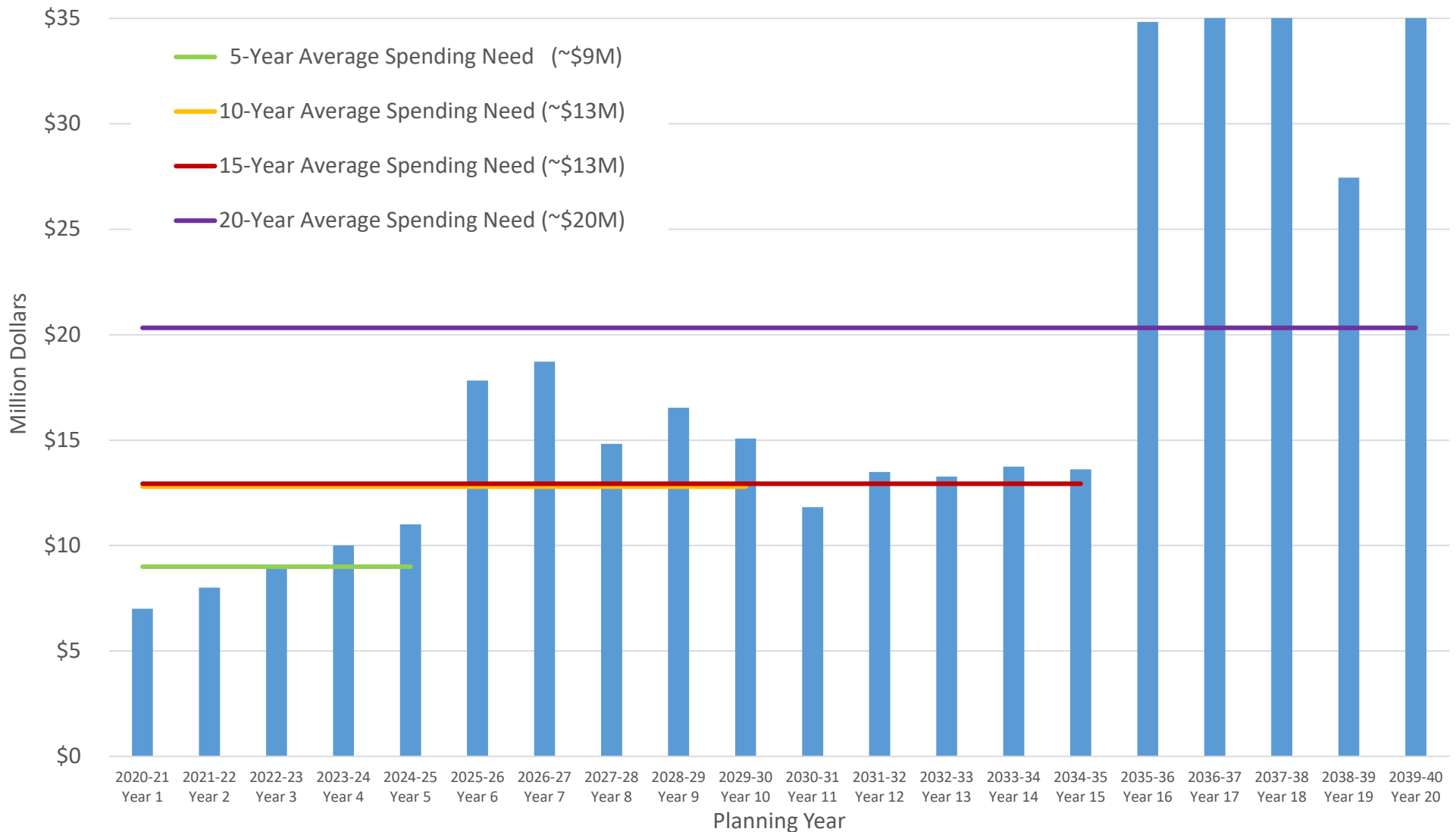
*FY 2021/22
Project Highlights*



					Carryover	2020-21	2020-21				IFAS	REQUEST
Line	IFAS			Funding	From	Budget	Mid-Year	ITD	Y. T. D.	Current	Projected	YEAR 1
No.	PID	Key	Project Title	Type	2019-20	Request	Revisions	Expenditures	Expenditures	Encumbered	Available	2021-22
1 Groundwater Program												
2	2121	55758	Leete Well Rehabilitation	CONT	\$110,000	\$0	\$0	\$795	\$795	\$0	\$109,205	\$500,000
3	2142	55747	Farmers Lane Treatment Plant Rehabilitation Phas	CONT	\$506,162	\$0	\$0	\$293,920	\$82	\$164,147	\$341,934	\$0
4	2083	55742	EGW Speers Well	CONT	\$1,323,378	\$0	\$0	\$320,422	\$0	\$176,434	\$1,146,944	\$0
5	2237	55773	EGW Hwy 12	CONT	\$62,043	\$0	\$0	\$138,233	\$276	\$0	\$61,767	\$0
6	2083	55741	EGW Oakmont Well	CONT	\$934,368	\$0	\$0	\$54,432	\$0	\$176,434	\$757,934	\$0
7	1839	55691	Farmers Lane Well and Treatment Plant Rehabilita	CO	\$462,597	\$0	(\$145,000)	\$4,017,403	\$0	\$2,813	\$314,784	\$0
8	2079	55745	Farmers Lane Well Pump Replacements	CO	\$254,866	\$0	\$35,000	\$591,668	\$75,249	\$211,357	\$3,260	\$0
9	80	55523	Groundwater Supply Development	CO	\$4,061,718	\$0	(\$865,000)	\$11,118,870	\$43,952	\$120,704	\$3,032,063	\$0
10	1965	55710	Emergency Groundwater Well - A Place to Play	CO	\$31,697	\$0	\$0	\$100,927	\$7,624	\$2,647	\$21,426	\$0
11	1965	55709	Emergency Well Pump Station - A Place to Play	CO	\$2,262,410	\$0	\$250,000	\$1,432,934	\$889,779	\$1,620,427	\$2,204	\$0
12	1997	55725	Carley & Peters Emergency Well Upgrades	CO	\$1,866,720	\$0	\$815,008	\$54,264	\$23,939	\$0	\$2,657,790	\$0
13	2361	55794	EGW Bennett Valley Golf Course	CO	\$0	\$0	\$500,000	\$0	\$0	\$0	\$500,000	\$0
14	2204	55751	EGW Freeway Well	CO	\$437,348	\$0	\$0	\$861,979	\$210,491	\$53,101	\$173,757	\$0

