



Water Standby Charge for Fiscal Year 2017/18

Finance & Insurance Committee

Item 8-2

May 8, 2017

Standby Charge Program

- Standby Charge has been collected at the same rate since fiscal year 1993/94
 - Charge per acre or parcel if less than an acre ranges from \$6.94 to \$14.20
- Has been collected within service area of 22 member agencies participating in the program since fiscal year 1993/94, and is applied towards the participants' Readiness-to-Serve Charge obligation
- Produces annual revenue of about \$44 million

Board Action – RTS and Standby Charges

- April 2016: Board adopted the Readiness-to-Serve Charge for calendar year 2017 at \$135 million
- April 2017: Board adopted the Readiness-to-Serve Charge for calendar year 2018 at \$140 million
- May 2017: Board to consider Resolution to continue the Water Standby Charge for fiscal year 2017/18

Board Options

- Option #1 – Adopt CEQA determination and
 - Adopt Resolution to continue collecting the Water Standby Charge for fiscal year 2017/18
- Option #2 – Do not approve continuation of Water Standby Charge
 - Would require certain member agencies to pay the full Readiness-To-Serve Charge directly to Metropolitan, rather than having a portion collected through the Standby Charge

Recommendation

- Option #1 – Adopt CEQA determination, and
 - Adopt Resolution to continue collecting the Water Standby Charge for fiscal year 2017/18

