

AGENDA
Borrego Water District Board of Directors
Special Meeting
February 19, 2013 9:00 a.m.
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. Comments from Directors and Requests for Future Agenda Items
- F. Comments from the Public and Requests for Future Agenda Items (comments will be limited to 3 minutes)

II. CURRENT BUSINESS MATTERS

- A. Discussion of DRAFT Water Credit Policy revisions (page 2-18)
- B. Discussion of DRAFT New Development Policy (page 19-32)
 - B1.** Single Family Residence New Development process sheet (page 33-34)
 - B2.** Possible schedule of New Development Policy dates (page 35)
 - B3.** Who pays for growth policy (page 36)
- C. Discussion of New Development Fees (page 37-44)
- D. Discussion of potential agenda items for February 27th board meeting

III. CLOSED SESSION

- A. Conference with Legal Counsel – Anticipated Litigation
Significant exposure to litigation pursuant to paragraph 2 of subdivision (d) of Section 54956.9.
Two cases.

IV. CLOSING PROCEDURE, Adjournment

The next Regular Meeting of the Board of Directors is scheduled for February 27, 2013 at the Borrego Water District.

BORREGO WATER DISTRICT

DEMAND OFFSET MITIGATION WATER CREDITS POLICY

(revised –January 30, 2013)

1. PURPOSE

~~Groundwater basin studies by the United States Geological Survey (USGS) demonstrate the need for improved management of the~~ ~~The US Geological Survey has produced definitive evidence that the~~ Borrego Valley Groundwater Basin (“BVGB”). ~~For example, since the 1982 USGS study of withdrawals from the BVGB, the overdraft of the BVGB has only continued to grow and presently represents a is being overdrafted to the extent that~~ serious economic, social, and environmental ~~threat to the economic prosperity of the Borrego Valley, harms could occur.~~ ~~Therefore, it~~ is the desire of the Borrego Water District (“BWD”, “the District”) to ~~encourage the voluntary~~ ~~immediate cessation and/or~~ reduction of measurable water uses through, ~~but not limited to, a permanent removal of~~ turf and/or a permanent fallowing of Irrigated Agricultural Land (“Water Activity”) ~~as one means to mitigate the current overdraft of the BVGB.~~

The objectives of this Policy include, but are not limited to, the following: (a) to reduce the demand on the upper groundwater aquifer that underlies the Borrego Valley; (b) to provide a mechanism by which new water demands are mitigated in compliance with the California Environmental Quality Act (“CEQA”); and (c) to create economic incentives for property owners engaged in high water demand activities to cease or reduce their groundwater demands consistent with the objectives of the BWD Groundwater Management Plan (GMP) as adopted by the District in 2001, and as subsequently amended and updated. New groundwater demands shall conform with the Groundwater Mitigation Ordinance of the San Diego County Department of Planning and Development Services (“the County”) as revised from time to time and the most current Memorandum of Agreement (“MOA”) between BWD and the County Regarding Water Credits dated January 30, 2013.

Finally, this Policy establishes the administrative and technical procedures by which Water Credits are issued by the District, and provides for the ongoing administrative functions ~~foref~~ controlling, monitoring and enforcing this Policy.

2. DEFINITIONS

- A. AFY: acre-feet of water use per year
- B. Applicant: the owner of real property who applies for more than one Water Credit pursuant to this Policy.
- C. Application: the document by which an Applicant applies for more than one Water Credit pursuant to this Policy.

D. BVGB: Borrego Valley Groundwater Basin

D.E. BWD or District: the Borrego Water District.

E.F. Certificate Holder: Rightful owner of the BWD issued valid Water Credit.

F.G. CEQA: California Environmental Quality Act.

G.H. Conditional Water Credit Certificate: a document issued by the BWD identifying the number of Water Credits an Applicant will receive upon compliance with any and all conditions set forth therein and/or in this Policy, which certificate shall remain valid so long as this Policy remains in effect.

H.I. Consumptive Use: the amount of water lost from the groundwater resource due to evapotranspiration (plant use).

I.J. County: the government of County of San Diego County.

J.K. Desertscape: Landscape requiring no irrigation of any kind after an initial period not to exceed two (2) years of watering to establish any planting(s).

