



Sonoma Water

AIRPORT-LARKFIELD WIKIUP SANITATION ZONE 2025 WRITTEN BASIS OF SEWER SERVICE CHARGE

DATE: March 2025

TO: Sonoma Water Management

FROM: Lynne Rosselli, Financial Services Division Manager

SUBJECT: AIRPORT-LARKFIELD-WIKIUP SANITATION ZONE 2025 WRITTEN BASIS OF SEWER SERVICE CHARGE

The purpose of this Memorandum is to provide a written basis for the sewer service charges and update current and projected costs and cost-of-service based rates. Key guiding principles include developing rates that are fair and equitable to all customer classes, distributing costs equally among ratepayers, and complying with the legal requirements of Proposition 218 and other California laws. Figure 1 below demonstrates the challenge that the Zone faces in recovering the costs of providing service, and generating adequate funding for operations, maintenance, capital infrastructure upgrades, and debt service due to its small customer base.

This memorandum provides the basis for an 8.5% rate increase in FY 2025-2026. Revenue from sewer service charges comprises approximately 90% of the total revenue needed to provide service.

In June 2024, the Town of Windsor/Windsor Water District (Windsor) and Sonoma Water entered into an agreement whereby Windsor is responsible for collecting and treating wastewater from the Zone on a contractual basis. The agreement serves the best interests of the ratepayers of both Windsor and the Zone by providing environmental benefits, increasing efficiency and water-supply resiliency, and avoiding expensive capital projects.

Costs are projected to increase over the planning period shown in Figure 1 below. Costs will be incurred to decommission the Airport treatment plant and to pay Windsor for operations and maintenance among other expenditures. The Zone faces an ongoing operations deficit and there was a critical need for infrastructure improvements and upgrades prior to contracting with Windsor for operations and maintenance. Sonoma Water General Fund subsidies to the Zone over the past five years have been more than \$3.2 million. Stewarding financially sound utilities and providing safe, high quality wastewater service that will protect the community and the environment requires that rates keep pace

with rising costs. Figure 1 and Table 1 below provide documentation in support of the proposed 8.5% rate increases.

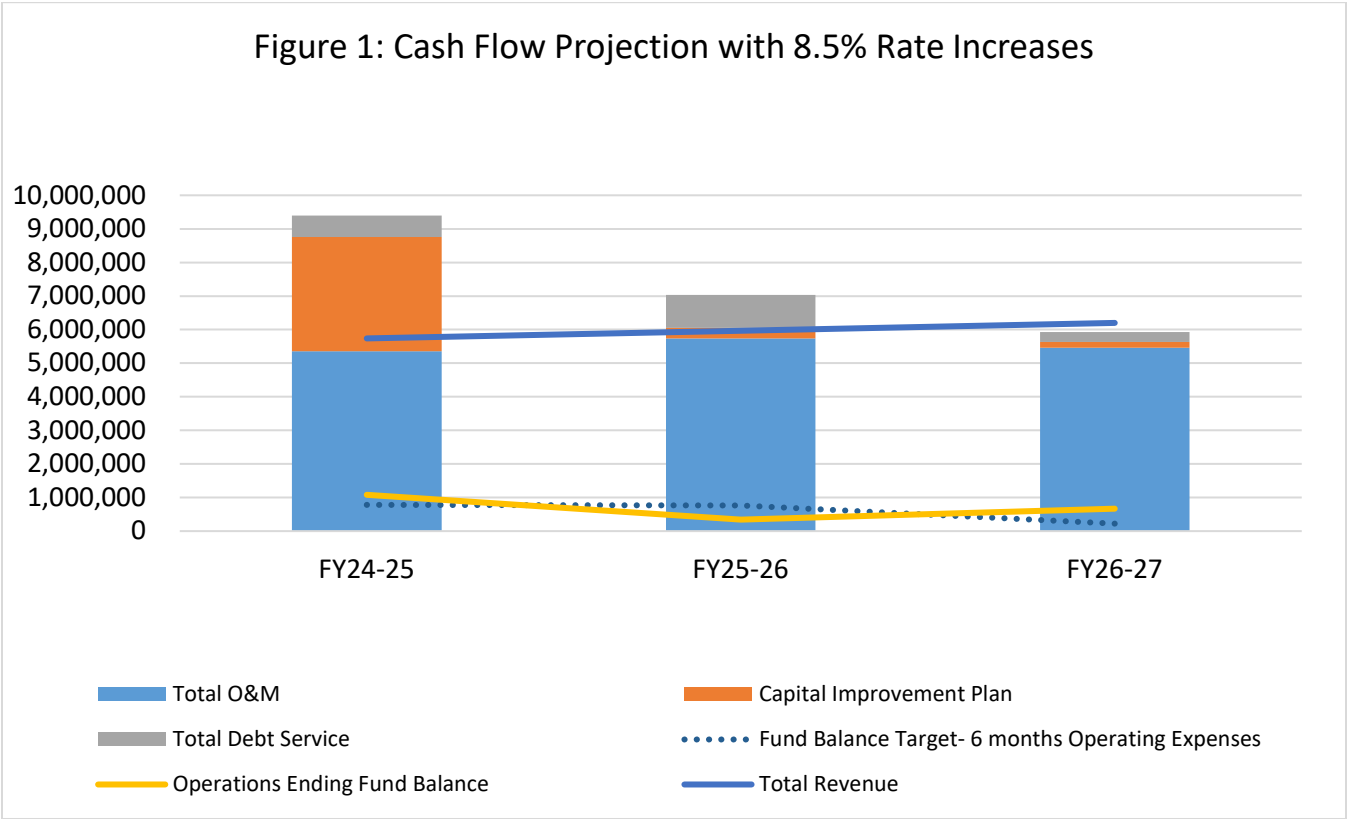


Table 1: Cash Flow Projection and Revenue Requirement

Fiscal Year	Estimated FY24-25	Projected FY25-26	Projected FY26-27
Proposed Rate Increase	7.0%	8.5%	8.5%
Rate	1,332	1,444	1,567
Equivalent Single Family Dwellings	4,115	4,117	4,124
 BEGINNING FUND BALANCE	 5,928,061	 2,269,167	 1,205,738
 <u>REVENUE</u>			
Sanitation Charges	5,131,733	5,354,491	5,794,634
Interest on Pooled Cash	144,294	48,044	31,268
Transfers from General Fund	100,000	200,000	0
Rent/Disposal Fees from OCSD	362,300	368,000	374,000
Total Revenue	5,738,327	5,970,535	6,199,903
 <u>EXPENDITURES</u>			
Total O&M	5,359,884	5,736,250	5,459,000
Capital Improvement Plan	3,400,000	320,000	170,000
Total Debt Service	637,337	977,714	296,000
Total Expenditures	9,397,221	7,033,964	5,925,000
 Net Revenue	 (3,658,894)	 (1,063,429)	 274,903
 Ending Fund Balance - All Funds - Proposed 8.5% Rate Increase	 2,269,167	 1,205,738	 1,480,641
Operations Ending Fund Balance	1,081,188	342,624	668,524
<i>Fund Balance Target- 6 months Operating Expenses</i>	<i>782,000</i>	<i>762,000</i>	<i>223,000</i>

The total expenditures budget divided by ESDs and the proposed ESD rate are shown in the table below. The proposed FY 2025/2026 rate is the lowest the rate can be set given the structural deficit of the Zone, and the need to maintain reserves.

Fiscal Year	FY24-25	FY25-26	FY26-27
Total Expenditures Divided by ESDs	2,283	1,709	1,437
Proposed ESD Rate	1,332	1,444	1,567

Proportionality of costs for users is maintained by using the Equivalent Single Family Dwelling (ESD) methodology. A standard single-family home constitutes one ESD. Parcels with other uses (for example, apartments and commercial buildings) are assigned a number of ESDs using standard equivalency factors that estimate the probable quantity and quality of sewage effluent normally generated by such uses in comparison to a single-family home. The assigned cost per ratepayer is the ESD cost multiplied by the number of ESDs assigned to the parcel. The ESDs are assigned in Exhibit A of the proposed rate ordinance, which is attached to this memorandum.

EXHIBIT A

EQUIVALENT SINGLE-FAMILY DWELLING BILLING UNIT FOR AIRPORT SANITATION ZONE

Use Category		Billing Basis			2025-2026	
		Flow	BOD	TSS	Use	ESD
		gallons	mg/l	mg/l		
Residential						
	Single-Family	280	200	200	connections	1.00
	Condominium (Over 900 square ft)	280	200	200	dwelling units	1.00
	Condominium (Under 900 square ft)	224	200	200	dwelling units	0.80
	Multiple-Family (Apts,Duplex/Triplex)	224	200	200	dwelling units	0.80
	Mobile home park	224	200	200	spaces	0.80
	Mobile home (Individual)	224	200	200	units	0.80
	JADU	-	200	200	units	0.00
	ADU, under 751 sq ft*	112	200	200	units	0.40
	ADU, 751-900 sq ft*	224	200	200	units	0.80
	ADU, over 900 sq ft*	280	200	200	units	1.00
Commercial						
	Appliance repair	190	200	200	1,000 sq. ft.	0.68
	Art gallery	190	200	200	1,000 sq. ft.	0.68
	Auto dealers					
	With service facilities	190	180	280	connection	0.75
		38	180	280	add per service bay	0.15
	Without service facilities	190	200	200	connection	0.68
	Auto repair	38	300	300	per service bay	0.18
	Bakery	190	1000	600	1,000 sq. ft.	2.02
	Beer Making/Brewery	see note 1 below				
	Butcher	see note 1 below				
	Banks & financial institutions	190	130	80	1,000 sq. ft.	0.47
	Barber shop	19	130	80	per chair	0.05
	Beauty shop	38	130	80	per chair	0.09
	Bars & taverns	20	200	200	per seat	0.07
	Camp ground or RV park					
	with hookups	125	200	200	site	0.45
	without hookups	75	200	200	site	0.27
	Cannabis production/manufacturing	see note 1 below				
	Car washes					
	manual	190	20	150	per bay	0.42
	automatic	125	210	210	per bay	0.46
	Cheese Maker	see note 1 below				
	Churches, hall & lodges	2	200	200	per seat	0.01
	Coffee shops with some food service	6	1000	600	per seat	0.06
	Dry cleaners	285	150	110	1,000 sq. ft.	0.78
	Fire stations	190	200	200	1,000 sq. ft.	0.68
	with sleeping quarters and kitchens	220	300	300	1,000 sq. ft.	1.05
	without sleeping quarters and kitchens	190	210	210	1,000 sq. ft.	0.70
	Garages	95	180	280	per service bay	0.37
	Gas Stations (no other automative services)					
	with convenience store	70	480	480	1,000 sq. ft.	0.48
	without convenience store	38	210	210	1,000 sq. ft.	0.14
	Gym					
	with shower	400	300	300	1,000 sq. ft.	1.90
	without shower	50	210	210	1,000 sq. ft.	0.18
	High Tech Medical Manufacturing	see note 1 below				
	Hospitals					
	Convalescent	125	250	100	per bed	0.41
	General	175	250	100	per bed	0.57
	Veterinarian	6	250	100	per cage	0.02
	Hotels/motels/B&B	100	310	120	sleeping rooms	0.37
	Hydroponic Cultivation (including cannabis)	1.2	210	210	per plant	0.004427
	Laundromats	500	150	110	washing machines	1.37
	High efficiency washers	250	210	210	washing machines	0.92
	Library	190	200	200	1,000 sq. ft.	0.68
	Machine shops	152	180	280	1,000 sq. ft.	0.60
	Markets	38	800	800	1,000 sq. ft.	0.40
	Nail Salon	10	210	210	per seat	0.04
	Offices					
	Business	76	130	80	1,000 sq. ft.	0.19
	Chiropractic Office	190	210	210	Exam. room	0.70
	Dental	190	130	80	Exam. room	0.47
	Medical (clinic)					
	with central handwashing stations	175	300	300	Exam. room	0.83
	with office, surgery, lab and treatment rooms	190	300	300	Exam. room	0.90
	offices with sink	125	300	300	Exam. room	0.59
	offices without sink	100	300	300	Exam. room	0.48
	Veterinarian					
	with office, surgery, and treatment rooms	130	300	300	Exam. room	0.62
	Pet Groomers	260	210	210	1,000 sq. ft.	0.96
	Post office	190	130	80	1,000 sq. ft.	0.47
	Resort	see note 1 below				
	Restaurants					

EXHIBIT A

EQUIVALENT SINGLE-FAMILY DWELLING BILLING UNIT FOR AIRPORT SANITATION ZONE

Use Category	Billing Basis			2025-2026	
	Flow gallons	BOD mg/l	TSS mg/l	Use	ESD
Dine-in					
With DW & garbage disp.	6	1000	600	per seat	0.06
With DW or garbage disp.	6	619	371	per seat	0.04
Without DW & garbage disp.	6	238	143	per seat	0.02
Take-out	475	238	143	1,000 sq. ft.	1.64
Rest homes	125	250	100	per bed	0.41
Retail stores	38	150	150	1,000 sq. ft.	0.11
Schools					
Elementary	9	130	100	per student day	0.02
High	14	130	100	per student day	0.04
with entertainment facilities	19	300	300	per student day	0.09
Service stations	380	180	280	set of gas pumps	1.49
	38	180	280	add per service bay	0.15
Shoe repair	190	200	200	1,000 sq. ft.	0.68
Spa with various beauty treatments	38	300	300	per chair	0.18
Supermarkets	76	300	300	1,000 sq. ft.	0.36
Tasting Rooms					
Ale, Winery (no food)	120	210	210	1,000 sq. ft.	0.44
Ale, Winery (with food)	240	480	480	1,000 sq. ft.	1.65
Theaters	2	200	200	per seat	0.01
Trash Enclosures	see note 1 below				
Warehouse					
Winery					
Others as determined by the Engr.					
Industrial				see note 1 below	
ALL COMMERCIAL ESDs TO BE DETERMINED BY THE GENERAL MANAGER USING THE FOLLOWING FORMULA:					
ESD = (TSS x FLOW x 0.33) / (SFD TSS x SFD FLOW) + (BOD x FLOW x 0.33) / (SFD BOD x SFD FLOW) + (FLOW x (0.34 / SFD FLOW))					
Note 1: For non-standard uses, uses and when agreement on a use category cannot be reached, the General Manager, in his or her sole discretion, may					
a) base charges on the user's actual or estimated contribution of wastewater into the District's facilities in terms of flow, biological oxygen demand (BOD), and total suspended solids (TSS), and					
b) calculate the user's charge using the above Charge Formula. The user shall provide verifiable data, as requested by the General Manager, for the charge to be determined.					
Note 2: In general, users with annual average TSS and/or BOD over 1,000 mg/L and users with annual average Flow greater than 5,000 gallons per day should be considered Monitored Users and use the Monitored User Charge Formula.					
Definitions	Flow = Gallons per Day	TSS = Total Suspended Solids			
	BOD = Biological Oxygen Demand	DW = dishwasher			
	ESD = Equivalent Single Family Dwelling	disp. = disposal			
* Note that no Capacity Charge is accessed when existing structures are converted in accordance with CGC 65852.2 (e)(1)(A) as determined by the County of Sonoma or the jurisdiction having authority per the Building Code.					



Sonoma Water

GEYSERVILLE SANITATION ZONE FY 2025/2026 WRITTEN BASIS OF SEWER SERVICE CHARGE

DATE: March 2025

TO: Sonoma Water Management

FROM: Lynne Rosselli, Financial Services Division Manager

SUBJECT: GEYSERVILLE SANITATION ZONE FY 2025/2026 WRITTEN BASIS OF SEWER SERVICE CHARGE

The purpose of this Memorandum is to provide a written basis for the sewer service charges and update current and projected costs and cost-of-service based rates. Key guiding principles include developing rates that are fair and equitable to all customer classes, distributing costs equally among ratepayers, and complying with the legal requirements of Proposition 218 and other California laws. Figure 1 below demonstrates the challenge that the Zone faces in recovering the costs of providing service, and generating adequate funding for operations, maintenance, and capital infrastructure upgrades due to its small customer base.

This memorandum provides the basis for an 8.6% rate increase in FY 2025-2026. Revenue from sewer service charges comprises approximately 45% of the total revenue needed to provide service.

Costs are projected to increase over the planning period shown in Figure 1 below. The increased costs are for aging infrastructure including the Force Main Replacement Project. Estimated costs for the Force Main Replacement Project are \$1.8 million over the next three years. The 8.6% rate increase is needed to build reserves to fund the Force Main Replacement Project and apply for grant funding. Offsetting revenue from a future grant application is necessary to fund construction projects.

The Zone faces an ongoing operations deficit and has a critical need for infrastructure upgrades. Sonoma Water General Fund subsidies to the Zone over the past five years have been more than \$1.3 million, and \$1.7 million is projected for the next three years making up approximately 40 percent of the total estimated revenue for the Zone. Stewarding financially sound utilities and providing safe, high quality wastewater service that will protect the community and the environment requires that rates keep pace with rising costs. Figure 1 and Table 1 below provide documentation in support of the proposed 8.6 percent rate increases.

