

CENTRAL BASIN MUNICIPAL WATER DISTRICT NOVEMBER 16, 2005 – Finance/Special Board
Hawkins, Apodaca, Cole, Gonzalez, Vasquez
NOVEMBER 28, 2005 - Board Meeting
Prepared by: Mary-Ann Rexroad
Submitted by: Margaret Moggia
Approved by: Art Aguilar/Rich Nagel

ACTION CALENDAR

STANDBY CHARGE PROGRAM
RESOLUTION OF INTENT, DRAFT ENGINEER'S REPORT, AND NEGATIVE DECLARATION

SUMMARY:

The Board has imposed a Standby Charge on all parcels within the District's service area since 1991 to help recover the cost of drought-proofing. This assessment is consistent with obligations the Board agreed to within the Official Statements offering to sell "Certificates of Participation" and revenue bonds for the District's Capital Improvement Program. The "Resolution of Intent" initiates the procedure to continue the Standby Charge as required by Water Code Section 71630.

Also, attached for your reference is the draft Engineer's Report describing the District's Capital Improvement Program, which the Standby Charge revenues will be used to finance. Finally, enclosed is an environmental checklist and Negative Declaration (ND) that addresses environmental consequences of implementing the Standby Charge under the California Environmental Quality Act. The comment period for public review ends November 28, 2005. No comments have been received to date. Upon certification of the ND by the Board, it will be submitted to the Los Angeles County Clerk's office.

FISCAL IMPACTS:

The Standby Charge Program generates annual revenues of approximately \$3.2 million that are 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 and at a Special Board Meeting of the Board of Directors on November 16, 2005 and was recommended for approval at the November 28, 2005 Board meeting.

RECOMMENDED MOTION:

That the Board approves, adopts, and authorizes the President to sign Resolution No. 11-05-715, "A RESOLUTION OF THE BOARD OF DIRECTORS OF CENTRAL BASIN MUNICIPAL WATER DISTRICT INITIATING PROCEEDINGS FOR THE ESTABLISHMENT OF THE WATER AVAILABILITY OR STANDBY CHARGE FOR THE FISCAL YEAR COMMENCING JULY 1, 2006."

LIST OF EXHIBITS:

Exhibit "A" – Resolution of Intent
Exhibit "B" – Draft Engineer's Report
Exhibit "C" – Negative Declaration
G:\directors\cbwmd\05nov006