



Sonoma – Marin Water Supply Agreement Renewal

June 2, 2025



Water Supply Agreement Between the Sonoma County Water Agency and Marin Municipal Water District

- Initial agreement signed in July 1975 (Off Peak)
- Added new agreement in 1991 (Supplemental)
- Combined agreements in 1996
- Current agreement expires June 30, 2025 (Extending to December 31, 2025)

Off-peak Water Supply (Exhibit A to recent renewal)

Establishes 4,300 AFY as minimum take or pay and provides flowrates schedule

2nd Amended Agreement for Water Supply (Exhibit B)

Establishes additional volume of 10,000 AFY, max flowrates for delivery and purchase limits based on prior year usage; Adds 1,000 AF to take or pay minimum from the Offpeak, for total take or pay of 5,300 AFY



Lump Sum Payments by Marin

- Lump-sum payments by Marin Water made for 14,300 AFY of “Firm Water” from the 75,000 AFY net yield of the Warm Springs Dam Project:
 - May 3, 1984 — \$168,347.89 for 4,300 AFY
 - July 31, 1996 — paid \$2,867,344 for 5,000 AFY
 - July 1, 2005 — paid \$6,326,257 for second 5,000 AFY
- Additionally, Marin Water pays an 11% premium over the highest cost of water (not including the Windsor 20% surcharge) as well as Russian River Project and Conservation charges.

Key Terms – Existing v. Restated Agreement

Existing Agreement

- Term – 10 years
- Total Volume of water – 14,300 AFY
- Take or Pay – 5,300 AFY
- Maximum delivery limit = based on prior year purchase plus 1,000 AF, not to exceed 14,300 AFY
- Cost of Water –
 - 11% premium over highest rate on SR or Petaluma Aqueduct (excluding Windsor surcharge)
 - Russian River Conservation Charge
 - Russian River Projects Charge
 - Firm Water payment – based on the amount of the 14,300 AFY that is unused

Restated Agreement

- Term – 15 years
- Lump Sum payment \$12.5M to support water supply resiliency projects
- ✓ Total Volume of water – (**no change**) 14,300 AFY
- ✓ Take or Pay – (**no change**) 5,300 AFY
- Maximum delivery limit = based on availability of water and transmission capacity, not to exceed 14,300 AFY (Supports Winter Water Project) or by request
- ✓ Cost of Water – (**no change**)
 - 11% premium over highest rate on SR or Petaluma Aqueduct (excluding Windsor surcharge)
 - Russian River Conservation Charge
 - Russian River Projects Charge
 - Firm Water payment – based on the amount of the 14,300 AFY that is unused

Process & Schedule

- ✓ Draft Agreement reached between Sonoma Water and Marin Water
- ✓ Draft agreement reviewed by TAC Chair & Vice Chair & North Marin and recommend approval - May 2025
- TAC members review of agreement - May – June 2025
- TAC vote - June 2, 2025
- TAC members process for WAC approval – June/July 2025
- WAC vote August 4, 2025