

Borrego Water District
MINUTES
"7th Annual Town Hall Meeting"
Wednesday, March 19, 2007
4:00 PM
590 Palm Canyon Drive
Borrego Springs, CA 92004

Attendance:

Directors: President Mendenhall, Vice-President King,
Secretary/Treasurer Andersen, Shimeall, Smiley

Staff: Richard Williamson, General Manager
Kim Post, Consulting Engineer
Allison Burns, Stradling, Yocca, Carlson & Rauth
Jerry Rolwing, Operations Manager
Jeanne Fredericks, Customer Service Representative
Greg Holloway, Water Operations Supervisor/Safety Administrator
Kim Pitman, HR/Finance Specialist
Marlene Engebretson, Office Manager
Wendy Quinn, Recording Secretary

Public:

Paul Nordman	Rudy Regalado	Mary Mitts
Jim King	Marilyn Regalado	Robert Phillips
Charles Rennie	Dennis Ehrlich	Olie Hammerness
Clark Shimeall	John Hogan	Gerald Ehly
Don Davis	Arthur Kastner	Ward Smith
Rebecca Falk	Jayne Kastner	Harry Arnfus
Jeff Mean	Russell Johnson	Joanne Cohen
Richard Serta	Sharon Sewall	Hal Cohen
Lydia Fasoli	Don McKelvey	Moo Anderson
Donna Olin	Brian Siefker, So.West Dev.	Richard Pettersson
Betty McKee	Greg Stumpf	Dale Holst
Joseph Fogarty	Judy Meier, <i>Borrego Sun</i>	Gedstle Darian
Candace Hallemeyer	Michael Wisner	Robert Darian
Paul Schuessler	Ruth Otis	Eric Mustonen
Dimitri Keriotis	Andrew Mawga, Carlee's	Bill Garmon
Silvia Hogan	Scot Fortiner, Fortiner Rnch.	William Herman
Abby King	Joyce Anderson	Brian Kuptrick
Frank Huneck	Barry McCall, Viejas Land	Roberta LaFuente
Deborah Sperberg	Dennis Dickinson	Art Kastner
Frances Gilloon	James Jordan	Raymond Wickel
Alex Chapple	G.M. Wesner	Becky Sanders
Patricia Chapple	Chuck Engebretson	Willie Sanders
Maggie Lacey Schneider	Bruce Burns	J. Hensinger
Ken Holland	Tom Cargill	Mable Hensinger
Diana Crosshardt	Beth Hart	Clare Hagen
Dennis Stanger	Reuben Ellis	Lynn Smith
Joe Sewall	Duane Young, Cocopah	Mary Delaney

John Ruddley
Scot Martin
R. Shelden
Don Goodwin
Bill Holst
Dennis Daoust
Ray Bolanos
Bob McKee

Greg Young, Cocopah
Melina Kueh
Ron Del Guercio
Lee Del Guercio
Lane Sharman, BWX
Lavonne Huneck
James Johnston, E. Thomas
Jim Engelke

John Delaney
Robert Barton
Harley Hartman
Ray Shindler
Glen Clark
George Harris
William Barton

President Mendenhall called the meeting to order at 4:00 p.m. and introduced the other Board members.

Moderator: Gary Haldeman. Mr. Haldeman introduced General Manager Rich Williamson.

Speaker #1: Robert Mendenhall, BWD Board President. President Mendenhall welcomed the new General Manager, a native Californian and UCLA graduate with over 30 years experience in the water industry. Mr. Williamson is a licensed civil engineer and surveyor.

Speaker #2: Richard Williamson, BWD General Manager. Mr. Williamson pointed out that Borrego Springs is at a crossroads relative to its water supply. The two primary concerns today were to discuss projects and improvements in the area of groundwater management and to hold a public hearing regarding the proposed tiered water rates. Mr. Williamson explained that our groundwater basin is distinct, isolated, and not being recharged as fast as it is being used. We need a sustainable water supply, and he believed the only reliable solution was importation. He went on to summarize progress made in groundwater management, including the purchase of 150 acre feet of water rights from fallowed farm land, negotiation of a scope of work with the Department of Water Resources to analyze the basin and determine water use capabilities and timetables, installation of a California Irrigation Management Information System (CIMIS) station to improve irrigation efficiency, compliance with new Regional Water Quality Control Board requirements for the wastewater treatment plant, and development of the tiered rate proposal by the Conservation Committee.

Speaker #3: Jerry Rolwing, BWD Operations Manager. Greg Holloway introduced Jerry Rolwing. Mr. Rolwing narrated a PowerPoint presentation regarding the proposed tiered rates, which would affect residential users who exceed average usage. Higher averages would apply in summer months. Any profits realized through the tiered rates would be returned to the customers in the form of conservation incentives, which would subsidize low flow appliances, turf removal and irrigation efficiency audits. Mr. Rolwing presented examples of typical customers, comparing existing rates to projected changes under the tiered rates. Commercial rates would be based on four-year usage histories, and irrigation rates (homeowners' association, master metered mobile home parks, parks and schools) would go to Tier 2 if they exceed four acre feet per acre per year. HOAs and master meters would divide their rate by the number of homes served.

