

AGENDA
Borrego Water District Board of Directors
Regular Meeting
April 27, 2011, 9:00 AM
806 Palm Canyon Drive
Borrego Springs, CA 92004

I. OPENING PROCEDURES

- A. Call to Order
- B. Pledge of Allegiance
- C. Roll Call
- D. Approval of Agenda
- E. Approval of Minutes
 - Special meeting of March 15, 2011 (page 2-5)
 - Regular meeting of March 23, 2011 (page 6-9)
 - Town Hall Minutes of March 30, 2011 (page 10-15)
 - Special Meeting of April 6, 2011 (page 16-18)
- F. Comments from Directors and Requests for Future Agenda Items
- G. Comments from the Public and Requests for Future Agenda Items (comments will be limited to 3 minutes)
- H. Correspondence:
 - Letter from C. Fraser (page 19)
- I. Staff Reports:
 - A. Financial Reports – March 2011 (page 20-54)
 - B. Manager / Operations Report (page 55-58)
- J. Attorney's Report

II. CURRENT BUSINESS MATTERS

- A. Report of selection of General Counsel (page 59-83)
- B. Discussion and possible action regarding the appointment of Jerry Rolwing as General Manager.
- C. Presentation of Stag Grant

III. COMMITTEE REPORTS & PROPOSALS

- A. Ad Hoc Committees
 - 1. Due-Diligence (M. Brecht, L. Brecht)
 - 2. Strategic Planning Committee (Hart, L. Brecht)
 - 3. IRWM Committee (Shimeall, L. Brecht)
 - 4. Executive Committee (Cocopah) (Hart, Estep)
 - 5. Executive Committee (Cameron) (Estep, Shimeall)
 - 6. O&M Budget Committee (M. Brecht, Hart)

IV. STAFF REPORTS

- A. **Water and Wastewater Operations Report – March 2011** (page 84)
- B. **Water Production/Use Records – March 2011** (page 85-88)
- C. **Year to Date meter installations** (page 89)
- D. **Meter installation history** (page 90)

V. INFORMATIONAL ITEMS

VI. CLOSED SESSION

VII. ADJOURNMENT UNTIL 1:00 P.M.

VIII. ADDITIONAL BUSINESS MATTERS

- A. Discussion and possible action regarding a review of the results of the financial model developed for the District by Raftelis Financial Consulting (RFC).
- B. Discussion and possible action regarding recommendations from Raftelis Financial Consulting (RFC) regarding potential steps to improve the District's present financial situation that may include, among other things providing notice of a Proposition 218 rate increase hearing in June 2011.

IX. CLOSING PROCEDURE

- Adjournment** The next Regular Meeting of the Board of Directors is scheduled for May 25, 2011 at the Borrego Water District.

Borrego Water District
MINUTES
Special Meeting of the Board of Directors
March 15, 2011
9:00 a.m.
806 Palm Canyon Drive
Borrego Springs, CA 92004

I. OPENING PROCEDURES

- A. Call to Order: President Hart called the meeting to order at 9:00 a.m.
- B. Pledge of Allegiance: Those present stood for the Pledge of Allegiance.
- C. Roll Call:
 - Directors: Present: President Hart, Vice President Lyle Brecht, Secretary/Treasurer Marshal Brecht, Estep, Shimeall
 - Staff: Jerry Rolwing, Interim General Manager/Operations Manager
 - Public:
 - Jim Engelke, Lundberg Judy Meier, *Borrego Sun*
 - Ray Delahay Jim Bennett, County DPLU (via teleconference)
 - Joe Farace, County DPLU Heather Stevens, County DPLU (via teleconference)
 - Greg Moser, Procopio (via teleconference)

D. Comments from Directors and Requests for Future Agenda Items: Director Lyle Brecht announced for the record that the closed session would consist of a discussion regarding advice from legal counsel regarding the Viking Ranch purchase agreement, subject to Government Code section 54956.9(b) and (c), and for the purpose of giving direction to the District's negotiators under Government Code section 54956.8 related to the real property known as the Viking Ranch with negotiators Lee Estep, Beth Hart and Jerry Rolwing for the District in preparation for negotiating with Lance Lundberg from the Viking Ranch. This was consistent with the Agenda distributed today, but differed from the draft distributed last week.

- E. Comments from the Public and Requests for Future Agenda Items: None

II. CURRENT BUSINESS MATTERS

A. Discussion with Jim Bennett and possible action regarding San Diego County's Groundwater Mitigation requirements for new development: Jim Bennett, Joe Farace and Heather Stevens from the San Diego County Department of Planning and Land Use joined the meeting by teleconference. Mr. Bennett explained that the County is in the process of amending its groundwater ordinance. Since BWD has groundwater management authority and the County controls land use, the two agencies are cooperating. The amendment will mandate mitigation of water use by new development, rather than relying on CEQA provisions to do so. Recognition of water credits facilitated by the District is contemplated.

Director Lyle Brecht inquired about enforcement of the ordinance and the County's budget therefor. Mr. Farace replied that the County has budget in its groundwater program to enforce the ordinance through zoning authority with the District's assistance. Jerry Rolwing asked whether the County would permit water credits to be banked (obtained at the time of fallowing and used later when needed by a developer). Mr. Bennett replied that they would. The County will impose criteria on the credits, which are currently being drafted and will be available for the District's review in the near future.

President Hart asked whether the District's two water credit easements, Monica and KRS, would be grandfathered in should their terms differ from the requirements of the amended ordinance. Mr. Bennett asked that Mr. Rolwing forward the documents for his review. Mr. Rolwing inquired about credits for the anticipated turf reduction at Club Circle Golf course,

noting that BWD pays for the water and would be willing to assume enforcement obligations. Mr. Bennett agreed to investigate.

The conference call was terminated with thanks at the conclusion of this item.

B. Motion to establish an executive committee comprised of Beth Hart, Lee Estep and Jerry Rolwing to meet with the owners of the Cocopah Nurseries to discuss the Cocopah option expiring May 29, 2011: A motion was made by Director Lyle Brecht and seconded by Director Marshal Brecht to establish an executive committee comprised of Beth Hart, Lee Estep and Jerry Rolwing to meet with the owners of the Cocopah Nurseries to discuss the Cocopah option expiring May 29, 2011. Director Estep suggested selling the option, and it was agreed to explore this option. Director Lyle Brecht assured the Board that any proposed decision by the committee would come back to the Board for approval. Director Shimeall expressed concern about the propriety and legality of considering the item in closed session, and what items should subsequently be announced to the public. ***The motion carried. RC: AYES – L.Brecht, M.Brecht, Estep, Shimeall, Hart.***

C. Motion to establish an executive committee comprised of Marshal Brecht, Eleanor Shimeall and Jerry Rolwing to meet with Jack Cameron to discuss the District's lease agreement with Cameron Brothers: A motion was made by Director Lyle Brecht and seconded by Director Marshal Brecht to establish an executive committee comprised of Marshal Brecht, Eleanor Shimeall and Jerry Rolwing to meet with Jack Cameron to discuss the District's lease agreement with Cameron Brothers. Director Lyle Brecht expressed his desire to better understand the business issues involved in the lease from the Camerons' perspective. Director Estep explained that as a member of the Community Services District Board, he was involved with the negotiations when the CSD merged with BWD. The course is an asset to the community, but since the Camerons didn't have to pay for water and the two golf course employees devoted half time to CSD water and sewer operations, the CSD could operate it for less than BWD can. He recommended revisiting the possibility of using gray water to irrigate the course, and noted that the partial fallowing will also save money. After discussion, ***Directors L.Brecht and M.Brecht amended their motion and second to substitute Lee Estep for Marshal Brecht. The motion carried.***

D. Authorization for president to sign Wildermuth Environmental, Inc. (WEI) Engagement Agreement. This project, chosen advisor, and budget have already been approved by the Board. No additional budget needs to be authorized: President Hart noted that attorney Tony Romano had reviewed the proposed Engagement Agreement, and it was also considered by the Professional Advisory Committee and the ad hoc citizens' group. The cost is not-to-exceed \$15,000, and interim billings will be submitted based on the Board's time limitations. The budget was pre-approved from the \$78,000 contingency fund. The project, advisory and budget were already approved by the Board so no further action was required.

E. Authorization for president to sign Raftelis Financial Consultants (RFC) Engagement Agreement. This project, chosen advisor, and budget have already been approved by the Board. No additional budget needs to be authorized: President Hart explained that the Due Diligence Committee had selected Raftelis from three bidders, including Glenn Reiter, to continue the work that Reiter began concerning potential rate modification and the Proposition 218 process. No additional action was required.

F. Discussion and possible action to retain Dr. Brian Brady (former General Manager of the Imperial Irrigation District) to provide an independent review of District staffing and O&M budget. No additional budget needs to be authorized: Director Lyle Brecht explained that Dr. Brady did not submit a competitive bid for review of District staffing and O&M budget, because he was still employed by IID at the time of the bidding. He has now agreed to perform the review for \$3,000, which will come from budgets previously authorized. ***MSC: L.Brecht/M.Brecht retaining Dr. Brian Brady to provide an independent review of District staffing and O&M budget.***

G. Discussion and possible action for a no-cost extension to USGS study due date: Director Lyle Brecht invited the Board's attention to the report from the Community Support Group on its recent meeting with USGS. He noted that some minor changes had been made to the report, and Mr. Rolwing will e-mail the final version. A number of issues arose during the meeting that the USGS would be happy to address given a little more time, including climate change and additional updates to the model. The study would be completed by October, followed by peer review and final report at the 2012 Town Hall Meeting. Discussion followed regarding the two rain gauges that are no longer operational, and Director Shimeall suggested looking into budgeting for their replacement or seeking a grant. Mr. Rolwing suggested seeking the cooperation of the County and the Corps of Engineers, and President Hart recommended involving the State Park. *MSC: L.Brecht/Estep extending the USGS study due date at no additional cost.*

H. Discussion and possible action regarding recommendations from ad-hoc Strategic Planning Committee for March 30th Town Hall planning: Director Lyle Brecht summarized the proposed Town Hall Agenda developed by the Strategic Planning Committee, including introductions by moderator Gary Haldeman and the Board; presentations by DWR on well monitoring, Mr. Rolwing on grant funding opportunities, and USGS on their study; and final wrap-up on overdraft strategy by the Board, followed by questions from the audience. Mr. Rolwing noted that the Committee recommended a pause after each speaker for audience members to write down their questions. Director Lyle Brecht recommended that the Board members sit on the stage with the speakers.

Discussion followed regarding how to advertise the Town Hall Meeting. In the past we have done a mass mailing to all P.O. boxes. It was agreed to save expenses by using e-mails to major organizations, website notice, postings, and perhaps a banner at Christmas Circle. Judy Meier will put a notice in the March 31 *Borrego Sun*, which actually will come out the day of the meeting (March 30).

The Board discussed the proposed strategy to address the overdraft (Agenda page 58), and agreed to amend the second bullet to state the objective to determine the various viable legal options for establishing rights of all pumpers. Referring to the financial report on Agenda page 60, Director Estep pointed out that the strategy makes it obvious that rates will be increased, but this is not stated. After discussion, it was agreed to insert a statement that, "There is a significant probability that in order to meet our needs for water there will be a rate increase."

The Board concurred in the Town Hall Meeting handouts as presented in the Agenda with the amendments discussed.

I. Consideration and possible appointment of BWD Board Director as the JPIA designated director: Mr. Rolwing announced that the Secretary/Treasurer normally represents the BWD Board before the JPIA, which handles the District's liability, workers' compensation and property insurance.

III. CLOSED SESSION

A. Discussion regarding advice from legal counsel regarding the Viking Ranch purchase agreement subject to Gov. Code section 54956.9(b) and (c) and for the purpose of giving direction to the District's negotiators under Gov. Code section 54956.8 related to the real property known as the Viking Ranch with negotiators Lee Estep, Beth Hart, and Jerry Rolwing for the District in preparation for negotiating with Lance Lundberg from the Viking Ranch: Jim Engelke offered to answer questions from the Board prior to the closed session. The Board adjourned to closed session at 11:30 a.m., and the open session reconvened at 12:35 p.m. There was no reportable action.

IV. CLOSING PROCEDURE

A. Adjournment: There being no further business, the meeting adjourned at 12:35 p.m. The next meeting of the Board of Directors is scheduled for March 23, 2011 at the Borrego Water District.

I. Staff Reports:

A. Financial Reports – February 2011

President Hart invited the Board's attention to the Financial Reports in the Agenda. Director Marshal Brecht pointed out that the cash flow projections for February were good, and further improvement is expected in March. He noted that some items are missing from the report, which would account for an increase of approximately \$40,000.

B. Manager/Operations Report

Mr. Rolwing offered to answer questions on his written report. He reported that the Montezuma pipeline is half way to completion and should be finished by summer. Mr. Rolwing explained that the County had constructed a 10-inch pipeline near the airport at no cost to the District and requested a reimbursement agreement. Since the elementary school has now connected to the line, the County has requested payment from the school. The Water District will simply collect the money and transmit it to the County. President Hart inquired about the survey and design of the transmission line to Clark Lake (Agenda pages 43 and 44). Mr. Rolwing explained that the project is being conducted under a STAG grant, and he was working with Bill Mills and the EPA to recoup money expended to date. A payment of \$67,000 is expected. Director Marshal Brecht requested that this be added to the cash flow projections. Director Marshal Brecht inquired about the finance workshop that Mr. Rolwing attended and expressed his interest in participating should it be offered again. Mr. Rolwing found the workshop helpful in developing budgets and rate studies. It is conducted by the North American Development Bank. Director Lyle Brecht requested a copy of the PowerPoint presentation from the workshop. Mr. Rolwing had already asked for it and will follow up.

J. Attorney's Report: No report.

II. CURRENT BUSINESS MATTERS

A. Discussion and possible action regarding establishing a reserve requirements policy for the District: Director Lyle Brecht invited the Board's attention to Agenda page 45, a summary of topics on reserve funds presented at the Utility Management Institute. Types of funds are O&M, Renewal and Replacement, Emergency, Debt Service, Rate Stabilization and Cash Flow. He suggested that the District develop a reserve policy. Mr. Rolwing suggested a presentation for the April 6 meeting. Director Estep suggested reviewing the District's reserve fund history as a basis for future estimates. Mr. Rolwing will investigate.

C. Discussion and possible action regarding the use of local counsel to represent the District's interests at the County in their development and deliberations concerning a new Groundwater Mitigation Ordinance for new development in the County: Director Lyle Brecht noted that the District has spent over \$1 million on its water mitigation credit program. Now that we have another opportunity to build a cooperative relationship with the County on this issue, he recommended retaining an advocate to deal with them. Director Estep questioned the need to spend money for this, opining that the Board is fully capable of dealing with the County. President Hart noted that relations between the District and the County are good at present, and recommended reconsidering Director Lyle Brecht's suggestion in the future if it becomes necessary. Mr. Rolwing announced that he would be meeting with Jim Bennett and would outline the District's position. President Hart asked that the matter be included on the next workshop agenda.

D. Discussion and possible action regarding the use of counsel to develop a District water credits policy in conformance with the County's new Groundwater Mitigation Ordinance: This item was covered during the previous one.

E. Discussion and possible action regarding the use of counsel to assist the Board in developing a Developer's policy for the District in collaboration with the work that Raftelis is doing regarding Developer's fees: Director Lyle Brecht noted that Raftelis is developing a financial model to

address connection fees and how they are established and to make recommendations for the future. A key question is whether current rate payers should subsidize future development. Mr. Rolwing explained that developer's fees have traditionally been negotiated on a case-by-case basis with the District's engineers. Doug Wilson of Mesquite Trails stated that his agreement with the District has not yet been finalized, but involves assurance that the development's infrastructure will be compatible with District facilities, irrigation considerations and an EDU fee. Mr. Rolwing reported that the agreement would be considered at the next Board meeting. Director Lyle Brecht offered to bring a sample developer's policy for the Board's consideration, and Mr. Rolwing suggested seeking David Dale's advice.

B. Discussion and possible action regarding the selection of District Counsel reporting to the Board: Director Lyle Brecht announced that further discussion of this item would be conducted in closed session. Director Estep explained that when Rams Hill was constructed the District needed a bond counsel, so the law firm Stradling, Yocca, Carlson & Rauth was retained and has represented the District ever since. He emphasized the need for an attorney familiar with water law and contracts, and expressed a preference for one closer to Borrego Springs.

F. Discussion and possible action regarding BoR MOU: Mr. Rolwing invited the Board's attention to the revised MOU from the Bureau of Reclamation, specifically page 4, paragraph VI.B, noting that the amendment did not really address the District's concern that monetary contributions would not exceed \$12,000 and that the MOU include a pre-approved list of in-kind services. Approval was tabled pending Mr. Rolwing's further negotiation with BoR to include these requests.

G. Discussion and possible action regarding the preparation of a planning grant proposal to DWR for the purpose of completing the ABD-IRWM planning process: Mr. Rolwing explained that the Anza-Borrego Desert Integrated Regional Water Management Plan had been essentially complete as of December, but since then our direction has changed. Mr. Mills has been assisting, and now the new DWR facilitator will provide input and hopefully involve more stakeholders. Once the Plan has been amended and adopted, taking into consideration DWR's comments when our planning grant application was denied, the IRWM group can apply for project implementation funds. *MSC: Estep/M.Brecht forming an ad hoc committee comprised of Directors Shimeall and Lyle Brecht to work with Mr. Rolwing on the planning process for the IRWM.*

H. Discussion and possible action regarding the selection of auditor for FY2011: *MSC: Estep/Shimeall retaining Diehl Evans as the District's auditor for at least one more year.*

III. COMMITTEE REPORTS & PROPOSALS

A. Ad Hoc Committees

1. Due-Diligence

This report was covered previously.

2. Strategic Planning Committee

President Hart reported that the Committee was working on the introduction, agenda and final statement for the March 30 Town Hall Meeting. Gary Haldeman will serve as moderator, and Tim Ross (DWR), Peter Martin and Claudia Faunt (USGS) will speak.

IV. STAFF REPORTS

A. Water and Wastewater Operations Report – February 2011: Mr. Rolwing announced that operations had been switched over to the new lift station, and the former CSD treatment plant would be moth balled.

B. Water Production/Use Records – February 2011: Director Marshal Brecht inquired about the definition of irrigation customers versus golf courses, and Mr. Rolwing explained that irrigation customers were basically homeowners' associations.

V. INFORMATIONAL ITEMS

None

VI. CLOSED SESSION

A. Discussion regarding advice from legal counsel regarding the Viking Ranch purchase agreement and the Monica easement agreement subject to Gov. Code section 43956.9(b) and (c) and for the purpose of giving direction to the District's negotiators under Gov. Code section 54956.8 related to the real property known as the Viking Ranch with negotiators Lee Estep, Beth Hart, and Jerry Rolwing for the District in preparation for negotiating with Lance Lundberg from the Viking Ranch:

B. Discussion for the purpose of giving direction to the District's negotiators under Gov. Code section 54956.8 related to the real property known as the Cocopah Nurseries with negotiators Lee Estep, Beth Hart, and Jerry Rolwing for the District:

C. Discussion for the purpose of giving direction to the District's negotiators under Gov. Code section 54956.8 related to the lease of real property known as the Club Circle Golf Course with negotiators Lee Estep, Eleanor Shimeall, and Jerry Rolwing for the District in preparations for discussions with Jack Cameron:

D. Discussion and possible action regarding the selection of District Counsel reporting to the Board under Govt. Code section 54957:

The Board adjourned to closed session at 10:50 a.m., and the open session reconvened at 12:55 p.m. As to Item VI.A, the ad hoc committee was directed to continue negotiations.

VII. CLOSING PROCEDURE

Adjournment. There being no further business, the meeting adjourned at 12:55 p.m. The next regular meeting of the Board of Directors is scheduled for April 27, 2011 at the Borrego Water District.

Borrego Water District
MINUTES
"10th Annual Town Hall Meeting"
Wednesday, March 30, 2011, 4:00 PM
Borrego Springs Performing Arts Center
590 Palm Canyon Drive
Borrego Springs, CA 92004

Attendance:

Directors Present: President Hart, Vice-President Lyle Brecht, Secretary/Treasurer
Marshal Brecht, Estep, Shimeall

Staff: Jerry Rolwing, Interim General Manager/Operations Manager
Kim Pitman, Administration Manager
Greg Holloway, Water Operations Supervisor/Safety Administrator
Diana Del Bono, Administrative Assistant
Heather Davidson, Customer Service Representative
Jeanne Fredericks, Customer Service Representative
Wendy Quinn, Recording Secretary

Public:

Clark Shimeall	Ray Delahay
Lyn Loerke	Lucy Larson
Sue Salt	Doug Wilson, MTR
Ray Shindler	John Peterson
Timothy Ross, CA DWR	Harley Hartman
Gwenn Marie, BVI	Grace Caldwell, BVI
Cathy Rose	Kathy Johnston
Cathy Gay	Jim Bennett
Kathy Bussey	Kent Smith
Jim Wermers	Anne Wermers
Diane Hydoski	Judy Meier, <i>Borrego Sun</i>
Jim Dice, CA Parks & Rec.	Joan Leopold
Tracey Alexander	Lara Maxwell
James Johnston	Julian Peabody
Buck Barrie	Mary Delaney
John Delaney	Rebecca Falk, RRR
Richard Gray	Joan Kirk
Dennis Dickinson	Jim Engelke
Briana Ross, ABF	Mark Jorgensen
Bob Phillips	Louise Phillips
Kathy Brigham	J.P. Lohr
Jan Stubbs, Aguasol	Larry March
Richard Russell	Dick Troy
Greg Young, Cocopah	Lane Sharman
Michael Spick	Peter Martin, USGS
Claudia Faunt, USGS	David Born
Saul Miller	Bill Wright

Introduction of speakers: Beth Hart, President of the Board of Directors. President Hart welcomed the attendees and introduced the Board, staff and speakers present. She noted that \$5.7 million of the District's \$6.5 million in reserves had been expended during the past three years, with another \$7.5 million obligated. In response, the new Board has eliminated health

care benefits for Directors, reduced legal expenses (\$477,000 over the past three years) and did not replace the previous General Manager (\$787,000 for three years' salary, expenses and benefits). Jerry Rolwing, the Interim General Manager, has declined additional compensation. Some of the Board members have declined compensation. President Hart commended and thanked the District staff and the community for their support. She also acknowledged the members of the public who have participated in District committees and encouraged others to do so.

Speaker #1: Gary Haldeman, review the agenda and how Q & A will be handled. Mr. Haldeman informed the attendees that comments and questions would be limited to three minutes at the end of the presentations.

Speaker #2: Beth Hart, President of the Board of Directors, where we are now. President Hart's comments were included in her introductory remarks.

Speaker #3: Tim Ross, Department of Water Resources, well monitoring program. Dr. Ross reported that the DWR had been working with BWD for eight years, and embarked on a new program a year and a half ago. Through the California Statewide Groundwater Elevation Monitoring (CASGEM), the Department is monitoring 515 basins and sub-basins. The goals are to encourage local participation in determining the groundwater elevation and provide assistance. He hopes to establish a statewide groundwater monitoring network to identify long-term trends. BWD has elected to become a groundwater monitoring agency under the program and is working to develop a plan for submission to DWR.

Dr. Ross presented a graph depicting groundwater elevations in Borrego Springs from the 1950s through 2012 (projected). They are steadily declining. The levels were obtained from 35 monitoring wells in the basin.

Speaker #4: Jerry Rolwing, Interim General Manager, grants and investigations update. Mr. Rolwing outlined three current and potential grant funded projects: The Integrated Regional Water Management (IRWM) projects, the State and Tribal Assistance Grant (STAG), and the Bureau of Reclamation Basin Study. The IRWM projects are administrated by DWR through Proposition 84 funds and require regional participation. BWD's partners are the County of San Diego and the San Diego County Resource Conservation District. We are part of the Colorado River Regional Hydraulic Area, which includes the Anza-Borrego Desert State Park, Ocotillo Wells State Vehicular Recreation Area, Borrego Water District, Canebrake County Water District, two community services districts and four Native American Indian reservations. The IRWM Stakeholders Subcommittee has been meeting monthly since January 2010. They submitted an unsuccessful planning grant application but plan to try again.