Figure 1: Cash Flow Projection with 8.6% Rate Increases

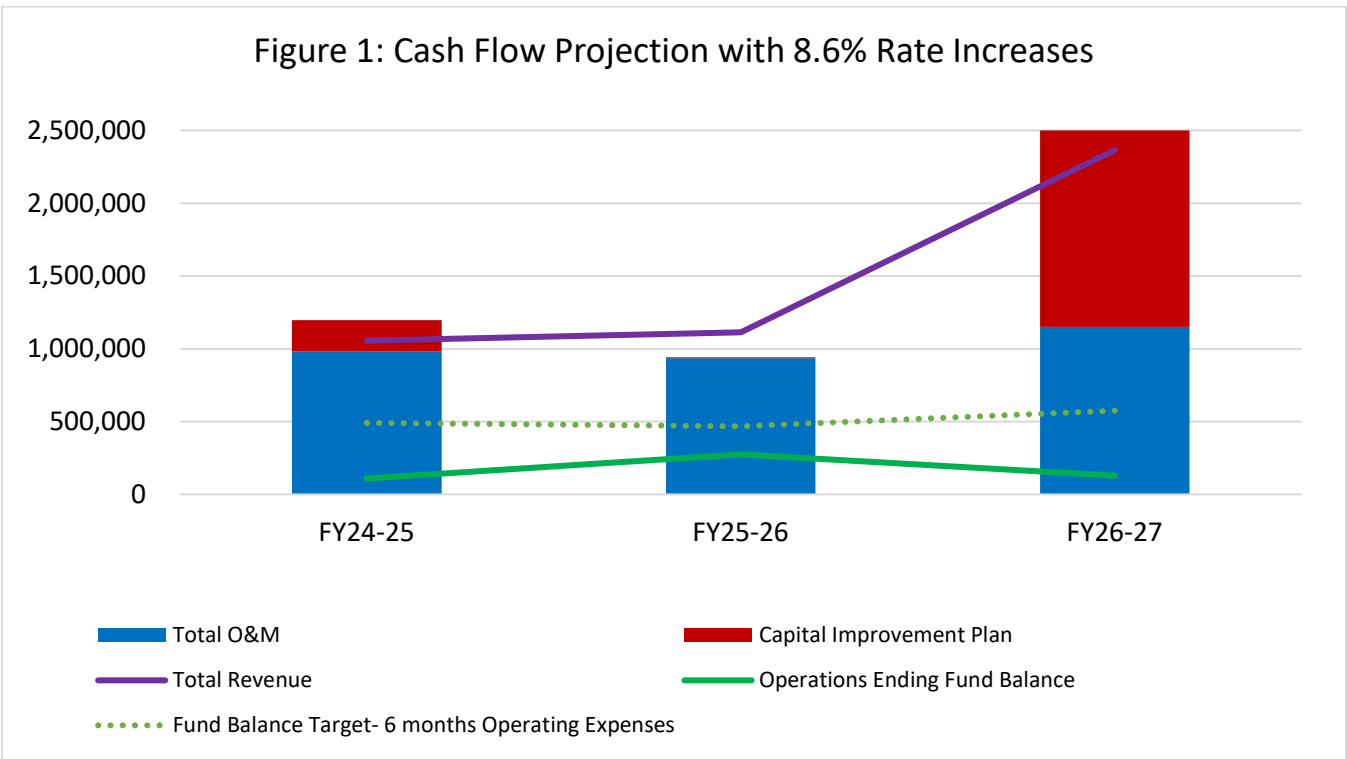


Table 1: Cash Flow Projection and Revenue Requirement

Fiscal Year	Estimated FY24-25	Projected FY25-26	Projected FY26-27
Proposed Rate Increase	8.8%	8.6%	8.6%
Rate	1,548	1,680	1,824
Equivalent Single Family Dwellings	370	371	372
 BEGINNING FUND BALANCE	 494,886	 353,166	 525,489
 <u>REVENUE</u>			
Sanitation Charges	496,066	522,700	550,700
Interest on Pooled Cash	9,750	15,870	15,850
State/Federal Grants	0	0	1,199,100
Transfers from General Fund	550,150	575,000	600,000
Total Revenue	1,055,966	1,113,570	2,365,650
 <u>EXPENDITURES</u>			
Total O&M	982,486	936,247	1,151,000
Capital Improvement Plan	215,200	5,000	1,603,800
Total Expenditures	1,197,686	941,247	2,754,800
 Net Revenue	 (141,720)	 172,323	 (389,150)
 Ending Fund Balance - Proposed 8.8% Rate Increase	 353,166	 525,489	 140,275
Operations Ending Fund Balance	109,517	274,430	127,330
<i>Fund Balance Target- 6 months Operating Expenses</i>	<i>490,743</i>	<i>467,624</i>	<i>575,000</i>

The proposed rate increase for the Equivalent Single Family Dwelling (ESD) value relies upon the Zone obtaining additional revenues from other sources of funding such as loans and grants. The total expenditures budget divided by ESDs, the total expenditures budget minus grant/loan revenue divided by ESDs, and the proposed ESD rate are shown in the table below. The proposed ESD rate is the lowest the rate can be set given the need to maintain reserves, the structural deficit of the Zone, and the risks and uncertainties associated with receiving other sources of funding.

Fiscal Year	FY24-25	FY25-26	FY26-27
Total Expenditures Divided by ESDs	3,237	2,537	7,406
Expenditures budget minus grant/loan revenue divided by ESDs	3,237	2,537	4,182
Proposed ESD Rate	1,548	1,680	1,824

Proportionality of costs for users is maintained by using the Equivalent Single Family Dwelling (ESD) methodology. A standard single-family home constitutes one ESD. Parcels with other uses (for example, apartments and commercial buildings) are assigned a number of ESDs using standard

equivalency factors that estimate the probable quantity and quality of sewage effluent normally generated by such uses in comparison to a single-family home. The assigned cost per ratepayer is the ESD cost multiplied by the number of ESDs assigned to the parcel. The ESDs are assigned in Exhibit A of the proposed rate ordinance, which is attached to this memorandum.

EXHIBIT A

EQUIVALENT SINGLE-FAMILY DWELLING BILLING UNIT FOR GEYSERVILLE SANITATION ZONE

Use Category		Billing Basis			2025-2026		
		Flow	BOD	TSS		Use	ESD
		gallons	mg/l	mg/l			
Residential							
	Single-Family	200	315	315	connections	1.00	
	Condominium (Over 900 square ft)	200	315	315	dwelling units	1.00	
	Condominium (Under 900 square ft)	160	315	315	dwelling units	0.80	
	Multiple-Family (Apts,Duplex/Triplex)	160	315	315	dwelling units	0.80	
	Mobile home park	160	315	315	spaces	0.80	
	Mobile home (Individual)	160	315	315	units	0.80	
	JADU	-	315	315	units	0.00	
	ADU, under 751 sq ft*	80	315	315	units	0.40	
	ADU, 751-900 sq ft*	160	315	315	units	0.80	
	ADU, over 900 sq ft*	200	315	315	units	1.00	
Commercial							
	Appliance repair	190	200	200	1,000 sq. ft.	0.72	
	Art gallery	190	200	200	1,000 sq. ft.	0.72	
	Auto dealers						
	With service facilities	190	180	280	connection	0.78	
		38	180	280	add per service bay	0.16	
	Without service facilities	190	200	200	connection	0.72	
	Auto repair	38	325	325	per service bay	0.19	
	Bakery	190	1000	600	1,000 sq. ft.	1.92	
	Beer Making/Brewery	see note 1 below					
	Butcher	see note 1 below					
	Banks & financial institutions	190	130	80	1,000 sq. ft.	0.53	
	Barber shop	19	130	80	per chair	0.05	
	Beauty shop	38	130	80	per chair	0.11	
	Bars & taverns	20	200	200	per seat	0.08	
	Camp ground or RV park						
	with hookups	125	200	200	site	0.47	
	without hookups	75	200	200	site	0.28	
	Cannabis production/manufacturing	see note 1 below					
	Car washes						
	manual	190	20	150	per bay	0.49	
	automatic	125	228	228	per bay	0.51	
	Cheese Maker	see note 1 below					
	Churches, hall & lodges	2	200	200	per seat	0.01	
	Coffee shops with some food service	6	1000	600	per seat	0.06	
	Dry cleaners	285	150	110	1,000 sq. ft.	0.87	
	Fire stations	190	200	200	1,000 sq. ft.	0.72	
	with sleeping quarters and kitchens	220	325	325	1,000 sq. ft.	1.12	
	without sleeping quarters and kitchens	190	228	228	1,000 sq. ft.	0.78	
	Garages	95	180	280	per service bay	0.39	
	Gas Stations (no other automative services)						
	with convenience store	70	520	520	1,000 sq. ft.	0.50	
	without convenience store	38	228	228	1,000 sq. ft.	0.16	
	Gym						
	with shower	400	325	325	1,000 sq. ft.	2.04	
	without shower	50	228	228	1,000 sq. ft.	0.20	
	High Tech Medical Manufacturing	see note 1 below					
	Hospitals						
	Convalescent	125	250	100	per bed	0.44	
	General	175	250	100	per bed	0.62	
	Veterinarian	6	250	100	per cage	0.02	
	Hotels/motels/B&B	100	310	120	sleeping rooms	0.40	
	Hydroponic Cultivation (including cannabis)	1.2	228	228	per plant	0.004906	
	Laundromats						
	High efficiency washers	250	228	228	washing machines	1.02	
	Regular washers	500	150	110	washing machines	1.53	
	Library	190	200	200	1,000 sq. ft.	0.72	
	Machine shops	152	180	280	1,000 sq. ft.	0.62	
	Markets	38	800	800	1,000 sq. ft.	0.38	
	Nail Salon	10	228	228	per seat	0.04	
	Offices						
	Business	76	130	80	1,000 sq. ft.	0.21	
	Chiropractic Office	190	228	228	Exam. room	0.78	
	Dental	190	130	80	Exam. room	0.53	
	Medical (clinic)						
	with central handwashing stations	175	325	325	Exam. room	0.89	
	with office, surgery, lab and treatment rooms	190	325	325	Exam. room	0.97	
	offices with sink	125	325	325	Exam. room	0.64	

EXHIBIT A

EQUIVALENT SINGLE-FAMILY DWELLING BILLING UNIT FOR GEYSERVILLE SANITATION ZONE

Use Category	Billing Basis			2025-2026	
	Flow	BOD	TSS	Use	ESD
	gallons	mg/l	mg/l		
offices without sink	100	325	325	Exam. room	0.51
Veterinarian					
with office, surgery, and treatment rooms	130	325	325	Exam. room	0.66
Pet Groomers	260	228	228	1,000 sq. ft.	1.06
Post office	190	130	80	1,000 sq. ft.	0.53
Resort	see note 1 below				
Restaurants					
Dine-in					
With DW & garbage disp.	6	1000	600	per seat	0.06
With DW or garbage disp.	6	619	371	per seat	0.04
Without DW & garbage disp.	6	238	143	per seat	0.02
Take-out	475	238	143	1,000 sq. ft.	1.76
Rest homes	125	250	100	per bed	0.44
Retail stores	38	150	150	1,000 sq. ft.	0.12
Schools					
Elementary	9	130	100	per student day	0.03
High	14	130	100	per student day	0.04
with entertainment facilities	19	325	325	per student day	0.10
Service stations	380	180	280	set of gas pumps	1.56
	38	180	280	add per service bay	0.16
Shoe repair	190	200	200	1,000 sq. ft.	0.72
Spa with various beauty treatments	38	325	325	per chair	0.19
Supermarkets	76	325	325	1,000 sq. ft.	0.39
Tasting Rooms					
Ale, Winery (no food)	120	228	228	1,000 sq. ft.	0.49
Ale, Winery (with food)	240	520	520	1,000 sq. ft.	1.72
Theaters	2	200	200	per seat	0.01
Trash Enclosures	see note 1 below				
Warehouse	see note 1 below				
Winery	see note 1 below				
Others as determined by the Engr.	see note 1 below				

ALL COMMERCIAL ESDs TO BE DETERMINED BY THE GENERAL MANAGER USING THE FOLLOWING FORMULA:

$$ESD = (TSS \times FLOW \times 0.33) / (SFD TSS \times SFD FLOW) + (BOD \times FLOW \times 0.33) / (SFD BOD \times SFD FLOW) + (FLOW \times (0.34 / SFD FLOW))$$

Note 1: For non-standard uses, uses and when agreement on a use category cannot be reached, the General Manager, in his or her sole discretion, may

a) base charges on the user's actual or estimated contribution of wastewater into the District's facilities in terms of flow, biological oxygen demand (BOD), and total suspended solids (TSS), and

b) calculate the user's charge using the above Charge Formula. The user shall provide verifiable data, as requested by the General Manager, for the charge to be determined.

Note 2: In general, users with annual average TSS and/or BOD over 1,000 mg/L and users with annual average Flow greater than 5,000 gallons per day should be considered Monitored Users and use the Monitored User Charge Formula.

Definitions	Flow = Gallons per Day	TSS = Total Suspended Solids		
	BOD = Biological Oxygen Demand	DW = dishwasher		
	ESD = Equivalent Single Family Dwelling	disp. = disposal		

* Note that no Capacity Charge is assessed when existing structures are converted in accordance with CGC 65852.2 (e)(1)(A) as determined by the County of Sonoma or the jurisdiction having authority per the Building Code.



Sonoma Water

PENNGROVE SANITATION ZONE FY 2025/2026 WRITTEN BASIS OF SEWER SERVICE CHARGE

DATE: March 2025

TO: Sonoma Water Management

FROM: Lynne Rosselli, Financial Services Division Manager

SUBJECT: PENNGROVE SANITATION ZONE FY 2025-2026 WRITTEN BASIS OF SEWER SERVICE CHARGE

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This memorandum provides the basis for a 7.8% rate increase in FY 2025-2026. Revenue from sewer service charges comprises approximately 70% of the total revenue needed to provide service.

Costs are projected to increase over the planning period shown in Figure 1 below. The increased costs are for projects to address aging infrastructure including Force Main Replacement, Collection System Rehabilitation and Repair, and other projects. Estimated costs for the Force Main Replacement Project are \$6.5 million over the next three years. The Force Main Replacement Project was initially planned to begin in FY 23-24 but due to the increased scope and cost of the project, the start has been delayed to allow time to build reserves and apply for grant funding. The 7.8% rate increase is needed to build reserves to fund design of the Force Main Replacement Project. Offsetting revenue from a future grant application is necessary to fund construction of the Project in FY 2027/2028.

The Zone faces an ongoing operations deficit and has a critical need for infrastructure improvements and upgrades. Sonoma Water General Fund subsidies to the Zone over the past five years have been more than \$1.3 million, and \$940,000 is projected for the next three years making up 59 percent of the total estimated revenue for the Zone. Stewarding financially sound utilities and providing safe, high quality wastewater service that will protect the community and the environment requires that rates

keep pace with rising costs. Figure 1 and Table 1 below provide documentation in support of the proposed 7.8% rate increases.

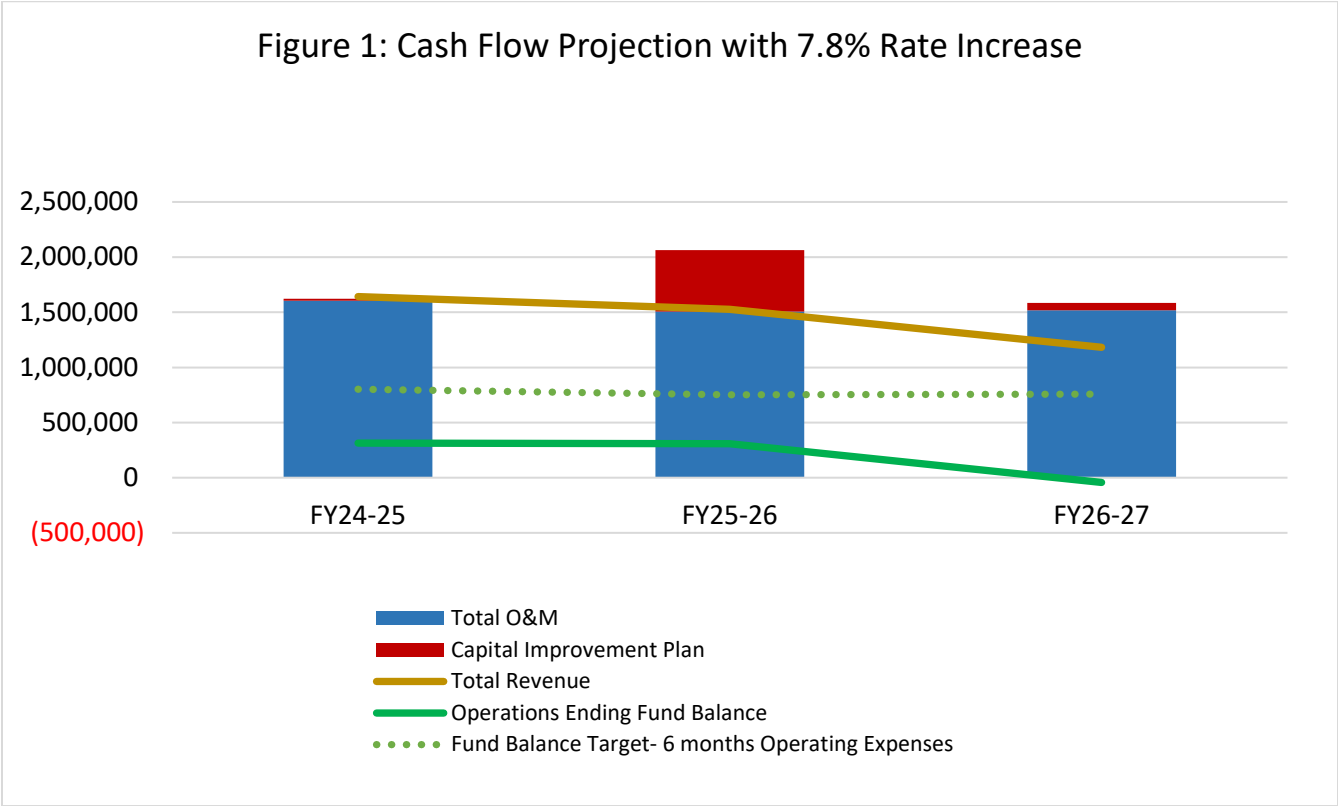


Table 1: Cash Flow Projection and Revenue Requirement

	Estimated FY24-25	Projected FY25-26	Projected FY26-27
Fiscal Year			
Rate Increase	8.0%	7.8%	7.8%
Rate	2,132	2,298	2,477
Equivalent Single Family Dwellings	561	557	558
 BEGINNING FUND BALANCE	 1,150,374	 1,171,019	 634,639
 REVENUE			
			1,163,20
Sanitation Charges	1,053,050	1,106,800	0
Interest on Pooled Cash	39,000	28,740	19,100
Transfers from General Fund	550,000	390,000	0
			1,182,30
Total Revenue	1,642,050	1,525,540	0
 EXPENDITURES			
			1,518,30
Total O&M	1,606,405	1,505,220	0
Capital Improvement Plan	15,000	556,700	66,700
			1,585,00
Total Expenditures	1,621,405	2,061,920	0
 Net Revenue	 20,645	 (536,380)	 (402,700)
 Ending Fund Balance - Proposed Rate Increase	 1,171,019	 634,639	 231,939
Operations Ending Fund Balance	313,708	309,508	(42,992)
 Fund Balance Target- 6 months Operating Expenses	 802,203	 751,610	 758,150

The proposed rate increase for the Equivalent Single Family Dwelling (ESD) value relies upon the Zone obtaining additional revenues from other sources of funding such as loans and grants. The total expenditures budget divided by ESDs, the total expenditures budget minus grant/loan revenue divided by ESDs, and the proposed ESD rate are shown in the table below. The proposed rate is the lowest the rate can be set given the structural deficit of the Zone, the need to maintain reserves, and the risks and uncertainties associated with receiving other sources of funding.

