

Public Hearing

Groundwater Production & Other Water Charges

April 24, 2018

Santa Clara Valley
Water District



Attachment 1
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Open Space Credit Follow Up

FY 19 Ag Charge Options:

Staff Recommendation: Increase Ag Charge from \$25.09 to \$30.61/AF, or from 6.0% to 6.8% of South County M&I charge

- ▶ Would reduce Open Space Credit by ~\$100K versus Past Board Practice
- ▶ Year 1 of path to set Ag Charge at 10% of M&I in 5 years (by FY 23)

Continue Past Board Practice: Increase Ag Charge from \$25.09 to \$27.02/AF, or keep Ag Charge at 6.0% of South County M&I charge

- ▶ Would increase Open Space Credit by ~\$100K versus Staff Recommendation
- ▶ Would allow time for implementation of Sustainable Agricultural Framework

Ag Advisory Committee Recommendation: Increase Ag Charge up to 7%, or from \$25.09 to \$26.84, which equates to 5.96% of South County M&I charge

- ▶ Would increase Open Space Credit by ~\$100K versus Staff Recommendation

Open Space Credit Follow Up (cont'd)

Other Ideas for Board Consideration:

1. **Direct staff to analyze ag water usage trend scenarios and potential impact on Open Space Credit projection**
 1. Declining ag water usage would reduce Open Space Credit projection
2. **Direct staff to research feasibility of a discount program for Williamson Act participants**
 1. Would ease burden of Ag Charge increases on Williamson Act participants who are bound by contractual development restrictions and crop production obligations
3. **Direct staff to seek contributions from local private companies or other governmental agencies to fund Open Space Credit**

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