



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY, LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

ORIGINATING DIVISION: ADMINISTRATIVE SERVICES
CONTACT PERSON: Osborn Solitei

AGENDA DATE: October 21, 2015

ITEM NO: 11

SUBJECT: Proposed Untreated Water Rate for 2016

SUMMARY:

- Since 1962, Zone 7 has delivered State Water Project (SWP) water directly from the South Bay Aqueduct (SBA) to untreated water customers for agricultural and other irrigation purposes.
- The untreated water rate is essentially a pass-through based on the cost of imported water, supplemental water purchases and an administrative fee based on staff costs for 2016.
- The administrative fee calculation is based on the actual time staff spent on the untreated water program.
- Staff proposes **no change** to the untreated water rate of \$130 per acre-foot for 2016.
- Attachment 1 lists the DWR costs and other components used to determine the untreated water rate.

RECOMMENDED ACTION:

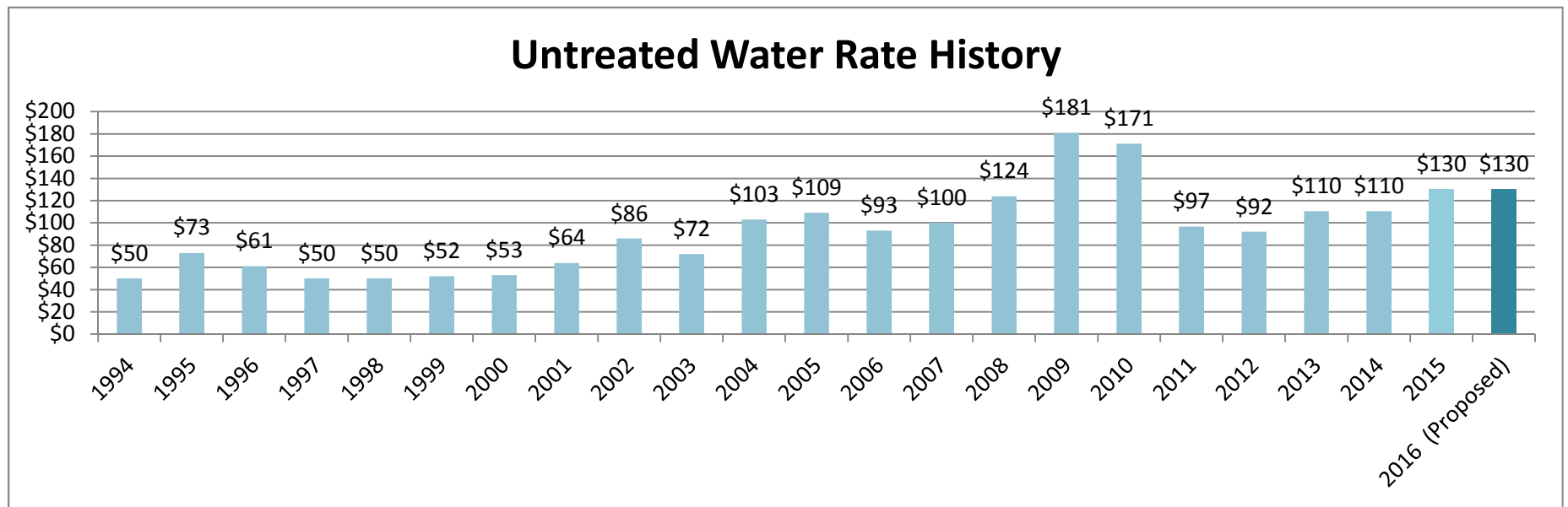
Discuss and provide direction

ATTACHMENTS: Attachment 1 - Proposed Untreated Water Rate Calculation for 2016
Attachment 2 - Untreated Water Rate History
Attachment 3 - Sample Letter to Untreated Water Customers

**Zone 7 Water Agency
Proposed Untreated Water Rate
Calculation for 2016**

1) Volume of Treated and Untreated Water to be Delivered to Contractors (in AF) 35,318

Water Costs	Dollar Amt	per AF
2. Yuba/Dry Year Water Purchase Program (200AF X \$500)	\$100,000	\$2.83
3. Multi-Year Pool Water Purchase Program (100AF X \$300)	\$30,000	\$0.85
4. Cawelo (1,000AF X \$200)	\$200,000	\$5.66
5. Semitropic (9,700AF X \$170)	\$1,649,000	\$46.69
6. Del Valle Water Rights	\$3,000	\$0.08
7. Unit Fixed Cost (2+3+4+5+6) ÷ (1)	\$1,982,000	\$56.11
8. SWP Transportation Variable Unit Cost	\$1,982,801	\$56.14
9. Subtotal Unit Cost (7+8)	\$3,964,801	\$112.25
10. Zone 7 Administrative costs	\$441,451	\$12.50
11. Delta Charge	\$176,590	\$5.00
12. Total Unit Cost (9+10+11) rounded to nearest dollar)	\$4,582,842	\$130



Attachment 3



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100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

October 16, 2015

Customer address

Subject: Proposed Untreated Water Rate for Calendar Year 2016

Dear Untreated Water Customer:

Attached is a copy of the October 21, 2015 board letter regarding the proposed untreated water rate for calendar year 2016. Staff is recommending **no change** to the \$130/AF untreated water rate for calendar year 2016.

This proposed untreated water rate will be presented at the October 21, 2015 Board of Director's meeting. If you have questions, you may reach me at (925) 454-5052.

Very truly yours,

Osborn Solitei
Assistant General Manager, Finance