Fiscal Year	FY24-25	FY25-26	FY26-27
Total Expenditures Divided by ESDs	2,889	3,702	2,841
Expenditures budget minus grant/loan revenue divided by ESDs	2,889	3,702	2,841
Proposed ESD Rate	2,132	2,298	2,477

Proportionality of costs for users is maintained by using the Equivalent Single Family Dwelling (ESD) methodology. A standard single-family home constitutes one ESD. Parcels with other uses (for example, apartments and commercial buildings) are assigned a number of ESDs using standard equivalency factors that estimate the probable quantity and quality of sewage effluent normally generated by such uses in comparison to a single-family home. The assigned cost per ratepayer is the ESD cost multiplied by the number of ESDs assigned to the parcel. The ESDs are assigned in Exhibit A of the proposed rate ordinance, which is attached to this memorandum.

EXHIBIT A

EQUIVALENT SINGLE-FAMILY DWELLING BILLING UNIT FOR PENNGROVE SANITATION ZONE

Use Category		Billing Basis			2025-2026	
		Flow	BOD	TSS	Use	ESD
		gallons	mg/l	mg/l		
Residential						
	Single-Family	180	305	305	connections	1.00
	Condominium (Over 900 square ft)	180	305	305	dwelling units	1.00
	Condominium (Under 900 square ft)	144	305	305	dwelling units	0.80
	Multiple-Family (Apts,Duplex/Triplex)	144	305	305	dwelling units	0.80
	Mobile home park	144	305	305	spaces	0.80
	Mobile home (Individual)	144	305	305	units	0.80
	JADU	-	305	305	units	0.00
	ADU, under 751 sq ft*	72	305	305	units	0.40
	ADU, 751-900 sq ft*	144	305	305	units	0.80
	ADU, over 900 sq ft*	180	305	305	units	1.00
Commercial						
	Appliance repair	190	200	200	1,000 sq. ft.	0.82
	Art gallery	190	200	200	1,000 sq. ft.	0.82
	Auto dealers					
	With service facilities	190	180	280	connection	0.88
	Without service facilities	38	180	280	add per service bay	0.18
	Without service facilities	190	200	200	connection	0.82
	Auto repair	38	325	325	per service bay	0.22
	Bakery	190	1000	600	1,000 sq. ft.	2.19
	Beer Making/Brewery			see note 1 below		
	Butcher			see note 1 below		
	Banks & financial institutions	190	130	80	1,000 sq. ft.	0.60
	Barber shop	19	130	80	per chair	0.06
	Beauty shop	38	130	80	per chair	0.12
	Bars & taverns	20	200	200	per seat	0.09
	Camp ground or RV park					
	with hookups	125	200	200	site	0.54
	without hookups	75	200	200	site	0.32
	Cannabis production/manufacturing			see note 1 below		
	Car washes					
	manual	190	20	150	per bay	0.55
	automatic	125	228	228	per bay	0.58
	Cheese Maker			see note 1 below		
	Churches, hall & lodges	2	200	200	per seat	0.01
	Coffee shops with some food service	6	1000	600	per seat	0.07
	Dry cleaners	285	150	110	1,000 sq. ft.	0.98
	Fire stations					
	with sleeping quarters and kitchens	220	325	325	1,000 sq. ft.	1.28
	without sleeping quarters and kitchens	190	228	228	1,000 sq. ft.	0.88
	Garages	95	180	280	per service bays	0.44
	Gas Stations (no other automative services)					
	with convenience store	70	520	520	1,000 sq. ft.	0.57
	without convenience store	38	228	228	1,000 sq. ft.	0.18
	Gym					
	with shower	400	325	325	1,000 sq. ft.	2.32
	without shower	50	228	228	1,000 sq. ft.	0.23
	High Tech Medical Manufacturing			see note 1 below		
	Hospitals					
	Convalescent	125	250	100	per bed	0.50
	General	175	250	100	per bed	0.70
	Veterinarian	6	250	100	per cage	0.02
	Hotels/motels/B&B	100	310	120	per guest room	0.37
	Hydroponic Cultivation (including cannabis)	1.2	228	228	per plant	0.01
	Laundromats	500	150	110	washing machines	1.73
	High efficiency washers	250	228	228	washing machines	1.16
	Library	190	200	200	1,000 sq. ft.	0.82
	Machine shops	152	180	280	1,000 sq. ft.	0.71
	Markets	38	800	800	1,000 sq. ft.	0.44
	Nail Salon	10	228	228	per seat	0.05
	Offices					
	Business	76	130	80	1,000 sq. ft.	0.24
	Chiropractic Office	190	228	228	Exam. room	0.88
	Dental	190	130	80	Exam. room	0.60
	Medical	190	130	80	Exam. room	0.60
	with central handwashing stations	175	325	325	Exam. room	1.01
	with office, surgery, lab and treatment rooms	190	325	325	Exam. room	1.10
	offices with sink	125	325	325	Exam. room	0.72
	offices without sink	100	325	325	Exam. room	0.58
	Veterinarian					
	with office, surgery, and treatment rooms	130	325	325	Exam. room	0.75
	Pet Groomers	260	228	228	1,000 sq. ft.	1.20
	Post office	0	130	80	1,000 sq. ft.	0.00
	Resort			see note 1 below		
	Restaurants					

EXHIBIT A

EQUIVALENT SINGLE-FAMILY DWELLING BILLING UNIT FOR PENNGROVE SANITATION ZONE

Use Category	Billing Basis			2025-2026	
	Flow gallons	BOD mg/l	TSS mg/l	Use	ESD
Dine-in					
With DW & garbage disp.	6	1000	600	per seat	0.07
With DW or garbage disp.	6	619	371	per seat	0.05
Without DW & garbage disp.	6	238	143	per seat	0.03
Take-out	475	238	143	1,000 sq. ft.	1.99
Rest homes	125	250	100	per bed	0.50
Retail stores	38	150	150	1,000 sq. ft.	0.14
Schools					
Elementary	9	130	100	per student day	0.03
High	14	130	100	per student day	0.05
with entertainment facilities	19	325	325	per student day	0.11
Service stations	380	180	280	set of gas pumps	1.77
	38	180	280	add per service bay	0.18
Shoe repair	190	200	200	1,000 sq. ft.	0.82
Spa with various beauty treatments	38	325	325	per chair	0.22
Supermarkets	76	325	325	1,000 sq. ft.	0.44
Tasting Rooms					
Ale, Winery (no food)	120	228	228	1,000 sq. ft.	0.56
Ale, Winery (with food)	240	520	520	1,000 sq. ft.	1.95
Theaters	2	200	200	per seat	0.01
Trash Enclosures			see note 1 below		
Warehouse			see note 1 below		
Winery			see note 1 below		
Others as determined by the Engr.			see note 1 below		

ALL COMMERCIAL ESDs TO BE DETERMINED BY THE GENERAL MANAGER USING THE FOLLOWING FORMULA:

$$ESD = (TSS \times FLOW \times 0.33) / (SFD \text{ TSS} \times SFD \text{ FLOW}) + (BOD \times FLOW \times 0.33) / (SFD \text{ BOD} \times SFD \text{ FLOW}) + (FLOW \times (0.34 / SFD \text{ FLOW}))$$

Note 1: For non-standard uses, uses and when agreement on a use category cannot be reached, the General Manager, in his or her sole discretion, may
a) base charges on the user's actual or estimated contribution of wastewater into the District's facilities in terms of flow, biological oxygen demand (BOD), and total suspended solids (TSS), and

b) calculate the user's charge using the above Charge Formula. The user shall provide verifiable data, as requested by the General Manager, for the charge to be determined.

Note 2: In general, users with annual average TSS and/or BOD over 1,000 mg/L and users with annual average Flow greater than 5,000 gallons per day should be considered Monitored Users and use the Monitored User Charge Formula.

Definitions	Flow = Gallons per Day	TSS = Total Suspended Solids		
	BOD = Biological Oxygen Demand	DW = dishwasher		
	ESD = Equivalent Single Family Dwelling	disp. = disposal		

* Note that no Capacity Charge is accessed when existing structures are converted in accordance with CGC 65852.2 (e)(1)(A) as determined by the County of Sonoma or the jurisdiction having authority per the Building Code.



Sonoma Water

SEA RANCH SANITATION ZONE FY 2025/2026 WRITTEN BASIS OF SEWER SERVICE CHARGE

DATE: March 2025

TO: Sonoma Water Management

FROM: Lynne Rosselli, Financial Services Division Manager

SUBJECT: SEA RANCH SANITATION ZONE FY 2025/2026 WRITTEN BASIS OF SEWER SERVICE CHARGE

The purpose of this Memorandum is to provide a written basis for the sewer service charges and update current and projected costs and cost-of-service based rates. Key guiding principles include developing rates that are fair and equitable to all customer classes, distributing costs equally among ratepayers, and complying with the legal requirements of Proposition 218 and other California laws. Figure 1 below demonstrates the challenge that the Zone faces in recovering the costs of providing service, and generating adequate funding for operations, maintenance, and capital infrastructure upgrades due to its small customer base.

This memorandum provides the basis for an 8.9% rate increase in FY 2025-2026. Revenue from sewer service charges comprises approximately 75% to 85% of the total revenue needed to provide service.

Costs are projected to increase over the planning period shown in Figure 1 below. The increased costs are for aging infrastructure including the Helms Lift Station Control Panel Replacement, replacing the siding on multiple buildings, and other capital replacement projects. The 8.9% rate increase is needed to build reserves to fund operations, maintenance, and capital expenditures.

The Zone faces an ongoing operations deficit and has a critical need for infrastructure upgrades. Sonoma Water General Fund subsidies to the Zone projected over the next five to six years total \$1 million making up approximately 15% to 20% of the total estimated revenue for the Zone. Stewarding financially sound utilities and providing safe, high quality wastewater service that will protect the community and the environment requires that rates keep pace with rising costs. Figure 1 and Table 1 below provide documentation in support of the proposed 8.9 percent rate increases.

Figure 1: Cash Flow Projection with 8.9% Rate Increases

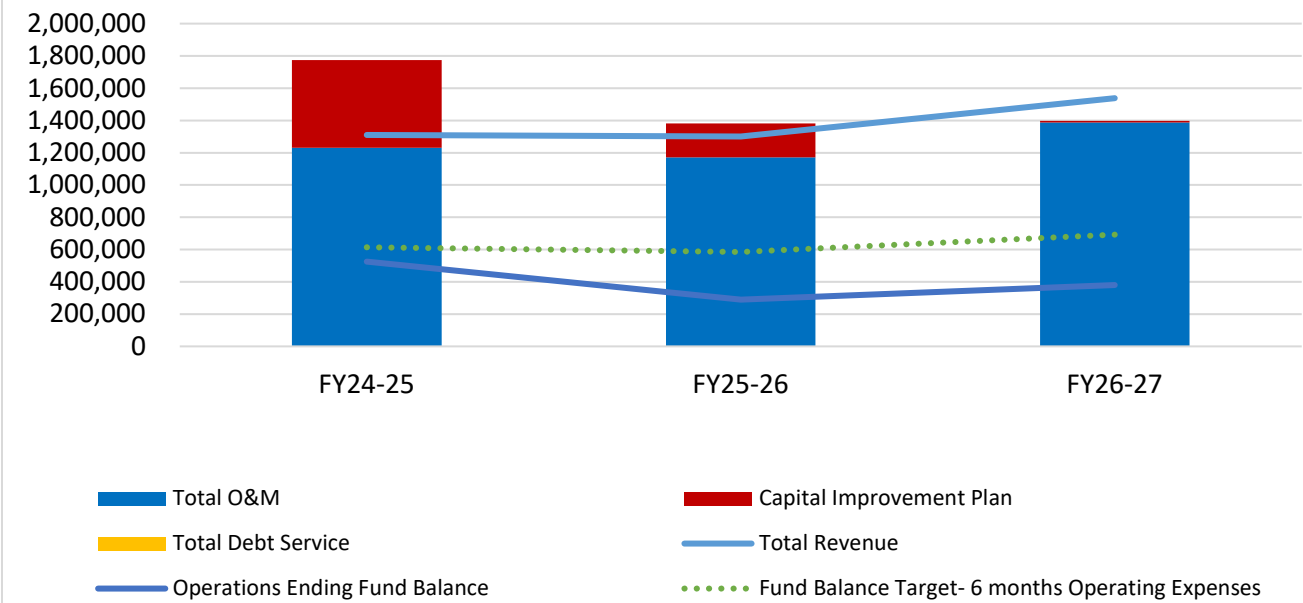


Table 1: Cash Flow Projection and Revenue Requirement

Fiscal Year	Estimated FY24-25	Projected FY25-26	Projected FY26-27
Proposed Rate Increase	8.9%	8.9%	8.9%
Rate	1,658	1,806	1,967
Equivalent Single Family Dwellings	603	626	627
 BEGINNING FUND BALANCE	 842,380	 377,860	 296,380
 <u>REVENUE</u>			
Sanitation Charges	997,480	1,086,300	1,183,000
Interest on Pooled Cash	13,000	14,220	8,900
Transfers from General Fund	300,000	200,000	346,000
Total Revenue	1,310,480	1,300,520	1,537,900
 <u>EXPENDITURES</u>			
Total O&M	1,230,000	1,172,000	1,387,000
Capital Improvement Plan	545,000	210,000	10,000
Total Expenditures	1,775,000	1,382,000	1,397,000
 Net Revenue	 (464,520)	 (81,480)	 140,900
 Ending Fund Balance - Proposed 8.9% Rate Increase	 377,860	 296,380	 437,280
Operations Ending Fund Balance	525,249	289,669	380,369
<i>Fund Balance Target- 6 months Operating Expenses</i>	<i>614,000</i>	<i>585,000</i>	<i>692,500</i>

The total expenditures budget divided by ESDs and the proposed ESD rate are shown in the table below. The proposed ESD rate is the lowest the rate can be set given the need to maintain reserves, the structural deficit of the Zone, and the risks and uncertainties associated with receiving other sources of funding.

Fiscal Year	FY24-25	FY25-26	FY26-27
Total Expenditures Divided by ESDs	2,945	2,209	2,229
Proposed ESD Rate	1,658	1,806	1,967

Proportionality of costs for users is maintained by using the Equivalent Single Family Dwelling (ESD) methodology. A standard single-family home constitutes one ESD. Parcels with other uses (for example, apartments and commercial buildings) are assigned a number of ESDs using standard equivalency factors that estimate the probable quantity and quality of sewage effluent normally generated by such uses in comparison to a single-family home. The assigned cost per ratepayer is the ESD cost multiplied by the number of ESDs assigned to the parcel. The ESDs are assigned in Exhibit A of the proposed rate ordinance, which is attached to this memorandum.

EXHIBIT A

EQUIVALENT SINGLE-FAMILY DWELLING BILLING UNIT FOR SEA RANCH SANITATION ZONE

Use Category		Billing Basis			2025-2026	
		Flow	BOD	TSS	Use	ESD
		gallons	mg/l	mg/l		
Residential						
	Single-Family	200			connections	1.0
	JADU	-			units	0.00
	ADU, under 751 sq ft*	80			units	0.40
	ADU, 751-900 sq ft*	160			units	0.80
	ADU, over 900 sq ft*	200			units	1.00
Commercial		see note 1 below				
ALL COMMERCIAL ESDs TO BE DETERMINED BY THE GENERAL MANAGER USING THE FOLLOWING FORMULA:						
ESD = (TSS x FLOW x 0.33) / (SFD TSS x SFD FLOW) + (BOD x FLOW x 0.33) / (SFD BOD x SFD FLOW) + (FLOW x (0.34 / SFD FLOW))						
Note 1: For non-standard uses, uses and when agreement on a use category cannot be reached, the General Manager, in his or her sole discretion, may						
a) base charges on the user's actual or estimated contribution of wastewater into the District's facilities in terms of flow, biological oxygen demand (BOD), and total suspended solids (TSS), and						
b) calculate the user's charge using the above Charge Formula. The user shall provide verifiable data, as requested by the General Manager, for the charge to be determined.						
Definitions	Flow = Gallons per Day	TSS = Total Suspended Solids				
	BOD = Biological Oxygen Demand	DW = dishwasher				
	ESD = Equivalent Single Family Dwelling	disp. = disposal				
* Note that no Capacity Charge is accessed when existing structures are converted in accordance with CGC 65852.2 (e)(1)(A) as determined by the County of Sonoma or the jurisdiction having authority per the Building Code.						



Sonoma Water

OCCIDENTAL COUNTY SANITATION DISTRICT FY 2025/2026 WRITTEN BASIS FOR SEWER SERVICE CHARGE

DATE: March 2025

TO: Sonoma Water Management

FROM: Lynne Rosselli, Financial Services Division Manager

**SUBJECT: OCCIDENTAL COUNTY SANITATION DISTRICT FY 2025/2026 WRITTEN BASIS OF SEWER
SERVICE CHARGE**

The purpose of this Memorandum is to provide a written basis for the sewer service charges and update current and projected costs and cost-of-service based rates. Key guiding principles include developing rates that are fair and equitable to all customer classes, distributing costs equally among ratepayers, and complying with the legal requirements of Proposition 218 and other California laws. Figure 1 below demonstrates the challenge that the District faces in recovering the costs of providing service, and generating adequate funding for operations, maintenance, capital infrastructure upgrades, and debt service due to its small customer base.

This memorandum provides the basis for a 4.7% rate increase in FY 2025-2026. Revenue from sewer service charges comprises approximately 70% of the total revenue needed to provide service.

Costs are projected to increase over the planning period shown in Figure 1 below. The increased costs are for projects to address aging infrastructure including the Occidental to Graton Pipeline Project, Collection System Rehabilitation and Repairs, and other projects. The 4.7% rate increase is necessary to fund an estimated \$15 million in capital improvements over the next five years. Offsetting revenue from a future grant application is necessary to fund construction of the Project.

