



# Sonoma Water

Clean. Reliable. Essential. Every day.

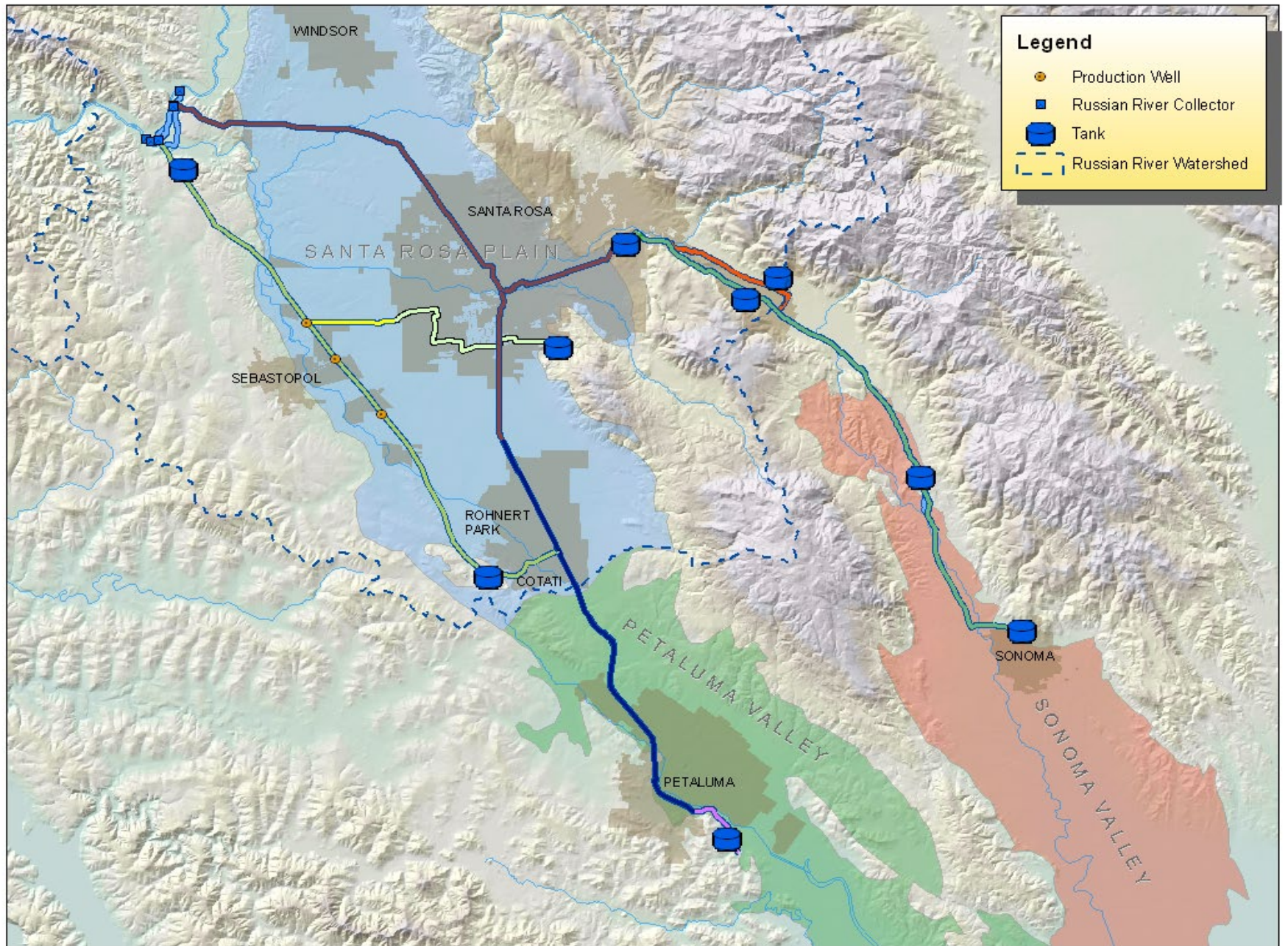
## FY 2024-2025 Proposed Budget and Rates Water Transmission System

Lynne Rosselli  
ADMINISTRATIVE SERVICES  
DIVISION MANAGER  
[Lynne.Rosselli@scwa.ca.gov](mailto:Lynne.Rosselli@scwa.ca.gov)

Jake Spaulding  
FINANCE MANAGER  
[Jake.Spaulding@scwa.ca.gov](mailto:Jake.Spaulding@scwa.ca.gov)