The STAG is administered by the U.S. Environmental Protection Agency. BWD received an earmark in 2009 for a feasibility study regarding an importation pipeline. Study areas include San Felipe Creek, Clark Lake and Alegretti Farms, among others. We are awaiting a reimbursement payment of \$135,000.

The Bureau of Reclamation Basin Study will assist in identifying sources of water which might be imported into Borrego Springs. The study includes Imperial Irrigation District, Coachella Valley Water District and the San Diego County Water Authority. BWD is

required to match the \$425,000 grant, but may contribute in-kind services which are already been completed.

Speaker #5: Peter Martin and Claudia Faunt, United States Geological Survey, Summary of work progress. Ms. Faunt summarized the USGS work to date in assessing groundwater conditions and subsidence in the Borrego Valley. We face the problem that groundwater is virtually our sole source of water, and pumping exceeds recharge by four times, causing an annual decrease of two feet. With the declining water level, quality could deteriorate. The USGS objective is to improve understanding of the groundwater data and incorporate it into a groundwater flow model. They have reviewed historical data and surveyed 79 wells. Ms. Faunt explained that the largest recharge areas in the Borrego Valley are Coyote Canyon and Palm Canyon. The study includes updating information on their geology and hydrogeology, as well as investigation into the three aquifers (upper, middle and lower).

Based on information from the model, Ms. Faunt outlined three hypothetical scenarios: (1) taking no action for 50 years; (2) reducing agricultural production by half for 50 years; (3) cessation of agriculture with a 25 percent increase in recreational pumping and a 25 percent increase in municipal pumping over the next ten years; and (4) cessation of agriculture and recreational pumping while doubling municipal pumping over the next ten years. Scenario (1) would result in a 140-foot draw-down of the aquifer, (2) would produce a draw-down of 40 to 70 feet, and (3) and (4) would require less than half the current level of pumping overall.

Mr. Martin explained his study of data on the chemistry of 150 wells, particularly the total dissolved solids (TDS) levels in the three aquifers. Information on the middle aquifer is particularly important because the upper aquifer will eventually be dewatered. The middle aquifer has higher TDS, and in some areas is not potable. The study also addresses the age of the aquifer. He showed a map indicating in some areas, particularly around Coyote and Palm Canyons, it is less than 50 years old. In other areas, however, it ranges from 1,000 or 2,000 years old to as much as 25,000.

Future plans include completion of updates to and calibration of the model, conducting and analyzing predictive simulations, analysis of additional water quality data and preparation of a final report.

Speaker #6: Lyle Brecht, Vice President of the Board of Directors, overdraft strategy and rationale. Director Lyle Brecht pointed out that aquifers rarely run out of water. Our concern is the economic impacts of drawing out more water than is replaced, increasing the cost of pumping and treatment. This is a worldwide issue. He emphasized the importance of the community working together to address the problem.

Director Lyle Brecht continued with comments on the recent decline of BWD's cash reserves and credit rating, while still facing the overdraft of the aquifer. Prior strategy emphasized future water importation and assumed grant funding. The current Board's strategy is to return the District to fiscal stability by 2013; determine legal options and rights of pumpers and associated costs by 2014; complete legal, policy and economic work necessary to determine how the water credit program can be used to facilitate mitigation requirements by the end of 2011; work with the USGS and Bureau of Reclamation to fully define the basin and identify options for managing, storing and supplementing our water supply (studies to continue until

2012); and determine how the studies of San Felipe Creek, Clark Lake and other potential water sources can benefit us by the end of 2011. Public help and support in these efforts is welcome.

Public comment and question session. A concerned citizen asked how much depth remained in the north basin, why is the "army well" rising, why has it taken eight years to measure the overdraft, and how much has this cost. Dr. Ross replied that the north basin is declining more rapidly because of the agriculture in that area. The army well is in an area where there is almost no pumping. Mr. Rolwing stated that the District has been aware of the aquifer overdraft for at least 12 years, but for a long time there were many who didn't believe it. The cost of studies has been approximately \$6 million to date.

Kathy Brigham asked why the public was not made aware of the depletion of the District's cash reserves and what is being done to assure that this will not happen again. President Hart didn't know why the public had not been made aware, but to avoid this in the future, budget criteria are being established and will be reviewed at a workshop on April 6.

Mark Jorgensen asked what evidence the USGS had to indicate the overdraft would not impact the State Park's resources. Mr. Martin explained that they were looking at resources in Coyote Canyon, which is disconnected from the Borrego aquifer system. Other areas of the park, such as Clark Lake, could be impacted.

Richard Russell inquired about the high base water rate, possible reduction of District staff, County inspection fees, expensive studies and water credits. Mr. Rolwing explained that the base rate was established by the Board in 2004 to maintain adequate income through the summer when many residents leave. A consultant is currently reviewing the District staffing level. Mr. Rolwing explained that the District is working with the County to address inspection fees. Director Lyle Brecht responded to Mr. Russell's concern over the expensive studies, maintaining that it was money well spent and that the District assists in the studies. Solid information is required to establish policy, address the overdraft and manage the District efficiently. Mr. Rolwing explained that the water mitigation requirement was instituted by the County to alleviate the depletion of the aquifer.

Kent Smith asked the USGS representatives what value their study has provided and at what cost. Mr. Martin replied that data from DWR and prior USGS studies were compiled to enhance and develop the model into a tool which can facilitate future planning.

Lane Sharman suggested scheduling workshops to develop an action plan on potential adjudication and importation. President Hart concurred.

Rebecca Falk requested a review of Mr. Martin's presentation of the age of the aquifer at various locations, and he complied.

Clark Shimeall suggested that the State Park, BWD and USGS combine resources to replace the two gauging stations which are no longer operable. Mr. Rolwing reported that the District is investigating options and has discussed it with the park.

Mr. Russell asked how much it would cost to bring water in from El Centro or another area. Mr. Rolwing replied that the Basin Study would help to determine that. The current estimate is \$3,000 to \$6,000 per acre/foot, depending on the source.

Mr. Russell further inquired whether the State Park would allow BWD to route a pipeline through park property. Mr. Rolwing had not yet determined that.

Tracey Alexander inquired about depression depths. Ms. Faunt replied that the groundwater level had dropped less than six inches over the last 20 years. In response to Mr. Alexander's next question concerning horizontal conductivity and water flows, she replied that flows could travel in all directions, but usually went north to south. Mr. Alexander inquired about contamination of drinking water by nitrates. Mr. Martin explained that using the model, we can determine how many years it would take before nitrates reached the production wells. Mr. Rolwing added that the District monitors nitrate levels annually and has seen very little degradation. Mr. Alexander asked whether the large water users have agreed to reduce their usage. Mr. Rolwing explained that farmers and golf courses are motivated to conserve because of high pumping costs. However, those that own their own wells are free to use them as they choose. Mr. Alexander suggesting using ground tarps, and Mr. Rolwing noted that many farmers use mulch.

Another question for Dr. Ross dealt with what the DWR data tells us about the aquifer. Mr. Ross explained that it tells us what happens in the basin, forms the basis for modeling and provides data on recharge.

Ms. Falk inquired about the percent of recharge from Palm and Coyote Canyons. Ms. Faunt replied there were approximately 1,300 to 1,800 acre-feet from Coyote Canyon and 800 acre-feet from Palm.

Another attendee asked whether the slides presented today could be made available on the BWD website. Mr. Martin agreed to do so, pending release from the USGS.

Mr. Russell asked whether the decline in groundwater could precipitate a collapse in the ground. Mr. Rolwing explained there was not much evidence of compression or subsidence.

The next question was whether golf courses and orchards could go into the lower aquifer for irrigation to save water at the higher elevations. Mr. Rolwing explained that using the upper aquifer is much more efficient, and Mr. Martin added that the lower aquifer is not suitable due to TDS.

Saul Miller expressed concern regarding the overdraft and District money management. Director Lyle Brecht stressed the importance of all water users in the valley working together to address the overdraft.

Richard Gray suggested an economic model of declining values.

Judy Meier asked Director Lyle Brecht whether he envisioned an adjudicated basin. Director Lyle Brecht explained that there are five methods of determining water rights in California, two legal and three regulatory. He found the latter preferable.

Dick Troy commended the presenters on their clear information.

Mr. Alexander expressed concern that the large water users would drive water rates up.

Ms. Faulk inquired about the location of wells with high nitrate content. Mr. Rolwing replied that some had been discovered in the past and shut down. New wells have lower perforations to address this issue.

Bill Wright, a long-time property owner and resident, offered any needed assistance to the Board.

Closing remarks by Gary Haldeman: There being no further comments, the meeting was adjourned at 6:35 p.m.

Borrego Water District
MINUTES
Special Meeting of the Board of Directors
April 6, 2011
8:15 a.m.
806 Palm Canyon Drive
Borrego Springs, CA 92004

I. OPENING PROCEDURES

- A. Call to Order: President Hart called the meeting to order at 8:15 a.m.
- B. Pledge of Allegiance: Those present stood for the Pledge of Allegiance.
- C. Roll Call: Directors: Present: President Hart, Vice President Lyle Brecht, Secretary/Treasurer Marshal Brecht, Shimeall
Absent: Estep
Staff: Jerry Rolwing, Interim General Manager/Operations Manager
Kim Pitman, Administration Manager
Wendy Quinn, Recording Secretary
Public: Dennis Dickinson Judy Meier, *Borrego Sun*
Ray Delahay Tommy Nelson, US Solar
David Dale, DCE Brian Brady, BVBA
Rebecca Falk, RRR Ray Shindler
Dick Walker

II. CLOSED SESSION

- A. Discussion regarding personnel with Dr. Brian Brady under Govt. Code section 54957:
- B. Discussion regarding advice from legal counsel regarding the Viking Ranch purchase agreement and the Monica easement agreement subject to Govt. Code section 54956.9(b) and (c) and for the purpose of giving direction to the District's negotiators under Govt. Code section 54956.8 related to the real property known as the Viking Ranch with negotiators Lee Estep, Beth Hart, and Jerry Rolwing for the District in preparation for negotiating with Lance Lundberg from the Viking Ranch:
- C. Discussion for the purpose of giving direction to the District's negotiators under Govt. Code section 54956.8 related to the real property known as the Cocopah Nurseries with negotiators Lee Estep, Beth Hart, and Jerry Rolwing for the District:
- D. Discussion for the purpose of giving direction to the District's negotiators under Govt. Code section 54956.8 related to the lease of real property known as the Club Circle Golf Course with negotiators Lee Estep, Eleanor Shimeall, and Jerry Rolwing for the District in preparation for discussion with Jack Cameron:
- E. Discussion and possible action regarding the selection of District Counsel reporting to the Board under Govt. Code section 54957:
- F. Discussion for the purpose of giving direction to the District's negotiators under Govt. Code section 54956.8 related to the settlement terms on the real property known as Monica with negotiators Beth Hart and Jerry Rolwing for the District:

The Board adjourned to closed session at 8:15 a.m., and the open session reconvened at 9:15 a.m. The closed session will continue following the open session.

I. OPENING PROCEDURES (continued)

- D. Approval of Agenda: *MSC: L.Brecht/Shimeall approving the Agenda as written.*
- E. Comments from Directors and Requests for Future Agenda Items: None
- F. Comments from the Public and Requests for Future Agenda Items: None

III. CURRENT BUSINESS MATTERS

A. Discussion and possible approval of water availability form for US Solar Project: Tommy Nelson from US Solar reported that his company is planning a solar project on 308 acres of fallowed farm land previously owned by Cocopah Nurseries at Borrego Valley Road and Henderson Canyon. US Solar has signed a purchase agreement with San Diego Gas and Electric for 26 megawatts. The facility will be unmanned, fenced and guarded. In response to President Hart's inquiry about the time frame, Mr. Nelson explained that he had submitted the final permit application to the County and was awaiting comments. Following will be CEQA compliance, a Planning Commission hearing and public comment prior to beginning construction. Community Sponsor Group approval has not yet been obtained, but Mr. Nelson had been attending meetings and working with the Group.

Mr. Rolwing pointed out that the District has no pipeline serving the property; the nearest one is at least a mile and a half away. Mr. Nelson stated that there are several wells in the area, and he has been working with Roadrunner Tree Farm's maintenance crew to see if US Solar could use one of their wells. He explained that the County requires a letter from the District stating that the District has been notified of the project and will provide water if needed. US Solar would pay the cost of a pipeline or water truck. They have a 10,000 gallon tank on site. Mr. Rolwing noted that if the District signs this letter, US Solar will still have to return to the District two more times for approvals.

Discussion followed regarding mitigation requirements and whether water used during construction would require mitigation. Mr. Nelson noted that the County allows him to spread the construction water over the estimated 25-year life of the project.

President Hart suggested tabling the decision until April 19. Director Lyle Brecht suggested meeting with the Sponsor Group and Mr. Nelson in the meantime. President Hart asked Mr. Nelson to inform the District when he gets an answer from Roadrunner Tree Farm on the use of their wells. Mr. Rolwing agreed to find out the date of the next Sponsor Group meeting.

Director Shimeall asked about other projects by US Solar. Mr. Nelson replied they had one in Blythe, a couple in Riverside County and others in Imperial and Los Angeles Counties going through the permit process.

B. Discussion and possible action of reimbursement of water credit payment: Mr. Rolwing reported that an individual had purchased two water credits from the District and when he subsequently abandoned his plans to build due to flood control issues, he requested a refund. The total is \$11,000. Discussion followed regarding the danger of setting a precedent, for example when a large developer changes plans and makes a similar request. Another issue is the fact that the credits were permanently retired when the District signed off on the County permit. Director Lyle Brecht recommended establishing a policy, and President Hart asked Mr. Rolwing to draft one for the Board's consideration on April 19. Considerations include at what stage of the planning and building process should the credits be required, whether any County fees are refundable, and the fact that the water credits add value to the land.

IV. WORKSHOP ITEMS

A. Discussion and possible action regarding the FY 2012 budget: Kim Pitman invited the Board's attention to a handout, the draft budget worksheets for FYE 2012. Director Lyle Brecht noted that the end-of-year projection, reflected on page 2, is \$3,082,918. Brian Brady explained that this includes revenue and depreciation. Director Lyle Brecht pointed out that on the last page, the end-of-year projection differs: \$3,708,806.

President Hart asked whether some of the accounts should be consolidated or eliminated. Ms. Pitman noted that Rich Williamson had created seven repair and maintenance accounts, whereas there had previously been only one. She felt it would be easier to consolidate

some accounts but preferred to comply with the Board's preference. Director Marshal Brecht requested Mr. Rolwing's input as well.

David Dale pointed out that with the current rate study, a reserve account should be added into the budget. President Hart asked whether water and sewer accounts would be separated, and Ms. Pitman replied that she was working on it. Mr. Dale explained that other agencies with which he works generally maintain separate bank accounts for water and sewer, and also a separate account for reserves.

Director Lyle Brecht asked Ms. Pitman and Mr. Rolwing to provide an analysis of the District's expenses, showing which are mandatory, which are somewhat discretionary and which are very discretionary. President Hart recommended a simplified version of the budget that would be understandable by those without accounting backgrounds.

Mr. Rolwing distributed outlines from a class he attended recently on budgeting, and Director Lyle Brecht distributed a draft cash reserves policy, requesting Mr. Dale's comments. Director Marshal Brecht recommended that Raftelis also review it. Ray Delahay suggested taking the total of the previous reserves (\$6.5 million), dividing it by the number of units of water expected to be sold over the next five years, and increasing the unit rate as necessary to replace it (approximately one dollar). Director Lyle Brecht noted that we may not need that large a reserve and should figure out the necessary amount first. President Hart requested that the reserve policy be included on the April 19 agenda for further discussion.

Director Lyle Brecht asked Ms. Pitman to e-mail him the draft budget. Director Marshal Brecht asked that it be agendaized for further discussion and possible adjustment of some of the figures.

Mr. Rolwing suggested the District might sell some of its property, such as the 240 acres at Clark Lake, to generate funds. President Hart requested additional information, including the cost of the property and its current value. Mr. Rolwing agreed to investigate.

II. CLOSED SESSION (continued)

The Board returned to closed session at 11:00 a.m. The open session reconvened at 11:55 a.m., and it was announced that the Board had taken action regarding Item II.B. The Board will engage Brian Brady to review the water credit policy to see if it is a reasonable business use of ratepayers' funds.

V. CLOSING PROCEDURE

A. Adjournment: There being no further business, the meeting adjourned at 11:55 a.m. The next meeting of the Board of Directors is scheduled for April 27, 2011 at the Borrego Water District.

March 18, 2011

Borrego Water District Board of Directors

Borrego Springs, Ca. 92004

Carolyn Fraser

P.O. Box 789

Borrego Springs, Ca 92004

Dear Board Members:

I am writing in response to Jerry Rolwing's letter stating that he was unable to approve payment of the motel bill for one night during the sewer outage at our home. While I understand your position of financial difficulties, this outage was no fault of ours, and we were extremely inconvenienced for several days. I will not go into medical reasons that I require a bathroom at night, but suffice it to say, I do. I endured the inconvenience for five days. A kind neighbor loaned me a porta-potty for the last night, and before going to work at 6:30 AM, I went to a neighbor's house to shower.

I teach in El Centro and am unable to take a day off work to present my case in person at the Board meeting, so I trust that you will consider this letter in lieu of a personal appearance.

Yours truly,

A handwritten signature in cursive script that reads "Carolyn Fraser".

Carolyn Fraser



BORREGO WATER DISTRICT

	BALANCE SHEET March 31, 2011 <i>(unaudited)</i>	BALANCE SHEET February 28, 2011 <i>(unaudited)</i>	MONTHLY CHANGE <i>(unaudited)</i>
ASSETS:			
CURRENT ASSETS			
Cash and cash equivalents	\$ 690,388.10	\$ 736,368.96	\$ (45,980.86)
Accounts receivable from water sales and sewer charges	\$ 272,949.92	\$ 288,517.98	\$ (15,568.06)
Interest receivable	\$ -	\$ -	\$ -
Inventory	\$ 141,985.30	\$ 131,929.60	\$ 10,055.70
Availability charges receivable	\$ 407,071.08	\$ 413,653.23	\$ (6,582.15)
Prepaid expenses	\$ 39,176.75	\$ 52,651.23	\$ (13,474.48)
Other Receivables	\$ 23,604.02	\$ 23,604.02	\$ -
TOTAL CURRENT ASSETS	\$ 1,575,175.17	\$ 1,646,725.02	\$ (71,549.85)
RESTRICTED ASSETS			
Debt Service:			
Deferred amount of COP Refunding	\$ 165,068.01	\$ 165,901.69	\$ (833.68)
Unamortized bond issue costs	\$ 113,539.93	\$ 114,080.59	\$ (540.66)
Total Debt service	\$ 278,607.94	\$ 279,982.28	\$ (1,374.34)
Trust fund:			
Investments with fiscal agent -CFD 2007-1	\$ 213,474.00	\$ 288,599.00	\$ (75,125.00)
Total Trust fund	\$ 213,474.00	\$ 288,599.00	\$ (75,125.00)
TOTAL RESTRICTED ASSETS	\$ 492,081.94	\$ 568,581.28	
UTILITY PLANT IN SERVICE			
Land	\$ 2,009,682.90	\$ 2,009,682.90	\$ -
Flood Control Facilities	\$ 4,319,603.58	\$ 4,319,603.58	\$ -
Capital Improvement Projects	\$ 2,300,378.30	\$ 2,240,735.64	\$ 59,642.66
Sewer Facilities	\$ 5,574,650.73	\$ 5,574,650.73	\$ -
Water facilities	\$ 10,206,454.19	\$ 10,206,454.19	\$ -
Pipelines, wells and tanks	\$ 648,601.51	\$ 648,601.51	\$ -
General facilities	\$ 1,009,059.92	\$ 1,009,059.92	\$ -
Equipment and furniture	\$ 376,263.30	\$ 376,263.30	\$ -
Vehicles	\$ 471,545.28	\$ 471,545.28	\$ -
Accumulated depreciation	\$ (9,864,602.80)	\$ (9,806,897.62)	\$ (57,705.18)
NET UTILITY PLANT IN SERVICE	\$ 17,051,636.91	\$ 17,049,699.43	\$ 1,937.48
OTHER ASSETS			
Water rights -ID4	\$ 185,000.00	\$ 185,000.00	\$ -
TOTAL OTHER ASSETS	\$ 185,000.00	\$ 185,000.00	
TOTAL ASSETS	\$ 19,303,894.02	\$ 19,450,005.73	\$ (146,111.71)

	BALANCE SHEET March 31, 2011 <i>(unaudited)</i>	BALANCE SHEET February 28, 2011 <i>(unaudited)</i>	
LIABILITIES:			
CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS			
Accounts Payable	\$ 135,586.21	\$ 78,817.97	\$ 56,768.24
Accrued expenses	\$ 172,387.73	\$ 161,981.48	\$ 10,406.25
Deferred Revenue	\$ 245,149.84	\$ 251,731.99	\$ (6,582.15)
Deposits	\$ 27,807.50	\$ 33,132.50	\$ (5,325.00)
	\$ 580,931.28	\$ 525,663.94	\$ 55,267.34
CURRENT LIABILITIES PAYABLE FOM RESTRICTED ASSETS			
Debt Service:			
Accounts Payable to CFD 2007-1	\$ 213,474.00	\$ 288,599.00	\$ (75,125.00)
	\$ 213,474.00	\$ 288,599.00	\$ (75,125.00)
LONG TERM LIABILITIES			
2008 Certificates of participation(payable from restricted assets)	\$ 2,775,000.00	\$ 2,775,000.00	\$ -
Montesoro Note Payable	\$ 540,123.13	\$ 540,123.13	\$ -
	\$ 3,315,123.13	\$ 3,315,123.13	\$ -
	\$ 4,109,528.41	\$ 4,129,386.07	\$ (19,857.66)
FUND EQUITY			
Contributed equity	\$ 9,649,544.17	\$ 9,649,544.17	\$ -
Retained Earnings:			
Reserve for debt service	\$ 1,654,086.69	\$ 1,654,086.69	\$ -
Reserve for sewer expansion	\$ 97,304.00	\$ 97,304.00	\$ -
Designated for replacement,improvement and expansion	\$ 2,016,068.16	\$ 2,016,068.16	\$ -
Reserve for New Reservoirs	\$ 1,777,362.59	\$ 1,973,019.53	\$ (195,656.94)
Total retained earnings	\$ 5,544,821.44	\$ 5,740,478.38	\$ (195,656.94)
	\$ 15,194,365.61	\$ 15,390,022.55	\$ (195,656.94)
	\$ 19,303,894.02	\$ 19,519,408.62	\$ (215,514.60)



BORREGO WATER DISTRICT

Treasurer's Report March, 2011

Bank Balance	Carrying Value	Fair Value	% of Portfolio		Rate of Interest	Maturity Date	Valuation Source
			Current Actual	Imposed Limit			

Cash and Cash Equivalents:

Demand Accounts at Borrego Springs Bank/WFB

General Account/Petty Cash	\$ 156,834	\$ 156,834	\$ 156,834	22.72%	n/a	0.00%	n/a	BSB/WFB
SA #1 Account	\$ 56,808	\$ 56,808	\$ 56,808	8.23%	n/a	0.04%	n/a	WFB
SA #3 Account	\$ 22,249	\$ 22,249	\$ 22,249	3.22%	n/a	0.05%	n/a	WFB
SA #4 Account	\$ 99,971	\$ 99,971	\$ 99,971	14.48%	n/a	0.05%	n/a	WFB
SA #5 Account	\$ 33,674	\$ 33,674	\$ 33,674	4.88%	n/a	0.04%	n/a	WFB
Payroll Account	\$ 10,926	\$ 8,836	\$ 8,836	1.28%	n/a	0.05%	n/a	WFB
CC GOLF	\$ 11,967	\$ 11,967	\$ 11,967	1.73%	n/a	0.05%	n/a	WFB
LAIF	\$ 20,686	\$ 20,686	\$ 20,686	3.00%	n/a	0.50%	n/a	LAIF
CD Investment Portfolio	\$ 254,282	\$ 254,282	\$ 254,282	36.83%	n/a	0.01%	n/a	WFB
MMA	\$ 25,082	\$ 25,082	\$ 25,082	3.63%	n/a	0.45%	n/a	WFB
Total Cash and Cash Equivalents	\$ 692,479	\$ 690,388	\$ 690,388	100.00%				

Facilities District No. 2007-1

First American Treas Obligation -US BANK	213,474	213,474	213,474
Total Cash, Cash Equivalents & Investments	\$ 905,953	\$ 903,862	\$ 903,862

Cash and investments conform to the District's Investment Policy statement filed with the Board of Directors on July 28, 2010. Cash, investments and future cash flows are sufficient to meet the needs of the District for the next six months. Sources of valuations are Borrego Springs Bank (BSB), Wells Fargo Bank (WFB), LAIF and US Trust Bank.