K.L. Developers and/or their Successors in Interest: Persons or entities seeking to commence an activity within the boundaries of the BWD that will create new or increased water demand on the BWD system, including, but not limited to, new residential or commercial development and/or expansion of existing uses/developments (“Development”).

L.M. DPDS: San Diego County Department of Planning and Development Services.

N. Easement: a legal restriction on the land to be followed that completely eliminates the extraction, use, storage, distribution or diversion of groundwater on the land subject to the easement in perpetuity.

Formatted: Font: 12 pt
Formatted: Font: 12 pt
Formatted: Font: 12 pt

M.O. EDU or Equivalent Dwelling Unit: The quantity of water calculated by adding (i) the total residential annual water usage (calculated based on a five year average) plus (ii) non profit community benefit annual water usage (which uses comply with Desertscapes landscaping standards and are calculated based on a five year average) and dividing the resulting sum by the number of residences served by the District, which quotient is rounded up to the nearest tenth of an acre foot. As of the adoption of this Policy, one EDU equals 1.0 acre foot per year (AFY) and may be recalculated by the District Manager upon direction of the Board of Directors.

N.P. Irrigated Agricultural Land: Land that is currently irrigated for active agricultural use. For purposes of this Policy, “currently irrigated” shall mean irrigated for

agricultural use during the preceding twelve (12) month period of the date of the Application.

Q.Q. Mitigation Policy: The BWD policy regarding mitigation of impacts of new developments on the Borrego aquifer adopted June 22, 2005 and thereafter amended and further amended and restated in Section 3 hereof.

P.R. MOA: Memorandum of Agreement between the San Diego County and the Borrego Water District and the County of San Diego Regarding Water Credits dated January 30, 2013, as amended.

Q.S. Property: the real property owned by the Applicant and to be restricted pursuant to this Policy.

R.T. Water Activity: one or more measurable water uses, including, but not limited to, irrigated turf and irrigated farmland.

S.U. Water Credit: the term "water credit" means an entitlement created under the Water Credit and Mitigation Policy of BWD as published on BWD's website. The purpose of issuing a water credit is to recognize the fallowing of actively irrigated land located in the Borrego Valley Groundwater Basin (BVGB). A water credit may be used in the future to offset the groundwater use of a proposed development. A water credit does not convey, and shall not be construed to convey, water rights, nor is it a guarantee by BWD of the future availability of water from the BVGB. It should be noted that a water credit is not a guarantee that a proposed development, for which a water credit will be used as an offset, can or will be approved by the County. a durable credit for the cessation of groundwater use (groundwater use mitigation) that equates with a previous Water Activity of one acre-foot of groundwater per year (AFY); Each water credit shall be equal to one-acre foot of water per year. Water credit calculations that end with .50 to .99 acre-feet shall be rounded up to the next acre-foot, and calculations that end with .01 to .49 acre-feet shall be rounded down to the previous full acre-foot. ~~all Water Credit calculations shall be rounded up to the next highest one-half acre foot.~~ As further defined in Section 4B below, several classes of credits shall be available pursuant to this Policy.

Formatted: Font: 12 pt

Formatted: Font: 12 pt

Formatted: Font: 12 pt

Formatted: Font: 12 pt

T.V. Water Credit Certificate: a document issued by the BWD certifying the issuance to an Applicant of one or more Water Credits in conformance with this Policy.

3. MITIGATION POLICY

Persons or entities seeking to commence an activity within the District that will create a new or increased water demand on the BWD system ("Developers") must provide one (1) Water Credit for every one (1) EDU demand of the proposed use as calculated by the District's General Manager, consistent with the provisions hereof. Conformance with the District's Mitigation Policy must be demonstrated prior to the District providing water service and/or a water meter to the Development proposed by the Developer, or its successor in interest.