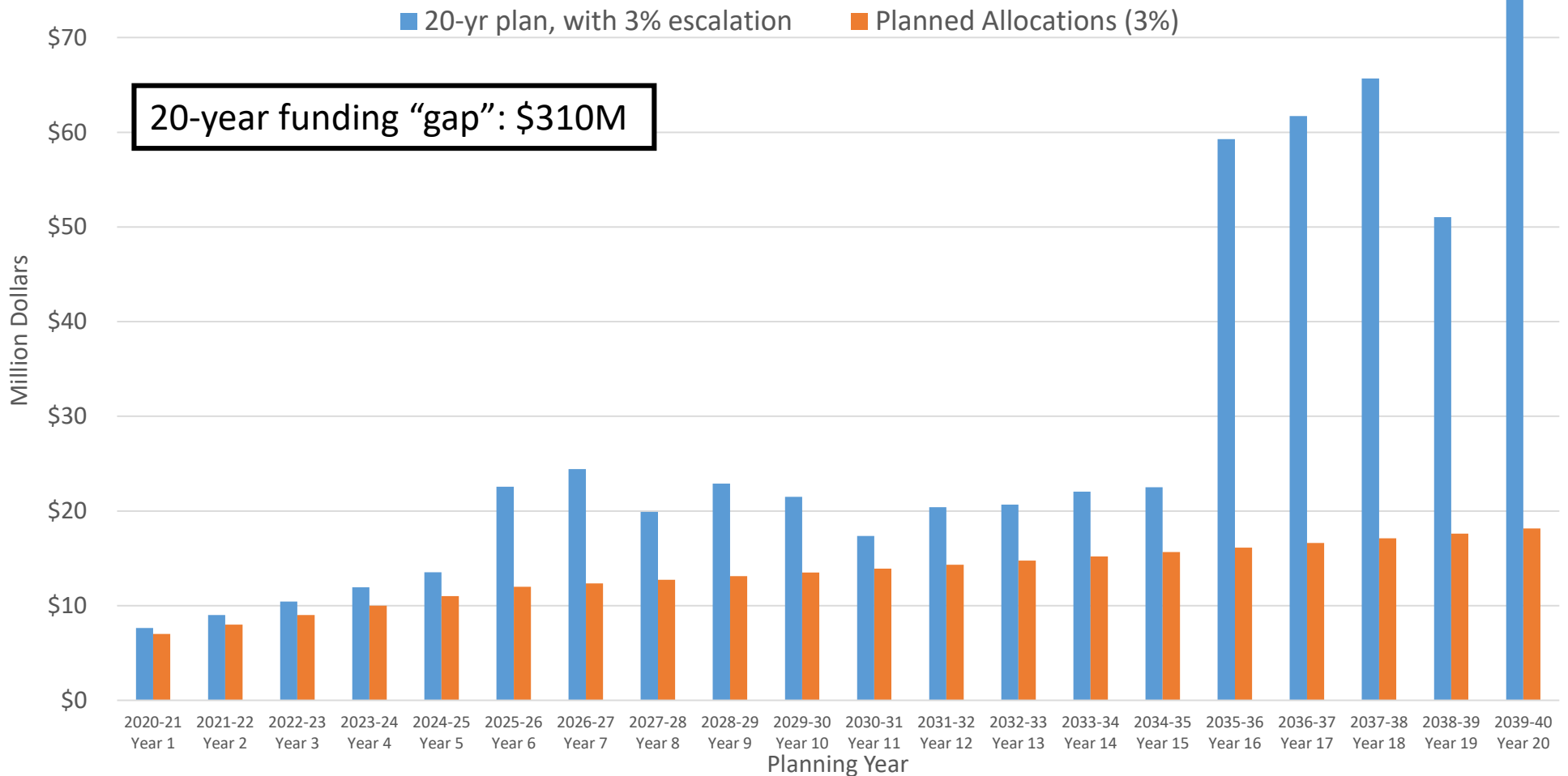
20-Year CIP Plan (in 2017 dollars)