    [sonomawater.org](http://sonomawater.org)





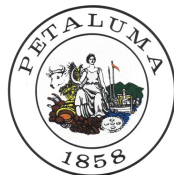
# Transparent and collaborative process to bring rates to Board of Directors by end of April

Technical  
Advisory  
Committee  
(Jan-March)

Water  
Contractor  
Boards &  
Councils  
(March)

Water  
Advisory  
Committee  
(April)

Sonoma  
Water Board  
of Directors  
(April)



# Budget includes multiple water transmission system activities and funds

- Operations and Maintenance
- Four Subfunds
- Five Capital Funds
- Debt Service Funds



# Challenges

- Fully Volumetric Rate
- Low Water Deliveries
- Aging Infrastructure
- Maintenance Needs
- Increased Repairs
- Natural Hazard Vulnerabilities



South  
West

# \$8.46 million budgeted for hazard mitigation projects to reduce risks

Bennett Valley Fault Crossing

Ely Booster Pump Station Flood Mitigation

Collector 3 and 5 Liquefaction Mitigation

RDS Pump and Motor Control Center Replacement

Seismic Retrofit of Storage Tanks

Wilfred Booster Station

# \$7.20 million budgeted for other capital projects to increase resiliency

Kawana-Ralphine SBS Pipeline

Mirabel/Wohler Storage Building

Mirabel Fiber Resiliency

Occidental Road and Sebastopol Road Wells

Ralphine Tanks Flow Thru Conversion

Warm Springs Dam Hydroturbine Retrofit

Water System Treatment Upgrades

Wohler Bridge Fiber Optic Cable



Total FY24-25 Capital Budget  
including Hazard Mitigation Projects:

\$15.66M



## \$45.41 million budgeted for operations and maintenance to protect, improve and maintain system reliability

### Projects

Aqueduct Cathodic Protection

Collector Well, Vault, Pump, Pipeline, Valve Rehabilitations/Replacements

Emergency Inventory Procurement

SCADA Improvements

Tank Recoats & Tank Maintenance Program

### Studies

Arc Flash Studies

DeMuth Property Hydrogeologic Investigation

Groundwater Banking Feasibility Study

Regional Water Supply Resiliency Study

Transmission System Master Plan, Modeling & Condition Assessments Programs



# \$7.53 million for Biological Opinion, Water Supply Planning and Water Conservation



**IS YOUR TOILET RUNNING?  
BETTER CATCH IT!**

A leaky toilet is no joke and could cost you a lot of \$\$\$

## TAKE THE DYE TAB CHALLENGE

Test your toilet(s) to see if you have a sneaky leak.

## SHARE YOUR RESULTS

Visit us online to enter your toilet test results and be entered to win a \$25 gift card.



[SavingWaterPartnership.org/challenge](http://SavingWaterPartnership.org/challenge)



# Expenditures compared to FY 23-24

	FY23-24	FY24-25	
	Budget (in Millions)	Budget (in Millions)	Change (in Millions)
Operations and Maintenance	\$40.41	\$45.41	\$5.00
Capital Projects	\$12.28	\$15.66	\$3.39
BO Compliance, Water Supply Planning, Water Conservation	\$9.78	\$7.53	(\$2.25)
Debt Service	\$5.83	\$5.83	\$0.00
Totals	\$68.30	\$74.43	\$6.14