Kim Pitman, Administration Manager

BORREGO WATER DISTRICT
Income Budget to Actual Comparisons
FYE 2011

Description	Current Budget FYE 2011	Beginning Balance 03/01/11	Monthly Activity March	Actual as of 03/31/11	Actual vs Budget FYE 2011
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WATER REVENUE

Residential Water Sales	855,000	350,982	40,789	391,771	45.82%
Commercial Water Sales	108,500	67,891	5,699	73,590	67.82%
Irrigation Water Sales	140,000	64,312	3,953	68,265	48.76%
GWM Surcharge	108,000	63,738	5,564	69,302	64.17%
Water Sales Power Portion	321,000	187,607	16,532	204,138	63.59%
Readiness Charges Water	640,000	424,195	53,922	478,117	74.71%
Meter Installation	30,000	48,872	-	48,872	162.91%
Reconnect Fees	6,000	6,120	680	6,800	113.33%
Backflow Testing	6,000	3,342	55	3,397	56.61%
Water Bulk/pfmp	1,500	938	239	1,177	78.43%
Penalty&Interest Water Collection	25,000	16,916	1,976	18,892	75.57%
Total Water Revenue:	2,241,000	1,234,913	129,409	1,364,321	60.88%

AVAILABILITY CHARGES

641500 1% Property Assessments	36,000	39,326	1,750	41,077	114.10%
SA 1 Water/Sewer/Flood control 6415-02	158,000	17,202	693	17,895	11.33%
Water Availability Standby-Admin 6415-01	87,000	54,778	3,235	58,013	66.68%
SA 3 Water Standby Fee 6415-04	30,000	9,464	490	9,954	33.18%
Pest Control Standby fees	18,000	9,327	413	9,740	54.11%
Penalty & Interest-Availability Charges	2,000	1,000	-	1,000	50.00%
Total Availability Charges:	331,000	131,097	6,582	137,679	41.59%

SEWER SERVICE CHARGES

TCS Holders Fees	180,000	120,152	15,012	135,163	75.09%
TCS Users Fees	30,000	22,410	3,000	25,410	84.70%
SA #5 Sewer Fees	131,000	87,615	10,276	97,891	74.73%
SA #1 Sewer Fees	54,000	36,360	4,521	40,881	75.71%
Sewer Penalty & Interest Charges	-	1,414	-	1,414	0.00%
Sewer Hook-UP Fees	1,000	-	-	-	0.00%
Inspection fees	500	-	-	-	0.00%
Capacity Fees	3,500	2,138	-	2,138	61.10%
Total Sewer Service Charges:	400,000	270,089	32,809	302,898	75.72%

PARK/GOLF INCOME

CSD Fees-(Trash & Golf)	92,406	64,646	8,035	72,680	78.65%
Golf receipts	27,594	13,850	2,520	16,370	59.32%
Total Park/Golf Income:	120,000	78,496	10,555	89,050	74.21%

OTHER INCOME

Rent Income San Diego County	7,584	5,067	643	5,710	75.29%
Plan Review Fee/Will Serve Commitments	12,000	-	-	-	0.00%
Annexation fees	-	500	-	500	0.00%
Water Credits Administration Fee	50,000	1,500	2,000	3,500	7.00%
Fire Hydrant Installation	-	-	-	-	0.00%
Miscellaneous Income	15,000	8,113	0	8,113	54.09%
Gain on Asset Sold	2,000	-	-	-	0.00%
Total Other Income:	86,584	15,180	2,643	17,823	20.58%

INTEREST INCOME

Interest Income LAIF	500	50	-	50	10.08%
Interest Income Other	10,000	2,253	35	2,288	22.88%
Total Interest Income:	10,500	2,303	35	2,339	22.27%

Total Income:	3,189,084	1,732,077	182,032	1,914,110	60.02%
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BORREGO WATER DISTRICT
Expense Budget to Actual Comparison
FYE 2011

DESCRIPTION	Current Budget FYE 2011	Beginning Balance 03/01/11	Monthly Activity March	Actual as of 03/31/11	Actual vs Budget FYE 2011
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MAINTENANCE EXPENSE

Maintenance & Repairs Buildings & Equipment	65,000	51,552	4,603	56,155	86.39%
Maintenance & Repairs/Wells,Pipelines,Pumps/WWTP	30,000	16,042	10,810	26,853	89.51%
Collection System Maintenance	5,000	242	-	242	4.85%
Reservoir Maintenance	7,500	2,760	4,350	7,110	94.80%
Water System Maintenance	25,000	19,556	8,786	28,342	113.37%
Well/Pump Repairs & Maintenance	25,000	10,675	7,136	17,811	71.24%
Equipment Rental	5,000	612	82	694	13.87%
Telemetry Services	20,000	13,472	-	13,472	67.36%
Trash Removal	30,000	25,478	42	25,520	85.07%
Vehicle Expense	15,000	15,682	417	16,099	107.33%
Total Maintenance Expense:	227,500	156,072	36,225	192,297	84.53%

PROFESSIONAL SERVICES EXPENSE

Accounting	5,000	14,827	1,490	16,317	326.35%
Administrative Services	4,000	2,634	292	2,926	73.14%
Audit Fees	35,000	8,402	-	8,402	24.00%
Computer Billing	33,000	15,673	1,138	16,810	50.94%
Engineering	1,000	-	-	-	0.00%
Legal Services	24,000	23,933	6,805	30,738	128.07%
Testing/Labwork	22,000	11,398	2,250	13,648	62.04%
Total Professional Services Expense:	124,000	76,867	11,974	88,841	71.65%

INSURANCE EXPENSE

Insurance	75,000	63,646	9,617	73,263	97.68%
Workmens Comp	24,000	10,998	4,844	15,842	66.01%
Total Insurance Expense:	99,000	74,644	14,462	89,106	90.01%

PERSONNEL EXPENSE

Mileage Reimbursement/Auto Allowance	1,800	1,331	184	1,515	84.17%
Board Meeting Expense	41,000	48,940	2,085	51,025	124.45%
Salaries & Wages	1,104,223	772,518	78,238	850,755	77.05%
Salaries & Wages off set account		(56,165)	(5,912)	(62,077)	0.00%
Accrued Sick/Vacation	26,000	13,000	-	13,000	50.00%
Taxes on Payroll	36,000	19,514	1,376	20,890	58.03%
Medical Insurance Benefits	282,004	167,203	16,264	183,466	65.06%
Calpers Retirement Benefits	217,996	133,955	15,432	149,387	68.53%
Total Personnel Expense:	1,709,023	1,100,296	107,666	1,207,962	70.68%

OFFICE EXPENSE

Equipment Rental	8,000	5,951	1,560	7,511	93.89%
Office Supplies	30,000	13,880	2,282	16,162	53.87%
Office Equipment	20,000	7,162	171	7,333	36.67%
Office Utilities	13,000	9,344	817	10,161	78.16%
Maintenance Agreements	16,000	7,717	127	7,843	49.02%
Postage & Freight	13,000	6,541	2,302	8,843	68.02%
Taxes on Property	3,000	2,290	-	2,290	76.35%
Answering Service	2,500	1,951	240	2,190	87.61%
Telephone	7,000	5,260	214	5,474	78.20%
Total Office Expense:	112,500	60,095	7,713	67,808	60.27%

BORREGO WATER DISTRICT
Expense Budget to Actual Comparison
FYE 2011

DESCRIPTION	Current Budget FYE 2011	Beginning Balance 03/01/11	Monthly Activity March	Actual as of 03/31/11	Actual vs Budget FYE 2011
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UTILITIES EXPENSE

Pumping-Electricity	500,000	260,085	31,376	291,461	58.29%
Cellular Phone	11,000	6,515	1,911	8,426	76.60%
Total Utilities Expense:	511,000	266,599	33,288	299,887	58.69%

DEPRECIATION EXPENSE

Depreciation Expense	600,000	403,396	57,705	461,101	76.85%
Total Depreciation Expense:	600,000	403,396	57,705	461,101	76.85%

OTHER EXPENSE

Amortization Expense	16,491	10,995	1,374	12,369	75.00%
Interest Expense-COP 2008	125,000	83,250	10,406	93,656	74.93%
Bad Debt Expense	5,000	1,270	1,997	3,267	65.33%
Conferences & Conventions	15,000	18,289	522	18,811	125.41%
Training	8,500	1,618	235	1,853	21.81%
Contract Labor	15,000	7,739	-	7,739	51.59%
Dues & Subscriptions	10,000	4,396	-	4,396	43.96%
Regulatory Permit Fees	60,000	39,414	1,737	41,151	68.59%
Bank Fees	500	79	-	79	15.70%
Community Relations	1,000	460	215	675	67.54%
Fuel & Oil	54,000	34,353	3,090	37,443	69.34%
Other Expense	5,000	5,697	235	5,932	118.65%
Safety Requirements	10,000	4,386	195	4,581	45.81%
Printing, Publications & Notices	5,000	1,012	-	1,012	20.24%
Uniforms	8,500	3,912	476	4,388	51.62%
Contingency Fund	83,561	5,495	-	5,495	6.58%
Total Other Expense:	422,552	222,365	20,484	242,849	57.47%
Total Expenses:	3,805,575	2,360,334	289,516	2,649,850	69.63%
District Salaries & Wages allocated to Capital Projects:		56,165	5,912	62,077	
TOTAL EXPENSES INCLUDING ALL SALARIES & WAGES:		2,416,499	295,428	2,711,927	
TOTAL INCOME:		1,732,077	182,032	1,914,110	
NET INCOME/(EXPENSE): (Mostly accrual basis)		(684,422)	(113,396)	(797,817)	
Non Cash Income/(Expenses) included in Net Income:					
Depreciation		403,396	57,705	461,101	
Amortization of COP 2008/Interest payment		94,245	11,781	106,025	



BORREGO WATER DISTRICT

To: BWD Board of Directors
 From: Kim Pitman
 Subject: Consideration of the Disbursements and Claims Paid
 Month Ending -March, 2011

I.

A. Vendor disbursements paid during this period:	\$ 221,569.74
<u>Significant items:</u>	
1 Utilities	\$ 31,133.18
2 CalPERS Payments	\$ 18,240.71
3 Employee Health Benefits	\$ 18,167.33
4 ACWA Property Program Renewal	\$ 10,075.00
5 ACWA Workers Compensation quarterly payment	\$ 4,844.49
6 Chlorine tablets-quarterly order	\$ 8,785.92
B. Capital Projects Outlays (included in vendor disbursements paid above):	
7 Lift Station-MSA Consulting/TC Construction (\$60,748.58 balance)	\$ 55,206.13
C. Total Professional Services for this Period (included in vendor disbursements paid above):	
Stradling, Yocca, Carlson & Rauth: Board Meeting Expense	\$ 250.00
Misc. legal	\$ 2,436.87
Total Invoice	\$ 2,686.87
Procopio, Cory, Hargreaves: Misc. legal	\$ 3,431.25
Total Invoice	\$ 3,431.25
William Mills & Associates: Stag Grant	\$ 445.00
IRWMP	\$ 2,430.00
Total Invoice	\$ 2,875.00
D Payroll for this Period:	
Gross Payroll	\$ 78,237.71
Employer Payroll Taxes and ADP Fee	\$ 1,667.41
Total	\$ 79,905.12
E. Adjustments:	
Vendor Disbursements not paid until April (accounts payable)	\$ (56,768.00)
F. Total Cash Outlays: (A+D+E)	\$ 244,706.86
II. Sources of Cash:	
A. O & M Revenue Received (Accrual Basis \$182,032)	\$ 193,400.86
<u>Significant items: (included in O&M Revenue)</u>	
Montessoro Golf Course water receipts-February billing posted in March	\$ 23,059.00
B. Capital-Expense paid out of deposit account	\$ 5,325.00
III. Net Cash Increase (Decrease)	\$ (45,981.00)

HISTORICAL A/P INVOICE DISTRIBUTIONS BY GL ACCOUNT
04/11/11

BORREGO WATER DISTRICT
CHECK DATE 03/16/11-04/11/11

VENDOR NAME	VEND #	PO #	INV DATE	INV #	DESCRIPTION	AMOUNT	ID	NUMBER
01 1090 - PETTY CASH	1196		03/31/11	033111	PETTY CASH REIMBURSEMENT	500.00		
01 1510 - INVENTORY CONTROL PACIFIC PIPELINE SUPPLY INC	1208		02/23/11	144886	INVENTORY CONTROL	651.52		
	1208		02/23/11	145081	INVENTORY CONTROL	4,404.81		
	1208		03/15/11	144812	INVENTORY CONTROL	573.76		
	1208		03/15/11	145162	INVENTORY CONTROL	86.14		
	1208		03/23/11	145447	INVENTORY CONTROL	4,004.18		
	1208		03/23/11	145449	INVENTORY CONTROL	861.30		
	1208		03/23/11	145616	INVENTORY CONTROL	508.95		
	1208		03/30/11	145725	INVENTORY CONTROL	1,936.55		
01 1600 - PREPAID INSURANCE ACWA JOINT POWER INS AUTHORITY	3035		02/28/11	022811	PROPERTY PROGRAM RENEWAL	9,826.00		
01 1712 - SUSTAINABLE WATER PROJECT-CIP WILLIAM R. MILLS & ASSOC	3035		03/01/11	10525652	EXCESS PUBLIC EMPLOYEE FIDELITY PROGRAM	249.00		
					04/01/11-04/01/12			
01 1714 - WATER DIST SYSTEM IMP-CIP DE ANZA READY MIX	1066		03/14/11	031411	PROFESSIONAL SERVICE FEES FOR STAG & IRWM	2,875.00		
01 1714 - WATER DIST SYSTEM IMP-CIP DE ANZA READY MIX	1066		03/07/11	3061	KICKER FOR WATER MAIN REPLACEMENT	346.43		
					JOB #6810			
					MONTEZUMA PIPE LINE REPAIRS	293.57		
01 1717 - SEWER SYSTEM IMPROVEMENTS-CIP TC CONSTRUCTION COMPANY	9489		02/28/11	22931	INSTALLMENT ON LIFT STATION	55,206.13		
01 1722 - GW MANAGEMENT PROGRAM-CIP WALDERMUTH	9536		03/01/11	2011059	PROFESSIONAL SERVICE FEES FOR PERIOD:	430.00		
					02/01/11-02/28/11			
					PROFESSIONAL SERVICE FEES, VARIOUS ITEMS	900.00		
01 1100 - ACCOUNTING								

HISTORICAL A/P INVOICE DISTRIBUTIONS BY GL ACCOUNT

04/11/11 14:20:15

HISTORICAL A/P INVOICE DISTRIBUTIONS BY GL ACCOUNT
04/11/11

BORREGO WATER DISTRICT
CHECK DATE 03/16/11-04/11/11

VENDOR NAME	VEND #	PO #	INV DATE	INV #	DESCRIPTION	AMOUNT	ID	NUMBER
DIEHL, EVANS & COMPANY, LLP	1043		03/18/11	69630	PROFESSIONAL SERVICE FEES	1,490.00		
01 5172 - MILLEAGE REIMB/AUTO ALLOWANCE TROY DEPRIEST	1299		03/31/11	03311001	REIMBURSEMENT FOR PERSONAL VEHICAL USE FOR DISTRICT BUSINESS	184.00		
01 5190 - BOARD MEETING EXPENSE STRADLING, YOCCA, CARLSON, RAUTH WENDY QUINN	1020 1623		03/31/11 02/28/11	033111 022811	PROFESSIONAL SERVICE FEES FOR PE:02/28/11 RECORDING SERVICE FOR BOARD MEETING FEBRUARY 2011	250.00 190.00		
ANTHONY J.ROMANO	9537		03/15/11	031511	PROFESSIONAL SERVICE FEES, VARIOUS ITEMS	650.00		
01 5200 - COMPUTER BILLING DATASTREAM BUSINESS SOLUTIONS,	3043		03/22/11	4134	PROGRAMMING & SUPPORT 02/1/11-02/28/11	665.00		
01 5240 - CONFERENCE/TRAVEL U.S.BANK CORPORATE PAYMENT SYS	3000 3000		03/22/11 03/22/11	032211GH 032211JR	SEE INVOICES FOR DETAILS SEE INVOICES FOR DETAILS	480.90 41.32		
01 5241 - TRAINING CDPH-OCP	9485		03/01/11	030111A	CERTIFICATION RENEWAL:CODY COX	110.00		
01 5401 - FEES COUNTY OF SAN DIEGO	48		02/28/11	13899	EXCAVATION PERMIT FEES	1,632.36		
DEPARTMENT OF PUBLIC HEALTH	1009		03/11/11	030111	APPLICATION FOR OPERATOR CERTIFICATION ROY MARTINEZ	90.00		
UNDERGROUND SERVICE ALERT	1023		02/01/11	12011006	DIGALERT TICKET	1.50		
	1023		03/31/11	2011020B	MISSED/FEBRUARY MARCH DIGALERT TICKETS	13.50		
RECORDER/COUNTY CLERK'S OFFICE	9387		03/01/11	030111	NOTICE OF EXEMPTION LORCH PROPERTY	50.00		

HISTORICAL A/P INVOICE DISTRIBUTIONS BY GL ACCOUNT

04/11/11 14:20:15

HISTORICAL A/P INVOICE DISTRIBUTIONS BY GL ACCOUNT
04/11/11

BORRERO WATER DISTRICT
CHECK DATE 03/16/11-04/11/11

VENDOR NAME	VEND #	PO #	INV DATE	INV #	DESCRIPTION	AMOUNT	ID	NUMBER
01 5420 - EMPLOYEE MEDICAL BENEFITS ACWA HEALTH BENEFITS AUTHORITY AFLAC	1000 1266		03/31/10 03/11/11	033110 397142	EMPLOYEE BENEFITS EMPLOYEE PAID INSURANCE	7,090.71 587.84		
01 5421 - EMPLOYEE RETIREMENT BENEFITS PUBLIC EMP'S RETIREMENT SYSTEM	3011		03/11/11	031111	EMPLOYEE BENEFITS MARCH 2011	6,936.95		
01 5423 - COMMUNITY RELATIONS U.S.BANK CORPORATE PAYMENT SYS	3000		03/22/11	032211JR	SEE INVOICES FOR DETAILS	215.43		
01 5450 - EQUIPMENT RENTAL-OFFICE KONICA MINOLTA	9486		03/06/11	55358144	INSTALLMENT FOR PERIOD 02/25/11-03/24/11 BIZHUB COPIER	728.94		
	9486		03/10/11	1033744	INSTALLMENT ON COPIER-OCTOBER 2010 CREDIT TAKEN, NOT ISSUED UNTIL 2011	1,433.92		
01 5460 - FUEL & OIL KENNY STRICKLAND, INC.	1067		03/31/11	033111	FUEL FOR CREW TRUCKS	309.00		
01 5521 - WORKERS COMPENSATION ACWA JOINT POWER INS AUTHORITY	3035		03/31/11	033111	WORKER'S COMP PE:01/01/2011- 03/31/2011	4,844.49		
01 5560 - LEGAL SERVICES STRADLING, YOCCA, CARLSON, RAUTH	1020		03/31/11	033111	PROFESSIONAL SERVICE FEES FOR PE:02/28/11	2,436.87		
DOWNEY BRAND	9535		03/09/11	407827	PROFESSIONAL SERVICE FEES THROUGH 02/28/11	636.50		
ANTHONY J. ROMANO	9537		03/15/11	031511	PROFESSIONAL SERVICE FEES, VARIOUS ITEMS	300.00		
POCOPIO, CORY, HARGREAVES	9539		03/31/11	418977	PROFESSIONAL SERVICE FEES FOR PE;03/31/11	3,431.25		
01 5600 - R & M BUILDINGS & EQUIPMENT JAMES G HORMUTH/DBA TRUE VALUE	1022		03/31/11	033111	PARTS & MATERIALS SEE INVOICES FOR DETAILS	116.17		

HISTORICAL A/P INVOICE DISTRIBUTIONS BY GL ACCOUNT

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HISTORICAL A/P INVOICE DISTRIBUTIONS BY GL ACCOUNT
04/11/11

BORREGO WATER DISTRICT
CHECK DATE 03/16/11-04/11/11

VENDOR NAME	VEND #	PO #	INV DATE	INV #	DESCRIPTION	AMOUNT	ID	NUMBER
A-1 IRRIGATION, INC.	1032		03/23/11	222417	PIPE INSULATION	16.94		
DE ANZA READY MIX	1066		03/16/11	3062	MONTEZUMA PIPE LINE REPAIRS	267.14		
SAN DIEGO MAILING SOLUTIONS	1112		03/07/11	15128	PREVENTATIVE MAINT.	35.00		
DESERT TIRE CENTER	1113		03/31/11	11698	MAILING MACHINE CAT-BACK HOE	775.93		
HOME DEPOT CREDIT SERVICES	1136		03/31/11	033111	TIRE REPAIR	186.45		
DEBBIE MORETTI	1222		03/31/11	033111	MATERIALS & SUPPLIES SEE INVOICES FOR DETAILS	41.00		
AMERICAN BACKFLOW SPECIALTIES	9338		03/23/11	18102	ALL FACILITIES BACKFLOW TEST	126.71		
JIMMY'S EQUIPMENT & TURF SUPP.	9452		03/13/11	8568	KIT CALIBRATION NEW WATER PUMP	2,328.80		
PETER MYRDAL	9532		03/10/11	031011	FOR BWD WATER TRUCK MAIN BREAK ON YAQUI, FLOODED CUSTOMER POOL	123.80		

01 5606 - EQUIPMENT RENTAL-MAINTENANCE	1018		03/01/11	18692	WELDING TANK RENTAL-MARCH	81.50		
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01 5662 - OFFICE SUPPLIES	56		03/11/11	16085	OUTGOING WATER BILL ENVELOPES	184.52		
CMS BUSINESS FORMS, INC.	56		03/14/11	16084	LASER WATER BILLS	238.64		
BORREGO SPRINGS BOTTLED WATER	1003		03/31/11	033111	BOTTLED WATER FOR PLANT & YARD	79.50		
JAMES G HORMUTH/DBA TRUE VALUE	1022		03/31/11	033111	PARTS & MATERIALS SEE INVOICES FOR DETAILS	13.32		
QUILL CORPORATION	1033		03/03/11	2757385	OFFICE SUPPLIES SEE INVOICE FOR DETAILS	252.14		
	1033		03/03/11	2757645	OFFICE SUPPLIES SEE INVOICE FOR DETAILS	41.06		
	1033		03/03/11	2771522	OFFICE SUPPLIES SEE INVOICE FOR DETAILS	18.32		
	1033		03/10/11	2930989	OFFICE SUPPLIES SEE INVOICE FOR DETAILS	90.01		
	1033		03/23/11	3210197	OFFICE SUPPLIES SEE INVOICE FOR DETAILS	265.20		
	1033		03/24/11	3241510	OFFICE SUPPLIES SEE INVOICE FOR DETAILS	23.48		