20-Year Spending Needs for the Regional Water Reuse System

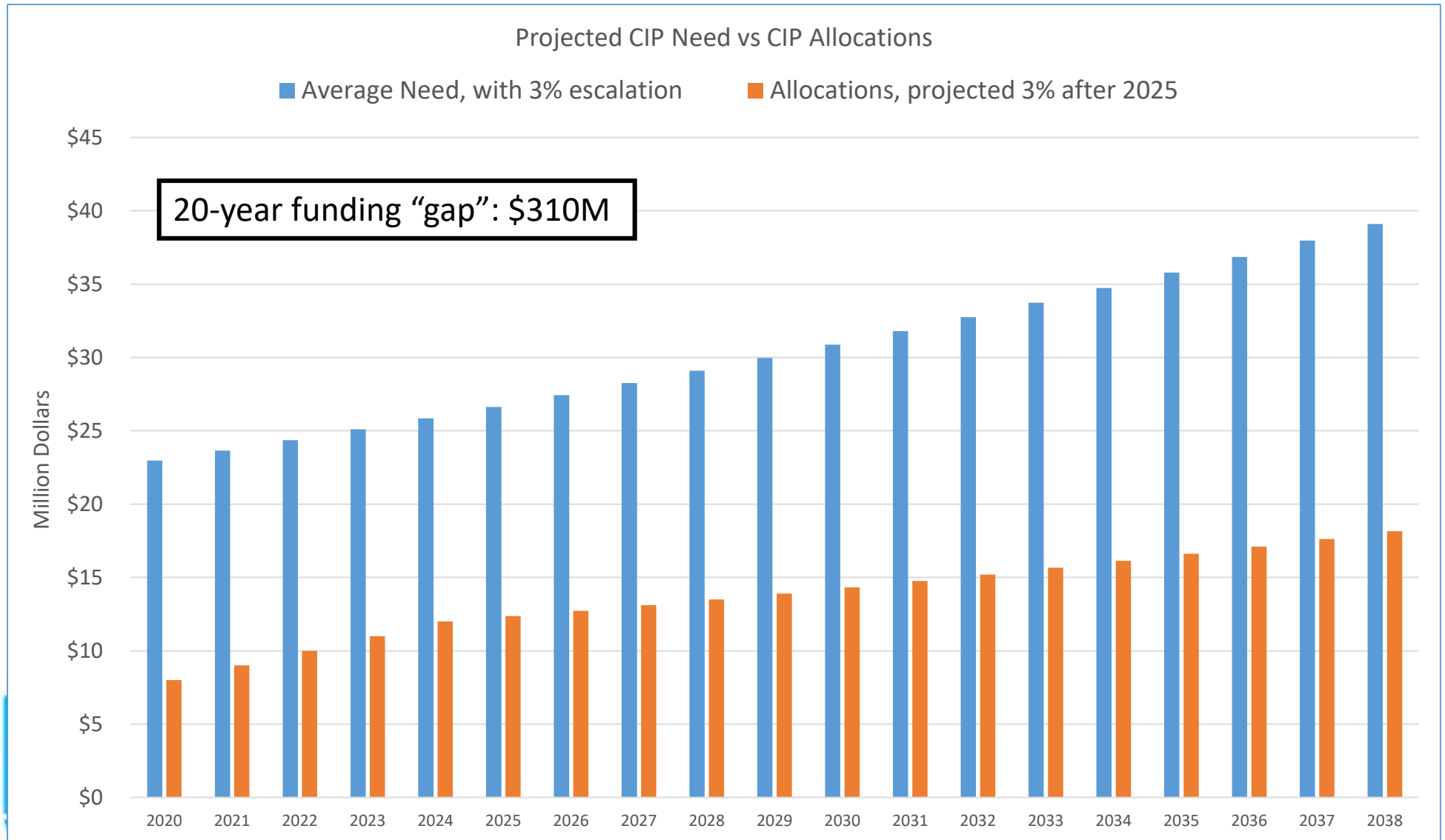


20-Year CIP Plan

20-Year Spending Needs for the Regional Water Reuse System (with 3% escalation)