Grants, Use of Fund Balance,  
and Bond Proceeds

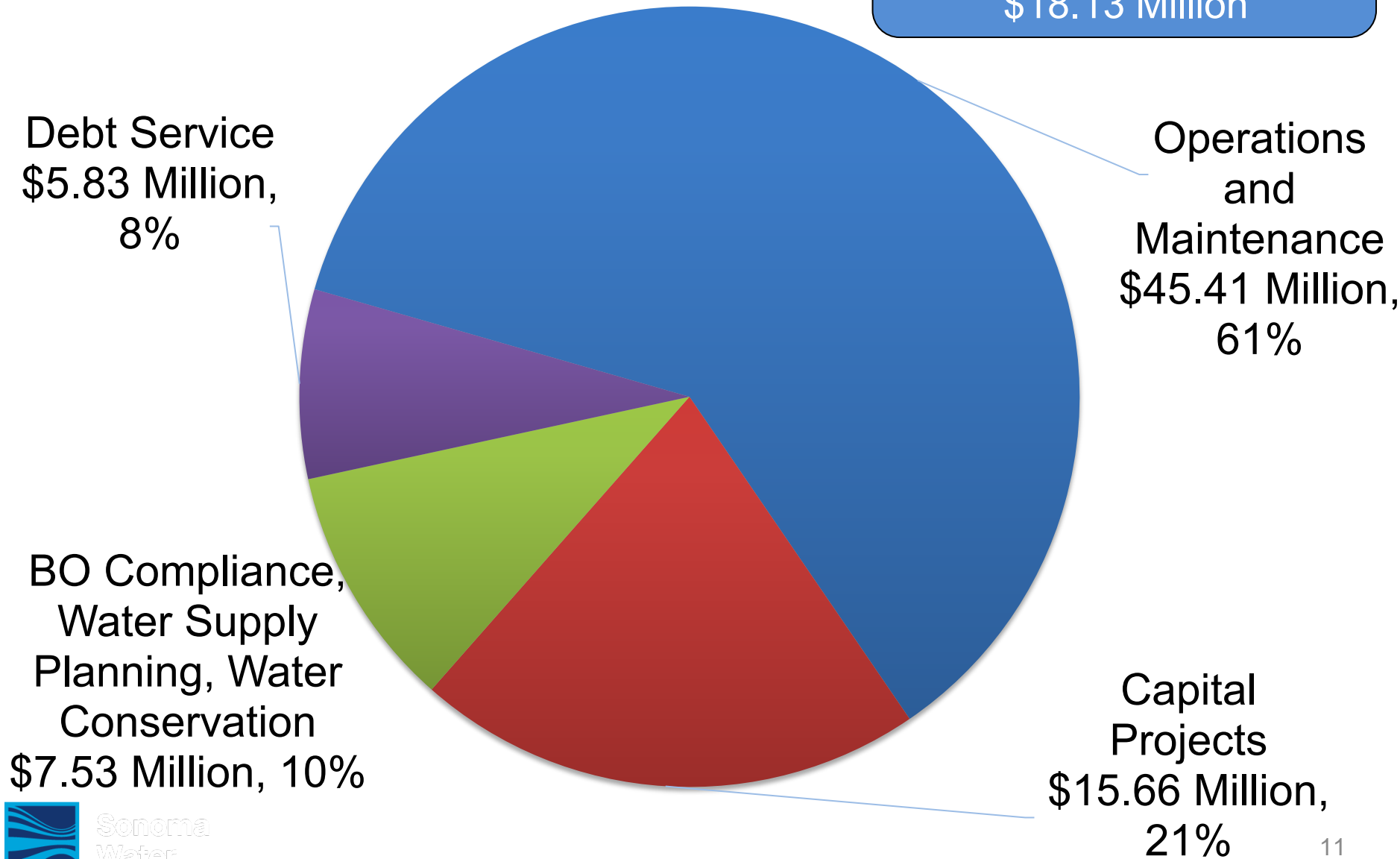
\$18.15

\$18.13

(\$0.02)

# FY 24-25 Budgeted Expenditures

Grants, Bond Proceeds,  
and Use of Fund Balance  
\$18.13 Million



# Example of how rates are calculated

$$\frac{\$55,204,000}{42,826 \text{ AF}} = \$1,289/\text{Acre Foot}$$

↑ Water Sold: Restructured Agreement requires use of the Lesser amount. Due to the drought, Sonoma Water recommended and WAC approved using 3-year annual average for FY24/25.

42,826 AF

or

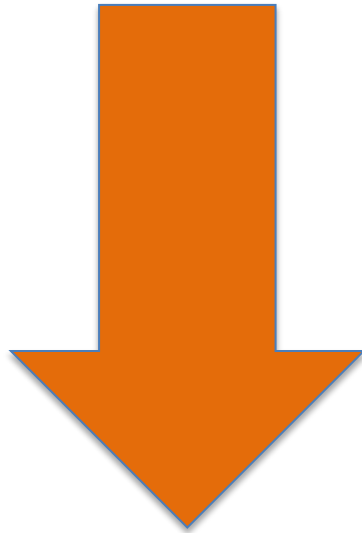
40,844 AF

## Deliveries and Rates

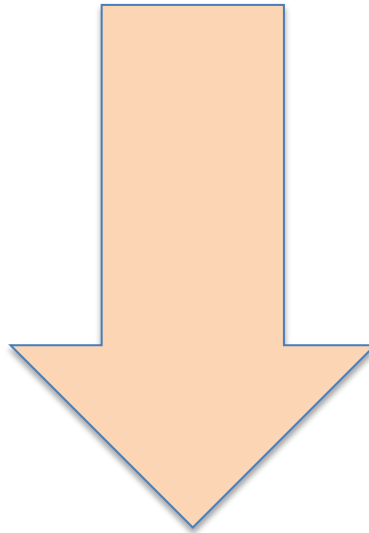
Due to the prescribed fully volumetric rate, budgeted deliveries have a significant impact on rate increases.