Speaker #4: Richard Williamson, BWD General Manager. Mr. Williamson pointed out that the tiered rate proposal is not an "all or nothing" proposition. Based on public input, certain elements of the plan may be adopted and the timing may be changed. He welcomed suggestions, noting the need to reduce water demand in order to save costs on future projects to ensure a continued water supply by securing federal funding. The average residential water use in Borrego Springs is currently one acre foot per acre per year, twice the statewide average. Mr. Williamson reiterated the need to eventually import water, probably through purchase of water rights and construction of a

pipeline via Imperial Irrigation District. Hopefully a funding mechanism will be developed so that agriculture and golf courses can share the cost.

Mr. Williamson summarized the public concerns emphasized to date. Maintenance of the lawn at Christmas Circle has been addressed by moving the park into the commercial category to make irrigation more affordable. More time was requested for residents to adjust their water use habits to accommodate tiered rates. Many commented that the tiered rates would not solve the overdraft problem, but Mr. Williamson explained that is not the purpose. Conservation efforts are necessary to support a funding request for water importation. The lack of participation by agriculture is a concern that may be addressed by incentives. Some feel the tiered rates will force residents to leave the community, cost jobs and discourage construction; but Mr. Williamson noted the cost would still be less than in most comparable districts. Most residents will not be affected, and for those that demonstrate hardship, there will be flexibility in individual cases. Education is an important element. Mr. Williamson suggested phasing the program in over time, focusing on education, conservation investment subsidies and efficiency audits for the next year and implementing the rates in July 2009. Citizens could work with the Conservation Committee to evaluate the progress, and perhaps ultimately eliminate Tier 3 and increase allowable usage for Tier 1.

Speaker #5: Gary Guacci, California Department of Water Resources. Mr. Guacci addressed the group regarding the three year study of our groundwater basin being conducted jointly by DWR and BWD. He explained that the aquifer is recharged by rainfall, and when pumping exceeds recharge, the water table declines. The purpose of the study is to better define the character of the basin and identify the groundwater supply. The first phase is a questionnaire for well owners, followed by visits to the wells, to collect information on the aquifer. The questionnaires were available in the lobby and at the District office, and Mr. Guacci assured respondents their information would be kept confidential pursuant to Water Code provisions.

Speaker #6: Kim Post, BWD Consulting Engineer. Mr. Post explained that while the Groundwater Management Plan addresses primarily groundwater quantity, quality is also important. Our water is currently of good quality, as demonstrated by regular tests which are reported to the Department of Health Services. Tests from the wastewater treatment plant are submitted to the Regional Water Quality Control Board, and reporting requirements have recently been increased. One of the new components is the control of water softener brine, which is a significant contributor to the salinity levels which could eventually degrade the groundwater. Types of water softeners include timer operated units, "on demand" units, and tank exchange units. Environmental impacts can best be minimized by not using a water softener or by using the tank exchange system. The "on demand" units are better than timer operated, and the system should be turned off when the customer is away. Additional information will be included in future water bills and is available at the District office.

Speaker #7: Allison Burns. Ms. Burns addressed the pending fallowing/mitigation entitlement policy which the District is negotiating with the County. The policy will provide for voluntary fallowing or turf removal in exchange for mitigation credits which can be used for future development or transferred to another party.

Speaker #8: Bill Mills, BWD Geologic Consultant. Mr. Mills reported on the expert panel which was convened last December to discuss groundwater availability and grant opportunities. The panel included six members and two resource individuals. The main question to be addressed is how long the Borrego aquifer will continue to supply water to the community. The investigation will include

monitoring wells, bore holes and geophysical techniques. Numeric computer models will assist in estimating future water levels under various scenarios.

Mr. Mills went on to summarize grant opportunities, including low interest loans, at the federal and State level. Funds could be used for planning, design and construction of monitoring wells, groundwater studies, and feasibility studies for importation pipeline construction. DWR has funded monitoring wells for the District in the past, and another application is pending. Also in work are applications for grants from the U.S. Department of Agriculture and Environmental Protection Agency for an importation pipeline study. State applications for this project under Propositions 50 and 84 were unsuccessful, but the District is now working with neighboring agencies on a regional, integrated approach in preparation for resubmittal. Federal funding from the Corps of Engineers may also be available.

The meeting recessed at 5:45 p.m. and reconvened at 5:55 p.m.

Goals for public hearing. Mr. Williamson reviewed the goal, to have a constructive dialogue with the community regarding the proposed water rates and implementation plan in order to meet the sustainable water needs of valley.

Officially open public hearing. President Mendenhall opened the public hearing at 6:00 p.m.

Gerald Ehly asked how agriculture and golf courses could be included in conservation efforts. He felt their exclusion was discriminatory.