4. WATER CREDITS

Upon compliance with the procedural requirements set forth in Section 5. hereof, the District will issue Water Credits to an Applicant in accordance with the following:

A. Easement. The water credits shall be issued in exchange for an easement granted to BWD. The easement shall include the following provisions:

1. The easement shall permanently and completely eliminate the extraction, use, storage, distribution or diversion of groundwater on the land subject to the easement, except for the following uses:

a. One-acre foot of groundwater per year to serve a single-family dwelling; or

b. A project that would require discretionary approval by the County if groundwater use reduction measures are implemented that fully offset the amount of groundwater that the project would use. Groundwater use reduction measures that may be used include measures listed in County Code sections 67.720.B.1 and 67.720.B.2 (County Groundwater Ordinance).

2. The easement shall designate County as a third-party beneficiary with the right, but not the obligation to enforce the easement. The easement shall give County the same right of access for purposes of monitoring compliance with the easement and the same options for enforcing the easement as the easement gives to BWD

A.B. Eligible Land. -Contiguous irrigated land with an associated consumptive water use of ten (10) acre feet per year and meeting the criteria set forth below is eligible to participate in the program established by this Policy.- Based upon the type of Water Credit sought (as defined in Section 4.B., below), either (i) all irrigation of the Property shall be eliminated or (ii) the Applicant shall cause permanent, quantifiable and verifiable reductions of water use on the Property as a condition precedent to issuance of Water Credits.

1. Agricultural Land. To be eligible, the Applicant must establish that agricultural land was utilized for legal agricultural operation at the Property prior to April 9, 2003. Property on which agricultural production commenced after April 9, 2003 may be considered eligible if the Applicant establishes that the agricultural use was approved by the DPDS or is otherwise demonstrated to have been legally conducted.

2. Turf. To be eligible, the Applicant must establish that the Property was irrigated with live turf as of January 1, 2008 and as of the date of Application.

Formatted: Font: Times New Roman

Formatted: Indent: Left: 0", First line: 0", Space After: 12 pt

Formatted: Font: 12 pt, Underline

Formatted: Heading 2

Formatted: Font: 12 pt

Formatted: Font: 12 pt, Underline

Formatted: Font: Times New Roman

Formatted: Font: Times New Roman

Formatted: Font: Times New Roman

Formatted: Font: Times New Roman

Formatted: Normal, Indent: Left: 0.5", First line: 0.5"

3. Tamarisk. To be eligible, the Applicant must establish that tamarisk or other high water use windbreak trees were planted on the Property as of January 1, 2008 and such trees remain alive as of the date of Application.

4. Special. To be eligible, the Applicant must establish that the high water use water activity existed on the Property as of January 1, 2008.

B.C. Water Credit Types. The following types of Water Credits shall be issued upon compliance with all requirements of this Policy:

1. Agricultural Credits. Four types of Agricultural Credits are available under this Policy upon full compliance with all its requirements. The Applicant shall remove any and all tamarisk trees or other high water use windbreak trees located on Property for which an Applicant seeks Agricultural Credits at the time the agricultural use is followed.

(a) Agricultural-1 (“AG-1 Credits - Standing Crop”) AG-1 Credits will be issued for Irrigated Agricultural Land that currently irrigates a live standing crop, agrees to completely remove the crop pursuant to this Policy and further agrees to place a permanent restriction on all forms of irrigation, ~~except that DO WE ADD IN THE LANGUAGE OF THE WAIVER FROM THE COUNTY MOU HERE??~~. AG-1 Credits will be issued at a rate of 1.0 x the applicable number of credits designated in Section 4.C.

(b) Agricultural-2 (“AG-2 Credits - Recent Standing Crop”). AG-2 Credits will be issued for Property that is legally entitled to initiate farming within the constraints of existing permits and policies of the DPDS, and/or other regulatory entities with jurisdiction over agricultural activity on the subject Property, but does not currently irrigate a live standing crop. To qualify for AG-2 Credits, the Applicant must:

(i) Establish that as of July 1, 2009, the Property held all necessary approvals to operate an agricultural operation thereon; AND

(ii) Submit an executed Water Credits Agreement to the District within ninety (90) days following adoption of this Policy; AND

(iii) Execute and record with the County Recorder an Exclusive Groundwater Easement (“Easement”) in favor of the District and further complete all actions required pursuant to the Water Credits Agreement within one hundred eighty (180) days of adoption of this Policy. The Easement shall meet the requirements set forth in the most current MOA between BWD and the County of San Diego, including but not limited to designating the County as a third party beneficiary with the right to enforce the easement

(iv) AG-2 Credits will be issued at a rate of 1.0 x the applicable number of credits designated in Section 4.C.