HISTORICAL A/P INVOICE DISTRIBUTIONS BY GL ACCOUNT

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HISTORICAL A/P INVOICE DISTRIBUTIONS BY GL ACCOUNT
 04/11/11

VENDOR NAME	VEND #	PO #	INV DATE	INV #	DESCRIPTION	AMOUNT	ID	NUMBER
DEPT. 56 - 0000059040 SAN DIEGO MAILING SOLUTIONS	1033		03/24/11	3255076	LEVER HANDLE HOLE PUNCH	18.58		
U.S.BANK CORPORATE PAYMENT SYS	1059		03/31/11	033111	OFFICE SUPPLIES	14.12		
FIRST AMERICAN TITLE CO.	1112		03/01/11	15110	INK CARTRIDGES FOR MAILING MACHINE	194.66		
	3000		03/22/11	032211GH	SEE INVOICES FOR DETAILS	141.27		
	9538		03/31/11	033111	FEE FOR LOT BOOK REPORT	75.00		
01 5663 - OFFICE EQUIPMENT HOME DEPOT CREDIT SERVICES	1136		03/31/11	033111	MATERIALS & SUPPLIES SEE INVOICES FOR DETAILS	141.40		
U.S.BANK CORPORATE PAYMENT SYS	3000		03/22/11	032211JR	SEE INVOICES FOR DETAILS	29.99		
01 5664 - OFFICE UTILITIES SAN DIEGO GAS & ELECTRIC	1065		03/22/11	032211O	2700 523 335 7 806 PALM CANYON DR OFFICE/MAINT SHOP	691.94		
	1065		03/22/11	032211P	6954 509 423 8 STIRRUP RD OLD SHOP	9.87		
	1065		03/22/11	032211U	6159 441 279 1 2473 STIRRUP RD LUGO BLDG.	23.99		
01 5665 - MAINTENANCE AGREEMENTS KONICA MINOLTA	9486		03/06/11	55358144	INSTALLMENT FOR PERIOD 02/25/11-03/24/11 BIZHUB COPIER	728.94		
01 5680 - OTHER EXPENSES GOLDEN RULE BINDERY	9478		03/28/11	068686	BORRERO SUN PAPERS BOOK BOUND FOR BWD ARTICLES RETENTION	235.27		
01 5681 - SAFETY SUPPLIES GAININGER TOY DEPRIEST	1048 1299		03/09/11 03/15/11	2001626 031511	SAFETY GLOVES REIMBURSEMENT FOR SAFETY BOOTS	95.27 100.00		
01 5690 - POSTAGE & FREIGHT SAN DIEGO MAILING SOLUTIONS	1112		03/31/11	033111	POSTAGE METER UPGRADE FOR RATE INCREASES APRIL 17TH	277.30		

HISTORICAL A/P INVOICE DISTRIBUTIONS BY GL ACCOUNT

HISTORICAL A/P INVOICE DISTRIBUTIONS BY GL ACCOUNT
04/11/11

BORREGO WATER DISTRICT
CHECK DATE 03/16/11-04/11/11

VENDOR NAME
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VEND #

PO #

INV DATE

INV #

DESCRIPTION

AMOUNT

ID

NUMBER

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U.S.BANK CORPORATE PAYMENT SYS

3000

03/22/11

032211JR

SEE INVOICES FOR DETAILS

18.30

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01 5852 - ANSWERING SERVICE

1109

03/17/11

0814248

ANSWERING/PAGING SERVICE-MARCH 2011

239.51

=====

01 5854 - CELLULAR PHONE

61

03/31/11

5861880

CELL PHONES FOR CREW

1,911.37

=====

01 5858 - TELEPHONE

49

03/22/11

032211

END OF SERVICE SWITCHED TO CALNET2

81.72

=====

AT CONFERENCE

9466

03/31/11

25837303

CONFERENCE CALL FOR IRWMP GROUP

5.41

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AT&T-CALNET 2

9529

03/07/11

2198793

MONTHLY SERVICE

95.52

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9529

03/22/11

2236919

MONTHLY SERVICE MARCH 2011

191.26

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9529

03/22/11

2236920

MAIN OFFICE MONTHLY SERVICE MARCH 2011

172.62

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9255

03/11/11

033111

WATER SAMPLES FROM ALL WELLS

80.00

=====

1001

03/31/11

033111

UNIFORMS FOR CREW

475.80

=====

1016

03/25/11

032511

PARTS & MATERIALS FOR VEHICLES

27.62

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1113

03/04/11

11174

GMC CANYON LICENSE# 1252455CA

49.95

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1113

03/08/11

11215

FORD F150 LICENSE#1129877

49.95

=====

1113

03/21/11

11404

FORD F150 LICENSE#:1252048

15.00

=====

3000

03/22/11

032211JR

TIRE REPAIR SEE INVOICES FOR DETAILS

140.73

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U.S.BANK CORPORATE PAYMENT SYS

3000

03/22/11

032211JR

SEE INVOICES FOR DETAILS

140.73

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AGENDA PAGE 32

HISTORICAL A/P INVOICE DISTRIBUTIONS BY GL ACCOUNT

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BORREGO WATER DISTRICT
 CHECK DATE 03/16/11-04/11/11
 HISTORICAL A/P INVOICE DISTRIBUTIONS BY GL ACCOUNT
 04/11/11

VENDOR NAME	VEND #	PO #	INV DATE	INV #	DESCRIPTION	AMOUNT	ID	NUMBER
02 5420 - EMPLOYEE MEDICAL BENEFITS ACWA HEALTH BENEFITS AUTHORITY	1000		03/31/10	033110	EMPLOYEE BENEFITS	1,911.20		
02 5421 - RETIREMENT BENEFIT PUBLIC EMP'S RETIREMENT SYSTEM	3011		03/11/11	031111	EMPLOYEE BENEFITS MARCH 2011	1,918.92		
02 5460 - FUEL & OIL KENNY STRICKLAND, INC.	1067		03/31/11	033111	FUEL FOR CREW TRUCKS	618.00		
02 5604 - R & M WATER SYSTEM UNIVAR USA INC.	1086		03/23/11	685963	SCALE INHIBITTING TABLETS	878.59		
02 5605 - R & M WELL/PUMP HIDDEN VALLEY PUMP SYSTEMS INC	1012		03/14/11	25814000	ID1-WELL16 ELECTRICAL REPLACED 2 FUSES	452.51		
SUNSET ELECTRIC POWER	1233		03/02/11	7367	SERVICE VALVE AT WELL ID1-10	1,540.66		
TEMECULA VALLEY PIPE & SUPPLY	1233		03/09/11	7369	SCHEDULED MAINTENANCE ID1-WELL2, ID1-WELL8 ID4-WELL18	3,000.00		
02 5720 - PUMPING - ELECTRICITY SAN DIEGO GAS & ELECTRIC	9370		02/23/11	409654	NEW OUTSIDE BODY FOR CIA VALVE	642.50		
	1065		03/20/11	032011M	6160 624 622 9 951 RANGO WAY	4,765.30		
	1065		03/21/11	032111	ID1-16 8364 482 055 9 5073 BORREGO SPRINGS RD	16.96		
	1065		03/21/11	032111E	ID1-1 6114 522 473 7 3352 BORREGO VALLEY RD	4,376.03		
	1065		03/21/11	032111H	ID1-12 1614 196 067 6 4275 YAQUI PASS RD	1,975.32		
	1065		03/21/11	032111I	BOOSTER STATION 2 1614 489 405 4 5037 BORREGO SPRINGS RD	28.22		
	1065		03/21/11	032111K	ID1-8 3864 202 758 1 2510 RAMS HILL DR	191.07		
	1065		03/21/11	032111N	BOOSTER STATION 1 7285 625 351 8 4201 BORREGO SPRINGS RD	1,776.98		

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 HISTORICAL A/P INVOICE DISTRIBUTIONS BY GL ACCOUNT

BORREGO WATER DISTRICT
CHECK DATE 03/16/11-04/11/11

HISTORICAL A/P INVOICE DISTRIBUTIONS BY GL ACCOUNT
04/11/11

VENDOR NAME	VEND #	PO #	INV DATE	INV #	DESCRIPTION	AMOUNT	ID	NUMBER
1065	1065		03/21/11	032111W	9489 482 0554 6 5065 BORREGO SPRINGS RD ID1-2	17.47		
03 5420 - EMPLOYEE MEDICAL BENEFITS ACWA HEALTH BENEFITS AUTHORITY	1000		03/31/10	033110	EMPLOYEE BENEFITS	2,547.06		
03 5421 - RETIREMENT BENEFIT PUBLIC EMP'S RETIREMENT SYSTEM	3011		03/11/11	031111	EMPLOYEE BENEFITS MARCH 2011	2,557.35		
03 5460 - FUEL & OIL KENNY STRICKLAND, INC.	1067		03/31/11	033111	FUEL FOR CREW TRUCKS	309.00		
03 5604 - R & M WATER SYSTEM UNIVAR USA INC.	1086		03/23/11	685963	SCALE INHIBITING TABLETS	878.59		
03 5662 - OFFICE SUPPLIES CMS BUSINESS FORMS, INC.	56		03/11/11	16085	OUTGOING WATER BILL ENVELOPES	46.13		
	56		03/14/11	16084	LASER WATER BILLS	64.04		
04 5180 - BAD DEBT EXPENSE RECORDER/COUNTY CLERK'S OFFICE	9387		02/23/11	022311	LIEN RELEASE: KINCAID-07-4550-1	13.00		
	9387		03/17/11	031711	BOND-79-0006-0 LIEN RELEASE: TOWNSEND-05-1507-1	13.00		
	9387		03/29/11	032911	ID-4 LIEN RELEASE: R.SEXTON-07-3641-1	13.00		
04 5420 - EMPLOYEE MEDICAL BENEFITS ACWA HEALTH BENEFITS AUTHORITY	1000		03/31/10	033110	EMPLOYEE BENEFITS	3,580.78		
04 5421 - RETIREMENT BENEFIT PUBLIC EMP'S RETIREMENT SYSTEM	3011		03/11/11	031111	EMPLOYEE BENEFITS MARCH 2011	3,412.84		
04 5460 - FUEL & OIL KENNY STRICKLAND, INC.	1067		03/31/11	033111	FUEL FOR CREW TRUCKS	1,236.00		

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HISTORICAL A/P INVOICE DISTRIBUTIONS BY GL ACCOUNT

VENDOR NAME
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PO #
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INVENTORY #
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VENDOR #
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GL ACCOUNT #
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NUMBER
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VENDOR NAME	VENDOR #	INVOICE DATE	PO #	INVENTORY #	DESCRIPTION	AMOUNT	ID	NUMBER
04 5600 - R & M BUILDINGS & EQUIPMENT MCCALLS METERS, INC	1216	02/28/11		20447	HIGH SCHOOL METER REPAIR	399.56		
04 5603 - R & M RESERVOIR AQUATIC INSPECTIONS	9159	03/23/11		1407	RESERVOIR INSPECTION AND CLEANING, TWIN TANKS & INDIAN HEAD TANK	4,350.00		
04 5604 - R & M WATER SYSTEM UNIVAR USA INC.	1086	03/23/11		685963	SCALE INHIBITING TABLETS	3,514.37		
04 5605 - R & M WELL/PUMP SUNSET ELECTRIC POWER	1233	03/09/11		7369	SCHEDULED MAINTENANCE ID1-WELL2, ID1-WELL8 ID4-WELL18	1,500.00		
04 5662 - OFFICE SUPPLIES CMS BUSINESS FORMS, INC.	56	03/11/11		16085	OUTGOING WATER BILL ENVELOPES	184.52		
	56	03/14/11		16084	LASER WATER BILLS	238.64		
04 5720 - PUMPING - ELECTRICITY SAN DIEGO GAS & ELECTRIC	1065	03/21/11		032111L	6160 427 632 7 COUNTRY CLUB RD	183.66		
	1065	03/21/11		032111R	ID4-2 4240 011 405 2 301 SLASH M RD	10.18		
	1065	03/21/11		032111S	COUNTRY CLUB TANK 5035 410 733 7 3528 COUNTRY CLUB RD	2,263.67		
	1065	03/22/11		032211	ID4-10 2881 512 118 8 1111 INDIAN HEAD RANCH RD	863.79		
	1065	03/22/11		032211Q	ID4-18 3909 503 745 7 1775 BORREGO SPRINGS RD	5,541.42		
	1065	03/22/11		032211T	ID4-4 9534 569 937 1 2201 DIEGUENO RD ID4-11	3,083.46		
04 8860 - TESTING/LAB WORK H.S. BABCOCK & SONS, INC.	9255	03/11/11		033111	WATER SAMPLES FROM ALL WELLS	240.00		

HISTORICAL A/P INVOICE DISTRIBUTIONS BY GL ACCOUNT
04/11/11

BORRERO WATER DISTRICT
CHECK DATE 03/16/11-04/11/11

VENDOR NAME	VEND #	PO #	INV DATE	INV #	DESCRIPTION	AMOUNT	ID	NUMBER
05 5420 - EMPLOYEE MEDICAL BENEFITS ACWA HEALTH BENEFITS AUTHORITY	1000		03/31/10	033110	EMPLOYEE BENEFITS	363.35		
05 5421 - RETIREMENT BENEFIT PUBLIC EMP'S RETIREMENT SYSTEM	3011		03/11/11	031111	EMPLOYEE BENEFITS MARCH 2011	364.81		
05 5460 - FUEL & OIL KENNY STRICKLAND, INC.	1067		03/31/11	033111	FUEL FOR CREW TRUCKS	154.50		
05 5600 - R & M BUILDINGS & EQUIPMENT JAMES G HORMUTH/DBA TRUE VALUE	1022		03/31/11	033111	PARTS & MATERIALS SEE INVOICES FOR DETAILS	17.39		
DEBBIE MORETTI	1222		03/31/11	033111	PEST CONTROL ALL FACILITIES	35.00		
B&B LOCK & SAFE	9530		03/09/11	108438	LIFT STATION PANEL ROOM LOCK REPAIR	135.94		
05 5601 - M & R SEWER TREATMENT PLANT HIDDEN VALLEY PUMP SYSTEMS INC	1012		03/09/11	89340000	NEW MECHANICAL SEAL WWTP PUMP #2	435.00		
B & J EARTHWORKS	1035		03/03/11	030311	SEWER REPAIR CONNECTION IN BWD EASEMENT TO MAIN SEWER LINE	4,600.00		
GRAINGER	1048		03/15/11	94865056	ELECTRICAL MOTOR FOR HEADWORKS CLASSIFIER	230.37		
1048	1048		03/17/11	94889254	MATERIALS FOR ID2 RED DYE TEST	89.76		
1048	1048		03/28/11	7303025	BLOWER MOTOR & FAN BORREGO RANCH SEWER LINE	1,082.07		
HOME DEPOT CREDIT SERVICES	1136		03/31/11	033111	MATERIALS & SUPPLIES SEE INVOICES FOR DETAILS	286.11		
BAY CITY ELECTRIC WORKS	1481		12/31/10	W85251	PREVENTATIVE MAINT. PER SERVICE AGREEMENT	600.00		
1481	1481		12/31/10	W85340	R&M ON ENGINE STARTING BATTERIES	376.15		
PROACTIVE PLUMBING, INC.	9533		03/01/11	C02931	REPAIR SEWER LINE BWD EASEMENT CONNECT	1,675.00		
ROBERT FRAZIER	9534		02/25/11	10380	REIMBURSE CUSTOMER TO CLEAR MAINLINE BLOCKAGE	90.00		

HISTORICAL A/P INVOICE DISTRIBUTIONS BY GL ACCOUNT

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BORREGO WATER DISTRICT
 CHECK DATE 03/16/11-04/11/11

HISTORICAL A/P INVOICE DISTRIBUTIONS BY GL ACCOUNT
 04/11/11

VENDOR NAME
 =====
 VENDOR # PO # INV DATE INV # DESCRIPTION AMOUNT ID NUMBER
 =====

05 5662 - OFFICE SUPPLIES BORREGO SPRINGS BOTTLED WATER	1003		03/31/11	033111	BOTTLED WATER FOR PLANT & YARD PARTS & MATERIALS SEE INVOICES FOR DETAILS	26.50		
JAMES G HORMUTH/DBA TRUE VALUE	1022		03/31/11	033111		12.10		
05 5720 - PUMPING - ELECTRICITY SAN DIEGO GAS & ELECTRIC	1065		03/21/11	032111J	2739 492 349 3 4861 BORREGO SPRINGS RD TREATMENT PLANT	2,606.41		
05 5858 - TELEPHONE AT&T-CALNET 2	9529		03/22/11	2236917	MONTHLY SERVICE MARCH 2011 WWTP	72.32		
05 5860 - TESTING/LAB WORK E.S. BABCOCK & SONS, INC.	9255		03/11/11	033111	WATER SAMPLES FROM ALL WELLS	40.00		
05 5896 - VEHICLE EXPENSE NAPA AUTO PARTS INC	1016		03/25/11	032511	PARTS & MATERIALS FOR VEHICLES	51.88		
06 5420 - EMPLOYEE MEDICAL BENEFITS ACWA HEALTH BENEFITS AUTHORITY	1000		03/31/10	033110	EMPLOYEE BENEFITS	363.35		
06 5421 - RETIREMENT BENEFIT PUBLIC EMP'S RETIREMENT SYSTEM	3011		03/11/11	031111	EMPLOYEE BENEFITS MARCH 2011	364.81		
06 5460 - FUEL & OIL KENNY STRICKLAND, INC.	1067		03/31/11	033111	FUEL FOR CREW TRUCKS	154.50		
06 6001 - R & M WWTP HIDDEN VALLEY PUMP SYSTEMS INC	1012		03/09/11	89340000	NEW MECHANICAL SEAL WWTP PUMP #2	435.00		
OSHAINGER	1048		03/15/11	94865056	ELECTRICAL MOTOR FOR HEADWORKS CLASSIFIER	230.37		

BORREGO WATER DISTRICT
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HISTORICAL A/P INVOICE DISTRIBUTIONS BY GL ACCOUNT
04/11/11

VENDOR NAME
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VEND #	PO #	INV DATE	INV #	DESCRIPTION	AMOUNT	ID	NUMBER
1065		03/21/11	032111B	3607 425 233 9 2990 BORREGO VALLEY RD TC LIFT STATION-ID5	264.98		
3011		03/11/11	031111	EMPLOYEE BENEFITS MARCH 2011	364.81		
1012		03/09/11	89340000	NEW MECHANICAL SEAL WWTP PUMP #2	435.00		
1048		03/15/11	94865056	ELECTRICAL MOTOR FOR HEADWORKS CLASSIFIER	230.37		
1065		03/21/11	032111G	9525 627 944 5 2989 BORREGO VALLEY RD PACKAGE PLANT	1,134.48		
9295		03/22/11	201830	INSTALL NEW MOTOR FOR GRIT WASHER WWTP	105.00		
9529		02/22/11	2164720	MONTHLY SERVICE 01/22/11-02/21/11	0.69		
9255		03/11/11	033111	WATER SAMPLES FROM ALL WELLS	1,845.00		
1000		03/31/10	033110	EMPLOYEE BENEFITS	399.68		
3011		03/11/11	031111	EMPLOYEE BENEFITS MARCH 2011	401.30		
1067		03/31/11	033111	FUEL FOR CREW TRUCKS	154.50		

HISTORICAL A/P INVOICE DISTRIBUTIONS BY GL ACCOUNT
04/11/11

BORREGO WATER DISTRICT
CHECK DATE 03/16/11-04/11/11

VENDOR NAME	VEND #	PO #	INV DATE	INV #	DESCRIPTION	AMOUNT	ID	NUMBER
14 5600 - MAINTENANCE & REPAIRS JAMES G HORMUTH/DBA TRUE VALUE	1022		03/31/11	033111	PARTS & MATERIALS SEE INVOICES FOR DETAILS	80.03		
DEBBIE MORETTI	1222		03/31/11	033111	PEST CONTROL ALL FACILITIES	32.00		
14 5720 - PUMPING - ELECTRICITY SAN DIEGO GAS & ELECTRIC	1065		03/21/11	032111A	1614 548 936 7 W CLUB CIRCLE S CLUB CIRCLE GOLF	9.72		
	1065		03/21/11	032111F	6114 527 629 9 TILTING T DR CLUB CIRCLE GOLF	9.56		
14 5858 - TELEPHONE AT&T Long Distance	9491		03/01/11	030411	MONTHLY SERVICE MARCH 2011	65.96		
14 5890 - TRASH REMOVAL JOSE RIVERA	9443		03/25/11	258812	LANDSCAPING TRASH HAULED TO DUMP	42.00		
14 5896 - VEHICLE EXPENSE NAPA AUTO PARTS INC	1016		03/25/11	032511	PARTS & MATERIALS FOR VEHICLES	81.73		
15 5180 - BAD DEBT EXPENSE RECORDER/COUNTY CLERK'S OFFICE	9387		02/23/11	022311	LIEN RELEASE: KINCAID-07-4550-1 BOND-79-0006-0	13.00		
15 5420 - EMPLOYEE MEDICAL BENEFITS ACWA HEALTH BENEFITS AUTHORITY	1000		03/31/10	033110	EMPLOYEE BENEFITS	1,911.20		
15 5421 - RETIREMENT BENEFIT PUBLIC EMP'S RETIREMENT SYSTEM	3011		03/11/11	031111	EMPLOYEE BENEFITS MARCH 2011	1,918.92		
15 460 - FUEL & OIL KENNY STRICKLAND, INC.	1067		03/31/11	033111	FUEL FOR CREW TRUCKS	154.50		

HISTORICAL A/P INVOICE DISTRIBUTIONS BY GL ACCOUNT

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HISTORICAL A/P INVOICE DISTRIBUTIONS BY GL ACCOUNT
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BORREGO WATER DISTRICT
CHECK DATE 03/16/11-04/11/11

VENDOR NAME	VEND #	PO #	INV DATE	INV #	DESCRIPTION	AMOUNT	ID	NUMBER
UNIVAR USA INC.	1086		03/23/11	685963	SCALE INHIBITING TABLETS	3,514.37		
CMS BUSINESS FORMS, INC.	56		03/11/11	16085	OUTGOING WATER BILL ENVELOPES	46.13		
	56		03/14/11	16084	LASER WATER BILLS	64.03		
SAN DIEGO GAS & ELECTRIC	1065		03/21/11	032111D	4785 979 020 3 3003 LOFTER DR ID5-5	2,152.49		
***** GRAND TOTAL FOR 188 DISTRIBUTIONS						221,569.74		

HISTORICAL A/P INVOICE DISTRIBUTIONS BY GL ACCOUNT

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HISTORICAL A/P INVOICE DISTRIBUTIONS BY GL ACCOUNT
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BORREGO WATER DISTRICT
CHECK DATE 03/16/11-04/11/11

DISTRIBUTION SUMMARY

G/L ACCOUNT#	DESCRIPTION	AMOUNT
01 1090	PETTY CASH	500.00
01 1510	INVENTORY CONTROL	13,027.21
01 1600	PREPAID INSURANCE	10,075.00
01 1712	SUSTAINABLE WATER PROJECT-CIP	2,875.00
01 1714	WATER DIST SYSTEM IMP-CIP	640.00
01 1717	SEWER SYSTEM IMPROVEMENTS-CIP	55,206.13
01 1722	GW MANAGEMENT PROGRAM-CIP	1,330.00
01 5100	ACCOUNTING	1,490.00
01 5172	MILEAGE REIMB/AUTO ALLOWANCE	1,184.00
01 5190	BOARD MEETING EXPENSE	1,090.00
01 5200	COMPUTER BILLING	665.00
01 5240	CONFERENCE/TRAVEL	522.22
01 5241	TRAINING	110.00
01 5401	FEES	1,787.36
01 5420	EMPLOYEE MEDICAL BENEFITS	7,678.55
01 5421	EMPLOYEE RETIREMENT BENEFITS	6,936.95
01 5423	COMMUNITY RELATIONS	215.43
01 5450	EQUIPMENT RENTAL-OFFICE	2,162.86
01 5460	FUEL & OIL	309.00
01 5521	WORKERS COMPENSATION	4,844.49
01 5560	LEGAL SERVICES	6,804.62
01 5600	R & M BUILDINGS & EQUIPMENT	4,017.94
01 5606	EQUIPMENT RENTAL-MAINTENANCE	81.50
01 5662	OFFICE SUPPLIES	1,649.82
01 5663	OFFICE EQUIPMENT	171.39
01 5664	OFFICE UTILITIES	725.80
01 5665	MAINTENANCE AGREEMENTS	728.94
01 5680	OTHER EXPENSES	235.27
01 5681	SAFETY SUPPLIES	195.27
01 5690	POSTAGE & FREIGHT	295.60
01 5852	ANSWERING SERVICE	239.51
01 5854	CELLULAR PHONE	1,911.37
01 5858	TELEPHONE	546.53
01 5860	TESTING/LAB WORK	80.00
01 5895	UNIFORMS	475.80
01 5896	VEHICLE EXPENSE	283.25
02 5420	EMPLOYEE MEDICAL BENEFITS	1,911.20
02 5421	RETIREMENT BENEFIT	1,918.92
02 5460	FUEL & OIL	618.00
02 5604	R & M WATER SYSTEM	878.59
02 5605	R & M WELL/PUMP	5,635.67
02 5720	PUMPING - ELECTRICITY	13,147.35
03 5420	EMPLOYEE MEDICAL BENEFITS	2,547.06
03 5421	RETIREMENT BENEFIT	2,557.35
03 5460	FUEL & OIL	309.00
03 5604	R & M WATER SYSTEM	878.59
03 5662	OFFICE SUPPLIES	110.17
04 5180	BAD DEBT EXPENSE	39.00
04 5420	EMPLOYEE MEDICAL BENEFITS	3,580.78
04 5421	RETIREMENT BENEFIT	3,412.84
04 5460	FUEL & OIL	1,236.00
04 5600	R & M BUILDINGS & EQUIPMENT	399.56