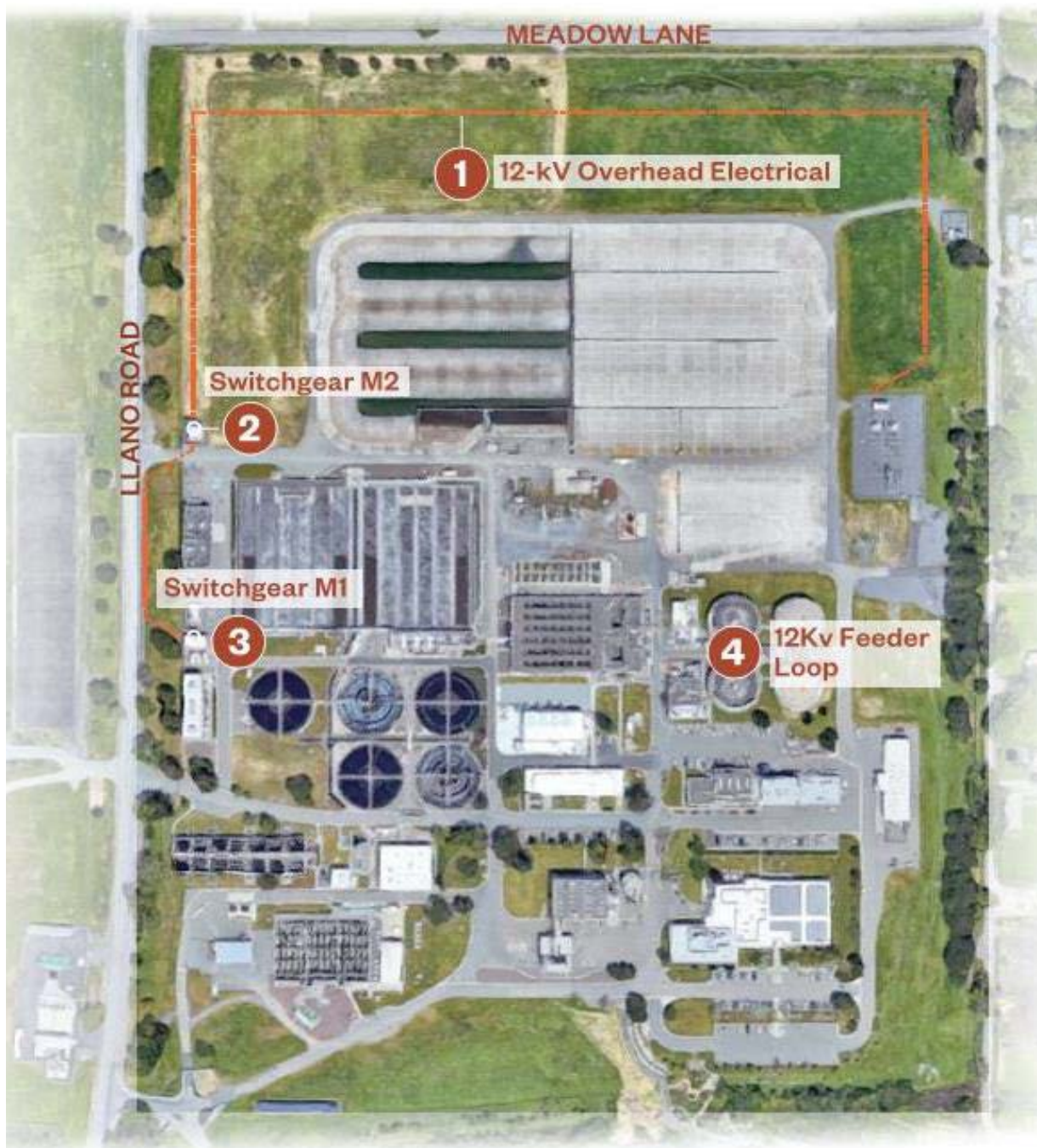
20-Year Plan, averaged



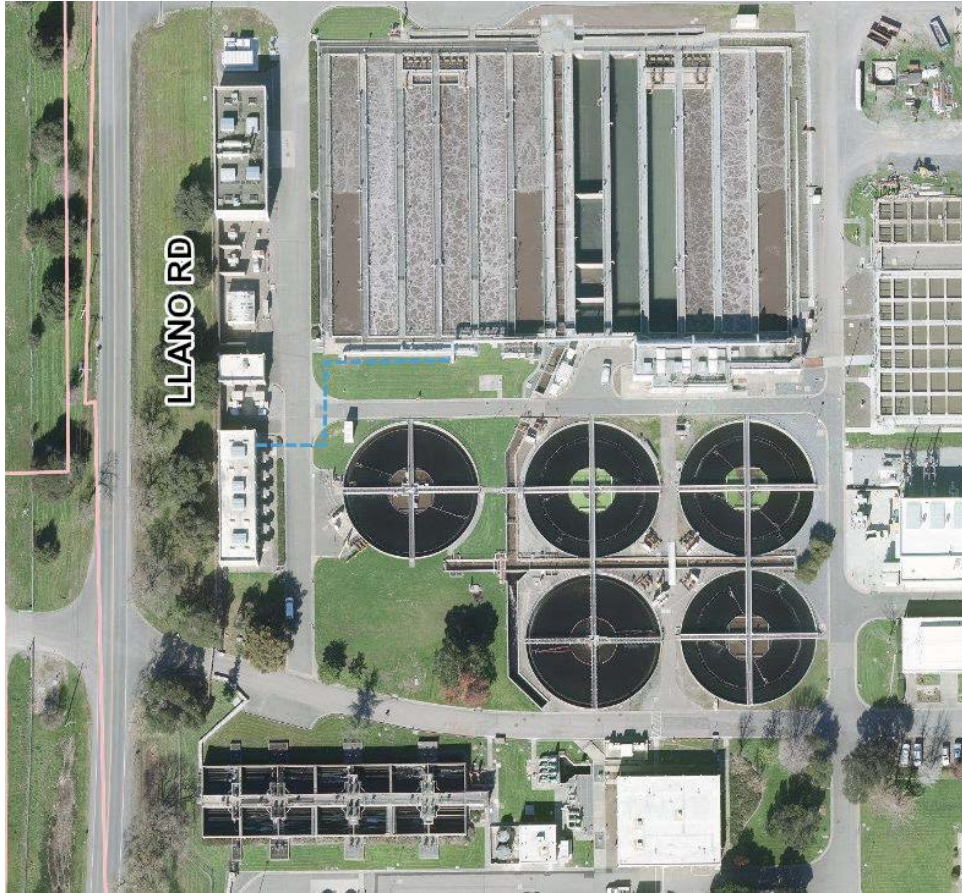
2021-22 Proposed CIP Subregional Project Highlights



- Emergency Generator Fuel Tank Replacement
 - PID 2192
- Project Funding
 - \$1.5 M