(c) Agricultural-3 (“AG-3 Credits - Crop to Desertscape”). AG-3 Credits will be issued for Irrigated Agricultural Land that is permanently restricted to Desertscape as defined herein. AG-3 Credits will be issued at a rate of 1.0 x the applicable number of credits designated in Section 4.C Eligible projects are required to submit annual water usage reporting, verified with well flow meter records, to the District. Water Credit Certificates for AG-3 Credits will be issued in two phases. A portion of the Water Credit Certificates will issue at the time the Property is converted to Desertscape. The balance of the Water Credit Certificates will issue at the time the Applicant ceases all irrigation on the Property. The District’s General Manager shall determine the apportionment of credits allocated to each such phase.

(d) Agricultural-4 (“AG-4 Credits - Reduced Water Use Crop”). AG-4 Credits will be issued for Irrigated Agricultural Land that is permanently restricted to a lower water use crop type(s). AG-4 Credits will be issued at a rate to be determined by the District’s General Manager based on the Consumptive Use differential between the use existing at the time of the Application and the use to which the Property will be restricted pursuant to this Policy. Eligible properties must provide verified well flow data records for the previous five years and require annual water usage reporting, verified with well flow meter records, submitted to the District.

2. Turf. Three types of Turf credits are available under this Policy upon full compliance with all its terms.

(a) Turf-1 (“T-1 Credits - Turf Removed”). , T-1 Credits will be issued for Property that currently irrigates live turf and, pursuant to this Policy, removes all turf and agrees to place a permanent restriction on all forms of irrigation. T-1 Credits will be issued at a rate of 1.0 x the applicable number of credits designated in Section 4.C.

(b) Turf-2 (“T-2 Credits Turf to Desertscape”) T-2 Credits will be issued for Property that is currently irrigated with live turf and, pursuant to this Policy, is permanently restricted to Desertscape as defined herein. Eligible projects are required to submit annual water usage reporting, verified with well flow meter records, to the District. Water Credit Certificates for T-2 Credits will be issued in two phases. A portion of the Water Credit Certificates will issue at the time the Property is converted to

Desertscape. The balance of the Water Credit Certificates will issue at the time the Applicant ceases all irrigation on the Property. The District's General Manager shall determine the apportionment of credits allocated to each such phase.

(c) Turf-3 ("T-3 Credits - Reduced Water Usage Landscape"). T-3 Credits will be issued for Property that is currently irrigated with live turf and, pursuant to this Policy, is permanently restricted to quantifiable and verifiable lower water use landscape than the existing use at the time of the Application for Water Credits. T-3 Credits will be issued at a rate to be determined by the District's General Manager based on the Consumptive Use differential between the use existing at the time of the Application and the use to which the Property will be restricted pursuant to this Policy. Eligible properties must provide verified well flow data records for the previous five years and require annual water usage reporting, verified with well flow meter records, submitted to the District.

3. Tamarisk.

(a) Tamarisk ("TK Credits"). TK Credits will be issued for Property (i) on which live Tamarisk or other high water use windbreaks greater than one (1) foot in diameter are removed and (ii) that is permanently restricted from all forms of irrigation. Tamarisk credits will be addressed on a case-by case basis.

4. Special. Special Credits will be assigned to any quantifiable, verifiable and permanent reduction in water use that is confirmed by historic records and determined by the District's General Manager to meet the standards of this Policy.

