



WEST BASIN MUNICIPAL WATER DISTRICT
17140 S. Avalon Blvd., Suite 210
Carson, CA 90746

AGENDA NO. 10

MAY 13, 2009 – Finance
Smith(Chair), Dear

MAY 26, 2009 – Board Meeting
Prepared by: Mary-Ann Rexroad
Submitted by: Margaret Moggia
Approved by: Rich Nagel

ACTION CALENDAR

PROPOSED WATER STANDBY CHARGE FOR FISCAL YEAR 2009-10
PUBLIC HEARING AND ADOPTION

SUMMARY:

Each year West Basin Municipal Water District (West Basin) reviews its financial obligations and sources of revenue as part of the annual Budget process. Included within the Budget is a parcel charge that requires the Board to conduct a public hearing. The parcel charge is as follows:

West Basin's Recycled Water Parcel Charge

In the early 1990's, West Basin initiated their efforts in drought-proofing its region by constructing recycling water facility and distribution pipelines to provide recycled water to various industrial and irrigation customers. West Basin implemented a recycled water parcel charge to be applied to regional drought proofing benefits.

The water Standby Charge has been maintained at the same amount since Fiscal Year (FY) 1992-93. The proposed recycled water parcel charge rates for FY 2009-10 generate approximately \$9.6 million and are as follows:

\$24/parcel	Single Family Detached Residential
\$16/dwelling unit	Multi-unit Residential
\$120/acre or parcel	Commercial/Industrial Property

At the January 26, 2009 Board meeting, the "Resolution of Intent" initiating the procedures to continue the Standby Charge required by Government Code Section 54984 was adopted by the Board. Also, staff submitted to the Board for approval the draft engineer's report describing West Basin's capital improvement program that the Standby Charge will be applied to, and the negative declaration that addresses the environmental consequences of implementing the Standby Charge under the California Environmental Quality Act (CEQA).

Public Hearing

As required by the Uniform Standby Procedures Act, a public hearing regarding the proposed Standby Charges for Fiscal Year 2009-10 must be held prior to the adoption of the Standby Charge resolution. Staff published legal notices in the newspapers with notification of the public hearing.

Written comments are due by the close of business on May 22, 2009, and to date no comments have been received.

STRATEGIC BUSINESS PLAN IMPLEMENTATION:

Goal 8, Finance – Manage finances to optimize the public’s investment return and minimize risk.

COMMITMENT STATEMENT:

Sound Financial and Resources Management – West Basin is committed to efficient business operations, financial planning, and asset management.

FISCAL IMPACTS:

The West Basin Standby Charge currently generates approximately \$ 9.6 million.

ENVIRONMENTAL COMPLIANCE:

A negative declaration was prepared to address the environmental consequences of implementing the Standby Charge.

COMMITTEE STATUS:

This item was reviewed by the Finance Committee on May 13, 2009 and recommended for approval at the May 26, 2009 Board meeting.

RECOMMENDED MOTION:

That the Board:

1. Conducts a Public Hearing to receive comments on the proposed Water Standby Charge; and
2. Approves, adopts, and authorizes the President to sign Resolution No. 5-09-903 “A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WEST BASIN MUNICIPAL WATER DISTRICT IMPOSING STANDBY CHARGES FOR THE FISCAL YEAR COMMENCING JULY 1, 2009 AND REPEALING RESOLUTION NO. 4-08-868,” shown on Exhibit “A”.

LIST OF EXHIBITS:

Exhibit “A” – Resolution 5-09-903