HISTORICAL A/P INVOICE DISTRIBUTIONS BY GL ACCOUNT
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DISTRIBUTION SUMMARY

G/L ACCOUNT#	DESCRIPTION	AMOUNT
04 5603	R & M RESERVOIR	4,350.00
04 5604	R & M WATER SYSTEM	3,514.37
04 5605	R & M WELL/PUMP	1,500.00
04 5662	OFFICE SUPPLIES	423.16
04 5720	PUMPING - ELECTRICITY	11,946.18
04 5860	TESTING/LAB WORK	240.00
05 5420	EMPLOYEE MEDICAL BENEFITS	363.35
05 5421	RETIREMENT BENEFIT	364.81
05 5460	FUEL & OIL	154.50
05 5600	R & M BUILDINGS & EQUIPMENT	188.33
05 5601	M & R SEWER TREATMENT PLANT	9,464.46
05 5662	OFFICE SUPPLIES	38.60
05 5720	PUMPING - ELECTRICITY	2,606.41
05 5858	TELEPHONE	72.32
05 5860	TESTING/LAB WORK	40.00
05 5896	VEHICLE EXPENSE	51.88
06 5420	EMPLOYEE MEDICAL BENEFITS	363.35
06 5421	RETIREMENT BENEFIT	364.81
06 5460	FUEL & OIL	154.50
06 5601	R & M WWTP	665.37
06 5720	PUMPING - ELECTRICITY	264.98
10 5421	RETIREMENT BENEFIT	364.81
10 5601	R & M SEWER	665.37
10 5720	PUMPING - ELECTRICITY	1,134.48
10 5723	ID#5 ELECTRICITY WWTP	105.00
10 5858	TELEPHONE	0.69
10 5860	TESTING/LAB WORK-SEWER	1,845.00
14 5420	EMPLOYEE MEDICAL BENEFITS	399.68
14 5421	RETIREMENT BENEFIT	401.30
14 5460	FUEL & OIL	154.50
14 5600	MAINTENANCE & REPAIRS	112.03
14 5720	PUMPING - ELECTRICITY	19.28
14 5858	TELEPHONE	65.96
14 5890	TRASH REMOVAL	42.00
14 5896	VEHICLE EXPENSE	81.73
15 5180	BAD DEBT EXPENSE	13.00
15 5420	EMPLOYEE MEDICAL BENEFITS	1,911.20
15 5421	RETIREMENT BENEFIT	1,918.92
15 5460	FUEL & OIL	154.50
15 5604	R/M WATER OTHER	3,514.37
15 5662	OFFICE SUPPLIES	110.16
15 5720	PUMPING - ELECTRICITY	2,152.49

		221,569.74

**BORREGO WATER DISTRICT
CAPITAL BUDGET TO ACTUAL COMPARISONS
FYE 2011**

DESCRIPTION OF ELEMENT/PROJECT	BUDGET FYE 2010	BUDGET FYE 2011	PREVIOUS YEAR BALANCE BR FWRD	Beginning Balance 3/1/2011	Monthly Activity March	Actual as of 3/31/2011	ACTUAL VS BUDGET
1712 - SUSTAINABLE WATER PROGRAM							
Total 1712 for FYE-10:	\$ 1,413,000	\$ -	626,301	\$ 829,568	\$ 3,983	\$ 833,551	58.99%
1714 - WATER DISTRIBUTION SYSTEM IMPROVEMENTS							
Total 1714 for FYE-11:	\$ 254,000	\$ 65,000	-	\$ 31,100	\$ 4,449	\$ 35,549	54.69%
1715 - NEW PRODUCTION WELLS AND UPGRADES							
Total 1715 for FYE-11:	\$ 875,000	\$ 95,000	-	\$ -	\$ -	\$ -	0.00%
1716 - NEW RESERVOIRS							
Total 1716 for FYE-10:	\$ 3,003,500	\$ -	270,341	\$ 287,253	\$ -	\$ 287,253	9.56%
1717 - SEWER SYSTEM IMPROVEMENTS							
Total 1717 for FYE-11:	\$ 584,000	\$ 496,000	101,533	\$ 566,270	\$ 55,206	\$ 621,476	125.30%
1719 - BUILDINGS/STRUCTURES							
Total 1719 for FYE-11:	\$ 150,000	\$ 100,000	-	\$ 7,401	\$ -	\$ 7,401	7.40%
1721 - DISTRICT FEE STUDY							
Total 1721 for FYE-11:	\$ 70,000	\$ 30,000	-	\$ -	\$ -	\$ -	0.00%
1722 - GROUNDWATER MANAGEMENT PROGRAM							
Total 1722 for FYE-11:	\$ 375,000	\$ 175,000	332,761	\$ 519,144	\$ (3,995)	\$ 515,149	294.37%
TOTAL C.I.P. COSTS TO DATE:							
				\$ 59,643	\$ 2,300,378		

02-SUSTAINABLE WATER PROGRAM

FYE 2011

ACCT #011712

DATE	DESCRIPTION	20901 S.E. FEASIBILITY STUDY	20904 CLARK LAKE PROJECT CIP	CLARK LAKE PROJECT STAFF SUPPORT CIP	20905 S.E. TRANS LINE SURVEY CIP	S.E. TRANS LINE SURVEY STAFF SUPPORT CIP	20908 BOR BASIN PLAN/IRWMP REIMB BY GRANT	STAFF SUPPORT BOR BASIN PLAN/IRWMP REIMB BY GRANT	TOTALS
	BALANCE BROUGHT FORWARD-FYE 2010	\$ 89,122.53	\$ 293,493.19	\$ 73,388.24	\$ 56,716.59	\$ 58,851.66	\$ 25,062.50	\$ 29,666.69	\$ 626,301.40
07/30/10	Brian Polley Surveying-Clark Lake		10,315.73						10,315.73
07/30/10	Brian Polley Surveying-Clark Lake		6,102.48						6,102.48
08/24/10	William Mills Consulting-IRWM						3,125.00		3,125.00
08/31/10	William Mills Consulting-IRWM						6,062.50		6,062.50
09/30/10	William Mills Consulting-IRWM						7,187.50		7,187.50
09/30/10	Brian Polley Surveying-Clark Lake		142.50				10,562.50		10,562.50
09/30/10	Brian Polley Surveying-SE Extension				142.50				142.50
09/30/10	Brian Polley Surveying-Clark Lake		4,923.25						4,923.25
09/30/10	Record Staff time-Rolwing/Williamson						5,589.04		5,589.04
10/26/10	Brian Polley Surveying-Clark Lake		56,382.61						56,382.61
10/31/10	Eco Layers--IRWMP hosting						1,200.00		1,200.00
10/31/10	Stradling, Yocca, Carslon, Rauth-IRWMP						525.00		525.00
10/31/10	Record Staff time-Rolwing/Williamson						6,881.52		6,881.52
11/23/10	William Mills Consulting-IRWM						5,205.66		5,205.66
11/30/10	Record Staff time-Rolwing/Williamson						7,250.80		7,250.80
12/31/10	Brian Polley-Clark Lake		20,867.01						20,867.01
12/31/10	Brian Polley-Clark Lake		3,735.00						3,735.00
12/31/10	William Mills Consulting-IRWM						5,375.00		5,375.00
12/31/10	William Mills Consulting-IRWM						562.50		562.50
12/31/10	Record Staff time-Rolwing/Williamson						3,692.80		3,692.80
01/15/11	Record Staff time-Rolwing						923.20		923.20
01/31/11	Record Staff time-Rolwing						923.20		923.20
01/31/11	Brian Polley Surveying-Clark Lake		8,245.00						8,245.00
01/31/11	William Mills Consulting-IRWM						8,250.00		8,250.00
01/31/11	Eco Layers--IRWMP hosting						1,200.00		1,200.00
01/31/11	Balance Transfer from 01-2402						(171.00)		(171.00)
01/31/11	William Mill Consulting from 1723						750.00		750.00
02/15/11	Record Staff time-Rolwing						923.20		923.20
02/28/11	Record Staff time-Rolwing						923.20		923.20
02/28/11	Babcock & Sons-water samples		495.00						495.00
02/28/11	Brian Polley-Clark Lake		13,187.89						13,187.89
02/28/11	County of San Diego-Record Survey		1,786.00						1,786.00
03/15/11	Record Staff time-Rolwing						923.20		923.20
03/31/11	William Mills Consulting-IRWM						2,875.00		2,875.00
03/31/11	Record Staff Time-Rolwing						184.64		184.64
	TOTAL	\$ 89,122.53	\$ 419,675.66	\$ 73,388.24	\$ 56,859.09	\$ 58,851.66	\$ 75,081.80	\$ 60,571.85	\$ 833,550.83
	PROGRAM CAP FYE 2010:	\$ 200,000.00	\$ 265,611.76	\$ 73,388.24	\$ 150,000.00	\$ 89,000.00	\$ 425,000.00	\$ 75,000.00	\$ 1,278,000.00
	PROGRAM CAP FYE 2011:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	PROGRAM BALANCE TO DATE:	\$ 110,877.47	\$ (154,063.90)	\$ -	\$ 93,140.91	\$ 30,148.34	\$ 349,918.20	\$ 14,428.15	\$ 444,449.17

WATER DISTRIBUTION SYSTEM IMPROVEMENTS

FYE 2011
ACCT #1714

DATE	DESCRIPTION	40902 5 NEW FIRE HYDRANTS	40905 MONTEZUMA DR. PROJECT	40905 MONTEZUMA DR. PROJECT STAFF TIME	TOTALS
					-
12/16/10	Grangettos Farm & Garden Supply-WO 68-10	-	153.99		153.99
12/31/10	Pacific Pipeline Supply-WO 68-10		10,744.50		10,744.50
12/31/10	Pacific Pipeline Supply-WO 68-10		2,244.60		2,244.60
12/31/10	Pacific Pipeline Supply-WO 68-10		10,689.47		10,689.47
01/31/11	Pacific Pipeline Supply-WO 68-10		3,171.15		3,171.15
02/15/11	Record Staff time-Montezuma pipeline-WO 68-10			4,096.32	4,096.32
03/15/11	Record Staff time-Montezuma pipeline-WO 68-10			3,808.69	3,808.69
03/17/11	Deanza Ready Mix-WO 68-10		346.43		346.43
03/31/11	Deanza Ready Mix-WO 68-10		293.57		293.57
					-
					35,548.72
	TOTAL:	\$ -	\$ 27,643.71	\$ 7,905.01	\$ 35,548.72
					\$ -
	PROGRAM CAP 2011:	\$ 15,000.00	\$ 35,000.00	\$ 15,000.00	\$ 50,000.00
					\$ -
	PROGRAM BALANCE TO DATE:	\$ 15,000.00	\$ 7,356.29	\$ 7,094.99	\$ 22,356.29

NEW RESERVOIRS

FYE 2011

ACCT #1716

DATE	DESCRIPTION	60901 WILCOX RESERVOIR	Staff Support WILCOX RESERVOIR	60902 RESERVOIR 1000' ELEVATION	Staff Support RESERVOIR 1000' ELEVATION	6090500 INDIANHEAD TANK	Staff Support INDIANHEAD TANK	TOTALS
	BALANCE BROUGHT FORWARD-FYE 2010	\$ 141,864.75	\$ 14,546.98	\$ 11,883.02	\$ 2,229.17	\$ 90,900.29	\$ 8,916.72	\$ 270,340.93
07/30/10	Brian Polley Surveying-Wilcox	2,407.50						\$ 2,407.50
07/30/10	Brian Polley Surveying-Wilcox	237.50						\$ 237.50
07/30/10	Brian Polley Surveying-Indian Head					2,902.50		\$ 2,902.50
09/30/10	Brian Polley Surveying-Indian Head					47.50		\$ 47.50
09/30/10	Brian Polley Surveying-Indian Head					2,707.50		\$ 2,707.50
09/30/10	Brian Polley Surveying-Wilcox	1,350.00						\$ 1,350.00
09/30/10	Brian Polley Surveying-Wilcox	7,212.00						\$ 7,212.00
09/30/10	Brian Polley Surveying-Reservoir elevation			47.50				\$ 47.50
								\$ -
								287,252.93
	TOTAL:	\$ 153,071.75	\$ 14,546.98	\$ 11,930.52	\$ 2,229.17	\$ 96,557.79	\$ 8,916.72	\$ 287,252.93
								\$ -
	PROGRAM CAP 2010:	\$ 135,453.02	\$ 14,546.98	\$ 2,497,770.83	\$ 2,229.17	\$ 291,083.28	\$ 8,916.72	\$ 2,950,000.00
	PROGRAM CAP 2011:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	PROGRAM BALANCE TO DATE:	\$ (17,618.73)	\$ -	\$ 2,485,840.31	\$ -	\$ 194,525.49	\$ -	\$ 2,662,747.07

07-SEWER SYSTEM IMPROVEMENTS

FYE 2011

ACCT #1717

DATE	DESCRIPTION	709003 ENGINEERING NEW LIFT STATION	709005 ENGINEERING NEW LIFT STATION Staff Support	709004 NEW LIFT STATION CONSTRUCT	TOTALS
	BALANCE BROUGHT FORWARD-FYE 2010	\$ 47,270.29	\$ 15,955.84	\$ 38,307.24	\$ 101,533.37
					-
07/30/10	MSA Consulting-Lift Station			540.00	540.00
07/30/10	MSA Consulting-Lift Station			2,250.00	2,250.00
08/24/10	County of SD-permits for lift station			1,095.48	1,095.48
08/24/10	Earth Systems Southwest-Professional Services @ lift station			3,339.00	3,339.00
08/24/10	TC Construction-Lift station			54,917.28	54,917.28
08/31/10	Earth Systems Southwest-Professional Services @ lift station			8,742.00	8,742.00
08/31/10	MSA Consulting-Lift Station			3,943.15	3,943.15
09/22/10	County of SD-permits for lift station			3,009.24	3,009.24
09/22/10	Borrego Electric-Lift Station			613.50	613.50
09/22/10	MSA Consulting-Lift Station			1,933.20	1,933.20
09/30/10	Earth Systems Southwest-Professional Services @ lift station			2,613.00	2,613.00
09/30/10	TC Construction-Lift station			65,867.40	65,867.40
10/31/10	Earth Systems Southwest-Professional Services @ lift station			6,550.00	6,550.00
10/31/10	County of SD-permits for lift station			1,193.80	1,193.80
10/31/10	MSA Consulting-Lift Station			3,045.60	3,045.60
10/31/10	TC Construction-Lift station			160,442.90	160,442.90
11/23/10	County of SD-permits for lift station			635.66	635.66
12/31/10	MSA Consulting-Lift Station			3,800.00	3,800.00
12/31/10	MSA Consulting-Lift Station			757.95	757.95
12/31/10	TC Construction-Lift station			27,637.20	27,637.20
12/31/10	TC Construction-Lift station			84,926.55	84,926.55
01/31/11	Bay City Works			1,494.75	1,494.75
01/31/11	MSA Consulting-Lift Station			3,390.00	3,390.00
01/31/11	MSA Consulting-Lift Station			1,591.21	1,591.21
01/31/11	MSA Consulting-Lift Station			2,600.00	2,600.00
01/31/11	Earth Systems Southwest-Professional Services @ lift station			1,495.00	1,495.00
01/31/11	MSA Consulting-Lift Station			4,750.00	4,750.00
01/31/11	TC Construction-Lift station			4,994.10	4,994.10
02/28/11	TC Construction-Lift station			3,968.44	3,968.44
02/28/11	MSA Consulting-Lift Station			2,600.00	2,600.00
03/17/11	TC Construction-Lift station			55,206.13	55,206.13
					621,475.91
	TOTAL:	\$ 47,270.29	\$ 15,955.84	\$ 558,249.78	621,475.91
					\$ -
	PROGRAM CAP 2011:	\$ -	\$ -	\$ 496,000.00	\$ 496,000.00
					\$ -
	PROGRAM BALANCE TO DATE:			\$ (62,249.78)	(62,249.78)

09-BUILDINGS/STRUCTURES

FYE 2011

ACCT #1719

DATE	DESCRIPTION	Replacement of Well Houses	Stirrup Property upgrades	TOTALS
08/31/10	Home Depot-Booster Station 1 building materials	987.51		987.51
08/31/10	Labor to build houses-DEPriest	2,000.00		2,000.00
09/15/10	Labor to build houses-DEPriest	1,925.00		1,925.00
09/30/10	Labor to build houses-DEPriest	1,400.00		1,400.00
10/15/10	Labor to build houses-DEPriest	800.00		800.00
10/31/10	Hunsinger Electric	288.00		288.00
				-
				-
				7,400.51
	TOTAL:	\$ 7,400.51	\$ -	7,400.51
				\$ -
	PROGRAM CAP 2011:	\$ 75,000.00	\$ 25,000.00	\$ 100,000
				\$ -
	PROGRAM BALANCE TO DATE:	\$ 67,599.49	\$ 25,000.00	\$ 92,599.49

10-OFFICE/ENGINEERING/ADMINISTRATION

FYE 2011

ACCT #011721

DATE	DESCRIPTION	100903 DISTRICT FEE STUDY	TOTALS
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09/22/10	Glenn Reiter-Availability/Standby Charges	340.00	340.00
11/23/10	Glenn Reiter-Availability/Standby Charges	8,113.75	8,113.75
01/31/11	Glenn Reiter-Availability/Standby Charges	3,912.50	3,912.50
02/28/11	Close 1721-Reverse to Expense- 01-5100	(12,366.25)	(12,366.25)
			-
			-
			-
			-
			-
	TOTAL:	\$ -	\$ -
	PROGRAM CAP:	\$ 30,000.00	\$ 30,000.00
	PROGRAM BALANCE TO DATE:	\$ 30,000.00	\$ 30,000.00

11-GROUNDWATER MANAGEMENT PROGRAM

FYE 2011

ACCT #011722

DATE	DESCRIPTION	110901 USGS GROUNDWATER BASIN STUDY	Viking Following Projects	Viking Following Projects STAFF TIME	Cocopa Following Projects	Cocopa Following Projects STAFF TIME	TOTALS
	BALANCE BROUGHT FORWARD-FYE 2010	\$ 329,989.91	\$ 2,771.50				\$ 332,761.41
08/31/10	USGS study	4,604.00					\$ 4,604.00
09/15/10	Record Staff Time-Williamson	1,601.10		800.55		800.55	\$ 3,202.20
09/15/10	Transfer Staff time to 1712-IRWMP	(1,601.10)					\$ (1,601.10)
09/30/10	Record Staff Time-Williamson	3,987.94		978.45		978.45	\$ 5,944.84
09/30/10	Transfer Staff time to 1712-IRWMP	(3,987.94)					\$ (3,987.94)
10/15/10	Record Staff Time-Williamson	3,256.12		889.50		889.50	\$ 5,035.12
10/15/10	Transfer Staff time to 1712-IRWMP	(3,256.12)					\$ (3,256.12)
10/31/10	Record Staff Time-Rolwing/Williamson	3,625.40		889.50		889.50	\$ 5,404.40
10/31/10	Transfer Staff time to 1712-IRWMP	(3,625.40)					\$ (3,625.40)
10/31/10	Stradling, Yocca, Carlson, Rauth		3,380.00				\$ 3,380.00
11/15/10	Record Staff Time-Rolwing/Williamson	3,625.40		889.50		889.50	\$ 5,404.40
11/15/10	Transfer Staff time to 1712-IRWMP	(3,625.40)					\$ (3,625.40)
11/29/10	Wire Transfer to First American Title-Cocopah Escrow				150,000.00		\$ 150,000.00
11/30/10	Stradling, Yocca, Carlson, Rauth		3,717.50				\$ 3,717.50
11/30/10	Record Staff Time-Rolwing/Williamson	3,625.40		889.50		889.50	\$ 5,404.40
11/30/10	Transfer Staff time to 1712-IRWMP	(3,625.40)					\$ (3,625.40)
11/30/10	Stradling, Yocca, Carlson, Rauth		1,457.50		12,225.00		\$ 13,682.50
02/28/11	Stradling, Yocca, Carlson, Rauth		225.00		100.00		\$ 325.00
03/11/11	Transfer Viking Ranch Deposit to offset expenses		(5,325.00)				\$ (5,325.00)
03/31/11	Anthony Romano, Attorney		900.00				\$ 900.00
03/31/11	Wildermuth Engineering		430.00				\$ 430.00
							515,149.41
	TOTAL:	\$ 334,593.91	\$ 7,556.50	\$ 5,337.00	\$ 162,325.00	\$ 5,337.00	\$ 515,149.41
	PROGRAM CAP 2011:	\$ 100,000.00	\$ 69,663.00	\$ 5,337.00			\$ 175,000.00
							\$ -
	PROGRAM BALANCE TO DATE:	\$ 95,396.00	\$ 64,878.00	\$ -	\$ (162,325.00)	\$ (5,337.00)	\$ (2,051.00)

Statement of Cash Position - BWD as of 03/31/11

Cash on Hand as of 03/31/11	\$692,712
Less: FY'11 Cash Obligations not in budget	
Lift Station	\$60,748
Manhole replacements	\$0
ID1-10 Pump rewind	\$0
Brian Polley	\$0
Viking Ranch Purchase - Execution	\$25,000
Viking Ranch Purchase - Closing	\$50,000
Club Circle Golf Course (estimated loses)	\$0
Montesoro Well Purchase (due July 1, 2011)	\$70,000
USGS Study	\$65,750
Integrated Regional Water Management Plan	\$10,000
STAG Grant	\$3,000
Disatrick Rate Fee Study	\$30,000
BWD Operations Study	\$3,000
Overdraft Plan legal expenses	\$15,000
Water Credit Plan legal expenses	\$27,000
Montezuma Pipeline Replacement	\$0
Land purchases legal expenses	\$17,500
Total FY'11 Cash Obligations as of 02/28/11	\$376,998
Cash on Hand Less Total Cash Obligations for FY'11	\$315,714
Cash Available from Operations thru June 30, 2011 (including Montesoro Availability Charge income of \$284,378 and Club Circle Golf Course loss of \$49,317)	\$284,555
Possible Stag Grant Receipts	\$125,000
Estimated Unrestricted Cash on Hand at Year End June 30, 2011	\$725,269

BWD CASH FLOW
18 MONTH PROJECTION

03/22/10

PROJECTED
APR-JUNE
2011

	APRIL 2011	MAY 2011	JUNE 2011	JULY 2011	AUGUST 2011	SEPT 2011	OCT 2011	NOV 2011	DEC 2011	JAN 2012	FEB 2012	MARCH 2012	APRIL 2012
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EXPENSES

MAINTENANCE EXPENSE

R & M Buildings & Equipment	6,100	6,100	6,100	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400
R & M Wells pipelines/Pumps - WWTP	3,000	3,000	3,000	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
R & M Collection System	0	0	0	0	0	0	0	0	0	0	0	0	0
R & M Reservoirs	0	0	0	300	300	300	300	300	300	300	300	5,000	300
R & M Water System	1,090	1,090	1,090	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
R & M Well/Pump	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Equipment Rental	77	77	77	100	100	100	100	100	100	100	100	100	100
Telemetry	0	8,000	0	0	0	8,000	0	0	6,000	0	0	0	0
Trash Removal	2,772	2,772	2,772	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800
Vehicle Expense	0	500	0	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250
TOTAL MAINTENANCE EXPENSE:	14,539	23,039	14,539	15,850	15,850	23,850	15,850	15,850	21,850	15,850	15,850	20,550	15,850