- Project Criticality
 - Undersized fuel tank with deformed walls
- Project Scope
 - Replace 15K with 20K
 - Install Gasoline Fueling Dispenser



- LTP Electrical Infrastructure Replacement
 - PID 2050
- Project Objectives
 - Maintain and improve electrical infrastructure reliability
 - Develop a structured maintenance program
 - Develop a list of prioritized CIP with costs and schedule
- 2016 Power Master Plan Update



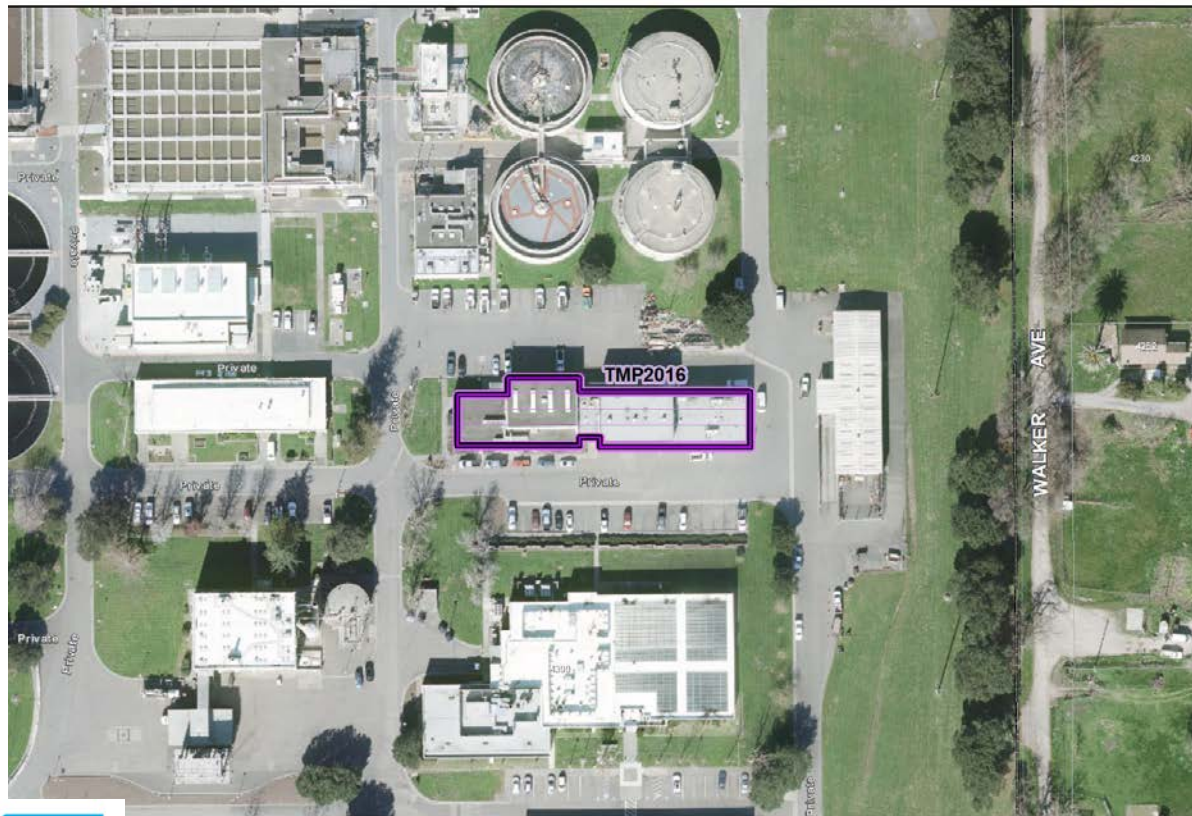
2021-22 Proposed CIP Subregional Project Highlights

