

Fiscal Year 2026/2027 Water Transmission System Charges and Proposed Rate Increases

Funds	Fiscal Year 2026/2027 Rate in Dollars per Acre-Foot	Increase (Decrease) from Fiscal Year 2025/2026 in Dollars	Percent Change	Description
Operations and Management	\$1,106.05	\$76.89	7.47%	Fiscal Year 2025/2026 rate is \$1029.16. Rate increase is attributable to infrastructure maintenance needs including higher expenditures for Tank Recoat Program and increases for maintenance equipment, permitting costs, SCADA system contributions, utilities, staff labor costs tied to negotiated labor agreements, and other expenditures.
Water Management Planning	\$2.63	(\$1.94)	-42.44%	Fiscal Year 2025/2026 rate is \$4.57. Rate decrease is tied to reduced efforts for contract service and staff time related to the Urban Water Management Plan. The next UWMP will be issued in 2030. Sonoma Water attempts to smooth the cost for this 5-year report to avoid rate spikes.
Watershed Planning and Restoration	\$95.41	\$49.71	108.74%	Fiscal Year 2025/2026 rate is \$45.71. Rate increase is primarily a result of costs associated with the new Biological Opinion, including Estuary Enhancement, Eel Grass & eDNA monitoring, Dry Creek small scale restoration, Hydrologic index work, CEQA petitions, and the upper river steelhead migration study and a decrease in the use of fund balance. Rate of \$152.86/AF based on \$6.4M in expenditures and 41,776 AF is reduced to \$95.41/AF by using \$2.4M in fund balance. In Fiscal Year 2025/2026, \$3.2M in fund balance was utilized to offset rate increases.
Recycled Water and Local Supply	\$0.00	(\$0.14)	-100.00%	Fiscal Year 2025/2026 rate is \$0.14. Dropping to \$0.00 by using Fund Balance. The only budgeted expenditure is \$6,000 in depreciation. No change from prior year.

Funds	Fiscal Year 2026/2027 Rate in Dollars per Acre-Foot	Increase (Decrease) from Fiscal Year 2025/2026 in Dollars	Percent Change	Description
Water Conservation	\$72.13	\$8.30	13.00%	Fiscal Year 2025/2026 rate is \$63.83. Rate of \$77.49/AF based on \$3.2M of net expenditures and 41,776 AF is reduced to \$73.66/AF by using \$160,000 in fund balance. In Fiscal Year 2025/2026, net expenditures were \$2.9M and \$210,000 in fund balance was utilized to offset rate increases. Increase is primarily associated with negotiated labor rates and outreach programs. Expenditures are used to implement water use efficiency, outreach and education projects, and address ongoing water conservation needs.
Storage Facilities Bonds	\$45.80	(\$4.29)	-8.56%	Fiscal Year 2025/2026 rate is \$50.09. Rate is based on revenue requirement for debt service divided by water deliveries. Total Debt service lower than previous year as issuance costs tied to the 2026 Bonds for capital projects in the Storage Fund were paid in FY2025/2026. Decrease partially offset by a decrease in budgeted water deliveries.
Common Facilities Bonds	\$182.85	(\$13.51)	-6.88%	Fiscal Year 2025/2026 rate is \$196.36. Rate is based on revenue requirement for debt service divided by water deliveries. Total Debt service lower than previous year as issuance costs tied to the 2026 Bonds for capital projects in the Common Fund were paid in FY2025/2026. Decrease partially offset by a decrease in budgeted water deliveries.
Petaluma Aqueduct Bonds	\$27.55	\$11.89	76%	Fiscal Year 2025/2026 rate is \$15.66. 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. Rate is based on revenue requirement for debt service divided by water deliveries.

Funds	Fiscal Year 2026/2027 Rate in Dollars per Acre-Foot	Increase (Decrease) from Fiscal Year 2025/2026 in Dollars	Percent Change	Description
Sonoma Aqueduct Bonds	\$166.46	\$21.91	15.16%	Fiscal Year 2025/2026 rate is \$144.56. 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. Rate is based on revenue requirement for debt service divided by water deliveries. Total Debt service higher than previous year due to structure of the bond payments on existing debt.
Santa Rosa Aqueduct Capital Fund	\$11.00	\$0.00	0.00%	Fiscal Year 2025/2026 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	\$0.00	0.00%	Fiscal Year 2025/2026 rate is \$10. 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 2025/2026 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.