PROFESSIONAL SERVICES EXPENSE

Accounting	250	250	500	500	500	500	500	500	500	500	500	500	500
Administrative Services	150	150	150	200	200	200	200	200	200	200	200	200	200
Audit Fees	0	0	0	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800
Computer billing	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250
Engineering	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Legal Services	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Testing/lab work	1,500	1,500	1,500	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
TOTAL PROFESSIONAL SERVICES EXPENSE:	7,150	7,150	7,400	12,450	12,450	12,450	7,650	7,650	12,450	7,650	7,650	7,650	12,450

INSURANCE EXPENSE

ACWA Insurance	29,000	0	0	0	0	0	0	0	0	0	0	0	29,000
Workers Comp	0	0	0	5,500	0	0	5,500	0	0	5,500	0	0	5,500
TOTAL INSURANCE EXPENSE:	29,000	0	0	5,500	0	64,000	5,500	0	0	5,500	0	0	34,500

PERSONNEL EXPENSE

Mileage reimbursement/Auto Allowance	100	100	100	100	100	100	100	100	100	100	100	100	100
Board Meeting Expense	400	400	400	400	400	400	400	400	400	400	400	400	400
Salaries & Wages (gross)	76,000	76,000	76,000	76,000	76,000	76,000	76,000	76,000	76,000	76,000	76,000	76,000	76,000
Taxes on Payroll	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Medical Insurance Benefits	19,137	19,137	19,137	19,137	19,137	19,137	19,137	19,137	19,137	19,137	19,137	19,137	19,137
Calpers Retirement Benefits	16,600	16,600	16,600	16,900	16,900	16,900	16,900	16,900	16,900	16,900	16,900	16,900	16,900
TOTAL PERSONNEL EXPENSE:	114,737	114,737	114,737	115,037									

OFFICE EXPENSE

Office Equipment Rental	800	800	800	800	800	800	800	800	800	800	800	800	800
Office Supplies	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Office Equipment	500	500	500	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250
Office Utilities	800	900	1,300	1,850	1,750	1,850	1,250	750	825	940	600	600	800
Management Agreements	0	1,200	0	4,000	4,000	650	1,150	630	1,100	1,100	2,994	0	0
Postage & Freight	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Taxes on Property	0	0	0	0	0	0	2,300	0	0	0	0	0	0
Advertising service	200	200	200	200	200	200	200	200	200	200	200	200	200
Telephone	960	960	960	960	960	960	960	960	960	960	960	960	960
TOTAL OFFICE EXPENSE:	5,860	7,160	6,360	7,660	11,560	7,760	10,510	7,190	6,635	7,420	9,404	6,410	6,610

UTILITIES EXPENSE

Pumps-Electricity	35,819	38,545	39,000	33,850	38,902	35,000	33,000	30,000	30,589	30,165	21,156	37,429	35,819
Cellular Phone	750	750	750	750	750	750	750	750	750	750	750	750	750
TOTAL UTILITIES EXPENSE:	36,569	39,295	39,750	34,600	39,652	35,750	33,750	30,750	31,339	30,915	21,906	38,179	36,569

BWD CASH FLOW
18 MONTH PROJECTION

03/22/10

	APRIL 2011	MAY 2011	JUNE 2011	PROJECTED APR-JUNE 2011	JULY 2011	AUGUST 2011	SEPT 2011	OCT 2011	NOV 2011	DEC 2011	JAN 2012	FEB 2012	MARCH 2012	APRIL 2012
OTHER EXPENSE														
Interest-COP 2008	0	0	0	0	0	0	0	62,438	0	0	0	0	0	62,438
Montezoro Well #12 Purchase	135,586	0	0	135,586	0	0	0	0	0	0	0	0	0	0
March Expenses paid in April	0	0	0	0	400	400	400	400	400	400	400	400	400	400
Conference & Conventions	200	200	200	600	200	200	200	200	200	200	200	200	200	200
Training	0	0	0	0	100	100	100	100	100	100	100	100	100	100
Dues & Subscriptions	5,000	200	1,000	6,200	2,500	600	5,500	10,000	3,985	14,000	3,800	400	1,000	5,000
Regulatory Permit Fees	4,300	4,300	4,300	12,900	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300
Fuel & Oil	150	150	150	450	150	150	150	150	150	150	150	150	150	150
Other Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
GWM	250	250	250	750	700	700	700	700	700	700	700	700	700	700
Safety Requirement	400	400	400	1,200	400	400	400	400	400	400	400	400	400	400
Printing, Publications & Notices	500	500	500	1,500	500	500	500	500	500	500	500	500	500	500
Uniforms	6,000	6,000	6,800	159,186	79,250	7,850	12,250	79,188	10,735	22,650	10,550	7,150	7,750	74,188
TOTAL OTHER EXPENSE:	146,386	6,000	6,800	159,186	79,250	7,850	12,250	79,188	10,735	22,650	10,550	7,150	7,750	74,188
TOTAL EXPENSES PROJECTED FYE 2011 through JULY, 2012:	351,241	197,380	189,536	741,207	270,347	197,592	271,097	267,485	187,212	209,951	197,922	176,997	205,726	295,204
NET CASH FLOW (O&M)	(119,376)	81,856	322,075	284,555	(56,969)	26,391	(38,207)	(56,397)	37,987	166,124	(28,578)	(27,438)	(30,809)	80,954

NON O & M EXPENSES

USGS Basin study	65,750			65,750					65,750					
Integrated Regional Water Management Plan	10,000			10,000										
BOR S.E. California Regional Basin Study	3,000		(125,000)	(122,000)			12,000							
STAG Grant														
Clark Dry Lake		75,000		75,000										
Viking Ranch Purchase		60,748		60,748										
Land Purchase Legal Expenses	17,500			17,500										
Sewer Lift Station														
Manhole Replacement (included in sewer lift station)														
District Rate Study	30,000			30,000										
District Operations Study	3,000			3,000										
Overdraft Plan legal expenses	15,000			15,000										
Water Credit Policy legal expenses	27,000			27,000										
ID1-10 150 Hp , revind motor in year 2, pump & casing cleaning in year 5	0			0			60,000							
ID4-11 200 Hp, pump & casing cleaning in yr 1 and revind motor in year 2	0			0	150,000									
Rams Hill #1 1980 steel needs inside coating, 1.25mg	0			0					4,000					
ID1 Booster station 1, #1 30 hp motor yr 1, pump yr 3	0			0										
Pickup	0			0	20,000									
Miscellaneous equipment	0			0		5,000								
Siredder Cutters	0			0										
ID4 Reducing Station design and installation	0			0										
Pipes, Montezuma Rd	0			0										
Pipes, B.S. Road Weatherane Dr. to Barel Dr.	0			0	112,500									
Pipes, B.S. Road Walking H Dr. to Tilling T Dr.	0			0										
Bend, Elbow Rd. First half	0			0										
TOTAL NON O&M EXPENSES	141,250	165,748	(125,000)	181,998	282,500	5,000	60,000	12,000	69,750	6,000	0	0	0	0
NET CASH FLOW	(260,626)	(83,892)	447,075	102,557	(339,469)	21,391	(98,207)	(68,397)	(31,763)	160,124	(28,578)	(27,438)	(30,809)	80,954
CASH BEGINNING OF MONTH	692,712	432,086	348,194	692,712	795,269	455,800	477,191	378,985	310,588	278,825	438,949	410,371	382,933	352,124
CASH PROJECTED AT END OF MONTH	432,086	348,194	795,269	795,269	455,800	477,191	378,985	310,588	278,825	438,949	410,371	382,933	352,124	432,078

Borrego Water District Management/Operations Report – April 2011

By: Jerry Rolwing

BOARD REQUEST

Last month I asked if the Board would be interested in selling District land to help restore the reserve funds. President Hart asked to compile a list of properties and what was paid. I have been contacted by the Anza Borrego Foundation who are interested in three of our properties.

- 1) 240 Acre Clark Lake parcel - this parcel was purchase from Pomona College in 1997 for \$110,175 and improvements (Geo-vision report, one test hole and one monitor well) of \$41,369 for a total of \$151,544. Both wells proved poor water quality. The property is located on the Borrego Salton Seaway as fonts Point Wash crosses the highway. The property was surveyed and marked in 2010.
- 2) 10 Acre parcel in San Felipe Wash - this parcel is located 1.25 miles north of Borrego Springs Road in the Texas Dip. The property was purchased in 1993 for \$3,963 and is land locked by the Park.
- 3) 160 Acre Wilcox Property - these two parcels were donated to the District in 1999 by Ms. Jane Wilcox. The appraisal for the property was \$400,000 but since the District has spent additional \$132,000 surveying it is my opinion that these two parcels stay in District control for the future reservoir site.

FEDERAL LEVEL

U.S. Geological Survey: Peter Martin and Claudia Faunt made presentations at the 10th Annual Town Hall Meeting on March 30th. The results of the GAMA (groundwater ambient monitoring and assessment program) have been published and I will be attending the program overview in Yucca Valley April 28th. Peter Martin suggested that there may be funding remaining to evaluate a well in the farm area of Borrego. I will work with local farmers to find a representative well to use. Presently I am working with Greg Smith on performing two aquifer tests designed to give us depth dependent water quality data in the middle aquifer. The two wells are MW-1 located at the intersection of Henderson Canyon Rd. and Borrego Valley Rd. and well MW-4 located on the County Airport facility.

U.S. Department of Reclamation: Working on the "in kind" list of BWD expenses to be included in the recently approved MOU.

State and Tribal Assistance Grant (STAG): Oral presentation will be presented at the regular Board meeting April 27th.

STATE LEVEL

On April 12th we were informed by the California Dept. of Parks and Recreation that our application for the "Water Education Center" was not selected for funding. There were 300 applications requesting almost \$1B. \$93M was available for funding out of proposition 84. There is supposed to be another round of funding this summer.

The DWR (department of water resources) performed a water level roundup of various wells in the Valley, this includes 15 wells that the District has access. Once they generate a report I will pass that information on to the Board.

Received a shape file (for the State's geographical information system) of our proposed area for the CASGEM (groundwater elevation monitoring/reporting) reporting (attached A). The DWR would like us to include the southern area of our basin which lies out of the district boundary. After speaking with SD County hydrogeologist Jim Bennett, I believe it would be best if we confine our monitoring area to the District boundary.

COUNTY LEVEL

Waiting on DPLU (department of planning and land use) to provide a draft of the proposed update to the County Groundwater Ordinance due may 17th.

LOCAL LEVEL

I left the village for a one week vacation to Missouri.

DISTRICT LEVEL

The contractor "Pumpcheck" has completed efficiency testing of the production wells and booster stations. A report will follow and give staff information to be utilized in the budget process as to which facilities will need repairs for the next year.

On March 25th and April 8th Compliance Officer Greg Holloway and HR Administrator Kim Pitman held two CPR/first aid trainings sessions. These annual refreshers are part of our insurance compliance program.

On March 29th I attended a workshop by the Imperial Irrigation District (thanks to Director Lyle Brecht for the notice) on their water storage options. Vince Brooke, assistant to the general manger presented the material for their Board of Directors and about 40 members of the public. The presentation focused on four sites for the District to store water in the ground for later extraction. The sites are East Mesa located east of El Centro north of interstate 8, Painted Canyon located near Mecca, CA in Riverside County, Avenue 62 at Madison Street, the Thomas Levy Recharge Site, located south of Indio and Avenue 72 at Martinez Canyon located southwest of Coachella, CA. After the presentation the Board and some members of the public expressed interest in the East Mesa site which would keep their water "local". Lane Sharman of the Borrego Water Exchange addressed the crowd and plugged Borrego Springs as a potential storage site and I spoke about the upcoming Bureau of Reclamation Southeast California Basin Study.

On April 7th I met with the Casitas at Rams Hills Homeowner's Association (HOA) to discuss tree planting in the public easements on the property. Both the HOA and the District have a common interest in keeping the public right-of-way free of invasive vegetation and the possible expense associated with tree root damages. On Tuesday April 12th District field staff walked the property with detailed maps to arrange a plan. This is an on-going project and more reports will follow.

Projects in progress are the reimbursement policy of water credit payments, Rams Hill Sewer policy, County of San Diego inspection fee billing and air pollution control permits for diesel engines.

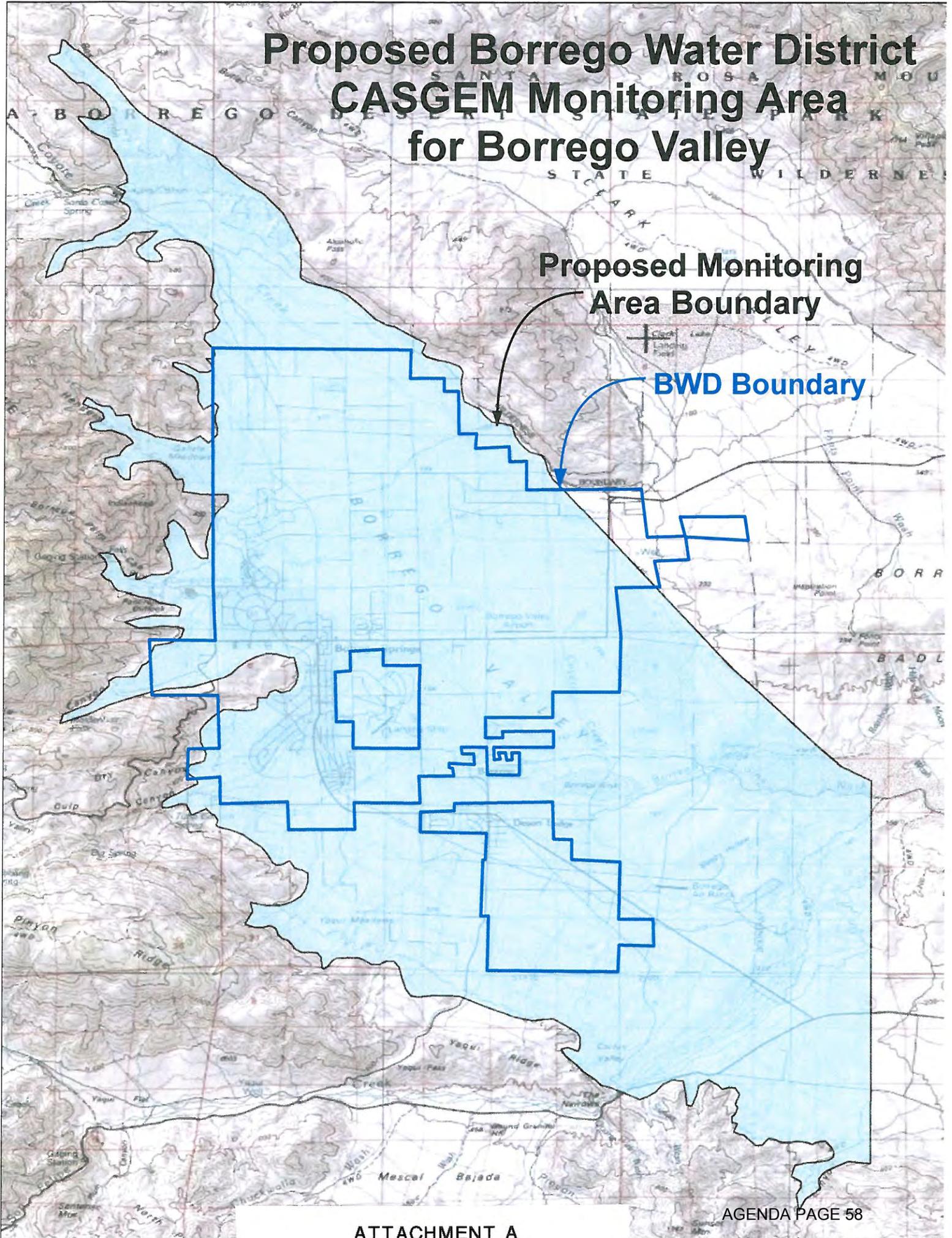
I will be attending the ACWA (Association of California Water Agencies) spring conference on May 10-13th in Sacramento. The big issue this year is the State's new interest in groundwater monitoring. Also

there is a two-day workshop in Sacramento May 24-25th sponsored by the Dept. of Water Resources and the Water Education Foundation on the Integrated Regional Water Management Program.

Proposed Borrego Water District CASGEM Monitoring Area for Borrego Valley

Proposed Monitoring
Area Boundary

BWD Boundary



A PROFESSIONAL CORPORATION

*S. Michael Love
Steven E. Boehmer
Morgan L. Foley
Jennifer M. Lyon
Lisa A. Foster
Johanna N. Canlas

La Mesa Village Plaza
8100 La Mesa Boulevard, Suite 200
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(619) 440-4444
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Joshua D. Tucker
Kimberly A. Johnson
David M. Stotland
Randall R. Sjoblom
Barbara C. Luck
Robert C. Martinez
Jessica Falk Michelli

Hilda R. Mendoza
Carrie L. Mitchell

OF COUNSEL:

Stephen M. Eckis
LeRoy W. Knutson, A.P.C.

*Heather L. Milligan

RETIRED:

Lynn R. McDougal

*CERTIFIED LEGAL SPECIALIST,
FAMILY LAW STATE BAR OF
CA BOARD OF LEGAL SPECIALIZATION

April 14, 2011

Via Electronic Mail (lee8989@sbcglobal.net) and U.S. Mail

Mr. Lee Estep, Director
Borrego Water District
806 Palm Canyon Drive
Borrego Springs, CA 92004

Re: Proposal for General Counsel Services

Dear Mr. Estep:

The law firm of McDougal, Love, Eckis, Boehmer & Foley is pleased to present its proposal to provide General Counsel services to the Borrego Water District. Our attached proposal highlights the experience and expertise of the firm and the attorneys who would be working with the District. We believe that our firm can provide your agency with General Counsel services and litigation services that are high quality at competitive rates, as we have demonstrated with our ongoing services to the San Diego Rural Fire Protection District and the Lakeside Fire Protection District, and our past services to the Riverview Water District.

McDougal, Love, Eckis, Boehmer & Foley was established in East San Diego County in 1946. Since that time, the firm has provided a broad range of legal services, including general civil and trial practice in all state and federal courts, and in business, corporation, labor and employment, family law, probate, estate planning, personal injury, real estate, administrative and public agency law to cities and other public agencies throughout San Diego County.

Mr. Lee Estep, Director
Re: Proposal for General Counsel Services
April 14, 2011
Page 2

The firm has represented cities in San Diego County longer than any other local firm. Members of the firm presently serve as city attorneys to the cities of Calexico, Coronado, El Cajon, Imperial Beach, Poway and Solana Beach, as well as serving as general counsel to the Lakeside Fire Protection District, San Diego Rural Fire Protection District and North County Dispatch Joint Powers Authority. In addition, members of the firm have represented the cities of San Diego, National City, Lemon Grove, Escondido, Chula Vista, Del Mar and Vista in a variety of matters as special counsel. Our attorneys have over one hundred years of combined municipal law and public agency litigation experience.

Lisa A. Foster, Partner, will serve as General Counsel if the Firm is selected. Her contact information is provided below:

Address: 8100 La Mesa Blvd., Suite 200
La Mesa, CA 91942
Telephone: (619) 440-4444
Fax: (619) 440-4907
Email: lfoster@mclex.com

We look forward to meeting with you to discuss how the firm of McDougal, Love, Eckis, Boehmer & Foley can provide excellent legal services to the Borrego Water District. Please feel free to call us if you have any questions.

Yours very truly,

A handwritten signature in black ink, appearing to be 'S. Boehmer', with a long horizontal line extending to the right.

Steven E. Boehmer, President

SEB:LAF

BORREGO WATER DISTRICT

PROPOSAL FOR GENERAL COUNSEL SERVICES

Submitted By

MCDUGAL, LOVE, ECKIS, BOEHMER & FOLEY

8100 La Mesa Boulevard, Suite 200
La Mesa, CA 91942
(619) 440-4444
(619) 440-4907 (facsimile)
Submitted by Steven E. Boehmer, President
sboehmer@mclex.com

INTRODUCTION

The law Firm of McDougal, Love, Eckis, Boehmer & Foley (the “Firm”) is pleased to present this proposal to provide legal services to the Borrego Water District (“District”). Lisa Foster, Firm partner, is presented to be the lead attorney for the District. Ms. Foster has over 20 years of combined knowledge of municipal law, contracts, public bidding and construction, land use, code enforcement, environmental law, constitutional law and will be devoted to the District’s needs. She currently serves as the Assistant General Counsel for the Lakeside Fire Protection District, and is familiar with the legal service needs of a special district. She is the former legal advisor for the City of San Diego Water Department, and former City Attorney for Poway, a city that is a water service provider. Other Firm attorneys who would be available to provide services to the District include partner Morgan Foley, the former General Counsel for the Riverview Water District, and Steve Boehmer, the Firm’s Managing Partner and head of the Litigation Unit. As you will see from their resumes, which are attached to this proposal, they offer a broad array of knowledge and experience relevant to providing legal services to the District.

BACKGROUND

The firm was established in 1946 and since that time has represented cities and special districts in San Diego County longer than any other local firm. The attorneys at the firm combine over 100 years of litigation, public employment, labor law, and municipal law experience. Members of the firm presently serve as City Attorney to the Cities of Coronado, El Cajon, Poway, Solana Beach, Imperial Beach, and Calexico, and proudly serve as General Counsel to the Lakeside Fire Protection District, San Diego Rural Fire Protection District, and North County Dispatch Joint Powers Authority.

We are a mid-sized firm with sixteen attorneys and nine professional staff members. We are large enough to provide our clients with a strong team of attorneys with specialization in different areas of law, but we are small enough to be able to provide personalized service to our clients at competitive public agency rates.

Our firm offers public agency law and litigation “under one roof,” which affords the firm the opportunity to provide a wide variety of litigation and general legal services to its public agency clients and to tailor those services to meet the unique needs of public agencies. The Firm also currently represents a number of public agencies other than its own client agencies in litigation matters, such as Metropolitan Transit System, SANDAG, City of Chula Vista, County of San Diego, City of San Marcos and National City.

We understand that the District is not just a water service provider, but an agency involved in an array of customer services in the community, including sewer service, trash collection, flood control, gnat control and operation of a recreational facility. We are also aware that the legal services needs of a special district are similar in many ways to those of

municipalities. The broad public agency law experience of the Firm's attorneys makes them well suited to providing legal services to a District with such diverse responsibilities and legal needs.

Our firm's East San Diego County location is approximately 80 miles from the District offices and will allow us to provide excellent, focused services to the District. Our intention would be for the General Counsel to personally attend all District Board meetings and other meetings with District staff and officials as needed, without charging additional time or expenses for travel. Since 2005 the firm has provided City Attorney services to the City of Calexico in Imperial County, which is located over 100 miles from the Firm's office in La Mesa. Our attorneys personally attend all City Council and Planning Commission meetings in Calexico, as well as staff meetings as needed.

QUALIFICATIONS AND EXPERTISE OF CANDIDATES

The Firm respectfully submits Lisa A. Foster as the candidate for the Fire District's General Counsel.

Lisa A. Foster is a partner in the Firm and has been practicing public agency law for over twenty years. She obtained her law degree *magna cum laude* from California Western School of Law in 1990. She currently serves as the General Counsel for the North County Dispatch Joint Powers Authority and Assistant City Attorney for Solana Beach. Ms. Foster is also the Assistant General Counsel for the Lakeside Fire Protection District and, as such, is very familiar with the legal services required by a special district. She previously served as City Attorney for the City of Poway from 2006 to 2011 and is a past President of the City Attorneys Association of San Diego County. She has served as Special Counsel for the San Diego Ethics Commission, City of San Marcos, Chula Vista Civil Service Commission and Chula Vista Board of Ethics.

Prior to joining the Firm in 2005, Ms. Foster worked as a Deputy City Attorney for the City of San Diego for over fourteen years, including assignments in the Criminal Division, Civil Litigation, Public Works Unit/Water Department and the Public Policy Unit. As a member of the Public Policy Unit, she was assigned to advise the Mayor, City Council, City Clerk, and historic first citizen's Redistricting Commission. Ms. Foster's litigation experience includes over 20 criminal jury trials and hundreds of other court appearances for bench trials, appeals, motions and writs. She obtained a favorable published appellate decision for the San Diego Civil Service Commission regarding a Brown Act issue.