Scenario	Deliveries	AF Difference	Rate Increase (SR AQ)
12-Month Actuals	40,844	-1,982	14.58%
3-Year Annual Ave (FY24/25 Budget)	42,826	0	9.88%
44,500 AF	<b>44,500</b>	1,674	<b>5.92%</b>

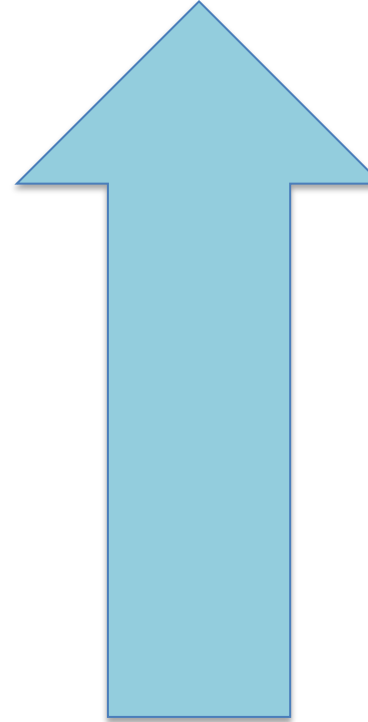
# Steps taken to reduce budget and rate



Deferred non-routine maintenance projects = \$8.9 million



Budgeted off the 3-year annual average rather than the 12-month actuals



Use of grants, bond proceeds, and fund balance = \$18.13 million

## Result:

Rate increase dropped from over 14.57% to 9.88%

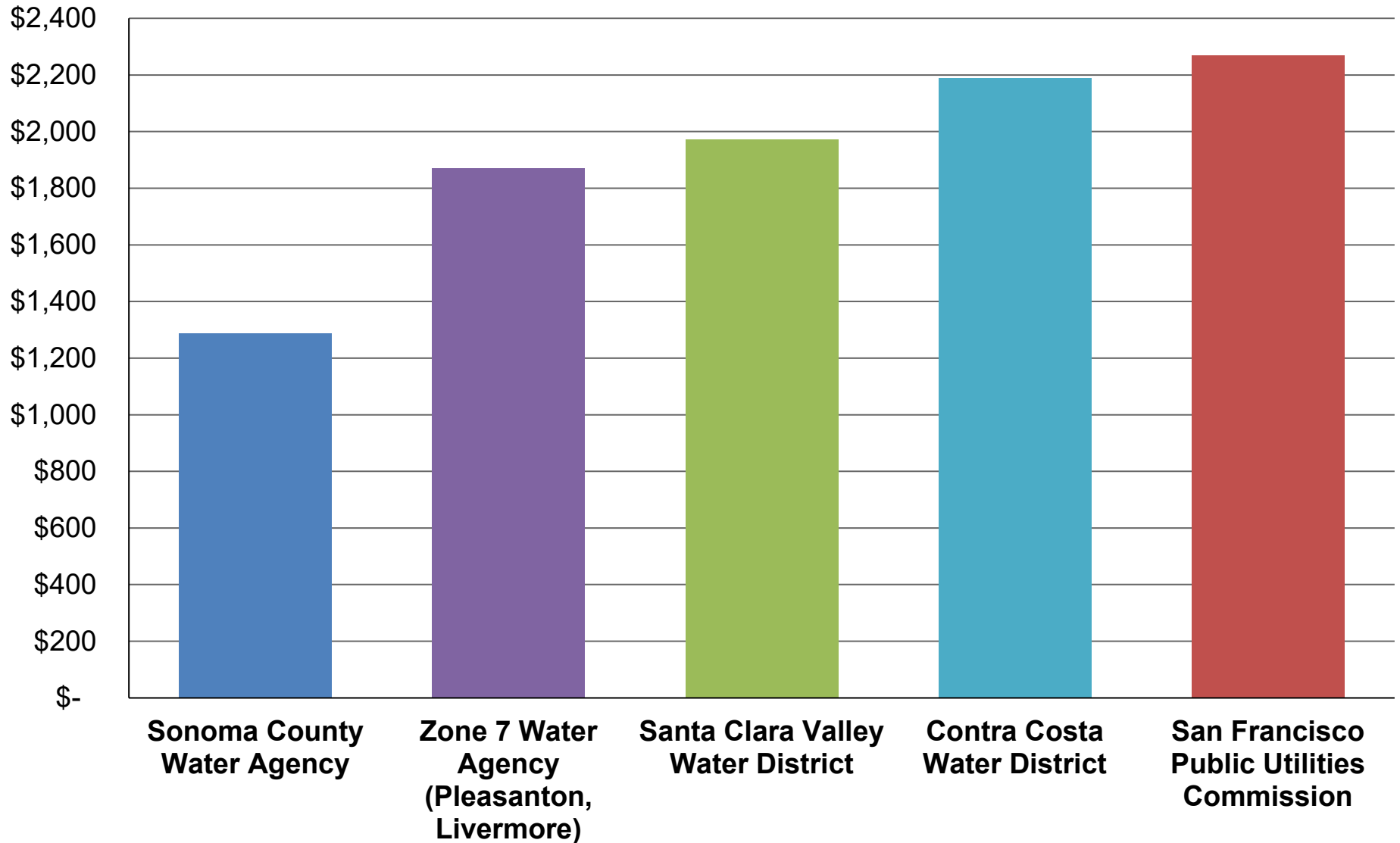
Total cost per gallon is \$0.004

Budgeted use of \$2.25M in Prudent Reserve

# Proposed Rates for FY 24-25

Charge / Aqueduct	Santa Rosa	Petaluma	Sonoma
Deliveries (Acre-Feet)	42,826		
O&M	\$1,015.39	\$1,015.39	\$1,015.39
Water Management Planning	\$0.35	\$0.35	\$0.35
Watershed Planning & Restoration	\$40.04	\$40.04	\$40.04
Recycled Water and Local Supply	\$0.00	\$0.00	\$0.00
Water Conservation	\$59.55	\$59.55	\$59.55
<b>Total O&amp;M</b>	<b>\$1,115.33</b>	<b>\$1,115.33</b>	<b>\$1,115.33</b>
Storage & Common Bond/Loan Charges	\$162.69	\$162.69	\$162.69
Sonoma Aqueduct Bond/Loan Charge			\$145.49
<b><i>Prime Contractors</i></b>	\$1,278.02	\$1,278.02	\$1,423.51
<b><u>Discretionary Charges</u></b>			
Capital Charges - to build fund balance for future projects	\$11.00	\$0.00	\$34.90
<b><i>Prime Contractors</i></b>	\$11.00	\$0.00	\$34.90
<b><i>Total Prime Contractors</i></b>	<b>\$1,289.02</b>	<b>\$1,278.02</b>	<b>\$1,458.41</b>
Total Overall Increase:	9.88%	9.98%	8.14%

