

WEST BASIN MUNICIPAL WATER DISTRICT**JANUARY 16, 2008 - Finance**

Gray (Chair), Smith

JANUARY 28, 2008

Prepared by: Mary-Ann Rexroad

Submitted by: Margaret Moggia

Approved by: Rich Nagel

ACTION CALENDAR

STANDBY CHARGE PROGRAMRESOLUTION OF INTENT, DRAFT ENGINEER'S REPORT, AND NEGATIVE DECLARATIONSUMMARY:

The Board has imposed a Standby Charge on all parcels within West Basin's service area since 1991. This assessment is consistent with obligations the Board agreed to within the Official Statements offering to sell Certificates of Participation and revenue bonds for West Basin's Capital Improvement Program. The Resolution of Intent (Exhibit A) initiates the procedure to continue the Standby Charge as required in the Water Code section 54984.

Also, attached for your reference is the draft Engineer's Report (Exhibit B) describing West Basin's Capital Improvement Program that the Standby Charge revenues will be used to finance. Finally, enclosed is an environmental checklist and Negative Declaration (ND) (Exhibit C) that addresses environmental consequences of implementing the Standby Charge under the California Environmental Quality Act. The comment period for public review for the draft ND ends on January 28, 2008. No comments have been received to date. Upon certification of the ND by the Board, the ND will be submitted to the Los Angeles County Clerk's office.

FISCAL IMPACTS:

The Standby Charge Program generates annual revenues of approximately \$9.7 million that is used to meet the District's debt service obligations.

ENVIRONMENTAL COMPLIANCE:

This program does not have a negative environmental impact.

COMMITTEE STATUS:

This item was reviewed by the Finance Committee on January 16, 2008 and recommended for approval at the January 28, 2008 Board Meeting.

RECOMMENDED MOTION:

That the Board approve, adopt, and authorize the President to sign Resolution No. 1-08-864 "A RESOLUTION OF THE BOARD OF DIRECTORS OF WEST BASIN MUNICIPAL WATER DISTRICT INITIATING PROCEEDINGS FOR THE ESTABLISHMENT OF THE WATER AVAILABILITY OR STANDBY CHARGE FOR THE FISCAL YEAR COMMENCING JULY 1, 2008."

LIST OF EXHIBITS:

Exhibit "A" – Resolution of Intent – Resolution No. 1-08-864

Exhibit "B" – Draft Engineer's Report

Exhibit "C" – Negative Declaration