The District faces an ongoing operations deficit and has a critical need for infrastructure improvements and upgrades. Sonoma Water General Fund subsidies to the District over the past five years have been more than \$5.6 million, and an additional \$5.6 million is projected for the next three years making up more than 70% of the total estimated revenue for the District. Stewarding financially sound utilities and providing safe, high quality wastewater service that will protect the community and the environment

requires that rates keep pace with rising costs. Figure 1 and Table 1 below provide documentation in support of the proposed 4.7% rate increases.

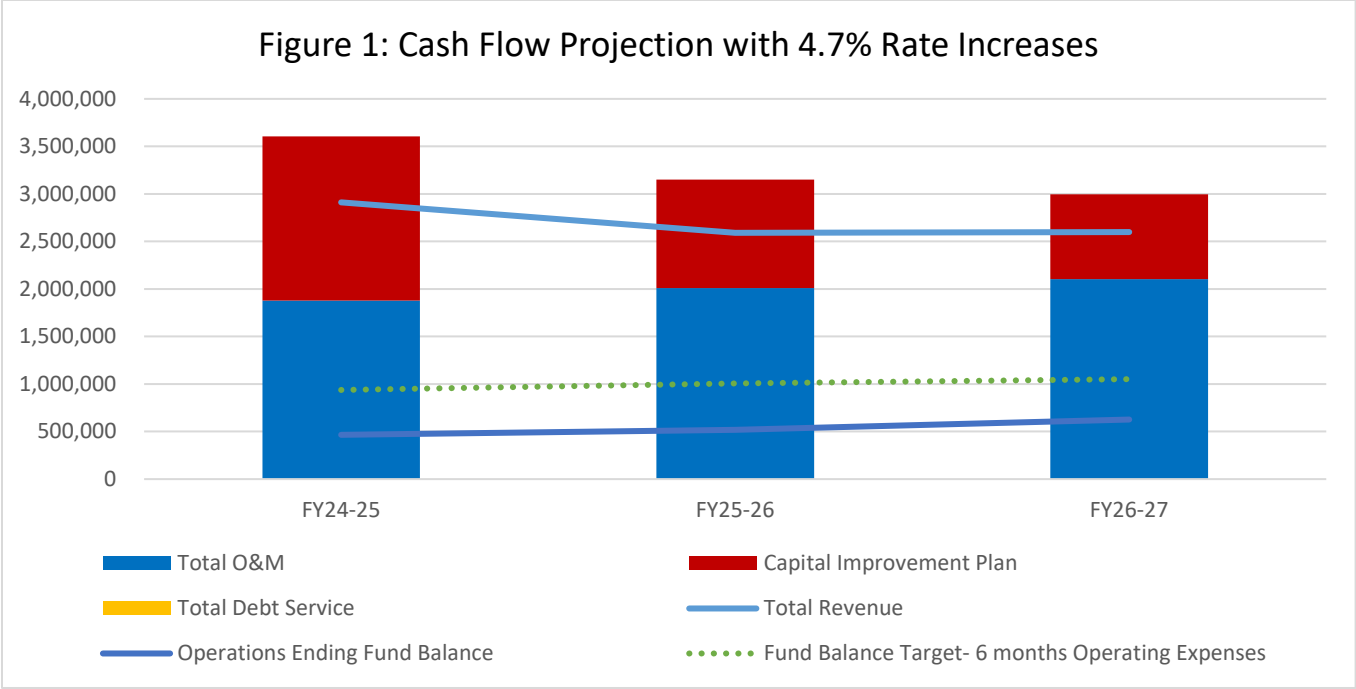


Table 1: Cash Flow Projection and Revenue Requirement

Fiscal Year	Estimated FY24-25	Projected FY25-26	Projected FY26-27
Proposed Rate Increase	4.9%	4.7%	4.7%
Rate	3,006	3,146	3,294
Equivalent Single Family Dwellings	273	273	273
 BEGINNING FUND BALANCE	 2,273,815	 1,579,144	 1,019,793
 <u>REVENUE</u>			
Sanitation Charges	426,400	488,500	507,500
Interest on Pooled Cash	65,000	52,500	30,500
State/Federal Grants	1,450,000	0	0
Transfers from General Fund	970,000	1,850,000	1,861,000
Miscellaneous Revenue	0	200,000	200,000
Total Revenue	2,911,400	2,591,000	2,599,000
 <u>EXPENDITURES</u>			
Total O&M	1,877,090	2,011,198	2,104,352
Capital Improvement Plan	1,728,981	1,139,154	892,295
Total Expenditures	3,606,071	3,150,352	2,996,647
 Net Revenue	 (694,671)	 (559,352)	 (397,647)
 Ending Fund Balance	 1,579,144	 1,019,793	 622,146
Operations Ending Fund Balance	465,917	517,779	626,703
 <i>Fund Balance Target- 6 months Operating Expenses</i>	 <i>937,920</i>	 <i>1,004,968</i>	 <i>1,051,538</i>

The proposed rate increase for the Equivalent Single Family Dwelling (ESD) value relies upon the District obtaining additional revenues from other sources of funding such as loans and grants. The total expenditures budget divided by ESDs, the total expenditures budget minus grant/loan revenue divided by ESDs, and the proposed ESD rate are shown in the table below. The proposed rate is the lowest the rate can be set given the need to maintain reserves, the structural deficit of the District, and the risks and uncertainties associated with receiving other sources of funding.

Fiscal Year	FY24-25	FY25-26	FY26-27
Total Expenditures Divided by ESDs	13,191	11,524	10,961
Expenditures budget minus grant/loan revenue divided by ESDs	7,887	11,524	10,961
Proposed ESD Rate	3,006	3,146	3,294

Proportionality of costs for users is maintained by using the Equivalent Single Family Dwelling (ESD) methodology. A standard single-family home constitutes one ESD. Parcels with other uses (for example, apartments and commercial buildings) are assigned a number of ESDs using standard equivalency factors that estimate the probable quantity and quality of sewage effluent normally generated by such uses in comparison to a single-family home. The assigned cost per ratepayer is the ESD cost multiplied by the number of ESDs assigned to the parcel. The ESDs are assigned in Exhibit A of the proposed rate ordinance, which is attached to this memorandum.

EXHIBIT A

EQUIVALENT SINGLE-FAMILY DWELLING BILLING UNIT FOR OCCIDENTAL CSD

Use Category	Billing Basis			2025-2026	
	Flow gallons	BOD mg/l	TSS mg/l	Use	ESD
Residential					
Single-Family	66	250	250	connections	1.00
Condominium (Over 900 square ft)	66	250	250	dwelling units	1.00
Condominium (Under 900 square ft)	52.8	250	250	dwelling units	0.80
Multiple-Family (Apts,Duplex/Triplex)	52.8	250	250	dwelling units	0.80
Mobile home park	52.8	250	250	spaces	0.80
Mobile home (Individual)	52.8	250	250	units	0.80
JADU	-	250	250	units	0.00
ADU, under 751 sq ft*	26.4	250	250	units	0.40
ADU, 751-900 sq ft*	52.8	250	250	units	0.80
ADU, over 900 sq ft*	66	250	250	units	1.00
Commercial					
Appliance repair	190	200	200	1,000 sq. ft.	2.50
Art gallery	190	200	200	1,000 sq. ft.	2.50
Auto dealers					
With service facilities	190	180	280	connection	2.73
With service facilities	38	180	280	add per service bay	0.55
Without service facilities	190	200	200	connection	2.50
Auto repair	38	325	325	per service bay	0.69
Bakery	190	1000	600	1,000 sq. ft.	7.06
Beer Making/Brewery			see note 1 below		
Butcher			see note 1 below		
Banks & financial institutions	190	130	80	1,000 sq. ft.	1.78
Barber shop	19	130	80	per chair	0.18
Beauty shop	38	130	80	per chair	0.36
Bars & taverns	20	200	200	per seat	0.26
Camp ground or RV park					
with hookups	125	200	200	site	1.64
without hookups	75	200	200	site	0.99
Cannabis production/manufacturing			see note 1 below		
Car washes					
manual	190	20	150	per bay	1.62
automatic	125	228	228	per bay	1.78
Cheese Maker			see note 1 below		
Churches, hall & lodges	2	200	200	per seat	0.03
Coffee shops with some food service	6	1000	600	per seat	0.22
Dry cleaners	285	150	110	1,000 sq. ft.	2.95
Fire stations					
with sleeping quarters and kitchens	220	325	325	1,000 sq. ft.	3.99
without sleeping quarters and kitchens	190	228	228	1,000 sq. ft.	2.71
Garages	95	180	280	per service bay	1.36
Gas Stations (no other automative services)					
with convenience store	70	520	520	1,000 sq. ft.	1.82
without convenience store	38	228	228	1,000 sq. ft.	0.54
Gym					
with shower	400	325	325	1,000 sq. ft.	7.26
without shower	50	228	228	1,000 sq. ft.	0.71
High Tech Medical Manufacturing			see note 1 below		
Hospitals					
Convalescent	125	250	100	per bed	1.52
General	175	250	100	per bed	2.13
Veterinarian	6	250	100	per cage	0.07
Hotels/motels/B&B	100	310	120	per guest room	0.37
Hydroponic Cultivation (including cannabis)	1.2	228	228	per plant	0.02
Laundromats					
High efficiency washers	250	228	228	washing machines	3.57
Regular washers	500	150	110	washing machines	5.18
Library	190	200	200	1,000 sq. ft.	2.50
Machine shops	152	180	280	1,000 sq. ft.	2.18
Markets	38	800	800	1,000 sq. ft.	1.41
Nail Salon	10	228	228	per seat	0.14
Offices					
Business	76	130	80	1,000 sq. ft.	0.71
Chiropractic Office	190	228	228	Exam. room	2.71
Dental	190	130	80	Exam. room	1.78
Medical (clinic)					
with central handwashing stations	175	325	325	Exam. room	3.18
with office, surgery, lab and treatment rooms	190	325	325	Exam. room	3.45
offices with sink	125	325	325	Exam. room	2.27
offices without sink	100	325	325	Exam. room	1.82
Veterinarian					
with office, surgery, and treatment rooms	130	325	325	Exam. room	2.36
Pet Groomers	260	228	228	1,000 sq. ft.	3.71
Post office	190	130	80	1,000 sq. ft.	1.78
Resort			see note 1 below		

EXHIBIT A

EQUIVALENT SINGLE-FAMILY DWELLING BILLING UNIT FOR OCCIDENTAL CSD

Use Category	Billing Basis			2025-2026	
	Flow gallons	BOD mg/l	TSS mg/l	Use	ESD
Restaurants					
Dine-in					
With DW & garbage disp.	6	1000	600	per seat	0.22
With DW or garbage disp.	6	619	371	per seat	0.15
Without DW & garbage disp.	6	238	143	per seat	0.08
Take-out	475	238	143	1,000 sq. ft.	6.07
Rest homes	125	250	100	per bed	1.52
Retail stores	38	150	150	1,000 sq. ft.	0.42
Schools					
Elementary	9	130	100	per student day	0.09
High	14	130	100	per student day	0.14
with entertainment facilities	19	325	325	per student day	0.34
Service stations	380	180	280	set of gas pumps	5.45
	38	180	280	add per service bay	0.55
Shoe repair	190	200	200	1,000 sq. ft.	2.50
Spa with various beauty treatments	38	325	325	per chair	0.69
Supermarkets	76	325	325	1,000 sq. ft.	1.38
Tasting Rooms					
Ale, Winery (no food)	120	228	228	1,000 sq. ft.	1.71
Ale, Winery (with food)	240	520	520	1,000 sq. ft.	6.23
Theaters	2	200	200	per seat	0.03
Trash Enclosures	see note 1 below				
Warehouse	see note 1 below				
Winery	see note 1 below				
Others as determined by the Engr.	see note 1 below				

ALL COMMERCIAL ESDs TO BE DETERMINED BY THE GENERAL MANAGER USING THE FOLLOWING FORMULA:

$$ESD = (TSS \times FLOW \times 0.33) / (SFD \ TSS \times SFD \ FLOW) + (BOD \times FLOW \times 0.33) / (SFD \ BOD \times SFD \ FLOW) + (FLOW \times (0.34 / SFD \ FLOW))$$

Note 1: For non-standard uses, uses and when agreement on a use category cannot be reached, the General Manager, in his or her sole discretion, may

a) base charges on the user's actual or estimated contribution of wastewater into the District's facilities in terms of flow, biological oxygen demand (BOD), and total suspended solids (TSS), and

b) calculate the user's charge using the above Charge Formula. The user shall provide verifiable data, as requested by the General Manager, for the charge to be determined.

Note 2: In general, users with annual average TSS and/or BOD over 1,000 mg/L and users with annual average Flow greater than 5,000 gallons per day should be considered Monitored Users and use the Monitored User Charge Formula.

Definitions	Flow = Gallons per Day	TSS = Total Suspended Solids		
	BOD = Biological Oxygen Demand	DW = dishwasher		
	ESD = Equivalent Single Family Dwelling	disp. = disposal		

* Note that no Capacity Charge is assessed when existing structures are converted in accordance with CGC 65852.2 (e)(1)(A) as determined by the County of Sonoma or the jurisdiction having authority per the Building Code.



Sonoma Water

RUSSIAN RIVER COUNTY SANITATION DISTRICT FY 2025/2026 WRITTEN BASIS FOR SEWER SERVICE CHARGE

DATE: March 2025

TO: Sonoma Water Management

FROM: Lynne Rosselli, Financial Services Division Manager

**SUBJECT: RUSSIAN RIVER COUNTY SANITATION DISTRICT FY 2025/2026 WRITTEN BASIS OF SEWER
SERVICE CHARGE**

The purpose of this Memorandum is to provide a written basis for the sewer service charges and update current and projected costs and cost-of-service based rates. Key guiding principles include developing rates that are fair and equitable to all customer classes, distributing costs equally among ratepayers, and complying with the legal requirements of Proposition 218 and other California laws. Figure 1 below demonstrates the challenge that the District faces in recovering the costs of providing service, and generating adequate funding for operations, maintenance, capital infrastructure upgrades, and debt service due to its small customer base.

This memorandum provides the basis for an 8.5% rate increase in FY 2025-2026. Revenue from sewer service charges comprises approximately 85% of the total revenue needed to provide service.

Costs are projected to increase over the planning period shown in Figure 1 below. The increased costs are for projects to address aging infrastructure including the Headworks, Lift Station, and Force Main Improvements Project, sewer system capacity improvements, aboveground diesel tank installation, underground storage tank removal, ultraviolet light disinfection system retrofit, and other projects. The 8.5% rate increase is necessary to fund an estimated \$48 million in capital improvements over the next five years, and to build reserves and apply for grant funding. Offsetting revenue from a future grant application is necessary to fund future construction projects.

The District faces an ongoing operations deficit and has a critical need for infrastructure improvements and upgrades. Sonoma Water General Fund subsidies to the District over the past five years have been more than \$7.5 million, and \$5.9 million is projected for the next three years making up 10% to 25% of the total estimated revenue for the District. Stewarding financially sound utilities and providing safe,

high quality wastewater service that will protect the community and the environment requires that rates keep pace with rising costs. Figure 1 and Table 1 below provide documentation in support of the proposed 8.5% rate increases.

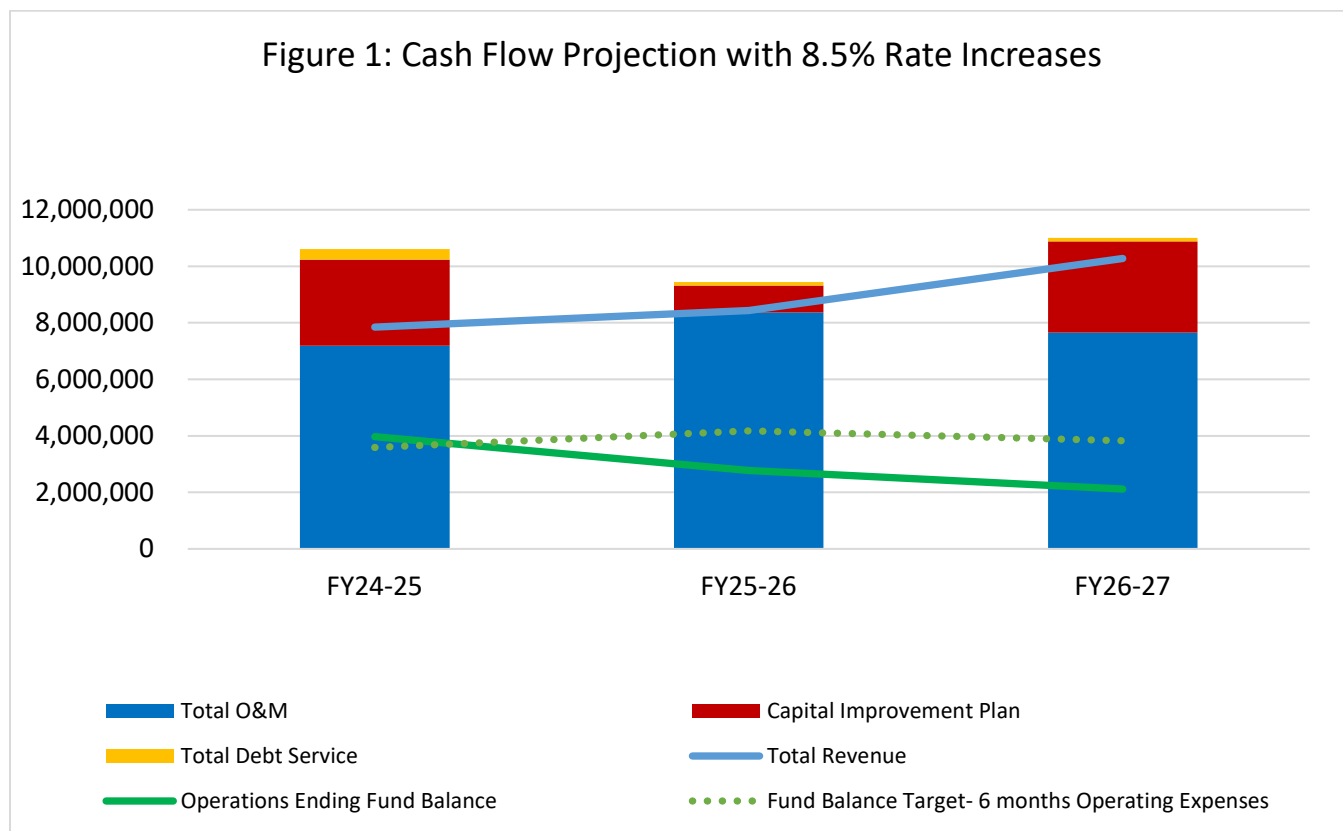


Table 1: Cash Flow Projection and Revenue Requirement

Fiscal Year	Estimated FY24-25	Projected FY25-26	Projected FY26-27
Proposed Rate Increase	8.9%	8.5%	8.5%
Rate	2,292	2,486	2,697
Equivalent Single Family Dwellings	3,211	3,239	3,240
 BEGINNING FUND BALANCE	 6,238,306	 3,843,727	 2,837,316
 <u>REVENUE</u>			
Sanitation Charges	6,814,413	7,393,300	8,021,400
Interest on Pooled Cash	58,500	96,000	85,200
State/Federal Grants	275,000	50,000	50,000
General Fund Contributions	700,000	900,000	2,120,000
Total Revenue	7,847,913	8,439,300	10,276,600
 <u>EXPENDITURES</u>			
Total O&M	7,187,097	8,362,913	7,656,000
Capital Improvement Plan	3,053,750	958,687	3,220,890
Total Debt Service	368,067	124,111	126,739
Total Expenditures	10,608,914	9,445,711	11,003,629
 Net Revenue	 (2,761,001)	 (1,006,411)	 (727,029)
 Ending Fund Balance - Proposed 8.5% Rate Increase	 3,843,754	 2,837,316	 2,110,287
Operations Ending Fund Balance	3,971,170	2,772,085	2,117,846
<i>Fund Balance Target- 6 months Operating Expenses</i>	<i>3,589,000</i>	<i>4,176,000</i>	<i>3,823,000</i>

The proposed rate increase for the Equivalent Single Family Dwelling (ESD) value relies upon the District obtaining additional revenues from other sources of funding such as loans and grants. The total expenditures budget divided by ESDs, the total expenditures budget minus grant/loan revenue divided by ESDs, and the proposed ESD rate are shown in the table below. The proposed rate is the lowest the rate can be set given the need to maintain reserves, the structural deficit of the District, and the risks and uncertainties associated with receiving other sources of funding.

