



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 1/27/2026

To: Board of Directors, Sonoma County Water Agency, Occidental County Sanitation District, Russian River County Sanitation District, Sonoma Valley County Sanitation District, and South Park County Sanitation District
Department or Agency Name(s): Sonoma County Water Agency, Occidental County Sanitation District, Russian River County Sanitation District, Sonoma Valley County Sanitation District, and South Park County Sanitation District

Staff Name and Phone Number: Grant Davis 707-547-1900, Jake Spaulding 707-524-8373

Vote Requirement: Majority

Supervisory District(s): Countywide

Title:

Sanitary Sewer Rate Fee Study

Recommended Action:

Authorize Sonoma County Water Agency's General Manager acting on behalf of Sonoma County Water Agency, Occidental County Sanitation District, Russian River County Sanitation District, Sonoma Valley County Sanitation District, and South Park County Sanitation District to execute an agreement with Bartle Wells Associates, in substantially the form presented to this Board, for Sanitary Sewer Rate Fee Study through July 31, 2028, in the not-to-exceed amount of \$480,515.

Executive Summary:

Under the proposed agreement, Bartle Wells Associates (Consultant) will prepare a study of sanitary sewer service charges, sewer connection fees, and sewer capacity charges (Rate Fee Study) for county sanitation districts and Sonoma County Water Agency's sanitation zones. Additionally, Consultant will conduct audits of existing sewer billing, performing a comparative analysis of regional sewer costs, and will separately prepare a cost-of-service analysis for recycled water. Rate adjustments incorporating the outcome of the study will be submitted for Board consideration upon its completion, which Sonoma Water expects to take approximately two years. Lastly, community outreach will be conducted.

Discussion:

HISTORY OF ITEM/BACKGROUND

Sonoma County Water Agency (Sonoma Water) was created as a special district in 1949 by the California Legislature to provide flood protection and water supply services. Sonoma Water manages and maintains a water transmission system that provides naturally filtered Russian River water to nine cities and special districts that, in turn, deliver drinking water to more than 600,000 residents in portions of Sonoma and Marin counties. Legislation enacted in 1995 added the treatment and disposal of wastewater to Sonoma Water's responsibilities.

Sonoma Water assumed management responsibilities for the County of Sonoma sanitation districts-Occidental County Sanitation District, Russian River County Sanitation District, Sonoma Valley County Sanitation District, and South Park County Sanitation District (Districts)-and for the Airport/Larkfield/Wikiup Sanitation Zone, Geyserville Sanitation Zone, Penngrove Sanitation Zone, and Sea Ranch Sanitation Zone (Zones) on January 1,

1995, from the former Sonoma County Department of Public Works.

In Fiscal Year 2019/2020, Sonoma Water and the Districts engaged Consultant to conduct a wastewater rate study for sewer service charges with the objective of updating existing rates to be proportionate for all customer classes, recovering the costs of providing service, generating adequate funding for capital needs, and complying with the legal requirements of Proposition 218 and other California laws. The wastewater rate study results were reported to the Boards, and the new rates were adopted in May 2020.

In Fiscal Year 2024/2025, Consultant also conducted capacity charge rate studies for the Sanitation Districts and Zones. Capacity charges are one-time fees assessed on new construction or reassessed parcels to help ensure that growth pays for growth rather than existing sewer ratepayers. The study recommended updating capacity charges and adjusting capacity charges annually based on the Engineering News-Record Construction Cost Index.

At the May 13, 2025, sewer rating hearing, the Boards reviewed the proposed capacity charges and chose to keep them at existing levels until a comprehensive study is completed that more fully considers proportionality and basis of fee structure. In alignment with direction from the Boards, the scope of work for the eight Districts and Zones under the proposed agreement includes updated sewer service rate studies; audits of the customer billing methodology, including reassessing and reevaluating sewer service charges and the definition of equivalent single-family dwellings to achieve equitable and proportional rates; examining alternative rate structures that could help improve rate equity; and developing and implementing a customer and stakeholder outreach and engagement plan including up to eight meetings.

Under the agreement, Consultant will evaluate sewer charges and recommend rates for long-term financial sustainability, equitable cost distribution, and compliance with Proposition 218. The Rate Fee Study will guide future wastewater rates as well as other charges by the Districts.

The Sonoma Valley County Sanitation District (District) has been providing recycled water services since the early 1990's, during which period the County of Sonoma managed and operated the District. Since its inception, the rate for recycled water has been amended only twice. The District intends to undertake a comprehensive recycled water rate study to evaluate the adequacy of the current rates to sustain the recycled water distribution infrastructure and cover anticipated future operational and maintenance expenses. As a result, a separate task from the Rate Fee Study, will evaluate the District's recycled water charges.

SELECTION PROCESS

Bartle Wells Associates (Consultant) was selected from a competitive selection process. Attached is a memo that explains the competitive selection process.

Consultant was selected for the subject work given their prior qualifications, demonstrated ability to perform similar work, their past work with similar public agencies and Sonoma Water, and their understanding of the needs of Sonoma Water.

SERVICES TO BE PERFORMED

Under the proposed agreement, Consultant will assess and evaluate current sewer service charges, connection fees, and capacity charges, and recommend rates that will ensure the long-term financial sustainability of the

wastewater facilities, proportionately distribute costs across customer classes in compliance with Proposition 218, and meet each facility's ongoing operating expenditures, bond covenants, debt service obligations, capital improvement needs, and target fund reserve policies. The findings of the Rate Fee Study will provide the basis for wastewater rates for the next several years.

The cost of services will not exceed \$480,515; the term end date is July 31, 2028.

Through the proposed agreement, the General Manager will be delegated the authority to approve a written amendment to extend the term of the agreement for up to two additional years by providing written notice to the other party thirty days in advance of the term end date and by executing an agreement amendment.

County of Sonoma Strategic Plan Alignment:

N/A

Sonoma Water Strategic Plan Alignment

Goal: Organizational Excellence.

Strategy: Ensure financial integrity and stability by implementing sound and equitable practices to meet infrastructure and service needs.

Action: Initiate development of business plans to improve flood and sanitation financial and operational stability.

Assessing current sewer service charges, connection fees, and capacity charges, and recommending rates that ensure the long-term financial sustainability of the wastewater facilities, equitably distribute costs across customer classes in compliance with Proposition 218, and meet each facility's ongoing financial needs will ensure Sonoma Water aligns with the Goal.

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?

No

Prior Board Actions:

10/08/2019: Authorized Sonoma County Water Agency's General Manager to execute an agreement with Bartle Wells Associates, for a sanitary sewer rate fee study through September 30, 2022, in the not-to-exceed amount of \$275,000.

FISCAL SUMMARY

Expenditures	FY25-26 Adopted	FY26-27 Projected	FY27-28 Projected
Budgeted Expenses	\$393,000	\$87,515	
Additional Appropriation Requested			
Total Expenditures	\$393,000	\$87,515	
Funding Sources			
General Fund/WA GF	\$393,000	\$87,515	

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State/Federal			
Fees/Other			
Use of Fund Balance			
General Fund Contingencies			
Total Sources	\$393,000	\$87,515	

Narrative Explanation of Fiscal Impacts:

Budgeted amount of \$393,000 is available from FY2025/2026 appropriations for the Sonoma Water General Fund. FY2026/2027 appropriations will be budgeted in that fiscal year.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

Attachment 1: Draft Agreement with Bartle Wells Associates

Attachment 2: Competitive Selection Process Memo

Related Items “On File” with the Clerk of the Board:

None.