As a result of serving in these diverse public agency roles, Ms. Foster has extensive experience interacting with and communicating with all of the types of parties, clients, and constituents that are involved in the business of a public agency. This includes attendance at hundreds of city council, district board, and commission meetings; training for public officials and employees (including AB 1234 ethics training and new councilmember/board member orientation); advice and assistance to agency officials and staff; interaction with other legal counsel; and direct contact and correspondence with members of the public.

Ms. Foster's specific experience relevant to serving the District includes:

- Advisor to City of San Diego Water Department, 1997-2000. In this capacity, Ms. Foster was responsible for a broad range of legal services to the Department, including public bidding and contracting issues, construction contract disputes, interagency agreements, reclaimed water agreements, rate setting, billing and collection issues, conducting training for department employees, and assistance with labor and employment issues. Some highlights of her service to the Water Department include successful negotiation of a multimillion dollar dispute with County Water Authority regarding shortages in the collection of CWA capacity charges (which was resolved in part by providing water to CWA), implementation of new water rates, and development of a comprehensive water billing and collections policy manual.
- City Attorney of Poway, 2006-2011. In this capacity, Ms. Foster was responsible for handling many legal issues related to water service, in addition to the general legal services provided to the City. Poway is a water provider with a modern treatment facility, distribution system and water storage reservoir, serving approximately 13,600 potable water customers and 200 reclaimed water customers. Ms. Foster was involved in providing advice and preparing documentation for Proposition 218 hearings for water, sewer and stormwater rate increases, including changes in the water rate structure, in 2007, 2009, and 2010; assistance with customer billing and collection issues; obstructed meters, consultant and purchasing contracts, and assistance with disputes related to competing uses of groundwater.

Ms. Foster has been a resident of Alpine since 1990.

Upon request, we can provide a list of professional references familiar with Ms. Foster's work.

Expertise of Other Firm Attorneys to Assist the District

In addition to Ms. Foster, the Firm also has several partners and associates who specialize in municipal law and/or litigation, and who have extensive relevant experience for providing services to the District on an as-needed basis. A few of them are highlighted below.

Morgan Foley is the current City Attorney for the cities of El Cajon, Coronado, and Poway, and was admitted to the State Bar in 1985. Prior to joining the Firm in 1998, Mr. Foley was a principal with the firm of McCormick, Kabot, Foley, Jenner & Watson in Visalia, California, and in that position served as the City Attorney for Porterville for nearly eight years and the City Attorney of Visalia for nearly two years. Mr. Foley has been in practice for over twenty-five years with a special emphasis on municipal, public finance, hospital, water rights and personal injury law. Mr. Foley served as the General Counsel to the Riverview Water District from September of 1999 until its recent merger with the Lakeside Water District. Mr. Foley's experience relevant to serving the Borrego Water District includes representation of water

districts, irrigation districts, community service districts and public utility districts, including service as General Counsel to some of these districts, in Tulare, Kings and Kern counties from 1985 until moving to San Diego County in 1998. Some of the agencies he has represented include Alpaugh Irrigation District, Atwell Island Water District, Springville Public Utility District, Tipton Community Services District, and East Orosi Public Utility District. Mr. Foley is the past President of the City Attorneys Association of San Diego County and past Chairperson to the Legal Advocacy Committee for the League of California Cities.

Steven E. Boehmer is the managing partner in the Firm and has been engaged in general civil litigation and public agency litigation since 1989. Mr. Boehmer has extensive experience in civil litigation and has successfully completed in excess of thirty jury trials. He has litigated cases including public agency contract disputes, dangerous condition of public property, civil rights cases, discrimination based on both federal and state law, wrongful termination, public agency tort defense, eminent domain, and ADA issues. During such litigation, he is responsible for the retention of experts and financial oversight of cases. Mr. Boehmer is experienced in advising public agency clients with respect to all aspects of liability, damages and defense cost analysis and works closely with public agency officials to develop strategies to avoid litigation as well as to settle or resolve litigation in the event it is prudent to do so. Mr. Boehmer obtained his law degree from the University of San Diego, School of Law in 1989.

Jessica F. Michelli is the Firm's labor and employment law specialist. Ms. Michelli received her law degree *cum laude* from the University of San Francisco School of Law in 2002 and has been licensed with the State Bar to practice since 2002. Her legal career has been spent working exclusively for public agencies with a specialization in public sector labor and employment law. Since joining the Firm in 2009, she served as lead negotiator for the City of Calexico for Fiscal Years 2008-2009, 2009-2010 and 2010-2011, and for the City of Solana Beach for Fiscal Year 2010-2011. Ms. Michelli is currently the lead attorney representing the Cities of Solana Beach, Imperial Beach and Calexico in their labor negotiations, all of which have Fire Departments. Ms. Michelli also serves as legal advisor to the Lakeside Fire Protection District for labor negotiations. She advises the Personnel Commissions in Coronado and National City in disciplinary appeal hearings. She provides advice and assistance to all of the Firm's public agency clients regarding all aspects of labor and employment law issues, including EEO laws, ADA, ADEA, FMLA, CFRA, FEHA, FLSA, California wage and hour law, HIPAA, sexual and workplace harassment, public employee benefits and retirement laws, PERB requirements, the MMBA and interpretation of labor contracts, employee discipline and grievances. Ms. Michelli delivers training to our clients on labor and employment related matters, including sexual harassment.

Jennifer M. Lyon is a partner in the Firm and has worked with the Firm since May of 2003 in general governmental and municipal law. Ms. Lyon graduated number one in her class from California Western School of Law and was admitted to the State Bar in December 2001. Ms. Lyon currently serves as the City Attorney for Calexico and Imperial Beach, and the General Counsel for San Diego Rural Fire District. As General Counsel for the San Diego Rural Fire District, Ms. Lyon advises on general fire district matters, conflict of interest issues, and Brown Act compliance. As the City Attorney of Calexico, Ms. Lyon has developed an expertise in the Subdivision Map Act and development/land use matters. Along with the former Calexico City Manager, Ms. Lyon was part of the negotiating team which negotiated a memorandum of

understanding for municipal services with the Manzanita Tribe for an off-reservation casino in the City of Calexico. Ms. Lyon previously worked as a Deputy City Attorney for the City of San Diego where she did work for both the criminal and civil divisions.

SCHEDULE OF RATES

The hourly rate for the practice areas identified in the scope of work is as follows:

Attorney (Partner or Associate) \$175.00

Law Clerk/Paralegal \$ 85.00

- a. The Firm charges for attorney and paralegal time in 1/10th hour increments and makes no separate charges for postage, secretarial or other administrative services. Our fees include all routine word processing, secretarial and office costs associated with the provision of legal services. Reimbursement of costs advanced by the Firm on behalf of the District, as well as other expenses, will be billed in addition to the amount billed for fees – these include actual expenses incurred by the Firm that are related to District business, including some long distance telephone charges, photocopy charges at the rate of \$.25 per page, and any costs of producing or reproducing photographs, documents, and other items necessary for legal representation.
- b. The Firm does not charge for travel time or expenses for travel within San Diego County.
- c. Costs will be billed at the Firm’s actual costs including, but not limited to, online legal service expenses, filing fees, copies, faxes and other expenses.
- d. This schedule of rates will remain the same for the contract period.
- e. The Firm maintains accurate, daily entries of its legal services. The entries are comprehensive, allowing the client to analyze the work performed and amount of time spent on specific tasks or projects. Monthly billings will include a report on the total amount of fees incurred by the client to date of the invoice, and provides a breakdown of the work performed and the professional providing the work.

As public agency attorneys, we are mindful of the fiscal constraints such agencies face. As such, we make every attempt to keep our costs and expenses as reasonable as possible. We realize that no billing arrangement is perfect and, therefore, are willing to negotiate what may be a more suitable arrangement to the District’s specific needs.

INSURANCE COVERAGE

The Firm maintains Commercial General Liability, Automobile Liability, Workers Compensation and Professional Liability insurance, and can provide Certificates for these policies on request.

CONFLICTS OF INTEREST

The Firm hereby represents that, to the best of its knowledge, after a reasonable investigation, the Firm and its attorneys have not represented or been adverse to any party within the past five years that would create a potential conflict of interest with providing legal services to the District.

We can provide a list of current and past public agencies clients for your review upon request.

STEVEN E. BOEHMER
8100 La Mesa Boulevard, Ste. 200
La Mesa, CA 91942
(619) 440-4444

LICENSE: Admitted to practice, California State Bar, December 1989;
California State Bar No. 144817

EDUCATION: University of San Diego - School of Law
Juris Doctor, 1989

San Jose State University
Bachelor of Science, Business Administration (Marketing),
1985

EXPERIENCE:

MCDUGAL, LOVE, ECKIS, BOEHMER & FOLEY
La Mesa, CA

Partner - General Civil and Municipal Litigation practice, 1991 - present. Firm
Managing Partner since 2004.

As head of firm's litigation unit, responsible for providing litigation services to
the firm's public agency clients and private clients. Appointed as special
litigation counsel for other public agencies, including SANDAG and Metropolitan
Transit Systems, Inc.

Extensive civil litigation and jury trial experience in state and federal courts,
handling cases ranging from ADA issues to dangerous conditions, law
enforcement, civil rights cases, public agency contract disputes, discrimination,
wrongful termination, eminent domain and construction defect. Successful
litigation record with many cases resolved favorably for the firm's clients
through verdicts after trial, early motion practice or reasonable or minimal
settlement. Over 30 jury trials completed. Responsible for management of all of
firm's litigation personnel; preparation of appropriate pleadings and litigation
related documents; advising clients as to liability and damages; handling and
overseeing discovery; arranging for the selection of expert witnesses, including
doctors, economists, vocational rehabilitationists; appearing at court hearings
and trials. Works closely with risk managers and other public agency
representatives to develop litigation and/or settlement strategies.

LAW OFFICES OF LIONEL P. HERNHOLM, JR.,
San Diego, CA

Associate, 1988 - 1991 General civil litigation practice.

**LITIGATION
HIGHLIGHTS:**

Tolbert v. City of El Cajon. Successfully obtained a defense verdict after jury trial for the City of El Cajon in case involving a \$15,000,000.00 claim for inverse condemnation, dangerous condition, nuisance and trespass arising from a major landslide.

Galardi v. City of El Cajon. Successfully obtained a defense verdict after jury trial for the City of El Cajon in case involving a claim for loss of goodwill by a franchisor related to the City's acquisition of property.

Adebayo v. Metropolitan Transit System. Successfully obtained a defense verdict after jury trial which was affirmed on appeal, in case involving a claim of civil rights violation and excessive force against MTS code compliance inspectors.

Gibbs v. City of Del Mar. Successfully defended city in a case involving a disability discrimination claim.

Swiney v. City of El Cajon. Successfully obtained defense verdict after jury trial in a case involving a gender discrimination claim.

Foley v. City of Coronado. Favorable settlement obtained for City of Coronado in civil suit for negligence and excessive force related to shooting of former San Diego Charger Steve Foley by off duty Coronado police officer.

MORGAN L. FOLEY

8100 La Mesa Boulevard
La Mesa, CA 91942
(619) 440-4444

Professional Memberships/Admissions

Member: American Bar Association (State and Local Govt. Section); San Diego County Bar Association; Foothills Bar Association
Admitted: California State Bar (No. 119767); U.S. Dist. Ct. Eastern District, California; U.S. Dist. Ct. Southern District, California; 9th Cir. Court of Appeals

Legal Education

UNIVERSITY OF SANTA CLARA, SCHOOL OF LAW, SANTA CLARA, CALIFORNIA
Juris Doctor, 1985.
Courses: As required, but with emphasis on Litigation and local Government Law.
Activities: Associate Editor, Santa Clara *Computer and High-Technology Law Journal*.

Undergraduate Education

UNIVERSITY OF CALIFORNIA, BERKELEY, CALIFORNIA
Bachelor of Arts, Political Science, 1981.
Areas of study included Municipal Government, City and Regional Planning, Public Administration

Legal Employment

1985-1990 **McCormick, Kabot & Michner, Visalia, California**
Associate to firm (formerly McCormick, Ide & Kabot). Private practice with emphasis on public agency and municipal law, health care law and municipal finance law for public and private non-profit issuers. Deputy City Attorney for cities of Visalia, Tulare, Exeter, Lindsay and Farmersville; general counsel to Tulare Local Health Care District and North Kern-South Tulare Hospital District. Practice also included general civil litigation, real property and probate.

1990-1998 **McCormick, Kabot, Foley, Jenner & Watson, Visalia, California**
Partner/shareholder of firm (formerly McCormick, Kabot & Foley). City Attorney for cities of Porterville (1990-1998) and Visalia (1996-1998), continuing as Deputy City Attorney for cities of Tulare, Exeter, Lindsay and Woodlake. Issuer's counsel for various financings, including redevelopment agency tax increment revenue bonds, insured health facility revenue bonds and taxable certificates of participation.

1998-Present **McDougal, Love, Eckis, Boehmer & Foley, La Mesa, California**
Shareholder 2000-present. Associate 1998-1999. Private practice with emphasis on municipal, public agency and public finance law. City Attorney for City of El Cajon, 2000-present; Deputy City Attorney, 1998-2000; City Attorney for City of Coronado, 2000-present. Issuer's counsel for various tax exempt financial transactions.

Appointments

2003-2004 President, City Attorneys' Association of San Diego
2004-2007 Legal Advocacy Committee, League of California Cities (Exec. Comm. 2005-06; Chair 2006-07)

Lisa A. Foster

Home (619) 445-9057

Work (619) 440-4444

California State Bar Number 149120

8100 La Mesa Blvd., Suite 200

La Mesa, CA 91942

lfoster@mclex.com

Professional Background

Partner

McDougal, Love, Eckis, Boehmer & Foley

2005 to Present

La Mesa, CA

Partner since January 2007. **Advisor to the cities** of Poway, Solana Beach, Lemon Grove, El Cajon, Del Mar, Coronado, Imperial Beach, Calexico, North County Dispatch Joint Powers Authority and the Lakeside Fire District. **Special counsel** for San Diego Ethics Commission, Chula Vista Civil Service Commission, Chula Vista Board of Ethics, and City of San Marcos. Served as Poway **City Attorney** from 2006 to 2011. Past **President** of City Attorneys Association of San Diego County.

Deputy City Attorney

San Diego City Attorney's Office

1990 to 2005

San Diego, CA

Criminal Trial Unit, December 1990 to November 1992; Criminal Appellate Unit, November 1992 to August 1995; Civil Trial Unit, August 1995 to July 1997; Civil Public Works Unit (Advisor to Water Department), July 1997 to June 2000; Public Policy/Government Affairs/City Council Liaison, June 2000 to February 2005

Career Achievements

- San Diego Criminal Division Highlights: Approximately 20 criminal jury trials; Hundreds of court appearances in bench trials, motions, appeals and other hearings; Three years in Appellate Division specializing in appeals, motions and writs
- San Diego Civil Litigation Highlights: Defense of City in inverse condemnation trial; Published appellate opinion on Brown Act/open meeting law issue (*Bollinger v. San Diego Civil Service Commission*)
- Other Highlights: Advisor to San Diego Mayor and Council from June 2000 to February 2005; Advisor to San Diego's historical first citizens Redistricting Commission 2000 to 2001; Drafter of ordinance creating San Diego Ethics Commission; AB 1234 Ethics Trainer in 2006, 2008 and 2010 for numerous cities in San Diego and Imperial Counties; Member of League of California Cities Attorneys Section FPPC Committee; President of the City Attorneys Association of San Diego County 2009-2010.

Honors and Awards

- Full Merit Scholarship to California Western School of Law
- Diane Ethics Award, California Western School of Law
- American Jurisprudence Awards in Evidence, Constitutional Law and Criminal Procedure, California Western School of Law
- Three Time Criminal Deputy of the Month, San Diego City Attorney's Office
- Nominee for Civil Attorney of the Year, 2002 and 2003, San Diego City Attorney's Office

Education

B.S., Criminal Justice Administration

San Diego State University

1984

San Diego, CA

Juris Doctor

1990

California Western School of Law

San Diego, CA

BORREGO WATER DISTRICT

SUPPLEMENT TO PROPOSAL FOR GENERAL COUNSEL SERVICES

April 18, 2011

Submitted By

MCDUGAL, LOVE, ECKIS, BOEHMER & FOLEY

8100 La Mesa Boulevard, Suite 200

La Mesa, CA 91942

(619) 440-4444

(619) 440-4907 (facsimile)

Submitted by Steven E. Boehmer, President and Lisa A. Foster, Partner

sboehmer@mclex.com

lfoster@mclex.com

INTRODUCTION

Thank you for giving McDougal, Love, Eckis, Boehmer & Foley (the “Firm”) the opportunity to provide supplemental information regarding our qualifications to provide legal services to the District, and how our qualifications correspond with the Scope of Work for the General Counsel position.

In addition to this supplement to our Proposal, we are providing a standard legal services agreement for the District’s consideration. The terms and conditions in the standard agreement are subject to negotiation if there are revisions that the District would like to request.

SCOPE OF WORK – DISTRICT GENERAL COUNSEL

The following is some information regarding the qualifications of the Firm and Ms. Foster to perform the Scope of Work for General Counsel provided by the District.

Knowledge of California Water, Special District and Contracts Law

Ms. Foster is familiar with all of these areas of law based on her prior professional experience. With respect to water law, she has been involved in researching issues related to water law as an advisor to the City of San Diego Water Department from 1997 to 2000, and as the Poway City Attorney from 2006 to 2011. Her experience with water issues includes water rights issues, groundwater issues, rate setting/Proposition 218 processes, water service fees and charges, billing and collection issues, termination of service, and laws related to recycled water. Her experience with special districts is primarily based upon providing services to the Fire Districts that are current Firm clients. This experience has allowed Ms. Foster to become familiar with providing legal services to special districts operating under specific enabling authority, but also governed by many of the same laws governing municipalities. Although Ms. Foster has not specifically held any assignments to provide services to a Water District, her partner Morgan Foley has extensive experience representing Water Districts as outlined in our prior Proposal, and is available to assist with projects or collaborate with Ms. Foster to add his own knowledge and expertise to the Firm’s services to the District.

With regard to contracts, Ms. Foster has extensive experience with reviewing and drafting all manner of contracts used by public agencies, including hiring contracts, purchasing contracts, services contracts, consultant contracts and construction contracts. She also has experience with the public bidding and contracting processes governed by the Public Contracts Code and resolution of public contract disputes such as bid protests, disputed change orders and delay claims. She has participated in a number of mediations and litigation matters related to public contract disputes.

Collaboration with Board and Staff

Ms. Foster's career since 1997 has been devoted to working with public officials and staff in a collaborative manner as a legal advisor. From 1997 to 2000, she worked full time as a legal advisor to the San Diego Water Department, working closely with the Department Director, Deputy Directors and staff as a team member to assist with providing legal advice and solving day to day problems, large and small. From 2000 to 2005, she was assigned by the San Diego City Attorney to serve as the office's sole "City Council Liaison," advising the Mayor and City Council members, City Clerk's Office and the first citizen's Redistricting Commission. This assignment involved highly sensitive matters such as providing conflict of interest advice to the City's highest officials, and assisting with legal issues related to the federal government's raid and service of a search warrant on the City Council offices in 2003. She excelled in this assignment and was nominated as Civil Attorney of the Year in 2002 and 2003.

As Poway City Attorney, Ms. Foster was also known for her ability to work collaboratively with the City Manager, City Council and staff, and she was considered a part of the City's management team, attending all City Directors' meetings, and providing three days per week of office hours at City Hall. In January 2000, former City Manager Rod Gould (now City Manager for Santa Monica) wrote the following as a part of Ms. Foster's evaluation: "Lisa Foster is an excellent member of our management team. She makes astute suggestions for our responses to community wide issues and always helps focus the discussion. She always steps right up to answer the community's questions and is responsive to the Council".

Problem Solving Approach

Ms. Foster also excels in using a problem solving approach to providing legal advice, rather than simply pointing out legal impediments. In the San Diego City Attorney's Office, attorneys were trained and encouraged to be "can do" attorneys, assisting clients with finding the best way to legally accomplish their goals. In Ms. Foster's evaluation by former Poway City Manager Gould, referred to above, he also wrote: "Every day Lisa works through many issues with legal ramifications brought to her by staff and/or the community. Her analysis is practical, legally correct, and understandable. She does her homework, but turns around answers very rapidly. She will not only tell you what isn't allowed under the law, but gives you solid advice as to how to accomplish the goal within the boundaries of the law."

Representation before Grand Jury, County of San Diego and Courts

Ms. Foster has significant experience at representing her public agency clients in matters involving other government and regulatory agencies, the Grand Jury and the courts. Her courtroom experiences include over twenty jury trials, hundreds of appearances for bench trials, motions and appeals, and other matters such as restraining order hearings. She has represented client agencies in matters regulatory agencies such as the Regional Water Quality Control Board and Coastal Commission, and the Grand Jury in both its civil and criminal capacities. She has drafted proposed responses for civil grand jury reports (including one related to problems with water billing and collection in San Diego), and has assisted in answering questions regarding criminal grand jury proceedings and subpoenas received by agency officials.

District Policies and Procedures

Ms. Foster has been involved in drafting, revising and interpreting agency policies and procedures for most of her career. This experience includes working with City Council Policies and Administrative Regulations in San Diego, City policies in Poway, and Board policies for the North County Dispatch Joint Powers Authority and Lakeside Fire District.

District Decisions, Resolutions and Ordinances

Ms. Foster has extensive experience in drafting and reviewing agency documents such as resolutions, ordinances and decisions (such as administrative hearing decisions). She has drafted hundreds if not thousands of these documents in her career, on a wide variety of subjects.

Experience Related to Contracts, Mitigation Policies, Water Credits, Rate Structure, Proposition 218 Procedure, Allocation and Spending of Funds, Real Estate Transactions and Similar Matters

Ms. Foster's experience with contracts is extremely broad, as described above, and she has been involved many contracts and contract related issues, as described above.

With regard to the District's mitigation policies and water credits, although Ms. Foster does not have specific experience with that type of mitigation, she has reviewed the District's policy and understands the nature and purpose of the program. It is understood that this program is governed by the same principals and legal authorities as other types of mitigation programs applicable to new development that Ms. Foster does have experience with, such as environmental mitigation for destruction of habitat, and in-lieu fees based on increased needs for parks and affordable housing that are created by development.

With regard to water rate structures and rate increase procedures, Ms. Foster was involved in 1997 in a successful water rate increase in San Diego, which was the first such increase in ten years in the City of San Diego at that time. Post Proposition 218, she has been involved in four water rate increases in the City of Poway (2006, 2007, 2009 and 2010), and has been involved in advising on the timing and components of the majority protest process, legality of proposed rate structures, and drafting of the Proposition 218 public notice.

Ms. Foster has been involved in many issues related to allocation and spending of funds in her public agency career. These issues have included, but are not limited to, legal use of enterprise funds, restrictions on uses of funds related to bond covenants, investment of public funds, legal uses of redevelopment and housing funds, uses of restricted funds such as enterprise and redevelopment funds for litigation costs, the gifts of public funds and misuse of public funds doctrine, prohibition on use of public funds for ballot measures and other partisan activity, proper uses of in-lieu developer fees such as park fees and affordable housing fees, and many other issues related to uses of public funds.

With regard to real estate transactions, Ms. Foster has been involved in a number of diverse real estate and property transactions, primarily during her time as Poway City Attorney. She has drafted documentation for permanent and temporary easements, leases of property, and purchase and sale of real property by public agencies. She has participated in negotiations and closed session discussions regarding negotiations for sale or purchase of property. Most recently, she was involved, working together with outside counsel, with the 2010 sale of a City-owned mobile home park valued at \$45,000,000 by Poway to a for-profit company, in a transaction involving City-provided financing and negotiation of continuing operating covenants, and quick settlement of a lawsuit that was filed in association with that property sale so that the sale could close on time.

Brown Act.