~~C.D. Number of Credits. The number of water credits for all vegetation types shall be granted based on the annual Consumptive Use for each type of vegetation type as stated in Exhibit B "Assumptions Used to Calculate Water Offset Credits" of the most recent MOA between BWD and the County, as amended. The number of water credits issued for all vegetation types shall be based on the water use as determined on the chart attached to the MOA as Exhibit A. The water use shall be calculated based on the vegetation types, vegetation area being actively irrigated and corresponding annual groundwater consumptive use as specified in Exhibit A. The assumptions used to calculate the water offset credits are included in Exhibit B of the MOA.~~

Formatted: Font: 12 pt

Formatted: Font: 12 pt

5. PROCEDURE

A. The Applicant shall make a written application ("Application") to the District's General Manager for issuance of Water Credit Certificates. The Application shall be as set forth in BWD Form 100 and shall be accompanied by:

1. A title report and/or other documentation reasonably acceptable to the BWD evidencing that the Application has been signed by all record owners of the Property, that the water rights in the Property have not been transferred, conveyed or

otherwise encumbered and that the condition of title to the Property is not detrimental to the achievement of the purposes of this Policy. A property survey by a professional land survey may be required at the request of the General Manager.

2. A legal description of the Property in a form reasonably acceptable to the BWD.

3. A Right of Entry Agreement (BWD Form 103) permitting the BWD access to the Property to confirm the ongoing, legal, measurable Water Activity and:

(a) Where any Well(s) serving the Property also serve other property held by the Applicant, which other property the Applicant does not intend to restrict,

(i) Access to any and all Well(s) on the Property and/or serving the Property for monitoring, metering, testing and/or investigating groundwater levels, quality and related matters;

(ii) Access to the Property to confirm the destruction or removal of any crops, turf or other Water Activity on the Property pursuant to this Policy;

(iii) Access to the Property to confirm compliance with the terms and requirements of this Policy; and/or

(iv) Such other provisions as the BWD may reasonably require.

(b) Where the Well(s) serving the Property do not serve any property the Applicant does not intend to restrict,

(i) Access to the Property to install, operate, access and maintain a monitoring well in place of any existing well(s) on the Property;

(ii) Access to the Property to cap, seal or otherwise render inoperable existing well(s) on the Property;

(iii) Access to the Property to confirm the destruction of any crops, turf or other Water Activity on the Property pursuant to this Policy;

(iv) Access to the Property to confirm compliance with the terms and requirements of this Policy; and/or

(v) Such other provisions as the BWD may reasonably require.

4. A signed Water Credit Agreement. (BWD Form 101).

5. A certification and administration deposit fee of \$1,000 for each Application by the Developer.

B. The BWD shall review the Application and confirm the existence of active, ongoing, legal, measurable Water Activity on the Property. Upon such confirmation, the BWD will issue Conditional Water Credit Certificate(s) setting forth the number of Water Credits to which the Applicant will be entitled upon compliance with this Policy as well as any additional conditions or requirements reasonably imposed by the BWD and identified in the Conditional Water Credit Certificate(s).

C. To convert the Conditional Water Credit Certificates to Water Credit Certificates, the Applicant shall:

(i) Sign and submit to the BWD a Grant of Exclusive Groundwater Easement (BWD Form 102), disengage the pump(s) or otherwise render inoperable any and all well(s) located on the Property, if applicable;

(ii) Complete all crop destruction, turf removal or other action to permanently cease and/or reduce the Water Activity on the Property, as applicable, and notify the BWD in writing of the same;

(iii) Provide a certificate by a licensed land surveyor certifying the net acreage under irrigation on the Property (net acreage shall, for Agricultural land, include roads and exclude buildings);

(iv) Submit a notarized written request by the Applicant stating the name(s) in which the Water Credit Certificate(s) should be issued and the amounts allocated to each identified person (not to exceed the aggregate total amount awardable pursuant to Section 4.c. hereof for the Property); and

Upon the BWD's verification of the completion of the permanent cessation of the Water Activity and the pump disengagement or otherwise rendering inoperable any and all well(s) located on the Property (where applicable), the BWD shall issue raised-sealed and numbered Water Credit Certificates to the Applicant in amounts pursuant to Section 4.C. hereof.

2. Transfer of Certificates. Upon (i) notarized written request by the recipient of Water Credit Certificates previously issued by the BWD ("Certificate Holder"), (ii) submission of the original Water Credit Certificates to the BWD, and (iii) payment of an administrative fee of \$500 per transaction, the BWD will re-issue Water Credit Certificates to such persons or entities and in such amounts (not to exceed the aggregate total amount of the Water Credit Certificates submitted to the BWD by the Certificate Holder) as may be designated by the Certificate Holder.

