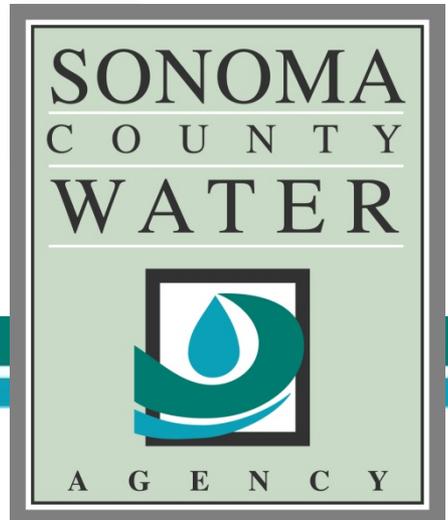


# FY 16-17 Proposed Budget and Rates Water Transmission System



Technical Advisory Committee Meeting  
March 7, 2016

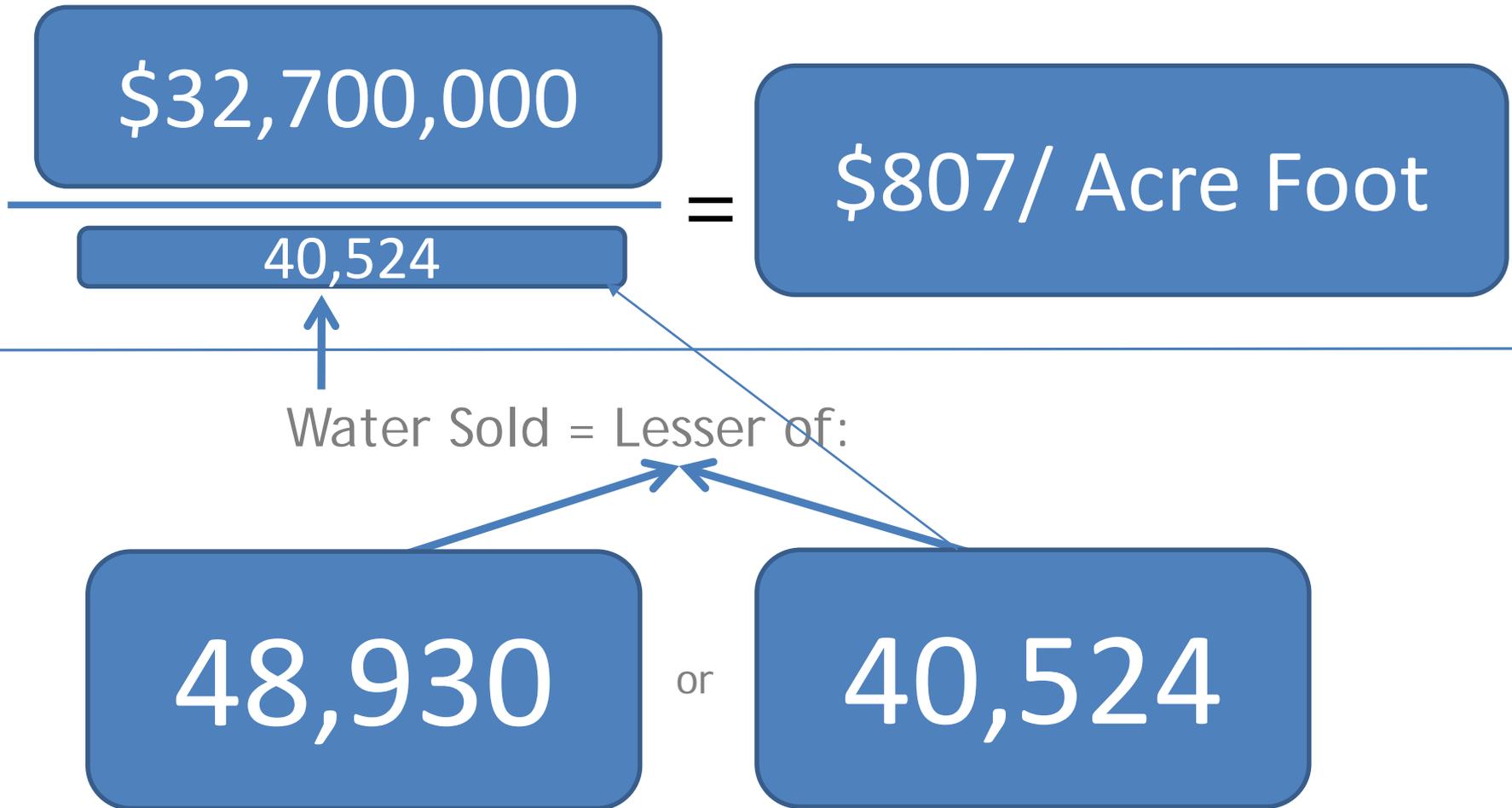
[www.sonomacountywater.org](http://www.sonomacountywater.org)