	FY24-25	FY25-26	FY26-27
Total Expenditures Divided by ESDs	3,304	2,916	3,396
Expenditures budget minus grant/loan revenue divided by ESDs	3,218	2,900	3,380
Proposed ESD Rate	2,292	2,486	2,697

Proportionality of costs for users is maintained by using the Equivalent Single Family Dwelling (ESD) methodology. A standard single-family home constitutes one ESD. Parcels with other uses (for

example, apartments and commercial buildings) are assigned a number of ESDs using standard equivalency factors that estimate the probable quantity and quality of sewage effluent normally generated by such uses in comparison to a single-family home. The assigned cost per ratepayer is the ESD cost multiplied by the number of ESDs assigned to the parcel. The ESDs are assigned in Exhibit A of the proposed rate ordinance, which is attached to this memorandum.

EXHIBIT A

EQUIVALENT SINGLE-FAMILY DWELLING BILLING UNIT FOR RUSSIAN RIVER CSD

Use Category	Billing Basis			2025-2026	
	Flow gallons	BOD mg/l	TSS mg/l	Use	ESD
Residential					
Single-Family	120	200	200	connections	1.00
Condominium (Over 900 square ft)	120	200	200	dwelling units	1.00
Condominium (Under 900 square ft)	96	200	200	dwelling units	0.80
Multiple-Family (Apts,Duplex/Triplex)	96	200	200	dwelling units	0.80
Mobile home park	96	200	200	spaces	0.80
Mobile home (Individual)	96	200	200	units	0.80
JADU	-	200	200	units	0.00
ADU, under 751 sq ft*	48	200	200	units	0.40
ADU, 751-900 sq ft*	96	200	200	units	0.80
ADU, over 900 sq ft*	120	200	200	units	1.00
Commercial					
Appliance repair	190	200	200	1,000 sq. ft.	1.58
Art gallery	190	200	200	1,000 sq. ft.	1.58
Auto dealers					
With service facilities	190	180	280	connection	1.74
With service facilities	38	180	280	add per service bay	0.35
Without service facilities	190	200	200	connection	1.58
Auto repair	38	325	325	per service bay	0.45
Bakery	190	1000	600	1,000 sq. ft.	4.72
Beer Making/Brewery			see note 1 below		
Butcher			see note 1 below		
Banks & financial institutions	190	130	80	1,000 sq. ft.	1.09
Barber shop	19	130	80	per chair	0.11
Beauty shop	38	130	80	per chair	0.22
Bars & taverns	20	200	200	per seat	0.17
Camp ground or RV park					
with hookups	125	200	200	site	1.04
without hookups	75	200	200	site	0.63
Cannabis production/manufacturing			see note 1 below		
Car washes					
manual	190	20	150	per bay	0.98
automatic	125	228	228	per bay	1.14
Cheese Maker			see note 1 below		
Churches, hall & lodges	2	200	200	per seat	0.02
Coffee shops with some food service	6	1000	600	per seat	0.15
Dry cleaners	285	150	110	1,000 sq. ft.	1.83
Fire stations					
with sleeping quarters and kitchens	220	325	325	1,000 sq. ft.	2.59
without sleeping quarters and kitchens	190	228	228	1,000 sq. ft.	1.73
Garages	95	180	280	service bays	0.87
Gas Stations (no other automative services)					
with convenience store	70	520	520	1,000 sq. ft.	1.20
without convenience store	38	228	228	1,000 sq. ft.	0.35
Gym					
with shower	400	325	325	1,000 sq. ft.	4.71
without shower	50	228	228	1,000 sq. ft.	0.46
High Tech Medical Manufacturing			see note 1 below		
Hospitals					
Convalescent	125	250	100	per bed	0.96
General	175	250	100	per bed	1.34
Veterinarian	6	250	100	per cage	0.05
Hotels/motels/B&B	100	310	120	sleeping rooms	0.87
Hydroponic Cultivation (including cannabis)	1.2	228	228	per plant	0.01
Laundromats					
High efficiency washers	250	228	228	washing machines	2.28
Regular washers	500	150	110	washing machines	3.20
Library	190	200	200	1,000 sq. ft.	1.58
Machine shops	152	180	280	1,000 sq. ft.	1.39
Markets	38	800	800	1,000 sq. ft.	0.94
Nail Salon	10	228	228	per seat	0.09
Offices					
Business	76	130	80	1,000 sq. ft.	0.43
Chiropractic Office	190	228	228	Exam. room	1.73
Dental	190	130	80	Exam. room	1.09
Medical (clinic)					
with central handwashing stations	175	325	325	Exam. room	2.06
with office, surgery, lab and treatment rooms	190	325	325	Exam. room	2.24
offices with sink	125	325	325	Exam. room	1.47
offices without sink	100	325	325	Exam. room	1.18

EXHIBIT A

EQUIVALENT SINGLE-FAMILY DWELLING BILLING UNIT FOR RUSSIAN RIVER CSD

Use Category	Billing Basis			2025-2026	
	Flow gallons	BOD mg/l	TSS mg/l	Use	ESD
Veterinarian					
with office, surgery, and treatment rooms	130	325	325	Exam. room	1.53
Pet Groomers	260	228	228	1,000 sq. ft.	2.37
Post office	190	130	80	1,000 sq. ft.	1.09
Resort	see note 1 below				
Restaurants					
Dine-in					
With DW & garbage disp.	6	1000	600	per seat	0.15
With DW or garbage disp.	6	619	371	per seat	0.10
Without DW & garbage disp.	6	238	143	per seat	0.05
Take-out	475	238	143	1,000 sq. ft.	3.83
Rest homes	125	250	100	per bed	0.96
Retail stores	38	150	150	1,000 sq. ft.	0.26
Schools					
Elementary	9	130	100	per student day	0.05
High	14	130	100	per student day	0.08
with entertainment facilities	19	325	325	per student day	0.22
Service stations	380	180	280	set of gas pumps	3.48
	38	180	280	add per service bay	0.35
Shoe repair	190	200	200	1,000 sq. ft.	1.58
Spa with various beauty treatments	38	325	325	per chair	0.45
Supermarkets	76	325	325	1,000 sq. ft.	0.89
Tasting Rooms					
Ale, Winery (no food)	120	228	228	1,000 sq. ft.	1.09
Ale, Winery (with food)	240	520	520	1,000 sq. ft.	4.11
Theaters	2	200	200	per seat	0.02
Trash Enclosures	see note 1 below				
Warehouse	see note 1 below				
Winery	see note 1 below				
Others as determined by the Engr.	see note 1 below				

ALL COMMERCIAL ESDs TO BE DETERMINED BY THE GENERAL MANAGER USING THE FOLLOWING FORMULA:

$$ESD = (TSS \times FLOW \times 0.33) / (SFD TSS \times SFD FLOW) + (BOD \times FLOW \times 0.33) / (SFD BOD \times SFD FLOW) + (FLOW \times (0.34 / SFD FLOW))$$

Note 1: For non-standard uses, uses and when agreement on a use category cannot be reached, the General Manager, in his or her sole discretion, may

a) base charges on the user's actual or estimated contribution of wastewater into the District's facilities in terms of flow, biological oxygen demand (BOD), and total suspended solids (TSS), and

b) calculate the user's charge using the above Charge Formula. The user shall provide verifiable data, as requested by the General Manager, for the charge to be determined.

Note 2: In general, users with annual average TSS and/or BOD over 1,000 mg/L and users with annual average Flow greater than 5,000 gallons per day should be considered Monitored Users and use the Monitored User Charge Formula.

Definitions	Flow = Gallons per Day				
	BOD = Biological Oxygen Demand	DW = dishwasher			
	ESD = Equivalent Single Family Dwelling	disp. = disposal			

* Note that no Capacity Charge is assessed when existing structures are converted in accordance with CGC 65852.2 (e)(1)(A) as determined by the County of Sonoma or the jurisdiction having authority per the Building Code.



Sonoma Water

SONOMA VALLEY COUNTY SANITATION DISTRICT FY 2025/2026 WRITTEN BASIS FOR SEWER SERVICE CHARGE

DATE: March 2025

TO: Sonoma Water Management

FROM: Lynne Rosselli, Financial Services Division Manager

**SUBJECT: SONOMA VALLEY COUNTY SANITATION DISTRICT FY 2025/2026 WRITTEN BASIS OF
SEWER SERVICE CHARGE**

The purpose of this Memorandum is to provide a written basis for the sewer service charges and update current and projected costs and cost-of-service based rates. Key guiding principles include developing rates that are fair and equitable to all customer classes, distributing costs equally among ratepayers, and complying with the legal requirements of Proposition 218 and other California laws. Figure 1 below demonstrates the challenge that the District faces in recovering the costs of providing service, and generating adequate funding for operations, maintenance, capital infrastructure upgrades, and debt service.

This memorandum provides the basis for a 6.0% rate increase in FY 2025-2026. Revenue from sewer service charges comprises approximately 90% of the total revenue needed to provide service.

Costs are projected to increase over the planning period shown in Figure 1 below. The increased costs are for projects to address aging infrastructure including Trunk Main Replacement, Pumping & Piping Upgrade, Disinfection System Upgrade, Kohler Creek Bank Repair, Trunk Main Seismic Hazard Mitigation, Recycled Water Management Unit Restoration, and other projects. The 6% rate increase is necessary to fund an estimated \$53 million in capital improvements over the next five years and debt service on an estimated \$39 million in revenue bond proceeds.

The District faces an ongoing operations deficit and critical need for infrastructure improvements and upgrades. Stewarding financially sound utilities and providing safe, high quality wastewater service that will protect the community and the environment requires that rates keep pace with rising costs. Figure 1 and Table 1 below provide documentation in support of the proposed 6% rate increases.

Figure 1: Cash Flow Projection with 6% Rate Increases

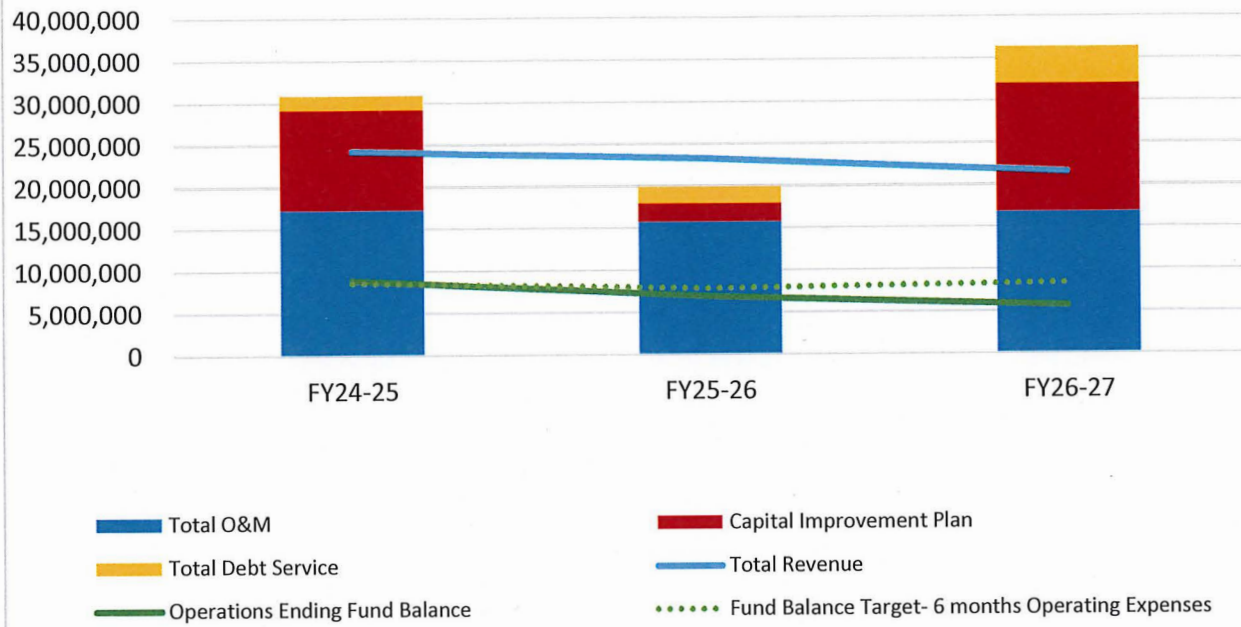


Table 1: Cash Flow Projection and Revenue Requirement

Fiscal Year	Estimated FY24-25	Projected FY25-26	Projected FY26-27
Proposed Rate Increase	6.0%	6.0%	6.0%
Rate	1,348	1,428	1,514
Equivalent Single Family Dwellings	17,968	17,947	17,967
 BEGINNING FUND BALANCE	 19,250,704	 12,622,218	 16,001,156
 <u>REVENUE</u>			
Sanitation Charges	20,483,298	20,851,879	20,916,600
Interest on Pooled Cash	576,000	516,000	366,700
State/Federal Grants	2,603,260	1,847,730	179,520
Miscellaneous Revenue	563,086	63,479	66,383
Total Revenue	24,225,644	23,279,088	21,529,203
 <u>EXPENDITURES</u>			
Total O&M	17,250,503	15,741,340	16,770,900
Capital Improvement Plan	11,889,500	2,160,130	15,181,020
Total Debt Service	1,714,128	1,998,680	4,343,918
Total Expenditures	30,854,131	19,900,150	36,295,838
 Net Revenue	 (6,628,487)	 3,378,938	 (14,766,635)
 Bond Proceeds for 3 Years of Capital Expenditures			39,000,000
 Ending Fund Balance - All Funds - Proposed 6.0% Rate Increase	 12,622,218	 16,001,155	 40,234,521
Operations Ending Fund Balance	8,868,056	6,896,949	5,661,712
<i>Fund Balance Target- 6 months Operating Expenses</i>	<i>8,597,000</i>	<i>7,842,000</i>	<i>8,385,000</i>

The proposed rate increase for the Equivalent Single Family Dwelling (ESD) value relies upon the District obtaining additional revenues from other sources of funding such as revenue bonds, loans, and grants. The total expenditures budget divided by ESDs, the total expenditures budget minus grant/bond revenue divided by ESDs, and the proposed ESD rate are shown in the table below. The proposed rate is the lowest the rate can be set given the need to maintain reserves, the structural deficit of the District, and the risks and uncertainties associated with receiving other sources of funding.

Fiscal Year	FY24-25	FY25-26	FY26-27
Total Expenditures Divided by ESDs	1,813	1,220	2,262
Expenditures budget minus grant/loan revenue divided by ESDs	1,541	1,002	2,006
Proposed ESD Rate	1,348	1,428	1,514

Proportionality of costs for users is maintained by using the Equivalent Single Family Dwelling (ESD) methodology. A standard single-family home constitutes one ESD. Parcels with other uses (for example, apartments and commercial buildings) are assigned a number of ESDs using standard equivalency factors that estimate the probable quantity and quality of sewage effluent normally generated by such uses in comparison to a single-family home. The assigned cost per commercial ratepayer is the ESD cost multiplied by the number of ESDs assigned to the parcel. The assigned cost for residential properties includes a fixed charged plus volumetric charge based on winter water use. The proposed rate ordinance and Exhibit A to the rate ordinance that are attached to this memorandum describe the assigned ESDs and the sewer service charges for different uses.

DRAFT ORDINANCE NO. 105 SVCSD

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE SONOMA VALLEY COUNTY SANITATION DISTRICT, STATE OF CALIFORNIA, SETTING SEWER SERVICE CHARGES, CALLING FOR COLLECTION ON THE TAX ROLL, AND MAKING FINDINGS AND DETERMINATION OF EXEMPTION PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT. (2/3 VOTE REQUIRED).

The Board of Directors of the Sonoma Valley County Sanitation District (District), State of California, ordains as follows:

SECTION I

REPEALING PRIOR ORDINANCE.

Ordinance No. 104 is repealed and reenacted as follows.

SECTION II

TIME OF MEETING.

The District Board of Directors shall meet at the same time and place as established for the Board of Directors of the Sonoma County Water Agency.

SECTION III

ANNUAL SERVICE CHARGES.