Lane Sharman pointed out that one of the District's production wells had run dry a year ago, indicating changing times and the need to take responsibility for the future of Borrego Springs. He cited the work of the many members of the Conservation Committee to develop the tiered rate proposal, which he felt was generous, and urged the preservation of our future.

Dr. Russell Shelden expressed concern regarding an epidemic arising from lack of hand washing, bathing and cleaning. He felt the increased rates were unnecessary and that people would conserve voluntarily.

Don Goodwin noted that when he bought his home in Borrego Springs 17 years ago, he was led to believe that the water supply would last forever. If the potential water shortage is not disclosed to buyers today, he felt it should be. He further urged that lot size be taken into consideration in establishing the tiered rates.

Ronald Del Guercio addressed his remarks to the BWD Board, opining that tiered rates would not result in conservation since only 10 percent of the water use is residential and the future of the aquifer is dependent on reduction of agriculture.

John Delaney predicted that the plan to import water was designed to irrigate palm trees and sell them in La Quinta. He reiterated that residential use accounts for only 10 percent of our water, and urged inclusion of agriculture and golf courses by imposing a pump tax on private wells.

Dr. Dennis Ehrlich disagreed with Mr. Williamson's contention that tiered rates would not cause people to leave Borrego Springs. He felt they would not leave for economic reasons, but because they do not like to be forced into anything. Dr. Ehrlich felt that many of those who would be

impacted by the rates are those who contribute to the community resources. He also believed that these residents would reduce landscaping and gardening services, impacting local employment. Lastly, he stated residents should have had an opportunity to vote on the proposal.

John Rudley pointed out that most agriculture in the area is corporate, not family farms. They import workers and export products and are taking our water without contributing to the community.

Bill Garmon expressed support for the proposed importation pipeline, but felt agriculture should pay its fair share instead of penalizing residents. He liked the options presented today. He read a letter stating that the tiered rates are an impropriety since residents only use ten percent of the water and one of the Board members manages an enterprise which uses more than all of the residents. He believed that member had a conflict of interest and should recuse himself.

Greg Stumpf suggested the public hearing should have been held later and then would have been better attended. He felt the tiered rates would save less than one percent of our water, and that reduction of landscaping would not solve the overdraft. He asked why punitive action was necessary to obtain grants, noting that his internet research had yielded no information on similar communities with tiered rates.

Betty McKee's letter was read by her son. She felt tiered water rates would harm Borrego Springs, and that not everyone was able to stay in Tier 1. Ms. McKee had purchased a lot with mature trees and plants which provide beauty, peace and privacy. It would cost approximately \$70,000 to remove them or \$400 to \$700 per month to water them under the new rates.

Tom Fredericks stated he lived on three acres with 49 trees and 200 shrubs and uses only 17 units of water per month. He recommended use of a good drip irrigation system, and pointed out that the solution to the overdraft needs to involve everyone, including farmers and golf courses. Targeting only the homeowners is burdensome. He suggested waiting a year and continuing the public meetings. Mr. Fredericks further noted that there are enzymes and micro organisms available which can reduce irrigation requirements.

Beth Hart expressed concern that District representatives had cited water use statistics from February, indicating only 12 percent of the residents would be affected by tiered rates, although rainfall was the heaviest in a long time during that month. She believed tiered rates would harm Borrego Springs without solving the water problem. Ms. Hart cited the current use in ID 4 of 1,672 acre feet per acre per year, projected to be reduced to 1,472 under tiered rates, and questioned why the District is "losing" 170 acre feet of water per acre per year. As an alternative to show eligibility for grant funding, she suggested a building moratorium or adjudicated water rates.

William Sanders felt the tiered rate plan was inequitable under the California Constitution, Article 13B, which requires public entities to impose fees representing reasonable costs. He felt commercial users were essentially exempted because their rates were based on a four-year average usage.

Michael Wisner urged the community to work together to save the aquifer, support future government funding and reduce tension.

Sharon Sewell welcomed Mr. Williamson but pointed out that Borrego Springs is different from Arizona because of our lack of industry and residents composed of seniors and Hispanics, both of whom would be hurt by the tiered rates. While she felt agriculture and golf were good for the community, they should pay for their water use. She predicted people would conserve voluntarily without a rate increase.

Closing remarks: Mr. Rolwing and Mr. Williamson thanked the citizens for their participation. Mr. Williamson announced the second public hearing on tiered rates, April 9 at 9:15 a.m. He welcomed letters and future participation. He assured the public that their comments would be heard early on April 9, but tonight he felt it was important to disseminate information on the groundwater management plan first. In response to comments tonight on the importation pipeline, he clarified that it would provide water only for domestic use.

It was suggested that District meetings be announced in Spanish, and that perhaps a larger facility than the District office should be considered for the April 9 meeting.

Continue the public hearing: At 6:55 p.m., President Mendenhall closed the public hearing and adjourned the meeting to April 9, 2008 at 9:15 in the District Board Room. If the location is changed to accommodate more people it will be publicized.