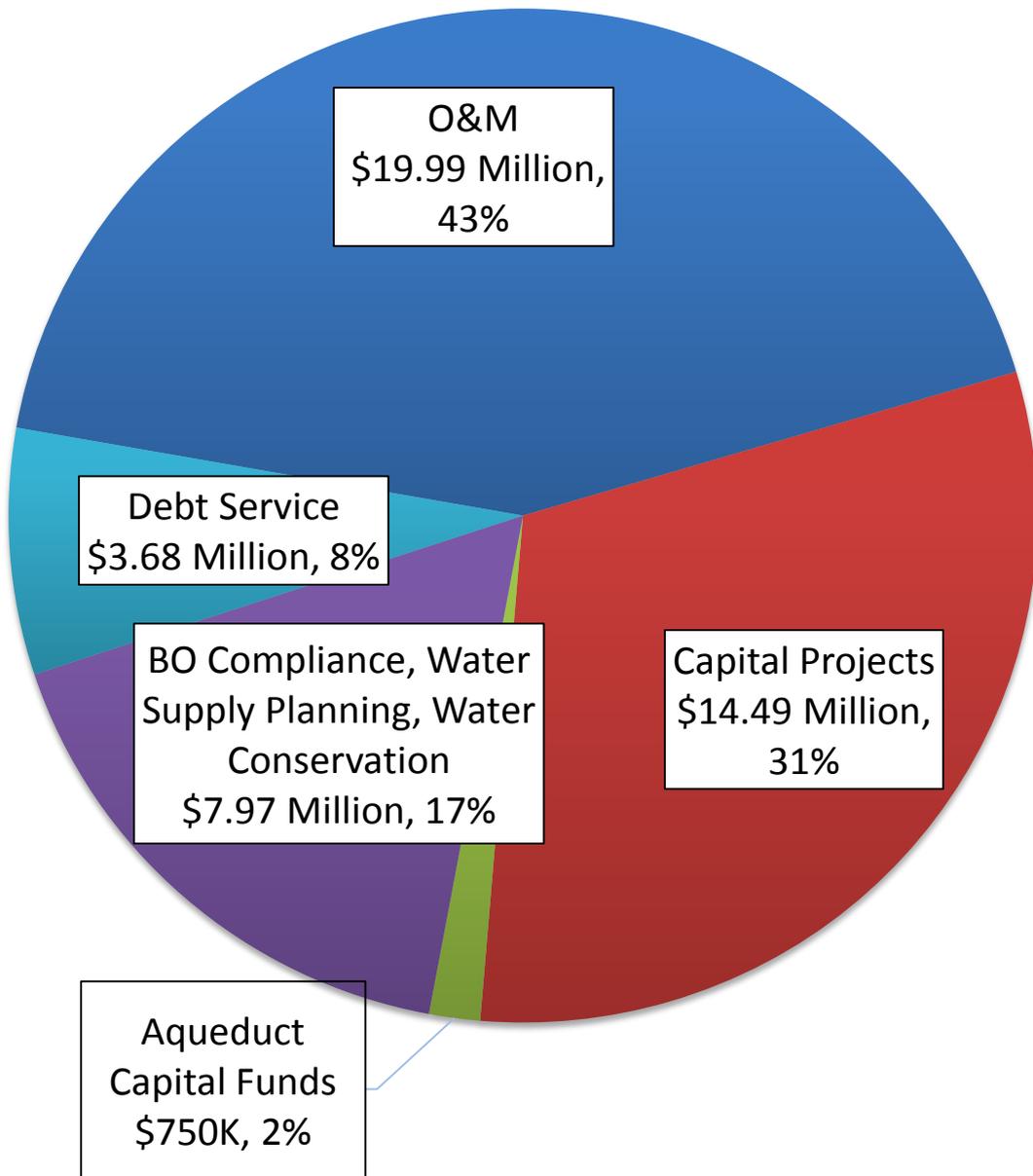
# Proposed Rates for FY 16-17

Charge / Aqueduct	Santa Rosa	Petaluma	Sonoma
Deliveries (Acre-Feet)	40,524	40,524	40,524
O&M	\$547.42	\$547.42	\$547.42
Water Management Planning	\$3.04	\$3.04	\$3.04
Watershed Planning & Restoration	\$82.67	\$82.67	\$82.67
Recycled Water and Local Supply	\$16.41	\$16.41	\$16.41
Water Conservation	\$41.93	\$41.93	\$41.93
<b>Total O&amp;M</b>	<b>\$691.47</b>	<b>\$691.47</b>	<b>\$691.47</b>
Storage & Common Bond/Loan Charges	\$95.62	\$95.62	\$95.62
Sonoma Aqueduct Bond/Loan Charge			\$75.53
<b>Prime Contractors</b>	<b>\$787.09</b>	<b>\$787.09</b>	<b>\$862.62</b>
<b><u>Discretionary Charges</u></b>			
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
<b>Prime Contractors</b>	<b>\$19.50</b>	<b>\$19.50</b>	<b>\$32.00</b>
<b>Total Prime Contractors</b>	<b>\$806.59</b>	<b>\$806.59</b>	<b>\$894.62</b>
Total Overall Increase:	5.98%	5.98%	6.94%