6. MISCELLANEOUS

A. The BWD recognizes all Water Credit types set forth in Section 4.B. in satisfaction of the BWD's Mitigation Policy. The County of San Diego may recognize some or none of the Water Credit types.

B. The BWD may purchase Water Credits for its own account from time to time, as it deems necessary to create a bank of Water Credits for developments that must comply with the provisions of this Policy. The Board of Directors shall set the price of the Water Credits at the time that the Water Credits are sold.

C. The BWD shall be responsible to monitor and enforce this Policy, including, but not limited to,, regularly monitoring meters on wells located on Property subject to a Water Credit Agreement, regularly inspecting Property enrolled in the program established by this Policy to ensure compliance with the terms of all requirements to maintain the Water Credits, and providing updates to the County, and/or the District's board as to the status of Water Credits issued to the Developer, as may be required.

President of the Board of Directors of
Borrego Water District

Secretary of the Board of Directors of
Borrego Water District

WATER CREDIT TIMELINE

A. ISSUANCE OF CERTIFICATES

	<u>Timeframe</u>	<u>Activity</u>
(1)	At Applicant's discretion	Applicant submits Application Package, including: <ul style="list-style-type: none">• Application (BWD Form 100)• Water Credit Agreement (BWD Form 101)• Right of Entry Agreement (BWD Form 103)• Title report• Administrative fee
(2)	30 days (or more as needed) after (1)	BWD reviews Application Package and confirms active, legal, ongoing, measurable Water Activity and determines whether/what removal or destruction of Water Activity will be required.
(3)	Upon Completion of (2)	BWD signs Water Credit Agreement, issues Conditional Water Credit Certificates and notifies Applicant of any special requirements reasonably imposed by BWD and to be met prior to issuance of Water Credit Certificates.
(4)	At Applicant's discretion	Applicant signs and submits Grant of Exclusive Groundwater Easement (BWD Form 102) to the BWD. Applicant disengages well(s), as applicable. Applicant removes/destroys Water Activity. Applicant complies with other requirements identified by BWD.
(5)		Applicant pays administrator fee.
(67)	Upon confirmation of actions under (4)	BWD issues Water Credit Certificates to Applicant or Applicant's designee identified in a notarized writing

Timeframe

Activity

("Certificate Holder").

B. TRANSFER OF CERTIFICATES

Timeframe

Activity

- | | | |
|------|------------------------------------|---|
| (87) | At Certificate Holder's discretion | Certificate Holder submits original Water Credit Certificates along with administrative fee and notarized written request to the BWD to reissue the Water Credit Certificates to such persons and in such amounts (not to exceed the aggregate total amount of the Water Credit Certificates submitted to the BWD by Certificate Holder) as designated by Certificate Holder. |
| (98) | 10 days (or more as needed) | BWD verifies prior issuance of Water Credit Certificates to Certificate Holder, voids the same and prepares new Water Credit Certificates per the Certificate Holder's written request. |

C. REDEMPTION OF CERTIFICATES

Timeframe

Activity

- | | | |
|-------|--|--|
| (109) | At Certificate Holder's discretion and not less than 30 days prior to County issuance of building permits. | Certificate Holder submits original Water Credit Certificates along with written request to the BWD to redeem the Water Credit Certificates as mitigation for the development specified in the Certificate Holder's written request. |
| (110) | 10 days (or more as needed) | BWD verifies prior issuance of Water Credit Certificates to Certificate Holder, marks the Water Credit Certificates "REDEEMED," notes the same on the Water Credit Certificate Log and issues a letter to the County identifying the quantity of acre-feet per year redeemed |

Timeframe

Activity

by the Certificate Holder.

APPLICATION FOR WATER CREDIT CERTIFICATE
(BWD Form 100)

Borrego Water District
Board of Directors
PO Box 1870
Borrego Springs, CA 92004

ATTENTION: General Manager

Name: _____

Mailing Address: _____

Phone Number: _____

Assessor's Parcel Number: _____ Acreage: _____

Address of Property: _____
(if applicable)

Crop cultivation:

Date Cultivation Commenced (must be prior to 4/9/03)	Water Activity (crop, turf, etc.)	Area	For BWD Use Only Water Entitlement Quantity
1.	2.	3.	4.
5.	6.	7.	8.
9.	10.	11.	12.
13.	14.	15.	16.