- Aeration Basins and Aeration Header Improvements. PID 2366
 - Project Issues
 - Low pressure underground aeration piping leakage
 - Aeration Basins diffusers and piping corrosion

2021-22 Proposed CIP Subregional Project Highlights

- Maintenance Building Roof Improvement

- PID 2367
- Project Urgency
- Project Schedule, Cost and Delivery Method



Project Number: 2367

Building Roof Improvements

Future

Project Areas (IFAS Charge #'s Labeled)

Subregional



0 100 200 Feet City (2020) & County (2018) Aerials shown. Map Date: 3/1/2021

- Information and features shown on this map are intended for general location use only and may contain errors. Map produced by City of Santa Rosa, Asset Management Division. -

Estimated Regional Miscellaneous Revenues

	2020/21	2021/22
	Budgeted	Projected
Property Rentals	\$90,000	\$90,000
Interest on Pooled Investments	\$500,000	\$500,000
Compost Sales	\$0	\$0
Sale of Water (recycled) - Retail	\$220,000	\$220,000
Sale of Water (recycled) - Wholesale	\$20,000	\$20,000
Laboratory Services	\$85,000	\$85,000
Dumping Charges at Plants including High Strength Tipping	\$2,000,000	\$1,800,000
Miscellaneous Fees and Charges	\$7,500	\$7,500
Miscellaneous	\$25,000	\$25,000
Calpine - per Agreement	\$300,000	\$300,000
SCWA - Acceptance of Recycled Water	\$1,000	\$1,000
Town of Windsor - Geysers and Environmental Compliance	\$968,276	\$968,276
Dairy Waste Loan Payments	\$100,000	\$100,000
Total	\$4,316,776	\$4,116,776



Fund Summary 2021/22

		2021/22 Budget
Operating Expenditure Request		\$35,984,777
Transfers Out:		
Regional WW Capital (Cash funded CIP)		\$8,000,000
Additional Operating Reserve needed		\$31,106
Expenditures / Transfers Out / Change in Operating Reserve		\$44,015,883
Regional System Reserves for 2021/22		
Operating Reserves (15% of expenditures)	\$5,304,170	
Geysers Reserves	\$1,250,000	
Catastrophic Reserve	\$1,700,000	
User Agency Reserve	\$5,000,000	
	\$13,254,170	
Agency Contribution Calculation:		
Expenditures / Transfers Out / Change in Operating Reserve		\$44,015,883
Less Revenue		(\$4,116,776)
Fund Balance Applied		\$0
Agency Contribution		\$39,899,107