# Rate Setting Calculation (EXAMPLE)



# FY 16-17 Expenditures



Grants, Use of Fund Balance, and Bond Proceeds  
**\$11.8 Million**

# Expenditures Compared to FY 15-16

	FY 15-16 Budget		FY 16-17 Budget		Change
Operations and Maintenance	\$21.79	Million	\$19.99	Million	(\$1,800,000)
Capital Projects	\$8.57	Million	\$14.49	Million	\$5,920,000
BO Compliance, Water Supply Planning, Water Conservation	\$9.36	Million	\$7.97	Million	(\$1,390,000)
Debt Service	\$3.21	Million	\$3.68	Million	\$480,000
Aqueduct Capital Contribution	\$850,000		\$750,000		(\$100,000)
Totals	\$43.78	Million	\$46.88	Million	\$3,110,000

<b>Grants, Use of Fund Balance, and Bond Proceeds</b>	<b>\$6,073,000</b>	<b>\$11,820,000</b>	<b>\$5,747,000</b>
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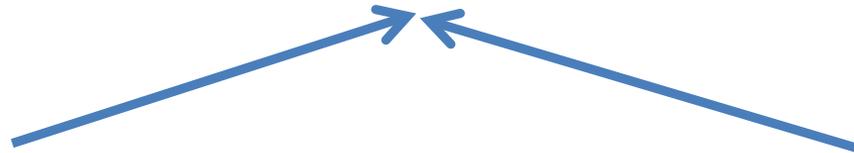
# Historic Drought

## FY 15-16

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

**40,524**

Water Sold = Lesser of:



Average of last 3 years annual water deliveries

or

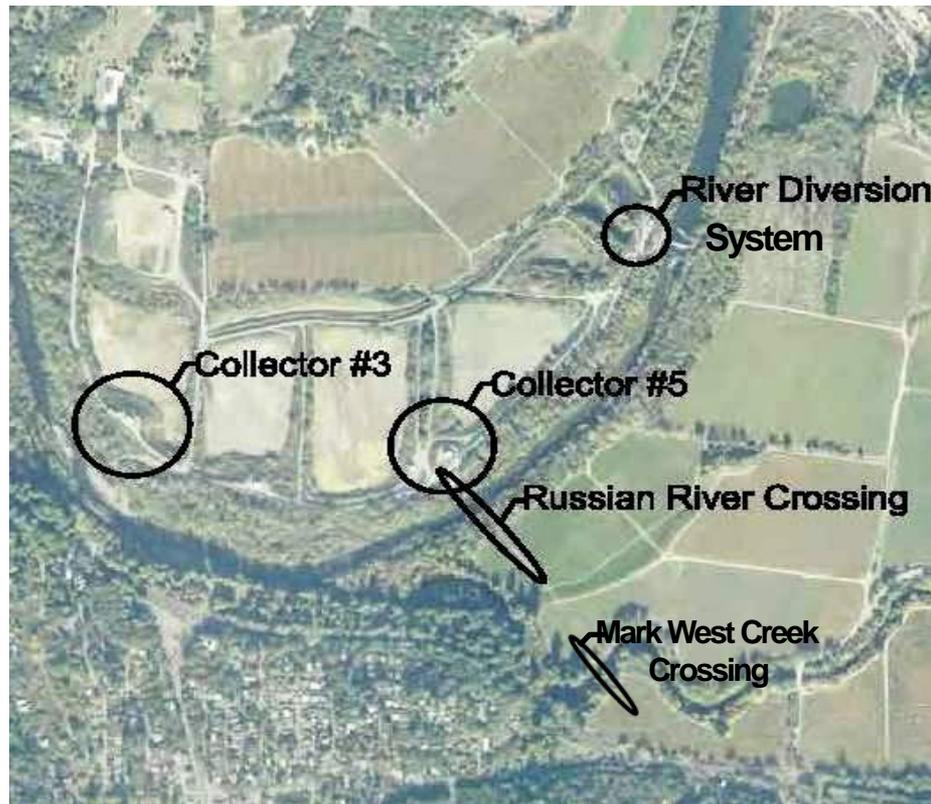
Last 12 months of actual water deliveries

Budgeted  
**\$11.8 million**  
in Grants, Use of Fund Balance, and Bond Proceeds to soften impact to rate payers

Rate increase went from  
>20% down to 5.98%

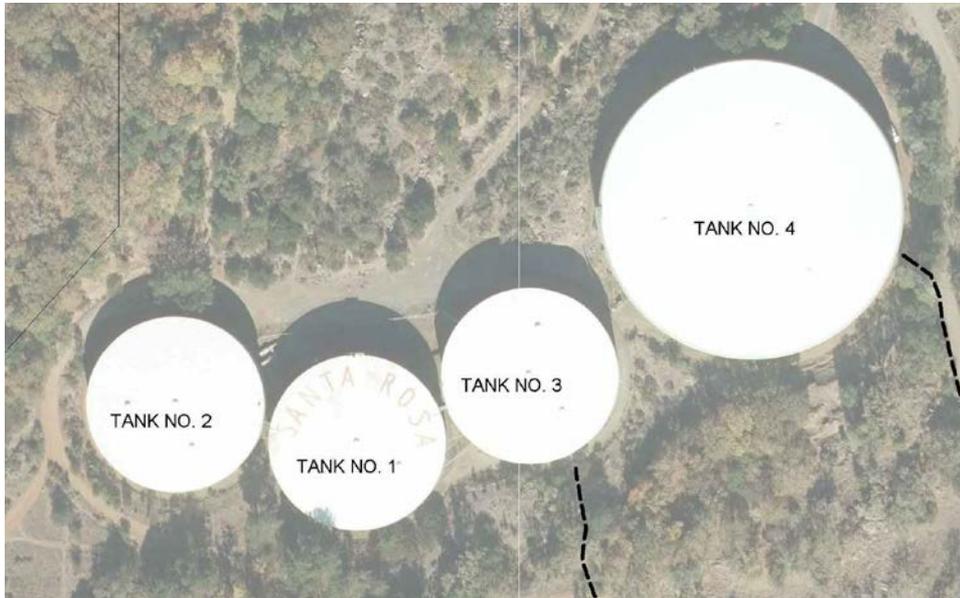
# Capital Projects

## Russian River and Mark West Creek Crossings - Hazard Mitigation Projects



- Replace existing aqueducts with new aqueducts that will be 18 to 30 feet deeper
- \$5.76 million in FEMA grants offsetting design and construction costs
- FY16-17 \$10.9 million to complete the projects