“Annual Service Charge” is defined as a charge for use of the sewer system for a period of one year to each User, based on the estimated or actual usage of the sewer system, to cover the cost of operating, maintaining, and replacing the sewer system.

The methodology used to calculate Annual Service Charges for residential and non-residential users shall be as follows for fiscal year 2025-2026:

- A. Non-Residential Users and Residential Users with No Public Water Connection. This category of users has an Annual Service Charge with one component: a fixed charge component. *NOTE:* Residential Users that have a Public Water Connection but have no water usage in winter months and multi-family complexes including condominiums with only one Public Water Connection for all of the units are also included in this category.

- B. Residential Users with a Public Water Connection. This category of users has an Annual Service Charge that has both a fixed charge component and a volume-based component.

The method for calculating the Annual Service Charge for each category of user is described in more detail below. The dollar amounts may be adjusted in subsequent fiscal years.

- A. Annual Service Charge for Non-Residential Users and Residential Users with No Public Water Connection.

Effective July 1, 2025, the charge per Equivalent Single-Family Dwelling (ESD) will be \$1,428 per ESD per year for users in this category.

A standard single-family home constitutes one ESD. Properties that are not single family homes shall be converted to ESDs. Parcels which have other uses (including, apartments and commercial buildings) shall be assigned a number of ESDs.

The Annual Service Charge for Non-Residential Users and Residential Users with No Public Water Connection is calculated as follows:

$\$1,428 \text{ per ESD} \times \text{Assigned Number of ESD's} = \text{Annual Service Charge}$

- B. Annual Service Charge For Residential Users With a Public Water Connection

All residential sewer customers with a public water connection must pay an Annual Service Charge with two components: a fixed charge and a volume-based charge. The Residential Users with a Public Water Connection category includes single family dwellings, multiple-family units, apartments, and mobile home parks. A multi-family complex or condominium complex will also fall within this category if each unit in the complex has its own public water connection.

- Fixed Charge Component:

Effective July 1, 2025 the fixed charge will be \$996.90 per ESD per year for residential users with a public water connection.

The fixed charge component of the Annual Service Charge will be calculated as follows:

$\$996.90 \text{ per ESD} \times \text{Number of ESD's} = \text{Fixed Charge Component of the Annual Service Charge}$

- Volume-Based Component: The District's volume-based component uses a customer's lowest winter water use greater than zero as the basis for the calculation.

The Volume-Based Component of the Annual Service Charge has three parts, which are multiplied together:

Winter Water Usage x Number of Billing Periods Annually from your Water District
x rate per thousand gallon = Volume-Based Component of Sewer Charge.

Effective July 1, 2025, the volume-based component charge will be \$8.08 per thousand gallons for residential users with a public water connection. Each residential user with a sewer connection and a public water connection with winter water use greater than zero will be charged as follows:

Total Sewer Charge (fixed charge + volumetric charge) for Residential Customers with a Public Water Connection

For Customers with a Valley of the Moon Water District bill:

\$996.90 per ESD x Number of ESD's (*Fixed Charge Component*) +

\$8.08 per thousand gallons x Lowest Winter Water Usage in thousand gallons
x 6 billing periods annually (*Volumetric Charge Component*)

For Customers with a City of Sonoma Water District water bill:

\$996.90 per ESD x Number of ESD's (*Fixed Charge Component*) +

\$8.08 per thousand gallons x Lowest Winter Water Usage in thousand gallons
x 12 billing periods annually (*Volumetric Charge Component*)

At the discretion of the Board of Directors, the Board of Directors may impose or adjust Annual Service Charges by resolution for subsequent fiscal years.

SECTION IV

OTHER SERVICE CHARGES.

The methodology used to calculate service charges for users other than those charged in accordance with Section III of this ordinance shall, effective July 1, 2025, be the sum of the following:

Wastewater Flow (Flow)	\$0.017669	per gallon/day (gpd) multiplied by 365 days or the number of days in the billing period
Biochemical Oxygen Demand (BOD)	\$1.024925	per pound/day (lb/day) multiplied by 365 days or the number of days in the billing period
Total Suspended Solids (TSS)	\$0.175679	per pound/day (lb/day) multiplied by 365 days or the number of days in the billing period

This methodology shall apply, at the sole discretion of the General Manager, to determine Annual Service Charges for a nonresidential user that discharges or will discharge five or more ESDs annually from any one parcel. This methodology will also be used to determine a user's Annual Service Charges when the General Manager determines that a user's discharge constitutes a significant portion of the District's total wastewater flow, BOD, or TSS loading. All costs of monitoring wastewater components shall be the responsibility of the user.

Where, in the opinion of the General Manager or his/her designee, the determination of connection fees or Annual Service Charges in accordance with Exhibit A is inconsistent with a proposed use, the General Manager may make an independent calculation and determination using flow, biological oxygen demand, suspended solids, or any other component of the wastewater that contributes to the cost of collection, treatment, and disposal. In making such a calculation, the General Manager or his/her designee may rely on one or more of the following resources to make an independent calculation for the user: (1) the use in Exhibit A that most closely matches the proposed use, (2) federal and state standard estimated wastewater flows for onsite or private wastewater treatment or disposal systems, (3) flow and strength factors published in rate studies conducted by other public entities in Sonoma County, (4) if applicable, data provided by the equipment manufacturer; or (5) other published data.

The General Manager may calculate and bill the sewer service charge of industrial, commercial, and institutional users on a more frequent basis than annually.

SECTION V

Annual Service Charges shall be collected on the tax roll of the County of Sonoma, State of California, in the manner provided pursuant to Section 5471 through 5473.11 of the Health and Safety Code of the State of California, as amended. Pursuant to Health and Safety Code section 5473 and 5473.1, a written report containing a description of each parcel of real property receiving

such services and facilities and the amount of the charge for each parcel shall be filed with the Clerk of the Board.

SECTION VI

ADDITIONAL SERVICE CHARGES AND CONNECTION FEES FOR EXCEEDING ESTABLISHED BILLING BASIS.

Whenever the General Manager determines that a user is exceeding the use for which the user is charged pursuant to the established billing bases set forth in Sections III and IV herein and pursuant to Exhibit A, in addition to all other fines and penalties the District may impose, the user shall be charged an additional service charge. In addition, the General Manager may recalculate the user's annual or billed service charge and charge additional connection fees pursuant to Section VII below. Additional charges and fees may be invoiced to user or collected on with taxes pursuant to Section V. If additional charges and fees are invoiced and are not paid within 30 days of invoice, a basic penalty of ten percent (10%) for nonpayment and an additional penalty of one and one-half percent (1½%) per month for nonpayment of the charges and/or fees and the basic penalty shall be added to the charges and/or fees due.

SECTION VII

CONNECTION FEES.

A. Connection Fee Charge:

The connection fee per ESD in the District is \$14,406.35 on July 1, 2019, and adjusted annually thereafter in accordance with paragraph B below.

Pursuant to the District's Water Conservation Program, a credit of \$1,500/ESD shall be granted for offsetting an equal quantity of flow by retrofitting existing facilities with water-saving devices pursuant to the District's Water Conservation Program. Applicants for a sewer connection shall submit a proposal to the General Manager to retrofit with water-saving devices for not less than five (5) single-family dwellings of existing users or an equivalent retrofit. For example, five single-family dwellings with two or more toilets with 5-gallon or larger capacity tanks would be sufficient to offset one new single-family dwelling. In cases where houses proposed for retrofit have smaller 3.5-gallon tanks, a minimum of eight (8) single-family dwellings will be required. Proposals for multiple-family dwelling retrofit will also be accepted; however, the water savings due to the retrofit will be decided solely by the General Manager. Other special situations will be decided by the District Board after recommendation from the General Manager.

Only upon payment of the connection fee and the written approval and verification by the General Manager of completion of the retrofits project, will applicant be eligible for a connection.

B. Connection Fee Adjustment per ENR-CCI Index:

Connection fees shall be automatically adjusted annually each year on July 1 in proportion with the most recent change in the Engineering News Record Construction Cost Index (ENR-CCI) for San Francisco.

C. Connection Fee and Miscellaneous Terms and Conditions:

Pursuant to Article V, Section 5.05, of the Sonoma Valley County Sanitation District Sanitation Code, in the event of alteration of the building or of additional use of the sewer facilities for which the connection fee was originally established, additional fees shall be paid for the added equivalent single- family dwelling units as calculated in Exhibit A.

In addition to Article V, Section 5.05, of the Sonoma Valley County Sanitation District Sanitation Code, users who wish to connect a building which is a replacement of a previously connected building, destroyed by no fault of the user, may have the connection fee waived if the user presents to the General Manager a valid Fire Marshal's report or insurance report within one year of the date of either report. Users not making such a presentation are deemed to have discontinued their connection to the sewer system.

D. Conservation Program:

The District's Conservation Program Fund will receive \$1,500 per ESD of the sewer connection fee. The District's Conservation Program Fund will be used to support cost-share agreements for reducing biochemical oxygen demand (BOD), total suspended solids (TSS) and/or hydraulic inflow through implementation of District-approved pretreatment and water conservation practices and direct funding for water conservation programs that reduce inflow to the treatment facility. Cost-share agreements and direct funding will be made available through the District's Conservation Program Fund based on availability of funds. Cost-share agreement and funding amounts shall not exceed the District's avoided costs for constructing new treatment capacity for BOD, TSS, or hydraulic inflow, as determined by the General Manager.

Cost-share agreements for implementation of District-approved pretreatment practices to reduce BOD and TSS loadings to the treatment facility will be granted to District non-residential customers to offset the amounts being added to the District system. Cost-share agreements to reduce hydraulic inflow to the treatment facility will be granted to District residential and non-residential customers. Applicants for cost-share funds shall submit a wastewater pretreatment and/or water conservation proposal to the General Manager for review and approval. A \$1,500 per ESD offset for BOD and TSS reduction will equate to an average daily reduction of 4 pounds of BOD or 24 pounds of TSS. These quantities are consistent with the methodology used to calculate service charges as set forth in Section IV of this Ordinance. A \$1,500 per ESD offset of hydraulic inflow reduction will equate to an ESD as defined by the District (200 gpd of flow, 200mg/l of BOD and 200 mg/l of TSS). Cost share funding for ESD reduction quantities that differ from the BOD, TSS and inflow reduction

amounts noted above will be decided by the Board after recommendation from the General Manager. The total quantity of BOD, TSS or inflow reduction necessary to be eligible for cost-share funds will be determined solely by the General Manager.

Funds are available from the District's Conservation Program Fund to implement approved water conservation programs that reduce inflow to the treatment plant. Water conservation programs that may reduce inflow to the treatment plant include, but are not limited to, residential and commercial water audit and incentive programs, low-flow toilet rebate and replacement programs, and water-efficient appliance replacement incentive programs. Funds from the District's Conservation Program Fund may also be used to design, implement, monitor, and staff water conservation programs that will reduce inflow to the treatment plant. The District may also use funds from the District's Conservation Program Fund to perform pertinent research and analysis related to water conservation appliances, fixtures, programs, and savings.

In addition to the connection fees and Annual Service Charges adopted by the Board of Directors, the General Manager may establish additional terms and conditions of the usage permit or agreement pursuant to the Sonoma Valley County Sanitation District Sanitation Code including, but not limited to, the fees discussed in this Ordinance.

SECTION VIII

PAYMENT FOR ANNUAL SERVICE CHARGES.

The service charge for new users, as defined in Section 2.01 of the Sonoma Valley County Sanitation District Sanitation Code, shall be prorated from the first day of the month in which the permit is issued to the last day of the current fiscal year (June 30). Service charges for that period of time due hereunder shall be paid prior to issuing a permit to connect to the District's sewer system.

For the purpose of this Ordinance, each parcel that has received sewer service from the District shall be deemed to be fully and continuously used until a sewer disconnect permit has been issued, the sewer is properly disconnected from the District sewer system, and all District inspections are performed. In such case, the Annual Service Charge shall cease at the end of the current fiscal year (June 30). No portion of the service charge shall be refunded for services disconnected before the end of the current fiscal year.

All service charges payable hereunder, except invoiced charges as described below, shall be paid in two equal installments. The payment for the first one-half of any fiscal year shall be due and payable on or before December 10 of the particular year. The payment for the second one-half of any fiscal year shall be due and payable on or before April 10 of the particular fiscal year.

Where the General Manager determines that a user's discharge constitutes a significant portion of the District's total flow, BOD, or TSS loading, the users shall be invoiced at a frequency to be determined by the General Manager. Invoiced service charges are payable within 30 days of receipt of the invoice. If service charges are not paid within 30 days, a basic penalty of ten

percent (10%) for nonpayment and an additional penalty of one and one-half percent (1½%) per month for nonpayment of the charges and the basic penalty shall be added to the charges due.

The General Manager may rebate a portion of Annual Service Charges paid by low income property owners with respect to their residence where the Board of Directors has approved rebate policies and procedures and any amendments to these policies and procedures. The submission of false information to the General Manager in connection with a rebate application is a violation of this ordinance.

The General Manager is authorized to enter into written payment plans for delinquent charges, in a form approved by counsel, with a repayment term of no more than 5 years.

The General Manager may calculate rebates or credits to be applied prior to placing Annual Service Charges on the tax roll.

The General Manager may, when necessary or convenient, bill Annual Service Charges to a property owner directly via invoice rather than placing the Annual Service Charge on the tax roll.

Delinquent Annual Service charges and penalties may be placed on the tax roll, and collected in the same manner, by the same persons, and at the same time as property taxes in accordance with the procedures set forth in California Health and Safety Code section 5473 et seq. and any amendments thereto, or pursuant to any other procedure authorized by law. Delinquent Annual Service Charges and penalties, shall constitute a lien upon the real property served and such lien shall continue until the amount owed is fully paid or the property is sold to satisfy the lien. Property may be discharged from the lien by payment of all delinquent charges and penalties.

The General Manager may institute an action in any court of competent jurisdiction to collect any charges which may be due and payable in the same manner as any other debts owing to the District may be collected.

SECTION IX

OUTSIDE USERS.

Unless provided otherwise by separate agreement, outside users, as defined by Section 3.28(F) of the Sonoma Valley County Sanitation District Sanitation Code, shall pay a service charge based on this Ordinance.

SECTION X

OTHER FEES AND CHARGES.

- A. Relief of Variance Fees: Pursuant to Section 1.06 of the Sonoma Valley County Sanitation District Sanitation Code, any person making application for relief on

variance will pay an application fee of \$750 at the time of submittal of the application.

- B. Wastewater Discharge Fees: Pursuant to Section 6.27 of the Sonoma Valley County Sanitation District Sanitation Code, any person making application for a wastewater discharge permit shall pay fees according to the following Table 1:

**TABLE 1
WASTEWATER DISCHARGE PERMIT FEES**

USER CATEGORIES

(refer to the Sonoma Valley County Sanitation District Sanitation Code, Section 6.16)

TYPE OF FEE	SIGNIFICANT INDUSTRIAL USER/ CATEGORICAL	GROUNDWATER WASTE HAULERS	NON- RESIDENTIAL	ZERO DISCHARGE & NON- RESIDENTIAL
Application Fee:	\$175	\$50	\$100	\$50
Renewal				
Application fee:	\$175	\$50	\$100	\$50
Permit Issuance				
Fee:	\$500	\$50	\$200	\$50
Permit	Actual costs will be incurred by the District for monitoring of permit			
Monitoring and	conditions, including direct cost, labor burden, overhead, and testing costs.			
inspection Fee:				
Non-Compliance	Actual costs incurred by the District associated with monitoring non-			
Monitoring Fee:	compliance with permit conditions, including direct cost, labor burden,			
	overhead, and testing costs.			
Surcharge Fee:	Users will be charged the actual treatment cost per pound to process the			
	biochemical oxygen demand (BOD) and total suspended solids (TSS)			
	discharged at levels above ordinance limits.			

C. Septic Hauler Charges:

Pursuant to Section 9.03 of the Sonoma Valley County Sanitation District Sanitation Code, any person obtaining a wastewater hauler discharge permit shall pay a \$1,000 deposit.

Pursuant to Section 9.05 of the Sonoma Valley County Sanitation District Sanitation Code, any permitted wastewater hauler shall pay \$0.15/gallon and any additional costs also set forth in this section for hauled wastewater.

SECTION XI

CALIFORNIA ENVIRONMENTAL QUALITY ACT.

The Board of Directors hereby finds that the California Environmental Quality Act does not apply to the establishment of charges pursuant to this Ordinance, as such fees are for the purpose of meeting operations expenses, meeting financial reserve needs and requirements, and setting aside funds for capital projects necessary to maintain service within the existing District (14 California Code of Regulations 15273, California Public Resources Code Section 21080).

SECTION XII

SEVERABILITY.

If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be unconstitutional and invalid, such decision shall not affect the validity of the remaining portion of this Ordinance. The Board of Directors hereby declares that it would have passed this Ordinance and every section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional or invalid.

SECTION XIII

This Ordinance shall be and the same is hereby declared to be in full force and effect from and after thirty (30) days after the date of its passage and shall be published once before the expiration of fifteen (15) days after said passage, with the names of the Directors voting for or against the same, in a newspaper of general circulation, published in the County of Sonoma, State of California, and the District's Clerk of the Board shall post in the office of the District's Clerk, a certified copy of the full text of this Ordinance along with the names of those Directors voting for or against the Ordinance.

In regular session of the Board of Directors of the Sonoma Valley County Sanitation District, State of California, introduced, passed, and adopted after hearing this 13th day of May 2025, on regular roll call of the members of said Board by the following vote:

DIRECTORS:

HERMOSILLO: RABBITT: COURSEY: GORE: HOPKINS:

Ayes _____ Noes _____ Absent _____ Abstain _____

WHEREUPON, the Chair declared the above and foregoing ordinance duly adopted and

SO ORDERED.

