

Fiscal Year 2025/2026 Water Transmission System Charges and Proposed Rate Increases

Funds	Fiscal Year 2025/2026 Rate in Dollars per Acre-Foot	Increase (Decrease) from Fiscal Year 2024/2025 in Dollars	Percent Change	Description
Operations and Management	\$1,029.16	\$13.77	1.36%	Fiscal Year 2024/2025 rate is \$1015.39. Fiscal Year 2025/2026 budget Increase is attributable to cost increases for maintenance equipment, equipment rentals and leases, SCADA system contributions, utilities, staff labor costs tied to negotiated labor agreements, and other expenditures, offset by decreases in contract services.
Water Management Planning	\$4.57	\$4.22	N/A	Fiscal Year 2024/2025 rate is \$0.35. Fiscal Year 2025/2026 Budget increase is due to contract service and staff time related to the Annual Water Supply & Demand Assessment and 2025 Urban Water Management Plan.
Watershed Planning and Restoration	\$45.71	\$5.66	11.37%	Fiscal Year 2024/2025 rate is \$40.04. Rate increase is primarily a result of costs associated with maintenance of Dry Creek Phases 4 and 5, RRIFR Estuary Management & Monitoring, the new Biological Opinion, and fire fuel reduction offset by the increased use of fund balance. Rate of \$121.17/AF based on \$5.1M in expenditures and 42,407 AF is reduced to \$45.71/AF by using \$3.2M in fund balance. In Fiscal Year 2024/2025, \$1.7M in fund balance was utilized to offset rate increases.
Recycled Water and Local Supply	\$0.14	\$0.14	N/A	Fiscal Year 2024/2025 rate is \$0.00. The rate is set to \$0.14/AF which covers depreciation expenses incurred in the fund.

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Water Conservation	\$63.83	\$4.29	7.20%	Fiscal Year 2024/2025 rate is \$59.55. Rate increase is primarily a result of not being able to utilize as much fund balance to offset rate as was used in prior year. Rate of \$68.78/AF based on \$2.9M of net expenditures and 42,407 AF is reduced to \$63.83/AF by using \$210,000 in fund balance. In Fiscal Year 2024/2025, net expenditures were 2.8M and \$250,000 in fund balance was utilized to offset rate increases. Decrease is associated with decreased planned expenditure due to lack of a new grant funded project. Expenditures are used to implement water use efficiency, outreach and education projects, and address ongoing water conservation needs.
Storage Facilities Bonds	\$50.09	\$18.63	59.20%	Fiscal Year 2024/2025 rate is \$31.47. Rate is based on revenue requirement for debt service divided by water deliveries. Total Debt service higher than previous year due to issuance of 2025 Bonds for capital projects in the Storage Fund and decrease in budgeted water deliveries.
Common Facilities Bonds	\$196.36	\$65.13	49.64%	Fiscal Year 2024/2025 rate is \$131.22. Rate is based on revenue requirement for debt service divided by water deliveries. Total Debt service higher than previous year due to issuance of 2025 Bonds for capital projects in the Common Fund and decrease in budgeted water deliveries.
Petaluma Aqueduct Bonds	\$15.66	\$15.66	N/A	Fiscal Year 2024/2025 rate is \$0. Petaluma Aqueduct pays an additional revenue bond charge for the bonds associated with Ely BPS Flood Control and Electrical Upgrade and Wilfred Booster Station Projects. Reduced Aqueduct Capital Charge and use of Fund Balance in prior years results in total Debt service and rate increase that are higher in FY 2025/2026 as Petaluma AQ will be bonding for

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				the first time with the 2025 Revenue Bond Issuance.
Sonoma Aqueduct Bonds	\$144.56	(\$0.93)	-0.64%	Fiscal Year 2024/2025 rate is \$145.49. Sonoma Aqueduct pays an additional revenue bond charge for the bonds associated with Sonoma Booster Station Electrical Upgrade and Pumping Reliability Project, Bennett Valley Fault Crossing Project, and other Creek Crossing Projects on the Aqueduct. Total Debt service lower than previous year due to structure of the bond payments and the fact that Sonoma AQ will not be utilizing funds from the 2025 Revenue Bond Issue.
Santa Rosa Aqueduct Capital Fund	\$11.00	\$0.00	0.00%	Fiscal Year 2024/2025 rate is \$11. A discretionary capital charge is added by the water contractors to fund hazard mitigation projects, build fund balance for future aqueduct capital projects, and to provide rate stabilization capacity.
Petaluma Aqueduct Capital Fund	\$10.00	\$10.00	N/A	Fiscal Year 2024/2025 rate is \$0. A discretionary capital charge is added by the water contractors to fund hazard mitigation projects, build fund balance for future aqueduct capital projects, and to provide rate stabilization capacity.
Sonoma Aqueduct Capital Fund	\$34.90	\$0.00	0.00%	Fiscal Year 2024/2025 rate is \$34.90. A discretionary capital charge is added by the water contractors to fund hazard mitigation projects, build fund balance for future aqueduct capital projects, and to provide rate stabilization capacity.