

# FY 11-12 Water Transmission System Budget & Rates

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# Proposed FY 11-12 Rate Changes

	Santa Rosa Aqueduct	Petaluma Aqueduct	Sonoma Aqueduct
Rate Change	5.00%	5.00%	4.28%

# Rate Setting Calculation

Cost of Operations  
and Maintenance

Cost of Water

Water Sold

=

(Dollars per acre-foot)

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Water Sold = Lesser of:

Average of last 3  
years annual  
water deliveries

or

Last 12 months  
of actual water  
deliveries

# Primary Factors Affecting Rate Increase

Factor	Impact on Rates (Approx.)
Reduced Deliveries*	+4.00%
Increase to Watershed Planning Rest. (B.O.)	+3.25%
“Minimum Prudent Reserve” Charge**	+0.75%
Net Reduction in Other Expenses	-3.00%
<b>Overall Increase</b>	<b>+5.00%</b>

\*Note: 47,848 Ac Ft in the Prior 12 Months Vs. 49,853 Ac Ft used in the 10-11 rate calculation.

\*\*The Prudent Reserve Target is \$5.17 million. Without a \$250,000 charge, the fund balance is estimated to fall below this target.

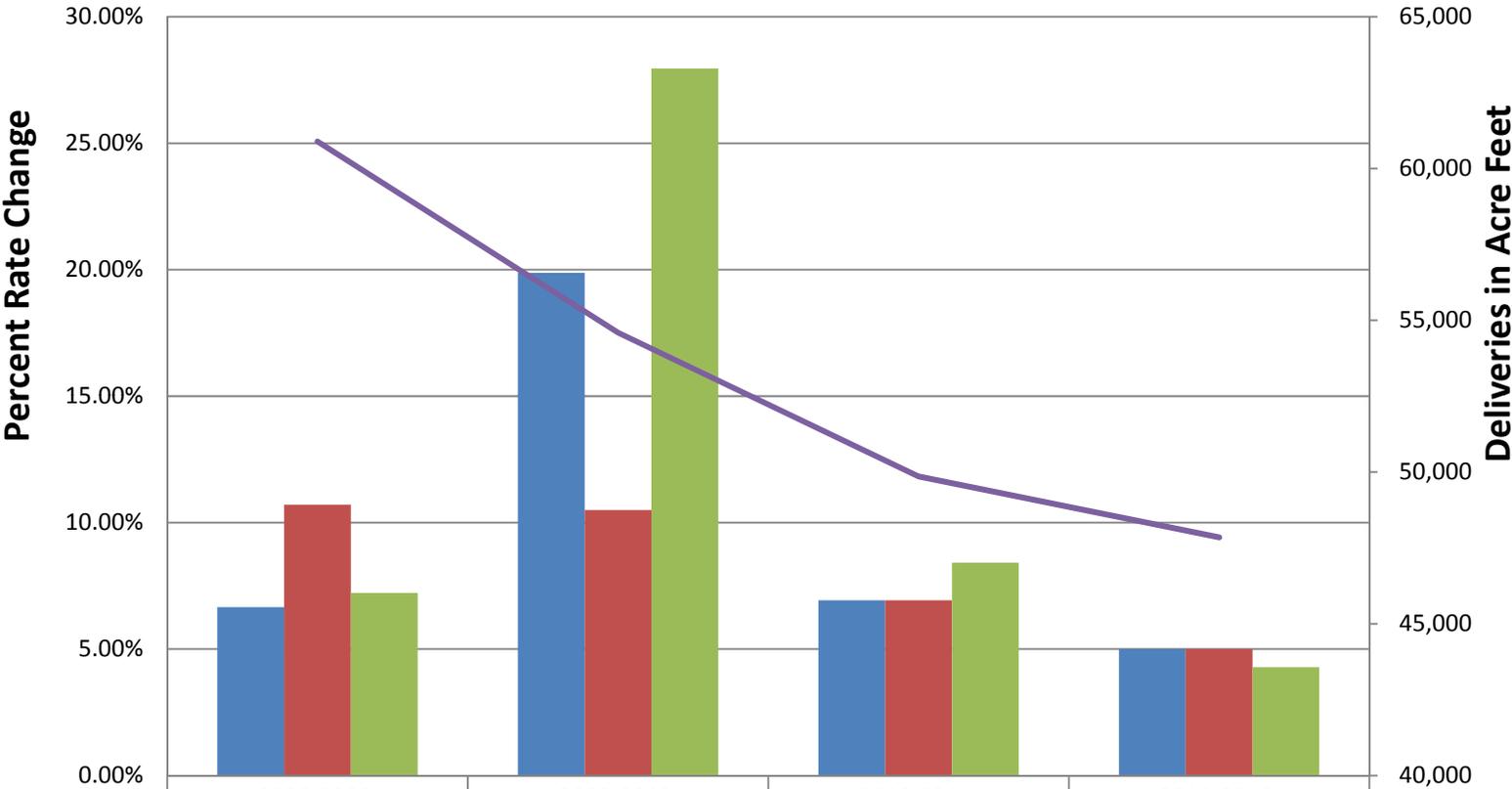
# Key Areas of Reductions in O&M

Spending Area	Amount of Reduction
Overall Reduction in “Services and Supplies”	\$1,055,500
This Includes:	
Labor	\$400,000
Power	\$350,000
Consultant Services	\$9,000

# Proposed Rates for FY 11-12

Charge / Aqueduct	Santa Rosa	Petaluma	Sonoma
O&M	\$ 439.04	\$ 439.04	\$ 439.04
Water Mgt Planning	4.18	4.18	4.18
Watershed Planning & Restoration	54.56	54.56	54.56
Recycled Water	18.13	18.13	18.13
Water Conservation	31.45	31.45	31.45
<b>Total O&amp;M</b>	<b>\$ 547.37</b>	<b>\$ 547.37</b>	<b>\$ 547.37</b>
Capital Charges	0.00	0.00	0.00
Storage and Common Bond and Loan Charges	86.74	86.74	86.74
Sonoma Aqueduct Bond and Loan Charge			69.22
<b>Total Prime Contractors Rates</b>	<b>\$ 634.11</b>	<b>\$ 634.11</b>	<b>\$ 703.33</b>

# Water Agency Rate Changes and Deliveries



	2008-2009	2009-2010	2010-2011	2011-2012
 Santa Rosa	6.66%	19.88%	6.93%	5.00%
 Petaluma	10.71%	10.50%	6.93%	5.00%
 Sonoma	7.22%	27.95%	8.42%	4.28%
 Deliveries in Ac Ft	60,893	54,591	49,853	47,848

# Next Steps

- **Recommendation by TAC - Today?**
- **Outreach to WAC members and governing bodies – January thru February**
- **Recommendation by WAC – March 7 (This will require a special meeting)**
- **Adoption by the Board of Directors – April 19**

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