Ms. Foster has been involved in providing Brown Act advice to her public agency clients in all of her public agency assignments. This advice includes agenda preparation, permissible closed sessions, Council/board member teleconferencing, advice regarding applicability of the Act to various communications and gatherings, holding of emergency meetings without notice (Witch Fire in 2007) and adding non-agendized items as urgency items during meetings. She has conducted Brown Act training for many officials and staff over the years, including training specific to the Brown Act, and also AB 1234 ethics training, which includes a module related to the Brown Act. Additionally, in her role as a civil litigator for the City of San Diego, Ms. Foster was the lead attorney representing the San Diego Civil Service Commission in a Brown Act lawsuit, which resulted in a published appellate decision in favor of the agency (Bollinger v. San Diego Civil Service Commission (1999) 71 Cal. App. 4th 568).

Advising Board Members

Ms. Foster has extensive experience in advising individual officials on issues related to agency business, including council members, district board members, and other board and commission members on Council-appointed boards and commissions. Much of this advice has related to the issue of conflicts of interest and economic disclosure, which is provided to individual officials for the benefit of the agency, and can involve sensitive issues related to the officials' personal and financial interests. Her advice to individual officials has also involved advice regarding disclosure of public records, Brown Act issues, mass mailings, permissible ex parte communications, and permissible uses of public funds (particularly in San Diego, where individual council members had discretionary ability to spend funds budgeted to their offices).

Attendance at Board Meetings

Ms. Foster has attended many city council, board, commission and community meetings over the years which have involved active participation, such as giving presentations and trainings, and answering questions. She would be available to attend all District Board meetings and staff meetings as required.

Drafting of Legal Documents

Because of her diverse public agency experience, Ms. Foster has been involved in some manner with virtually every type of legal document used by public agencies and has personally drafted thousands of documents.

Working with Other Consultants and Specialists

Ms. Foster has worked with many outside consultants and specialists during her time as a public agency advisor. As a generalist, she recognizes the need to bring in outside expertise when that expertise is needed to serve the best interests of the client, and has often advised clients regarding the need for outside experts to achieve certain goals. Her experience includes working with non-legal consultants, such as appraisers, engineers, financial experts, real estate brokers, bond underwriters and bond counsel, and expert witnesses for litigation, such as construction scheduling experts and medical experts. She also has worked with a number of outside attorneys who have represented her clients in transactional or litigation matters when the use of attorneys with specific expertise has been beneficial to the client, including attorneys who were experts in CEQA and sales tax allocation. Working with outside counsel is not simply a matter of monitoring the services and keeping the agency informed; it often involves active collaboration with the outside counsel regarding strategy, or assisting the outside counsel with information gathering. Often, the agency counsel can work collaboratively with outside counsel to handle certain aspects of the legal services, to help the agency save outside counsel costs. Ms. Foster and the firm are familiar with many consultants and specialists and can recommend specialists to the District when the need arises.

District's Current Challenges

We have reviewed the description of the District's current challenges in the Scope of Work, as well as various documents available on the District's website, such as recent board meeting minutes, and the Groundwater Management Plan. Some of the challenges that the District faces, such as identifying new water sources, will require the use of technical and scientific experts. Others, however, can be solved through legal means and processes, such as the implementation of a new water rate structure, and the longer term need to research legal options for the District to assist with achieving more revenue and cost recovery, as well as water resource sustainability. Our Firm is willing and able to commit itself to assisting the District with achieving these goals and to do so in a way that is cost effective.

AGREEMENT BETWEEN THE BORREGO WATER DISTRICT

AND

McDOUGAL, LOVE, ECKIS, BOEHMER, & FOLEY

A Professional Corporation

THIS AGREEMENT is made this 20th day of April, 2011, by and between the Borrego Water District (sometimes hereinafter referred to as "District") and McDougal, Love, Eckis, Boehmer & Foley, a Professional Corporation (the "Firm"), and the undersigned individual attorneys (sometimes hereinafter collectively referred to as "Attorneys"). The parties agree that Attorneys shall be retained by District to perform legal services on the terms and conditions set forth hereinafter as follows:

I. Term. The term of this Agreement shall be at will. District may terminate Attorneys with or without cause and without notice. Attorneys may terminate this Agreement with or without cause upon thirty (30) days prior written notice to District.

II. Employment of Attorney. The District shall employ the following designated members of the Firm to serve the District in the following capacities beginning April 20, 2011:

Lisa A. Foster Interim General Counsel

The Interim General Counsel shall perform those duties set forth on Exhibit "A." The Interim General Counsel and Firm shall represent the District in all litigation except that for which the District retains special outside litigation counsel.

The Attorneys' duties shall specifically include those set forth in Exhibit "A" attached and shall be performed by such members of the Firm as designated by the Interim General Counsel and under her supervision.

III. Compensation. Attorney Services will be compensated at the following hourly rate and shall be billed monthly:

Interim General Counsel	\$175.00 per hour
Associate	\$150.00 per hour

IV. Cost and Expense Reimbursement. District will reimburse Firm for actual and necessary out-of-pocket expenses reasonably incurred by Firm in the performance of the services provided by Firm to District, including, but not limited to, filing fees postage, process service and document reproduction. With District's prior approval, it will reimburse Firm for extraordinary expenses such as for consultants, expert

witnesses, and investigative services. District shall not be charged for travel time or expenses for travel within San Diego County.

V. Non-Reimbursable Expenses. District will not reimburse Firm for the following: staff time or overtime for performing secretarial, clerical, or word processing functions; charges for time spent to provide necessary information for District audits, billing or budget inquiries; and computer online charges.

VI. Billing. Firm will bill District monthly for the services provided by Firm to District pursuant to this Agreement, as well as all reimbursable costs and expenses. All bills for legal fees will set forth in detail the work performed during the billing period in line item format, so that each task is separately explained and has specific time recorded. Bills for reimbursable costs and expenses will set forth the cost for each category of such expenses incurred during the billing period in addition to the total cost of the expenses. If the amount charged in any one month for reproduction costs exceeds \$100.00, the billing statement will contain backup documentation. Reimbursement for expenses incurred by an outside vendor will include the vendor's invoice.

VII. No Double Billing. Firm will not charge District for more than one attorney's time for appearances at a court proceeding, hearing or meeting, unless District's representative has expressly authorized the use of more than one attorney for such appearances.

VIII. Insurance. Firm agrees to obtain and maintain in full force and effect, during the term or extended terms of this Agreement, the following insurance coverage:

<u>Type of Insurance</u>	<u>Limits (Comb. Single)</u>
A. Commercial general liability	\$1,000,000
B. Automobile liability	\$1,000,000
C. Workers' compensation	Statutory requirement
D. Professional liability insurance	\$2,000,000

IX. Indemnification. Firm agrees to hold District and its respective elected and appointed officers and employees free and harmless from any claim, demand, or judgment that may arise based upon personal injury to a third party or damage to property of a third party arising out of the performances of services by Firm pursuant to this Agreement.

X. Attorneys' Status. The individual attorneys designated in Section II above shall not be deemed employees of the Borrego Water District.

XI. Making of Agreement. No member of the Firm advised the Board of Directors, any member thereof, or any member of District staff with regard to this Agreement. The District has not sought any advice from any member of the Firm with regard to this Agreement and understands that such advice cannot and will not be provided to the District by any member of the Firm.

XII. Entire Agreement. This Agreement constitutes the entire agreement of the parties and supersedes any and all other agreements between the parties with respect to the subject matter hereof.

XIII. Amendment. This Agreement may be modified by written amendment.

XIV. Signatures. The Parties agree that this Agreement, agreements ancillary to this Agreement, and related documents to be entered into in connection with this Agreement will be considered signed when the signature of a party is delivered by facsimile, or when the original is scanned and transmitted by electronic mail. Such signatures will be treated in all respects as having the same effect as the original signature.

XV. Effective Date. The effective date of this Agreement shall be April 20, 2011.

Executed on the date and year first indicated above at Borrego Springs, California.

BORREGO WATER DISTRICT,
A Special District

By _____
BETH HART, President

McDOUGAL, LOVE, ECKIS, BOEHMER & FOLEY
A Professional Corporation

By _____
STEVEN E. BOEHMER

Concurrence:

LISA A. FOSTER

EXHIBIT "A"

Attorney Services

Except as provided elsewhere in this Agreement, Attorneys shall provide, in a professional manner, all of the usual, customary and necessary services, normally provided by an Interim General Counsel to District, as those services are required. Scope of services to be provided shall include the following:

1. Attendance at Board of Directors and other District meetings;
2. Attendance at departmental meetings, staff meetings or committee meetings deemed necessary and appropriate, or as requested by the General Manager or Board of Directors;
3. Research, preparation or review of all written opinions, ordinances, resolutions, agreements, leases, contracts, and other documents of a legal nature necessary or requested by the General Manager or Board of Directors;
4. Provision of all legal advice on behalf of the District to District Board Members, General Manager, District staff, and other designated personnel as appropriate;
5. Assist the District with development, drafting and interpretation of District policies and procedures;
6. Monitoring and advising the Board of Directors and staff of legislation and case law affecting the District;
7. Representing the District in the administration of all claims and litigation filed by or against it, provided however that special outside counsel may be retained to defend or prosecute actions requiring special expertise; further provided that outside counsel shall be retained in the event of a conflict of interest which disqualifies the Attorneys from such representation;
8. Represent the District in other legal proceedings involving the courts, state and federal agencies, the Grand Jury, and the County of San Diego;
9. Assist the District with retention of special counsel when necessary and appropriate to provide specialized services on behalf of the District, and monitoring activities of any special counsel.

10. Representing the District as issuer's counsel in financing matters as requested by the General Manager or Board of Directors;

11. Rendering advice and assistance to District's representatives on labor relations matters, reviewing memoranda of understanding or other labor agreements, drafting implementing legislation or other pertinent documents and representation of District before mediators or arbitrators on matters arising from memoranda of understanding or the District's personnel rules;

12. Rendering advice and assistance in the administration of the District's general liability risk management and insurance programs; and

13. Providing conflict of interest assistance to the Board of Directors, General Manager and staff on behalf of the District, and assisting members and staff in seeking advice from the FPPC.

EXHIBIT "B"

Hourly Billing Rates

Interim General Counsel	\$175.00
Associate	\$150.00
Paralegal	\$ 85.00
Law Clerk	\$ 85.00



BORREGO WATER DISTRICT

March 2011

WATER OPERATIONS REPORT

WELL	TYPE	FLOW RATE	STATUS	COMMENT
ID1-1	Irrigation	150	Standby	Backup well for Rams Hill Golf Course
ID1-2	Irrigation	150	Standby	Backup well for Rams Hill Golf Course
ID1-8	Production	350	In Use	
ID1-10	Production	300	In Use	
ID1-12	Production	950	In Use	
ID1-16	Production	950	In Use	
Wilcox	Production	150	In Use	Diesel backup well for ID-4
ID4-4	Production	350	In Use	
ID4-10	Production	80	In Use	
ID4-11	Production	1000	In Use	Diesel engine drive exercised monthly
ID4-18	Production	250	In Use	
ID5-5	Production	900	In Use	Diesel engine drive exercised monthly

System Problems: None.

WASTEWATER OPERATIONS REPORT

Rams Hill Water Reclamation Plant serving ID-1 & ID-2 Total Cap. 0.25 MGD (million gallons per day):

Average flow: 94,868 (gallons per day)

Peak flow: 107,706 gpd Wednesday, March 16th

NOTE: Flows include transfer of effluent from decommissioned BSPCSD package plant

All restaurant grease traps were clean.

System Problems: None.

**WATER PRODUCTION SUMMARY
March 2011**

DATE	ID-1	ID-3	ID-4	ID-5	DISTRICT-WIDE TOTALS
Mar '10	52.71	7.99	83.50	12.17	156.37
-----	-----	-----	-----	-----	-----
Apr '10	91.08	9.86	112.32	15.57	228.83
May '10	110.36	11.40	115.81	13.76	251.33
Jun '10	63.20	15.06	146.00	19.80	244.06
Jul '10	65.10	15.07	131.48	19.91	231.56
Aug '10	79.88	17.50	163.65	21.90	282.93
Sep '10	82.96	21.12	163.18	22.01	289.27
Oct '10	65.95	13.47	146.34	9.03	234.79
Nov '10	138.01	11.14	100.44	16.60	266.19
Dec '10	103.41	11.68	130.03	10.98	256.10
Jan '11	39.57	8.20	73.97	5.16	126.90
Feb '11	74.16	9.36	109.79	8.68	201.99
Mar '11	58.56	7.87	93.55	8.57	168.55
12 Mo. TOTAL	972.24	151.73	1486.56	171.97	2782.50

Totals reflect individual improvement district usage. Interties from ID-3 and ID-5 have been subtracted from well pumpage totals and applied to respective ID's. All figures in Acre Feet of water pumped or recorded on intertie meters.

WATER LOSS SUMMARY (%)

DATE	ID-1	ID-3	ID-4	ID-5	DISTRICT-WIDE AVERAGE
Mar '11	1.79	0.25	14.57	N/A	5.54
12 Mo. Average	1.13	2.54	11.47	N/A	5.05

BORREGO WATER DISTRICT
 Water Production / Use Records
 ID # 1
 Month of March 2011

----- Water Production (Acre Feet) -----								
Date	Well 1	Well 2	Well 8	Well 10	Well 12	Well 16	Total	LessID3&4
=====	=====	=====	=====	=====	=====	=====	=====	=====
MAR'10	0.00	0.00	0.00	18.41	25.15	17.14	60.70	52.71
APR'10	0.00	0.00	0.00	29.41	27.77	43.76	100.94	91.08
MAY'10	0.00	0.00	0.06	31.01	30.51	60.18	121.76	110.36
JUN'10	0.00	0.00	5.94	18.97	12.68	40.67	78.26	63.20
JUL'10	0.55	0.79	0.00	6.77	42.96	29.10	80.17	65.10
AUG'10	0.00	0.00	4.43	7.34	42.89	42.72	97.38	79.88
SEP'10	0.00	0.00	0.03	13.12	52.24	38.69	104.08	82.96
OCT'10	0.00	0.00	17.06	10.48	16.20	35.68	79.42	65.95
NOV'10	10.53	12.70	16.83	14.81	43.96	50.32	149.15	138.01
DEC'10	0.00	0.00	0.00	21.85	33.05	60.19	115.09	103.41
JAN'11	0.93	1.18	0.00	21.04	22.62	2.00	47.77	39.57
FEB'11	0.00	0.00	0.00	14.73	39.51	29.28	83.52	74.16
MAR'11	0.00	0.00	0.16	10.67	26.97	28.63	66.43	58.56
TOTALS	12.01	14.67	44.51	200.20	391.36	461.22	1123.97	972.24
=====	=====	=====	=====	=====	=====	=====	=====	=====

----- Water Use (Acre Feet) -----									
Date	Domestic	Irrigat'n	Constrt'n	Golf			Total	Water	
				Course	ID 3	ID 4		Loss	% Loss
=====	=====	=====	=====	=====	=====	=====	=====	=====	=====
MAR'10	7.96	5.70	0.00	38.92	7.99	0.00	60.57	0.13	0.21%
APR'10	10.63	9.48	0.00	72.96	9.86	0.00	102.93	-1.99	-1.98%
MAY'10	11.01	11.63	0.00	87.58	11.40	0.00	121.62	0.14	0.11%
JUN'10	11.69	12.88	0.00	43.63	15.06	0.00	83.26	-5.00	-6.41%
JUL'10	14.12	15.33	0.00	30.68	15.07	0.00	75.20	4.97	6.20%
AUG'10	14.10	16.81	0.00	41.49	17.50	0.00	89.90	7.48	7.68%
SEP'10	15.99	22.21	0.00	43.61	21.12	0.00	102.93	1.15	1.09%
OCT'10	11.71	19.42	0.00	37.57	13.47	0.00	82.17	-2.75	-3.45%
NOV'10	11.66	14.23	0.00	108.88	11.14	0.00	145.91	3.24	2.17%
DEC'10	11.73	14.14	0.00	76.70	11.68	0.00	114.25	0.84	0.74%
JAN'11	6.86	6.46	0.00	24.30	8.20	0.00	45.82	1.95	4.11%
FEB'11	8.96	12.35	0.00	51.33	9.36	0.00	82.00	1.52	1.82%
MAR'11	7.64	7.49	0.00	42.24	7.87	0.00	65.24	1.19	1.79%
TOTALS	136.10	162.43	0.00	660.97	151.73	0.00	1111.23	12.74	1.13%
=====	=====	=====	=====	=====	=====	=====	=====	=====	=====

BORREGO WATER DISTRICT
 Water Production / Use Records
 ID # 3
 Month of March 2011

Date	La Casa del Zorro Total Acre Feet		Deep Well Trail / Others Acre Feet			Total Irrigat'n	Total Domestic	Total Acre Feet
	Irrigat'n	Domestic	Irrigat'n	Domestic	Total			
MAR'10	0.00	0.62	0.28	6.78	7.06	0.28	7.40	7.68
APR'10	0.00	0.73	0.50	8.41	8.91	0.50	9.14	9.64
MAY'10	0.00	0.66	1.51	8.98	10.49	1.51	9.64	11.15
JUN'10	0.00	0.71	1.52	12.37	13.89	1.52	13.08	14.60
JUL'10	0.00	0.72	1.10	12.06	13.16	1.10	12.78	13.88
AUG'10	0.00	0.70	1.36	15.90	17.26	1.36	16.60	17.96
SEP'10	0.00	0.79	2.27	17.33	19.60	2.27	18.12	20.39
OCT'10	0.00	0.67	1.18	11.19	12.37	1.18	11.86	13.04
NOV'10	0.00	0.69	1.02	8.91	9.93	1.02	9.60	10.62
DEC'10	0.00	0.71	1.93	8.82	10.75	1.93	9.53	11.46
JAN'11	0.00	0.67	0.66	6.70	7.36	0.66	7.37	8.03
FEB'11	0.00	0.65	0.57	8.03	8.60	0.57	8.68	9.25
MAR'11	0.00	0.61	0.45	6.79	7.24	0.45	7.40	7.85
TOTALS	0.00	8.31	14.07	125.49	139.56	14.07	133.80	147.87

Date	Water Produced Acre Feet	Water Delivered Acre Feet	Wtr Loss	% Loss
MAR'10	8.00	7.68	0.32	4.00%
APR'10	9.86	9.64	0.22	2.23%
MAY'10	11.40	11.15	0.25	2.19%
JUN'10	15.06	14.60	0.46	3.05%
JUL'10	15.07	13.88	1.19	7.90%
AUG'10	17.50	17.96	- .46	-2.63%
SEP'10	21.12	20.39	0.73	3.46%
OCT'10	13.47	13.04	0.43	3.19%
NOV'10	11.14	10.62	0.52	4.67%
DEC'10	11.68	11.46	0.22	1.88%
JAN'11	8.20	8.03	0.17	2.07%
FEB'11	9.36	9.25	0.11	1.18%
MAR'11	7.87	7.85	0.02	0.25%
TOTALS	151.73	147.87	3.86	2.54%

BORREGO WATER DISTRICT
 Water Production / Use Records
 ID # 4
 Month of March 2011

----- Water Production (Acre Feet) -----											
Date	Well 2	Well 3	Well 4	Well 5	Well 10	Well 11	Well 18	Wilcox	Well 85	Total	Less ID5
=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====
MAR'10	6.00	0.00	52.70	0.00	0.01	30.89	5.95	0.12	0.00	95.67	83.50
APR'10	2.87	0.00	54.78	0.00	7.20	59.00	4.03	0.01	0.00	127.89	112.32
MAY'10	0.00	0.00	56.29	0.00	11.56	57.81	3.91	0.00	0.00	129.57	115.81
JUN'10	0.00	0.00	63.32	0.00	13.09	84.13	4.91	0.35	0.00	165.80	146.00
JUL'10	0.00	0.00	55.30	0.00	11.14	80.01	4.41	0.53	0.00	151.39	131.48
AUG'10	0.00	0.00	57.67	37.97	11.38	72.06	4.90	1.57	0.00	185.55	163.65
SEP'10	0.00	0.00	62.96	27.26	12.16	77.84	4.97	0.00	0.00	185.19	163.18
OCT'10	0.00	0.00	56.41	17.80	10.82	65.75	4.50	0.09	0.00	155.37	146.34
NOV'10	0.00	0.00	53.64	23.36	0.00	36.08	3.56	0.40	0.00	117.04	100.44
DEC'10	0.00	0.00	63.71	13.91	23.03	29.06	4.59	0.06	0.00	134.36	123.38
JAN'11	0.00	0.00	4.11	5.74	10.47	56.25	2.56	0.00	0.00	79.13	73.97
FEB'11	0.00	0.00	59.61	13.52	12.22	25.75	7.37	0.00	0.00	118.47	109.79
MAR'11	0.00	0.00	52.95	12.56	9.76	23.31	3.54	0.00	0.00	102.12	93.55
TOTALS	2.87	0.00	640.75	152.12	132.83	667.05	53.25	3.01	0.00	1651.88	1479.91
=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====

Date	Water Produced Acre Feet	Water Use Acre Feet	Wtr Loss	% Loss	ID 5 Acre Feet
=====	=====	=====	=====	=====	=====
MAR'10	95.67	86.43	9.24	9.66%	12.17
APR'10	127.89	113.19	14.70	11.49%	15.57
MAY'10	129.57	115.16	14.41	11.12%	13.76
JUN'10	165.80	148.84	16.96	10.23%	19.80
JUL'10	151.39	144.67	6.72	4.44%	19.91
AUG'10	185.55	158.42	27.13	14.62%	21.90
SEP'10	185.19	163.88	21.31	11.51%	22.01
OCT'10	155.37	137.26	18.11	11.66%	9.03
NOV'10	117.04	112.83	4.21	3.60%	16.60
DEC'10	134.36	105.42	28.94	21.54%	10.98
JAN'11	79.13	78.23	0.90	1.14%	5.16
FEB'11	118.47	97.28	21.19	17.89%	8.68
MAR'11	102.12	87.24	14.88	14.57%	8.57
TOTALS	1651.88	1462.42	189.46	11.47%	171.97
=====	=====	=====	=====	=====	=====

BORREGO WATER DISTRICT NEW METER INSTALLATION

EXISTING ACCOUNTS

SA-1	SA-3	SA-4	SA-5	TOTAL
345	135	1544	105	2129

New meter installation since July 1, 2010

	SA-1	SA-3	SA-4	SA-5	TOTAL
JULY	0	0	0	0	0
AUGUST	0	0	0	0	0
SEPTEMBER	0	0	0	0	0
OCTOBER	0	0	0	0	0
NOVEMBER	0	0	1	0	1
DECEMBER	0	0	0	0	0
JANUARY	0	0	0	0	0
FEBRUARY	0	0	3	0	3
MARCH	0	0	0	0	0
APRIL					
MAY					
JUNE					
Y-T-D TOTAL					4

7 New Meter Installations 2009/10
 5 New Meter Installations 2008/9
 22 New Meter Installations 2007/8
 61 New Meter Installations 2006/07
 110 New Meter Installations 2005/06
 90 New Meter Installations 2004/05

BORREGO WATER DISTRICT METER INSTALLATION HISTORY

<u>YEAR</u>	<u>SA# 4</u> <u>NEW METERS</u>	<u>TOTAL METERS</u>
<u>2010/11</u>	<u>4</u>	<u>1544</u>
2009/10	7	1540
	3 meters removed/1 per owner 2 unpaid	
2008/9	3	1536
2007/8	10	1533
2006/7	39	1523
2005/6	96	1484
2004/5	79	1388
2003/4	58	1308
2002/3	32	1250
2001/2	23	1218

<u>YEAR</u>	<u>SA # 3</u> <u>NEW METERS</u>	<u>TOTAL METERS</u>
<u>2010/11</u>	<u>0</u>	<u>135</u>
2009/10	0	135
2008/9	0	133
2007/8	0	133
2006/7	4	133
2005/6	11	129
2004/5	6	118
	(29) METERS REMOVED FROM LA CASA	
2003/4	7	141
2002/3	3	134
2001/2	0	131

<u>YEAR</u>	<u>SA # 1</u> <u>NEW METERS</u>	<u>TOTAL METERS</u>
<u>2010/11</u>	<u>0</u>	<u>345</u>
2009/10	0	345
2008/9	1	345
2007/8	12	344
2006/7	18	332
2005/6	3	314
2004/5	5	311
2003/4	3	306
2002/3	6	303
2001/2	1	297

**TOTAL SA 1, 3, 4, and 5
TOTAL METERS IN GROUND** **2129**

updated 04/20/11

according to actual meter reads