

Borrego Water District
MINUTES
Groundwater Management Standing Committee
Wednesday, March 10, 2010, 9:15 a.m.
806 Palm Canyon Drive
Borrego Springs, CA 92004

Attendance: Directors: Mendenhall, Smiley
Staff: Richard Williamson, General Manager
 Jerry Rolwing, Operations Manager
 Wendy Quinn, Recording Secretary
Public: Jim Engelke, White & Lundberg Lyle Brecht
 Mark Remy Lane Sharman, BWX
 Beth Hart Rebecca Falk

CALL TO ORDER
INTRODUCTION OF PARTICIPANTS

APPROVAL OF MINUTES

Jerry Rolwing observed that the DWR estimates for their next task (last paragraph of page 1) appeared too low. Rich Williamson corrected them to read \$120,000 to \$200,000. Mr. Rolwing corrected paragraph 4.b on page 2, regarding the IRWMP, to note that the group **may** include Jacumba and Majestic Pines Community Services Districts. They have not yet joined. The Minutes of February 17, 2010 were approved as corrected.

CURRENT AGENDA ITEMS

1. Status of Financing/Grant Requests. Mr. Williamson reported that he met last month with Congressman Hunter and submitted the District's funding request for the North Clark Lake monitoring program. It was also submitted to Senators Boxer and Feinstein.

 Responses to the I-Bank's last two questions have been submitted, and our funding request should be on their April agenda.

 The scope of work for the Southeast Intertie STAG grant is before the EPA. Mr. Williamson plans to visit the Regional Administrator in San Francisco if the funding is not finalized by early May.

 Mr. Williamson reported that \$20 million in planning grants is available from the State through the Integrated Regional Water Management Program, coordinated by the Department of Water Resources. BWD will put in a request, and may expect between \$500,000 and \$1 million for completion of the intertie, together with Proposition 84 and USDA funding.

2. Update on Groundwater Management Study. Mr. Williamson reported he would be meeting with USGS representatives later this month. The town hall meeting is scheduled for April 7 at 4:00 p.m., and USGS will be making a presentation. It is hoped they will have a more definitive prediction on the life of the aquifer. Lyle Brecht recommended that BWD review the USGS presentation prior to the meeting to ensure it is clear to the public.

3. Discussion regarding solar power proposals for Borrego Valley in relationship to Groundwater Management. Mr. Williamson reported there are currently four proposals under consideration for provision of solar power in Borrego Valley. The Community

Sponsor Group heard three of these last week. Eurus, one of the contenders, has a concept to assist in fallowing agricultural land by diverting a portion of its revenue for this purpose. Chris Godomski, the District's solar consultant, said it is typical for solar providers to return some funds to the community. Discussion followed regarding BWD's preferred location of the facilities in a fallowed grove and the advantage of protection from the wind. Mr. Williamson had met with staff of Supervisor Horn and DPLU and is working with the Sponsor Group on this. Director Smiley pointed out that farmland is more expensive than the other sites being considered. Lane Sharman noted that the value of the land could be separated from the value of the water, and Jim Engelke added that development rights could also be sold separately.

4. Discussion: Integrated Water Resource Management Plan.
 - a. Groundwater Banking option Development.
 - b. Stakeholder Involvement/process.

Mr. Rolwing reported that the draft guidelines for Proposition 84 funding applications had been released. BWD and Canebrake Water District plan to apply for planning grants, and we need to develop a Water Resource Management Plan for the region. The IWRMP meets the fourth Tuesday of each month at 9:00 a.m., so far at BWD but some meetings may be held at Canebrake.

Rebecca Falk inquired about the status of the Clark Lake monitoring program. Mr. Rolwing replied that an application for an earmark had been submitted, and Mr. Williamson added that in the meantime, we plan to test water from existing wells.

5. Status of applications for water credits. Mr. Williamson announced that there were no new applications for water credits during the past month. Negotiations are continuing with the dragon fruit farm and Viking Ranch. Rudy Monica has requested a meeting to discuss his credits, and the pepper farm is still awaiting written confirmation from the County that they are eligible to farm. Mr. Engelke recommended that the pepper farm apply for a certificate of compliance.

Mr. Sharman suggested that the District issue a monthly report showing credits issued and retired to date, transactions completed and owners of credits. Mr. Rolwing distributed copies of a proposed Water Credit Certificate form. It was agreed to change the "Purchased From" section to "Issued To." Mr. Brecht suggested entering the information in a database. Discussion followed regarding how to handle future changes to the credit program, and it was agreed to continue the deliberation outside the meeting.

Director Smiley inquired about the status of the Palm Canyon Resort credits. Mr. Rolwing reported that three have tentatively been sold, but Mr. Williamson explained that we are awaiting the signed agreement from the resort. Allison Burns made some requested revisions, and he hoped to have it completed this week.

Mr. Engelke reported that a client, Charlie White, was told the County required credits from fallowed citrus or golf course property and questioned if the Palm Canyon credits would be acceptable. Mr. Williamson agreed to provide a letter of intent, informing the County of their imminent availability.

6. Financing options for future water credit purchases. Mr. Williamson reported that the recent customer questionnaire generated a lot of comments on a potential \$10 million bond issue to fallow farmland. There was considerable support, but many requested additional information. Beth Hart requested a statistical report of the questionnaire responses. Mr. Williamson reported that 27 percent of those that responded answered "no" to all items. There were 559 responses. Of those that answered "yes" to anything, 75 percent favored solar energy, 57 percent for trash pickup, 54 percent for recreational facilities, and 44 percent for the bond issue. Another, more detailed survey is contemplated.

Mr. Sharman suggested that the Board consider imposing a moratorium on new water meters if the aquifer is not in a safe yield status in five years. Director Mendenhall expressed opposition, citing the detrimental effects moratoriums had on the community and economy in Santa Barbara and other areas. Mr. Engelke referred to Mr. Williamson's previous suggestion to develop a strategic plan and expressed support for it. Director Smiley agreed, but suggested staff develop it rather than a consultant. Mr. Brecht felt the Board should be involved, and Mr. Smiley suggested a committee. Mr. Williamson referred to the 2009 Integrated Water Resource Management Plan, which listed near-term projects, policies and management strategies. Most have been implemented. Further discussion was continued to the next Committee meeting.

There being no further business, the meeting adjourned at 11:55 a.m. The next regular Groundwater Management Committee Meeting was scheduled for Wednesday, April 14, 2010 at 9:15 a.m.