# 2024 wholesale water rates per Acre-Foot





# Per Gallon Costs:



**\$78.30**



**\$22.40**



**\$14.08**



**\$5.01**



**\$4.75**



**\$0.004**



# Next steps

- Recommended by Technical Advisory Committee – March 4
- Recommended by Water Advisory Committee – April 8
- Adoption by Sonoma Water's Board – April 16

# Sonoma Water Videos

## Investing in our infrastructure

Available in English and Spanish at  
[www.youtube.com/@sonomawater/videos](http://www.youtube.com/@sonomawater/videos)

[Value of water: A brief video on the value of our water supply](#)

[We are Sonoma Water: Where your water comes from](#)

[Water storage tank maintenance: A brief video on how we are working to keep our water storage facilities upgraded, reliable for today and future generations](#)

[Maintaining the Sonoma booster station: Keeping the drinking water flowing to Sonoma, Valley of the Moon Water District one booster station at a time!](#)

[Aqueduct corrosion protection program: A brief video on work to combat corrosion in our aqueduct](#)

[Russian River Aqueduct Crossing: Ensuring safe delivery of drinking water](#)



Sonoma  
Water

[Dry Creek habitat restoration: Protecting our natural pipeline, habitat](#)



**Sonoma  
Water**

Lynne Rosselli

Administrative Services Division Manager

[Lynne.Rosselli@scwa.ca.gov](mailto:Lynne.Rosselli@scwa.ca.gov)

Jake Spaulding

Finance Manager

[Jake.Spaulding@scwa.ca.gov](mailto:Jake.Spaulding@scwa.ca.gov)

    [sonomawater.org](http://sonomawater.org)