By: _____
Chair, Board of Directors
County of Sonoma, State of California

ATTEST:

By: _____
Clerk of the Board

EXHIBIT A

EQUIVALENT SINGLE-FAMILY DWELLING BILLING UNIT FOR SONOMA VALLEY CSD

Use Category		Billing Basis 2025-2026				
		Flow	BOD	TSS	Use	ESD
		gallons	mg/l	mg/l		
Residential						
	Single-Family	200	200	200	connections	1.00
	Condominium (Over 900 square ft)	200	200	200	dwelling units	1.00
	Condominium (Under 900 square ft)	160	200	200	dwelling units	0.80
	Multiple-Family (Apts,Duplex/Triplex)	160	200	200	dwelling units	0.80
	Mobile home park	160	200	200	spaces	0.80
	Mobile home (Individual)	160	200	200	units	0.80
	JADU	-	200	200	units	0.00
	ADU, under 751 sq ft*	80	200	200	units	0.40
	ADU, 751-900 sq ft*	160	200	200	units	0.80
	ADU, over 900 sq ft*	200	200	200	units	1.00
Commercial						
	Appliance repair	190	200	200	1,000 sq. ft.	0.95
	Art gallery	190	200	200	1,000 sq. ft.	0.95
	Auto dealers					
	With service facilities	190	180	280	connection	1.04
	With service facilities	38	180	280	add per service bay	0.21
	Without service facilities	190	200	200	connection	0.95
	Auto repair	38	275	275	per service bay	0.24
	Bakery	190	1,000	600	1,000 sq. ft.	2.83
	Banks & financial institutions	190	130	80	1,000 sq. ft.	0.65
	Barber shop	19	130	80	per chair	0.07
	Bars & taverns	20	200	200	per seat	0.10
	Beauty shop	38	130	80	per chair	0.13
	Beer Making/Brewery	see note 1 below				
	Butcher	see note 1 below				
	Camp ground or RV park					
	with hookups	125	200	200	per site	0.63
	without hookups	75	200	200	per site	0.38
	Cannabis production/manufacturing	see note 1 below				
	Car washes					
	manual	190	20	150	per bay	0.59
	automatic	125	193	193	per bay	0.61
	Cheese Maker	see note 1 below				
	Churches, hall & lodges	2	200	200	per seat	0.01
	Coffee shops with some food service	6	1,000	600	per seat	0.09
	Dry cleaners	285	150	110	1,000 sq. ft.	1.10
	Fire stations					
	with sleeping quarters and kitchens	220	275	275	1,000 sq. ft.	1.37
	without sleeping quarters and kitchens	190	193	193	1,000 sq. ft.	0.93
	Garages	95	180	280	per service bay	0.52
	Gas Stations (no other automative services)					
	with convenience store	70	440	440	1,000 sq. ft.	0.63
	without convenience store	38	193	193	1,000 sq. ft.	0.19
	Gym					
	with shower	400	275	275	1,000 sq. ft.	2.50
	without shower	50	193	193	1,000 sq. ft.	0.24
	Hauled Waste	see note 1 below				
	High Tech Medical Manufacturing	see note 1 below				
	Hospitals					
	Convalescent	125	250	100	per bed	0.57
	General	175	250	100	per bed	0.80
	Veterinarian	6	250	100	per cage	0.03
	Hotels/Motels/B&B	100	426	165	sleeping rooms	0.66
	Hydroponic Cultivation (including cannabis)	1.2	193	193	per plant	0.01
	Laundromats					
	High efficiency washers	250	193	193	washing machines	1.22
	Regular washers	500	206	151	washing machines	2.32
	Library	190	200	200	1,000 sq. ft.	0.95
	Machine shops	152	180	280	1,000 sq. ft.	0.84
	Markets	38	800	800	1,000 sq. ft.	0.57
	Nail salon	10	193	193	Seat	0.05
	Offices					
	Business	76	130	80	1,000 sq. ft.	0.26
	Chiropractic Office	190	130	80	Exam. room	0.65
	Dental	190	130	80	Exam. room	0.65
	Medical (clinic)					
	with central handwashing stations	175	275	275	Exam. room	1.09
	with office, surgery, lab and treatment rooms	190	275	275	Exam. room	1.19
	offices with sink	125	275	275	Exam. room	0.78
	offices without sink	100	275	275	Exam. room	0.62
	Veterinarian					
	with office, surgery, and treatment rooms	130	275	275	Exam. room	0.81
	Pet Groomers	260	193	193	1,000 sq. ft.	1.27

EXHIBIT A

EQUIVALENT SINGLE-FAMILY DWELLING BILLING UNIT FOR SONOMA VALLEY CSD

Use Category		Billing Basis 2025-2026					
		Flow	BOD	TSS		Use	ESD
		gallons	mg/l	mg/l			
	Post office	190	130	80		1,000 sq. ft.	0.65
	Resort	see note 1 below					
	Restaurants						
	Dine-in						
	With DW & garbage disp.	6	1,000	600		per seat	0.09
	With DW or garbage disp.	6	619	371		per seat	0.06
	Without DW & garbage disp.	6	238	143		per seat	0.03
	Take-out	475	238	143		1,000 sq. ft.	2.30
	Rest homes	125	250	100		per bed	0.57
	Retail stores	38	150	150		1,000 sq. ft.	0.16
	Schools						
	Elementary	9	130	100		per student day	0.03
	High	14	130	100		per student day	0.05
	with entertainment facilities	19	275	275		per student day	0.12
	Service stations	380	180	280		set of gas pumps	2.09
		38	180	280		add per service bay	0.21
	Shoe repair	190	200	200		1,000 sq. ft.	0.95
	Spa with various beauty treatments	38	275	275		per chair	0.24
	Supermarkets	76	275	275		1,000 sq. ft.	0.47
	Tasting Rooms						
	Ale, Winery (no food)	120	193	193		1,000 sq. ft.	0.59
	Ale, Winery (with food)	240	440	440		1,000 sq. ft.	2.15
	Theaters	2	200	200		per seat	0.01
	Trash Enclosures	see note 1 below					
	Warehouse	see note 1 below					
	Winery	see note 1 below					
	Others as determined by the General Manager	see note 1 below					
ESD Formula:							
ALL COMMERCIAL ESDs TO BE DETERMINED BY THE GENERAL MANAGER USING THE FOLLOWING FORMULA:							
ESD = (TSS x FLOW x 0.33) / (SFD TSS x SFD FLOW) + (BOD x FLOW x 0.33) / (SFD BOD x SFD FLOW) + (FLOW x (0.34 / SFD FLOW))							
Monitored User Charge Formula:							
Charge Formula: Sum of the following:							
	Flow	\$0.017608	per gallon/day (gpd) multiplied by 365 days or the number of days in the billing period				
	BOD	\$1.021300	per pound/day (lb/day) multiplied by 365 days or the number of days in the billing period				
	TSS	\$0.175058	per pound/day (lb/day) multiplied by 365 days or the number of days in the billing period				
Note 1: For non-standard uses, uses and when agreement on a use category cannot be reached, the General Manager, in his or her sole discretion, may							
a) base charges on the user's actual or estimated contribution of wastewater into the District's facilities in terms of flow, biological oxygen demand (BOD), and total suspended solids (TSS), and							
b) calculate the user's charge using the above Charge Formula. The user shall provide verifiable data, as requested by the General Manager, for the charge to be determined.							
Note 2: In general, users with annual average TSS and/or BOD over 1,000 mg/L and users with annual average Flow greater than 5,000 gallons per day should be considered							
Monitored Users and use the Monitored User Charge Formula.							
Definitions	Flow = Gallons per Day						
	BOD = Biological Oxygen Demand			TSS = Total Suspended Solids			
	ESD = Equivalent Single Family Dwelling			DW = dishwasher			
				disp. = disposal			
* Note that no Capacity Charge is accessed when existing structures are converted in accordance with CGC 65852.2 (e)(1)(A) as determined by the County of Sonoma or the jurisdiction having authority per the Building Code.							



Sonoma Water

SOUTH PARK COUNTY SANITATION DISTRICT FY 2025/2026 WRITTEN BASIS FOR SEWER SERVICE CHARGE

DATE: March 2025

TO: Sonoma Water Management

FROM: Lynne Rosselli, Financial Services Division Manager

**SUBJECT: SOUTH PARK COUNTY SANITATION DISTRICT FY 2025/2026 WRITTEN BASIS OF SEWER
SERVICE CHARGE**

The purpose of this Memorandum is to provide a written basis for the sewer service charges and update current and projected costs and cost-of-service based rates. Key guiding principles include developing rates that are fair and equitable to all customer classes, distributing costs equally among ratepayers, and complying with the legal requirements of Proposition 218 and other California laws. Figure 1 below demonstrates the challenge that the District faces in recovering the costs of providing service, and generating adequate funding for operations, maintenance, capital infrastructure upgrades, and debt service.

This memorandum provides the basis for a 3.5% rate increase in FY 2025-2026. Revenue from sewer service charges comprises more than 90% of the total revenue needed to provide service.

Costs are projected to increase over the planning period shown in Figure 1 below. The increased costs are for projects to address aging infrastructure including a number of collection system replacements, among other projects. The 3.5% rate increase is necessary to fund an estimated \$19 million in capital improvements over the next five years.

The District faces an operations deficit and critical need for infrastructure improvements and upgrades. Stewarding financially sound utilities and providing safe, high quality wastewater service that will protect the community and the environment requires that rates keep pace with rising costs. Figure 1 and Table 1 below provide documentation in support of the proposed 3.5% rate increases.

Figure 1: Cash Flow Projection with 3.5% Rate Increases

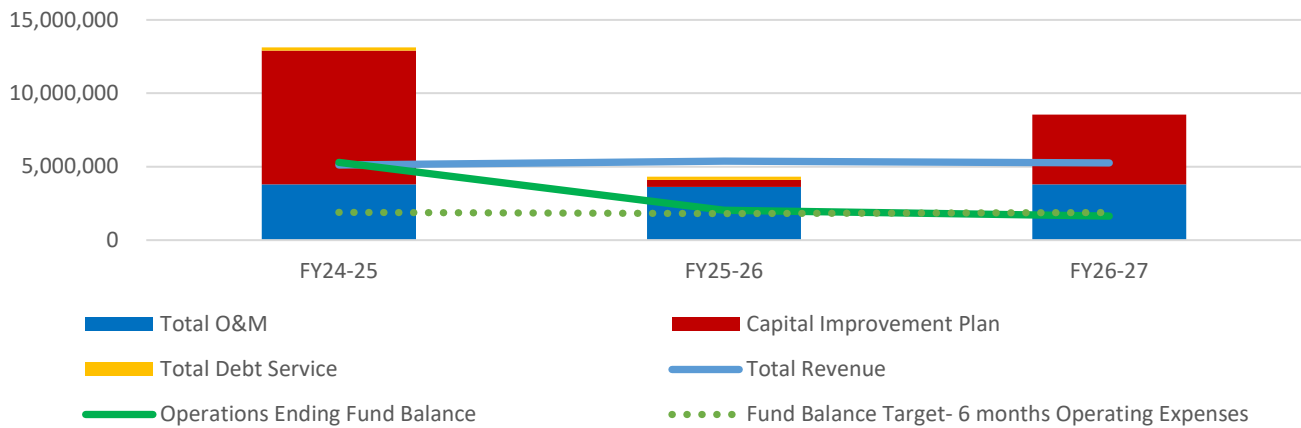


Table 1: Cash Flow Projection and Revenue Requirement

Fiscal Year	Estimated FY24-25	Projected FY25-26	Projected FY26-27
Proposed Rate Increase	3.5%	3.5%	3.5%
Rate	1,190	1,232	1,276
Equivalent Single Family Dwellings	4,500	4,499	4,511
BEGINNING FUND BALANCE	17,009,723	9,006,579	10,063,831
REVENUE			
Sanitation Charges	4,677,560	5,110,500	4,973,300
Interest on Pooled Cash	438,750	270,000	294,100
Total Revenue	5,116,310	5,380,500	5,267,400
EXPENDITURES			
Total O&M	3,796,484	3,628,395	3,791,871
Capital Improvement Plan	9,107,293	479,925	4,754,010
Total Debt Service	215,178	210,402	0
Total Expenditures	13,118,955	4,318,722	8,545,881
Net Revenue	(8,002,645)	1,061,778	(3,278,481)
Ending Fund Balance	9,006,579	10,063,831	6,570,422
Operations Ending Fund Balance	5,295,877	2,037,614	1,638,050
<i>Fund Balance Target- 6 months Operating Expenses</i>	<i>1,891,242</i>	<i>1,807,197</i>	<i>1,888,935</i>

The total expenditures budget divided by ESDs, the total expenditures budget minus grant/bond revenue divided by ESDs, and the proposed ESD rate are shown in the table below. The proposed rate is the lowest the rate can be set given the need to maintain reserves for capital expenditures.

	FY24-25	FY25-26	FY26-27
Total Expenditures Divided by ESDs	2,915	960	1,895
Proposed ESD Rate	1,190	1,232	1,276

Proportionality of costs for users is maintained by using the Equivalent Single Family Dwelling (ESD) methodology. A standard single-family home constitutes one ESD. Parcels with other uses (for example, apartments and commercial buildings) are assigned a number of ESDs using standard equivalency factors that estimate the probable quantity and quality of sewage effluent normally generated by such uses in comparison to a single-family home. The assigned cost for commercial and residential ratepayers is the ESD cost multiplied by the number of ESDs assigned to the parcel plus 12 months of water use for commercial properties and winter water use for residential customers. The proposed draft rate ordinance and Exhibit A to the rate ordinance that are attached to this memorandum describe the assigned ESDs and the sewer service charges for different uses.

DRAFT ORDINANCE NO. 94 SPCSD

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE SOUTH PARK COUNTY SANITATION DISTRICT, STATE OF CALIFORNIA, SETTING SEWER SERVICE CHARGES, CALLING FOR COLLECTION ON THE TAX ROLL, AND MAKING FINDINGS AND DETERMINATION OF EXEMPTION PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT. (2/3 VOTE REQUIRED).

The Board of Directors of the South Park County Sanitation District (District), State of California, ordains as follows:

SECTION I

REPEALING PRIOR ORDINANCE.

Ordinance No. 93 is repealed and reenacted as follows.

SECTION II

TIME OF MEETING. The District Board of Directors shall meet at the same time and place as established for the Board of Directors of the Sonoma County Water Agency.

SECTION III

SERVICE CHARGES.

“Annual Service Charge” is defined as a charge for use of the sewer system for a period of one year to each User, based on the estimated or actual usage of the sewer system, to cover the cost of operating, maintaining, and replacing the sewer system.

The methodology used to calculate Annual Service Charges for residential and non-residential users shall have a fixed charge calculation component and a volumetric charge calculation component, and shall be calculated as follows effective July 1, 2025, for fiscal year 2025-2026:

A. Fixed Charge Calculation

The fixed charge is calculated based on usage of a standard “equivalent single-family dwelling” (ESD). A standard single-family home constitutes one ESD which is defined as what an average single family home would use in a given year. Properties that are not single family homes are converted to ESDs. The fixed charge component of the Sewer Charge will be calculated as follows:

$\$470.78 \text{ per ESD} \times \text{Number of ESD's} = \text{Fixed Charge Component of the Sewer Charge}$

B. Volumetric Charge Calculation

The District will use City of Santa Rosa water usage data to calculate the annual volumetric charge portion of the Sewer Charge.

The Volume-Based Component of the Sewer Charge shall have two parts, which are multiplied together:

Annual Water Usage x Charge per thousand gallon = Volume-Based Component of Sewer Charge

The District shall have four categories of customers for the volumetric charge calculation:

1. Residential Customers with a City of Santa Rosa Water Connection
2. Residential Customers with No City of Santa Rosa Water Connection
3. Non-Residential Customers with a City of Santa Rosa Water Connection
4. Non-Residential Customers with No City of Santa Rosa Water Connection

The calculations for each category are set forth in Table 1. Annual Water Usage calculations shall be based on water consumption from the prior year. For Residential Customers, average winter water usage shall be used because it provides the best available estimate of indoor water usage since outdoor irrigation is minimal during the winter months. For Non-Residential Customers, annual water usage shall be based on actual water usage.

**Table 1: Residential Customers:
Annual Water Usage and Charge Per Thousand Gallon Calculation**

Sewer Customers	Calculation of Annual Water Usage	Charge Per Thousand Gallons
With a City of Santa Rosa Water Connection	<ul style="list-style-type: none"> District will calculate Customer's average monthly water usage for four prior year winter months. Average winter water usage will be multiplied by 12 to determine annual water usage. 	\$13.74
With No City of Santa Rosa Water Connection part or all of the time	<ul style="list-style-type: none"> District will calculate Customer's average monthly water usage for four prior year winter months of similar residential customers that have a City of Santa Rosa water connection. Water use will be estimated based on household size and water use data from comparable metered customers. Average winter water usage will be multiplied by 12 to determine annual water usage. 	\$13.74

Table 2a: Non-Residential Customers: Annual Water Usage Calculation

Sewer Customers	Calculation of Annual Water Usage	Charge Per Thousand Gallons
With a City of Santa Rosa Water Connection	<ul style="list-style-type: none"> District will add up the customer's actual monthly water usage for 12 months to arrive at the total annual water usage. 	Based on estimated wastewater strength, shown in Table 2b below
With No City of Santa Rosa Water Connection	<ul style="list-style-type: none"> District will average annual water usage from similar customers based on City of Santa Rosa water usage data. Water use will be estimated based on household size, if applicable, or on the type and size of use. Additional information on estimation methodologies is available from the District. Average winter water usage will be multiplied by 12 to determine annual water usage. 	Based on estimated wastewater strength, shown in Table 2b below

Table 2b: Non-Residential Customers: Examples of Charge Per Thousand Gallon Calculation

Categories of Wastewater Strength and Examples of Types of Uses	Charge per Thousand Gallons
Low Strength - car wash, glass products	\$11.82
Standard Strength – multi-family (except duplex) complexes, condominium complexes, mobile home parks, warehouses, general commercial/industrial including retail, schools, churches, auto sales, dental and medical offices.	\$13.74
Medium Strength – mixed use commercial; hotel/motel, convenience store, bar, winery, brewery, auto repair.	\$15.78
High Strength – bakery, restaurant, coffee shop, meat and food processing, miller, hospital, veterinary clinic.	\$19.52

C. Fixed Charge and Volumetric Charge Calculation Combined for Total Sewer Charge

Each Residential Customer with a sewer connection shall be charged an Annual Service Charge calculated as follows:

\$470.78 per ESD X Number of ESDs (*Fixed Charge Component*) +

\$13.74 per thousand gallons x Annual Water Usage in thousand gallons (*Volumetric Charge Component*)

Each Non-Residential Customer with a sewer connection shall be charged an Annual Service Charge calculated as follows:

\$470.78 per ESD X Number of ESDs (*Fixed Charge Component*) +

Annual Water Usage x Applicable Charge per thousand gallons shown in Table 2b (*Volumetric Charge Component*)

At the discretion of the Board of Directors, the Board of Directors may impose or adjust Annual Service Charges by resolution for subsequent fiscal years.