Current Water Provider: _____

I declare under penalty of perjury under the laws of the State of California that the foregoing statements are true and correct of my own personal knowledge.

Name of Applicant*/Agent*

Date

Name of Applicant/Agent
* All legal owners of the property must sign

Date

EXHIBIT A

Please fill out the appropriate unshaded areas in the table below.

Vegetation Type	Date Irrigation Commenced	Vegetated Area Under Active Irrigation ¹ (acres)	Groundwater Consumptive Use Per Acre (acre-feet/year)	Annual Groundwater Consumptive Use (acre-feet/year)
Citrus (all types)			4.9	
Nursery plants			4.5	
Palms (all types)			3.7	
Tamarisk			1.7	
Turf (warm season)			5.1	
Turf (winter cool/summer warm)			5.6	
Potatoes ²			0.8	
Total groundwater use available for credits				

¹ The irrigated acreage will almost always be less than the gross area of land containing vegetation because of ditches, farm roads, farmsteads, vacant land, etc. Discount the gross acreage to account for non-irrigated uses and non-irrigated areas within the gross area being considered.

² According to the Borrego Water District, potatoes are a winter crop and are rotated once every three years. Approximately 2.5 acre-feet per acre are applied to potato fields over a three year cycle. Therefore, the annual groundwater consumptive use would be approximately 0.8 acre-feet per acre.

EXHIBIT B

Assumptions Used to Calculate Water Offset Credits

The amount of water credit (in acre-feet/acre) to be granted for land with an actively irrigated use that will be permanently taken out of production is listed below for the most common vegetation types in Borrego Valley.

Vegetation Type	Groundwater Offset Credit (acre-feet/acre/year)
Citrus (all types)	4.9
Nursery plants	4.5
Palms (all types)	3.7
Tamarisk	1.7
Turf (warm season)	5.1
Turf (winter cool/summer warm)	5.6

These amounts were determined by using the following equation:

$$\text{Annual Groundwater Consumptive Use (acre-feet/yr)} = \frac{[\text{Reference Evapotranspiration (feet/year)} \times \text{Plant Factor} \times 1 \text{ acre}]}{\text{Irrigation Efficiency}}$$

Annual Groundwater Consumptive Use (acre-feet per year) means the amount of groundwater lost through evapotranspiration (evaporation from the soil and transpiration from the plant).

Reference Evapotranspiration (ET_o) (feet per year), means the approximate water loss from a field of 4-to-7-inch-tall cool season grass that is not water stressed. ET_o values are published by the California Irrigation Management Information System (CIMIS). Use the published annual ET_o for Zone 18 (annual ET_o of 5.97 feet).

(Source for ET_o: <http://www.cimis.water.ca.gov>).

Plant Factor (or Crop Coefficient) means the fraction of water lost from the plant relative to ET_o. The annual plant factor is listed below for the most common vegetation types in Borrego Valley.

Vegetation Type	*Plant Factor
Citrus (all types)	0.65
Nursery plants	0.6
Palms (all types)	0.5
Tamarisk	0.2
Turf (warm season)	0.6
Turf (winter cool/summer warm)	0.66

*Plant factor for other plant types shall be obtained from the most recent publications by the State of California or University of California
Sources for Plant Factor: http://www.water.ca.gov/pubs/planning/guide_to_estimating_irrigation_water_needs_of_landscape_plantings_in_ca/wucols.pdf and <http://celosangeles.ucdavis.edu/newsletterfiles/Co-Hort11051.pdf>

Irrigation Efficiency means a measure of the portion of total applied irrigation water beneficially used to satisfy the plants' needs. Losses (non-beneficial use) include runoff and evaporation from wet soil.

