

# Analysis of Fees and Rate Setting

Santa Rosa Plain GSA

## GSA Funding Options

Joint Exercise of Powers Agreement (JPA) Section 10.07 – Payments To The Agency

All fees, costs and expenses incurred by the Agency may be funded from: (i) voluntary contributions from third parties, such as grants; (ii) voluntary contributions, advances or loans from the Members or other sources; (iii) bond revenue; (iv) taxes, assessments, fees and/or charges levied by the Agency under the provisions of SGMA or otherwise provided by law; and, (v) subject to the unanimous vote of the Board, assessments on the Members to carry out the activities of the Agency generally applicable to all Members.

## Current Agency Budget and Funding

Communication Expense (SCWA Outreach)	22,000
Insurance - Liability	2,250
Administration Services (Gold Ridge RCD)	80,827
Property Tax/Assessment Admin (Fee Study)	85,000
Legal Services	60,000
Engineer Services (SCWA Tech Support)	40,000
Consulting Services (Monitoring)	20,000
Other Professional Services (SCWA Grant Administration)	18,000
Claims Processing	2,800
Publications and Legal Notices	14,000
Rents and Leases - Bldg/Land (Meeting Room)	1,650
<b>Subtotal Services</b>	<b>346,527</b>
Other Supplies	
Office Supplies	2,473
Mail and Postage Supplies	500
Printing and Binding Supplies	500
<b>Subtotal Supplies</b>	<b>3,473</b>
<b>Total Services and Supplies</b>	<b>350,000</b>

## Current Agency Budget and Funding

Member Agency	Total FY 2017-18 Commitment
City of Cotati	\$ 55,000
City of Rohnert Park	\$ 55,000
City of Santa Rosa	\$ 55,000
Town of Windsor	\$ 55,000
Gold Ridge Resource Conservation District	\$ 55,000 (match)
Sonoma Resource Conservation District	\$ 20,000
County of Sonoma	\$ 55,000
Sonoma County Water Agency	\$ 55,000 (match)
Independent Water Companies	\$ 55,000
<b>TOTAL</b>	<b>\$350,000 cash / \$460,000 including match</b>

## Need for Rate Setting

- Aside from GSP development, the GSA has operating expenses that cannot sustainably be supported solely by the Member Agencies
- Meet basic operational expenses and of the Groundwater Sustainability Plan (GSP)
- Applying for Proposition 1 funds to develop Groundwater Sustainability Plan (GSP)
- Any grant funds received will also require local match

## Need for Rate Setting

- Local governments have limited options for raising revenues
- Complex constitutional requirements necessitate a rate study conducted by a specialized consultant
- Staff from all 3 Sonoma County GSAs worked together to interview consultants
- At the November board meeting, staff will make a recommendation that the GSA engage Raftelis Financial Consultants, Inc. for a fee/rate study

## Timeline



## Study Components

- Policy Framework
- GSA Budget / Preliminary Financial Plan Model Development
- Public Outreach
- Advisory Committee Meetings
- Initial Fee or Charge Calculation
- Community Workshops
- Documentation
- Board Meetings