SECTION IV

ANNUAL SERVICE CHARGES ON TAX ROLL.

Annual Service Charges shall be collected on the tax roll of the County of Sonoma, State of California, in the manner provided pursuant to Section 5471 through 5473.11 of the Health and Safety Code of the State of California, as amended. Pursuant to Health and Safety Code section 5473 and 5473.1, a written report containing a description of each parcel of real property receiving

such services and facilities and the amount of the charge for each parcel shall be filed with the Clerk of the Board.

SECTION V

METHODOLOGY FOR ESTABLISHING ANNUAL SEWER CHARGES AND SEWER SYSTEM CONNECTION FEES.

Connection fees shall be paid pursuant to Article V, Sections 5.01, 5.03, 5.04, 5.05, and 5.06 of the South Park County Sanitation District Sanitation Code. Calculation of connection fees shall be determined by the General Manager in accordance with the attached Equivalent Single-Family Dwelling Billing Unit tables (Exhibit A). The Annual Service Charge for various types of users shall also be determined by the General Manager in accordance with Exhibit A.

Where, in the opinion of the General Manager or his/her designee, the determination of connection fees or Annual Service Charges in accordance with Exhibit A is inconsistent with a proposed use, the General Manager may make an independent calculation and determination using flow, biological oxygen demand, suspended solids, or any other component of the wastewater that contributes to the cost of collection, treatment, and disposal. In making such a calculation, the General Manager or his/her designee may rely on one or more of the following resources to make an independent calculation for the user: (1) the use in Exhibit A that most closely matches the proposed use, (2) federal and state standard estimated wastewater flows for onsite or private wastewater treatment or disposal systems, (3) flow and strength factors published in rate studies conducted by other public entities in Sonoma County, (4) if applicable, data provided by the equipment manufacturer; or (5) other published data.

Where, in the opinion of the General Manager or his/her designee, the determination of connection fees or Annual Service Charges in accordance with Exhibit A is inconsistent with a proposed use, the General Manager may make an independent calculation and determination using flow, biological oxygen demand, suspended solids, or any other component of the wastewater that contributes to the cost of collection, treatment, and disposal. In making such a calculation, the General Manager or his/her designee may rely on one or more of the following resources to make an independent calculation for the user: (1) the use in Exhibit A that most closely matches the proposed use, (2) federal and state standard estimated wastewater flows for onsite or private wastewater treatment or disposal systems, (3) flow and strength factors published in rate studies conducted by other public entities in Sonoma County, (4) if applicable, data provided by the equipment manufacturer; or (5) other published data.

SECTION VI

CONNECTION FEES.

A. Connection Fee Charge:

The connection fee per ESD in the District is \$2,000 on July 1, 2019, and

adjusted annually thereafter in accordance with paragraph B below.

B. Connection Fee Adjustment per ENR-CCI Index:

Connection fees shall be automatically adjusted annually each year on July 1 in proportion with the most recent change in the Engineering News Record Construction Cost Index (ENR-CCI) for San Francisco.

C. Connection Fee and Miscellaneous Terms and Conditions:

Pursuant to Article V, Section 5.05 of the South Park County Sanitation District Sanitation Code, in the event of alteration of the building or of additional use of the sewer facilities for which the connection fee was originally established, additional fees shall be paid for the added equivalent single family dwelling units as calculated in Exhibit A.

In addition to Article V, Section 5.05 of the South Park County Sanitation District Sanitation Code, users who wish to connect a building which is a replacement of a previously connected building, destroyed by no fault of the user, may have the connection fee waived if the user presents to the General Manager a valid Fire Marshal's report or insurance report within one year of the date of either report. Users not making such a presentation are deemed to have discontinued their connection to the sewer system.

In addition to the connection fees and Annual Service Charges adopted by the Board of Directors, the General Manager may establish additional terms and conditions of the usage permit or agreement pursuant to the South Park County Sanitation District, including but not limited to the fees discussed in this Ordinance.

SECTION VII

PAYMENT FOR ANNUAL SERVICE CHARGES.

New users, as defined in Section 2.01 of the South Park County Sanitation District Sanitation Code, issued permits shall have the Annual Service Charge prorated from the first day of the month in which the permit is issued to the last day of the following June. Annual Service Charges for that period of time due hereunder shall be paid prior to issuing a permit to connect to the District's sewer system.

For the purpose of this Ordinance, each improved property shall be deemed to be fully and continuously occupied from and after the date of issuance of a permit to connect. Annual Service Charges for improved property shall not be refunded even though sewer service is abandoned or discontinued to the satisfaction of the General Manager/Chief Engineer prior to the last day of the following June. In such case, the Annual Service Charge shall cease as of the following July 1.

All Annual Service Charges payable hereunder, except others who have separate agreements for payment with the District, shall be paid in two equal installments. The payment for the

first one-half of any fiscal year shall be due and payable on, or before, December 10th of the particular year. The payment for the second one-half of any fiscal year shall be due and payable on, or before, April 10th of the particular fiscal year.

If said Annual Service Charges are not paid by the due date(s) shown above, a penalty of ten (10) percent of the amount due shall be applied as well as a one-half of one (1) percent per month penalty for nonpayment of said charges and the basic penalty.

The General Manager may rebate a portion of Annual Service Charges paid by low income property owners with respect to their residence where the Board of Directors has approved rebate policies and procedures and any amendments to these policies and procedures. The submission of false information to the General Manager in connection with a rebate application is a violation of this ordinance.

The General Manager is authorized to enter into written payment plans for delinquent charges, in a form approved by counsel, with a repayment term of no more than 5 years.

The General Manager may calculate rebates or credits to be applied prior to placing Annual Service Charges on the tax roll.

The General Manager may, when necessary or convenient, bill Annual Service Charges to a property owner directly via invoice rather than placing the Annual Service Charge on the tax roll.

Delinquent Annual Service charges and penalties may be placed on the tax roll, and collected in the same manner, by the same persons, and at the same time as property taxes in accordance with the procedures set forth in California Health and Safety Code section 5473 et seq. and any amendments thereto, or pursuant to any other procedure authorized by law. Delinquent Annual Service Charges and penalties, shall constitute a lien upon the real property served and such lien shall continue until the amount owed is fully paid or the property is sold to satisfy the lien. Property may be discharged from the lien by payment of all delinquent charges and penalties.

The General Manager may institute an action in any court of competent jurisdiction to collect any charges which may be due and payable in the same manner as any other debts owing to the District may be collected.

SECTION VIII

OUTSIDE USERS.

Unless provided otherwise by separate agreement, outside users, as defined by Section 3.28(F) of the South Park County Sanitation District Sanitation Code, shall pay an Annual Service Charge based on 1.25 times the ESDs determined for that user.

SECTION IX

OTHER FEES AND CHARGES.

- A. Relief of Variance Fees: Pursuant to Section 1.06 of the South Park County Sanitation District Sanitation Code, any person making application for relief on variance will pay an application fee of \$750 at the time of submittal of the application.
- B. Wastewater Discharge Fees: Pursuant to Section 6.25 of the South Park County Sanitation District, any person making application for a wastewater discharge permit shall pay fees according to the following Table 1:

TABLE 1 – WASTEWATER DISCHARGE PERMIT FEES

USER CATEGORIES				
(refer to the South Park County Sanitation District Sanitation Code, Section 6.17)				
TYPE OF FEE	SIGNIFICANT INDUSTRIAL USER/ CATEGORICAL	* GROUNDWATER WASTE HAULERS	* NON-RESIDENTIAL	** ZERO DISCHARGE & NON-RESIDENTIAL
Application Fee	\$175	\$50	\$100	\$50
Renewal Application Fee	\$175	\$50	\$100	\$50
Permit Issuance Fee	\$500	\$50	\$200	\$50
Permit Monitoring and Inspection Fee	Actual costs will be incurred by the District for monitoring of permit conditions, including direct cost, labor burden, overhead and testing costs.			
Non-Compliance Monitoring Fee	Actual costs incurred by the District associated with monitoring non-compliance with permit conditions, including direct cost, labor burden, overhead and testing costs.			
Surcharge Fee	Users will be charged the actual treatment cost per pound to process the biochemical oxygen demand (BOD) and total suspended solids (TSS) discharged at levels above ordinance limits.			
* Includes businesses with pretreatment facilities, such as grease traps, interceptors, ion exchange unit, or metals recovery units.				
** Includes businesses without pretreatment.				

SECTION X

ADDITIONAL SERVICE CHARGES AND CONNECTION FEES FOR EXCEEDING ESTABLISHED BILLING BASIS.

Whenever the General Manager determines that a user is exceeding the use for which the user is charged pursuant to the established billing bases set forth in this Ordinance for Annual Sanitation Charges or for connection fees, in addition to all other fines and penalties the District may impose, the user shall be charged an additional service charge. In addition, the General Manager may recalculate the user's annual service charge and charge additional connection fees. Additional charges and fees may be invoiced to user or collected on the tax roll. If additional charges and fees are invoiced and are not paid within 30 days of invoice, a basic penalty of ten percent (10%) for nonpayment and an additional penalty of one and one-half percent (1½%) per month for nonpayment of the charges and/or fees and the basic penalty shall be added to the charges and/or fees due.

SECTION XI

CALIFORNIA ENVIRONMENTAL ACT.

The Board hereby finds that the California Environmental Quality Act does not apply to the establishment of charges pursuant to this Ordinance, as such fees are for the purpose of meeting operations expenses, meeting financial reserve needs and requirements, and setting aside funds for capital projects necessary to maintain service within the existing District (15273 California Code of Regulations, 21080 Public Resources Code).

SECTION XII

SEVERABILITY.

If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional and invalid, such decision shall not affect the validity of the remaining portion of this Ordinance. The Board of Directors hereby declares that it would have passed this Ordinance and every section, subsection, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional or invalid.

SECTION XIII

This Ordinance shall be and the same is hereby declared to be in full force and effect from and after thirty (30) days after the date of its passage and shall be published once before the expiration of fifteen (15) days after said passage, with the names of the Directors voting for or against the same, in a newspaper of general circulation, published in the County of Sonoma, State of California, and the District's Clerk of the Board shall post in the office of the District's Clerk, a certified copy of the full text of this Ordinance along with the names of those Directors voting for or against the Ordinance.

In regular session of the Board of Directors of the South Park County Sanitation District, State of California, introduced, passed and adopted after hearing this 13th day of May 2025, on regular roll call of the members of said Board by the following vote:

DIRECTORS:

HERMOSILLO: RABBITT: COURSEY: GORE: HOPKINS:

Ayes _____ Noes _____ Absent _____ Abstain _____

WHEREUPON, the Chair declared the above and foregoing ordinance duly adopted and

SO ORDERED.

By: _____
Chair, Board of Directors
County of Sonoma, State of California

ATTEST:

By: _____
Clerk of the Board

EXHIBIT A

EQUIVALENT SINGLE-FAMILY DWELLING BILLING UNIT FOR SOUTH PARK CSD

Use Category		Billing Basis			2025-2026	
		Flow	BOD	TSS	Use	ESD
		gallons	mg/l	mg/l		
Residential						
	Single-Family	233	237	237	connections	1.00
	Condominium (Over 900 square ft)	233	237	237	dwelling units	1.00
	Condominium (Under 900 square ft)	186.4	237	237	dwelling units	0.80
	Multiple-Family (Apts,Duplex/Triplex)	186.4	237	237	dwelling units	0.80
	Mobile home park	186.4	237	237	spaces	0.80
	Mobile home (Individual)	186.4	237	237	units	0.80
	JADU	-	237	237	units	0.00
	ADU, under 751 sq ft*	93.2	237	237	units	0.40
	ADU, 751-900 sq ft*	186.4	237	237	units	0.80
	ADU, over 900 sq ft*	233	237	237	units	1.00
Commercial						
	Appliance repair	190	200	200	1,000 sq. ft.	0.73
	Art gallery	190	200	200	1,000 sq. ft.	0.73
	Auto dealers					
	With service facilities	190	180	280	connection	0.80
	With service facilities	38	180	280	add per service bay	0.16
	Without service facilities	190	200	200	connection	0.73
	Auto repair	38	248	248	per service bay	0.17
	Bakery	190	1000	600	1,000 sq. ft.	2.09
	Beer Making/Brewery	see note 1 below				
	Butcher	see note 1 below				
	Banks & financial institutions	190	130	80	1,000 sq. ft.	0.52
	Barber shop	19	130	80	per chair	0.05
	Beauty shop	38	130	80	per chair	0.10
	Bars & taverns	20	200	200	per seat	0.08
	Car washes, self service	190	20	150	per stall	0.47
	Camp ground or RV park					
	with hookups	125	200	200	site	0.48
	without hookups	75	200	200	site	0.29
	Cannabis production/manufacturing	see note 1 below				
	Car washes					
	manual	190	20	150	per bay	0.47
	automatic	125	174	174	per bay	0.44
	Cheese Maker	see note 1 below				
	Churches, hall & lodges	2	200	200	per seat	0.01
	Coffee shops with some food service	6	1000	600	per seat	0.07
	Dry cleaners	285	150	110	1,000 sq. ft.	0.86
	Fire stations	190	200	200	1,000 sq. ft.	0.73
	with sleeping quarters and kitchens	220	248	248	1,000 sq. ft.	0.97
	without sleeping quarters and kitchens	190	174	174	1,000 sq. ft.	0.67
	Garages	95	180	280	per service bay	0.40
	Gas Stations					
	with convenience store	70	397	397	1,000 sq. ft.	0.43
	without convenience store	38	174	174	1,000 sq. ft.	0.13
	Gym					
	with shower	400	248	248	1,000 sq. ft.	1.77
	without shower	50	174	174	1,000 sq. ft.	0.18
	High Tech Medical Manufacturing	see note 1 below				
	Hospitals					
	Convalescent	125	250	100	per bed	0.44
	General	175	250	100	per bed	0.62
	Veterinarian	6	250	100	per cage	0.02
	Hotels/motels/B&B	100	310	120	sleeping rooms	0.40
	Hydroponic Cultivation (including cannabis)	1.2	174	174	per plant	0.004247
	Laundromats					
	High efficiency washers	250	174	174	washing machines	0.88
	Regular washers	500	150	110	washing machines	1.51
	Library	190	200	200	1,000 sq. ft.	0.73
	Machine shops	152	180	280	1,000 sq. ft.	0.64
	Markets	38	800	800	1,000 sq. ft.	0.42
	Nail Salon	10	174	174	per seat	0.04
	Offices					
	Business	76	130	80	1,000 sq. ft.	0.21
	Chiropractic Office	190	174	174	Exam. room	0.67
	Dental	190	130	80	Exam. room	0.52
	Medical (clinic)					
	with central handwashing stations	175	248	248	Exam. room	0.77
	with office, surgery, lab and treatment rooms	190	248	248	Exam. room	0.84
	offices with sink	125	248	248	Exam. room	0.55
	offices without sink	100	248	248	Exam. room	0.44
	Veterinarian					
	with office, surgery, and treatment rooms	130	248	248	Exam. room	0.58
	Pet Groomers	260	174	174	1,000 sq. ft.	0.92
	Post office	190	130	80	1,000 sq. ft.	0.52

EXHIBIT A

EQUIVALENT SINGLE-FAMILY DWELLING BILLING UNIT FOR SOUTH PARK CSD

Use Category		Billing Basis			2025-2026	
		Flow gallons	BOD mg/l	TSS mg/l	Use	ESD
	Resort	see note 1 below				
	Restaurants					
	Dine-in					
	With DW & garbage disp.	6	1000	600	per seat	0.07
	With DW or garbage disp.	6	619	371	per seat	0.04
	Without DW & garbage disp.	6	238	143	per seat	0.02
	Take-out	475	238	143	1,000 sq. ft.	1.77
	Rest homes	125	250	100	per bed	0.44
	Retail stores	38	150	150	1,000 sq. ft.	0.12
	Schools					
	Elementary	9	130	100	per student day	0.03
	High	14	130	100	per student day	0.04
	with entertainment facilities	19	248	248	per student day	0.08
	Service stations	380	180	280	set of gas pumps	1.60
		38	180	280	add per service bay	0.16
	Shoe repair	190	200	200	1,000 sq. ft.	0.73
	Spa with various beauty treatments	38	248	248	per chair	0.17
	Supermarkets	76	248	248	1,000 sq. ft.	0.34
	Tasting Rooms					
	Ale, Winery (no food)	120	174	174	1,000 sq. ft.	0.42
	Ale, Winery (with food)	240	397	397	1,000 sq. ft.	1.49
	Theaters	2	200	200	per seat	0.01
	Trash Enclosures	see note 1 below				
	Warehouse	see note 1 below				
	Winery	see note 1 below				
	Others as determined by the Engr.	see note 1 below				
ALL COMMERCIAL ESDs TO BE DETERMINED BY THE GENERAL MANAGER USING THE FOLLOWING FORMULA:						
ESD = (TSS x FLOW x 0.33) / (SFD TSS x SFD FLOW) + (BOD x FLOW x 0.33) / (SFD BOD x SFD FLOW) + (FLOW x (0.34 / SFD FLOW))						
Note 1: For non-standard uses, uses and when agreement on a use category cannot be reached, the General Manager, in his or her sole discretion, may						
a) base charges on the user's actual or estimated contribution of wastewater into the District's facilities in terms of flow, biological oxygen demand (BOD), and total suspended solids (TSS), and						
b) calculate the user's charge using the above Charge Formula. The user shall provide verifiable data, as requested by the General Manager, for the charge to be determined.						
Note 2: In general, users with annual average TSS and/or BOD over 1,000 mg/L and users with annual average Flow greater than 5,000 gallons per day should be considered Monitored Users and use the Monitored User Charge Formula.						
Definitions	Flow = Gallons per Day		TSS = Total Suspended Solids			
	BOD = Biological Oxygen Demand		DW = dishwasher			
	ESD = Equivalent Single Family Dwelling		disp. = disposal			
* Note that no Capacity Charge is assessed when existing structures are converted in accordance with CGC 65852.2 (e)(1)(A) as determined by the County of Sonoma or the jurisdiction having authority per the Building Code.						