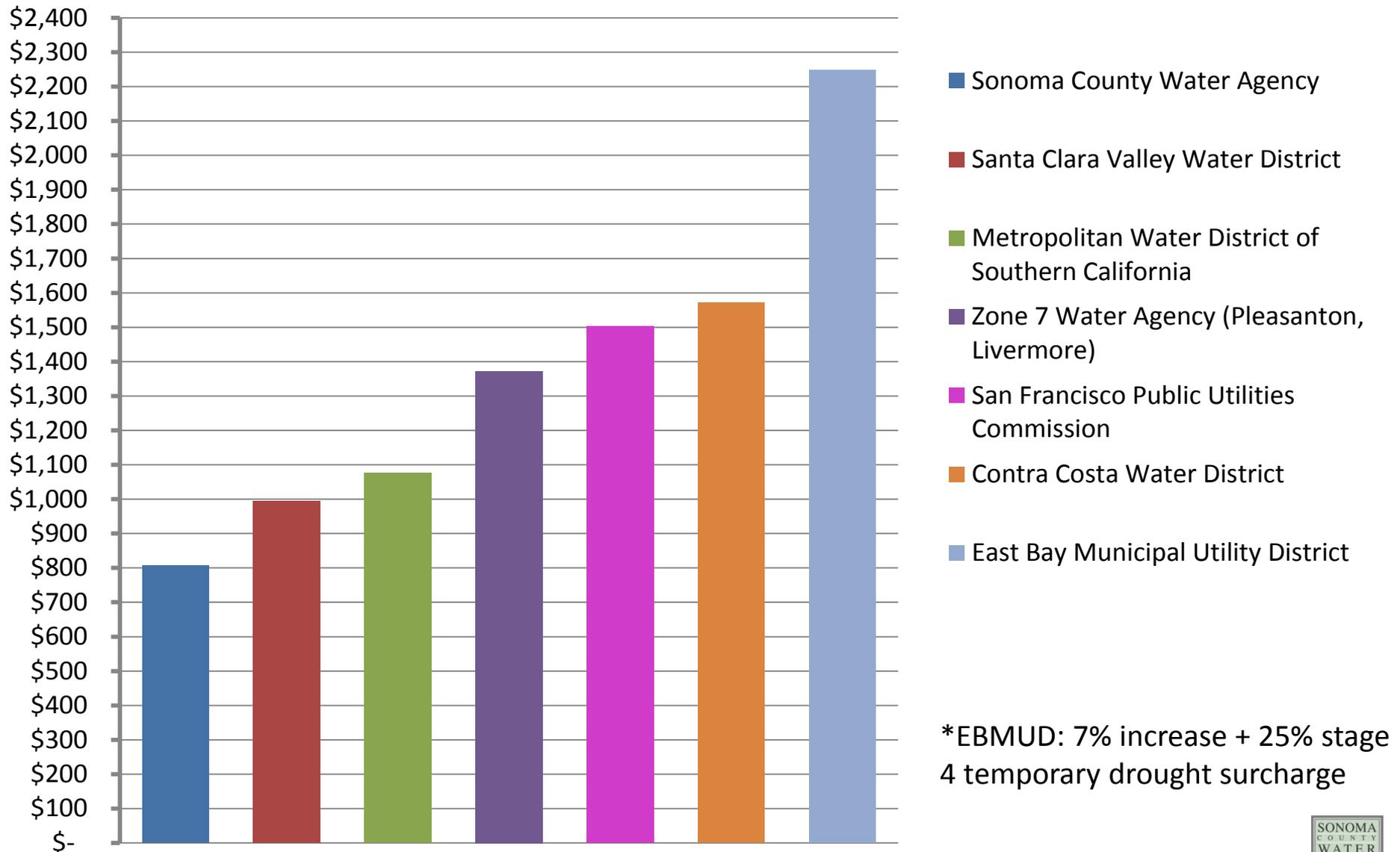
# Capital Projects



## Ralphine Tanks Flow Through Conversion Project

- Pipeline reconfiguration to create a flow through system for water quality purposes
- Provide surge protection for the Sonoma Booster Pump Station and eliminate the need for an upstream surge tank
- FY16-17 Budget includes \$1,155,000 for this work

# 2016 Wholesale Water Rates Per Acre-Foot



# Proposed Rates for FY 16-17

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Total Overall Increase:	5.98%	5.98%	6.94%

# Next Steps

- **Presentation to TAC and vote on March 7th (TODAY)**
- **City Councils/ District Boards as requested during March.**
- **Vote by WAC on Monday, April 4th**
- **Adoption by the Board of Directors – by April 30**

# FY 16-17 Proposed Budget and Rates Water Transmission System

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