Total Allocation

	Total 2020/21	2021/22 Budgeted O&M	2021/22 CIP Contribution	2021/22 Debt Service	Total 2021/22	Difference	Increase
Santa Rosa	\$44,721,273	\$23,126,853	\$5,660,800	\$18,618,834	\$47,406,487	\$2,685,213	6.00%
Rohnert Park	\$10,507,069	\$5,901,335	\$1,576,000	\$3,888,491	\$11,365,826	\$858,757	8.17%
Sebastopol	\$1,650,401	\$797,478	\$260,800	\$689,391	\$1,747,669	\$97,268	5.89%
Cotati	\$2,005,950	\$1,084,570	\$236,000	\$894,936	\$2,215,506	\$209,555	10.45%
SPCSD	\$1,705,115	\$988,872	\$266,400	\$556,322	\$1,811,594	\$106,480	6.24%
	\$60,589,808	\$31,899,107	\$8,000,000	\$24,647,974	\$64,547,081	\$3,957,273	6.53%

Miscellaneous Revenues removed from O&M

Suggest Application of Fund Balance

	Total 2020/21	2021/22 Budgeted O&M	2021/22 CIP Contribution	2021/22 Debt Service	Total 2021/22	Difference	Applied Fund Balance	Total	Increase with Fund Balance
Santa Rosa	\$44,721,273	\$23,126,853	\$5,660,800	\$18,618,834	\$47,406,487	\$2,685,213	\$1,087,500	\$46,318,987	3.57%
Rohnert Park	\$10,507,069	\$5,901,335	\$1,576,000	\$3,888,491	\$11,365,826	\$858,757	\$277,500	\$11,088,326	5.53%
Sebastopol	\$1,650,401	\$797,478	\$260,800	\$689,391	\$1,747,669	\$97,268	\$37,500	\$1,710,169	3.62%
Cotati	\$2,005,950	\$1,084,570	\$236,000	\$894,936	\$2,215,506	\$209,555	\$51,000	\$2,164,506	7.90%
SPCSD	\$1,705,115	\$988,872	\$266,400	\$556,322	\$1,811,594	\$106,480	\$46,500	\$1,765,094	3.52%
	\$60,589,808	\$31,899,107	\$8,000,000	\$24,647,974	\$64,547,081	\$3,957,273	\$1,500,000	\$63,047,081	4.06%

Refund Reserve

<i>Refund Reserve</i>	Santa Rosa	Rohnert Park	Cotati	Sebastopol	SPCSD	Total
2014-2015	\$0.00	\$727,418.87	\$11,015.71	\$78,611.94	\$132,955.24	\$950,001.76
2015-2016	\$2,516,050.87	\$401,559.29	\$63,410.62	\$193,872.73	\$162,171.68	\$3,337,065.19
2016-2017	\$791,021.99	\$785,048.90	\$148,989.30	\$82,461.70	\$118,057.73	\$1,925,579.62
2017-2018	\$4,209,021.16	\$199,493.31	\$99,461.11	\$90,918.22	\$105,412.63	\$4,704,306.43
2018-2019	\$1,681,886.86	(\$439,231.74)	(\$134,896.25)	\$67,040.31	(\$48,200.46)	\$1,126,598.72
2019-2020	\$4,229,712.03	\$1,121,685.20	(\$219,815.33)	\$231,470.53	\$213,981.67	\$5,577,034.10
Totals	\$13,427,693	\$2,795,974	(\$31,835)	\$744,375	\$684,378	\$17,620,586

• Refund Calculation

- FY budget projected by previous actual flow percentages
- Actual flow percentages applied to expenditures for true up following year
- Turnback distributed by actual flow percentages of FY
- Note: Negative years = budgeted percentages less than actual flow percentages or less billed (when funds used for rate stabilization)

Budget Schedule

- **Regional Partners** – April 1st
- **BPU Budget Subcommittee** – March 8th , 22nd , 29th
- **BPU** – April 15th
 - Budget Recommendation to City Council
- **City Council** – April 27th
 - Preliminary approval of Regional Budget
- **City Council** – May 11th & 12th
 - Budget Study Sessions
- **City Council** – June 22nd
 - Budget Adoption

DISCUSSION / QUESTIONS?



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