Irrigation Method	Irrigation Efficiency
Spray/Rotor (turf, tamarisk)	0.7
Drip (Citrus, nursery plants, palms)	0.8

Source for Irrigation Efficiency: Turf and Landscape Irrigation Best Management Practices, April 2005, Water Management Committee of the Irrigation Association

POLICY FOR WATER AND SEWER SERVICE TO NEW DEVELOPMENTS

January 24, 2013

This Policy outlines the procedures and obligations for developers, contractors, and owners (hereinafter “developers”) to obtain water and sewer service from the Borrego Water District (hereinafter “District”) to serve a new development and establish the fees, exactions, and charges for the new development. The Policy also applies to new construction of residential homes on existing platted lots within the District. The term "new development" is defined as any residential or commercial development or service requirement that increases the demand on the District's water supply and/or distribution system and/or its sewer collection and treatment system whether by increasing the intensity of use or by altering the use of land.

1. Application of Policy

This Policy governs the procedures for the District to handle requests for a commitment for water and sewer service for new developments and sets forth the obligations of the developer to obtain a commitment for water and sewer service. When a developer requests a commitment for water and sewer service for a larger new development, for example, a “major subdivision,” as defined in the San Diego County Code of Regulatory Ordinances at section 81.102(y) as “a subdivision creating five or more lots or units” that may substantially impact the District’s existing water supply capacity and/or sewer treatment capacity or that may require major improvements to the District’s water distribution system and/or to the District’s sewer treatment plant or collection system, such requests shall be considered on a case-by-case basis. This Policy shall serve as a guideline for the consideration of the request for water and sewer service for a larger new development, but the District may modify or add to the provisions of this Policy in making its commitment for water and sewer service for a larger development.

2. Application for Water and Sewer Service

(a) The developer must obtain an Application for Water and Sewer Service from the District. With the Application the developer shall submit a preliminary plat of the development which shall include the number of lots to be served, the type of units to be built within the development, the size of the lots in the development, the estimated build-out of the new development and any other information that will assist the District in determining the water and sewer needs of the new development.

(b) The developer must return the completed Application to the District with the information requested in subsection (a). The developer shall provide any other information requested by the District that the District deems necessary to determine the availability of water and sewer service for the development.

(c) When the Application requests water and sewer service for a larger new development, the developer shall pay an Application Fee as set by the District’s Manager at the time the Application is submitted. The Application Fee shall cover the anticipated cost to the District of reviewing the project, obtaining any engineering report on the feasibility of the water and sewer service requested for the project and making a preliminary determination of the on-site

and off-site system improvements necessary to provide the water and sewer service requested. The Application Fee is non-refundable. The Application Fee shall be credited against the Administrative Fee set forth in Section 6(a) of this Policy.

(d) The developer must timely notify the District of any changes in the information submitted with the Application.

(e) When the Application is complete and the Application Fee, if applicable, is paid, the District will determine, with the assistance of the District's engineer if necessary, whether the water and sewer service requested is available and whether any off-site water and sewer system improvements must be made to the District's water and sewer system to properly serve the new development and maintain the current level of water and sewer service to the District's existing customers.

(f) When the District has completed its review, the developer will be notified of the preliminary conclusions of the District as to the feasibility of the water and sewer service requested. The District may then issue a Water and Sewer Availability Letter to the developer. The Water and Sewer Availability Letter may be revoked unless the developer enters into a contract with the District and pays all fees assessed by the District within three hundred sixty (360) days of the date of the Water and Sewer Availability Letter.

3. Conditions on Availability of Water and Sewer Service

(a) In determining whether water and sewer service is available, the District may require that the developer provide an accurate projection of the water demand and sewer treatment needs, by a registered engineer, for the entire development upon the Application for the first section or phase of the development.

(b) The District may issue its Water and Sewer Availability Letter with limitations on the maximum amount of water that can be provided to the new development and the maximum amount of wastewater that can be collected and treated for the development. Any maximum limits on water and sewer service for the development shall be included in the water service contract with the developer under Section 4.

4. Water and Sewer Service Contract

(a) Before water and sewer system improvements are installed for the new development, the District, with the assistance of the District's attorney if necessary, will then prepare a contract under which water and sewer service will be provided to the development.

(b) The District may incorporate in the water and sewer service contract the maximum amount of water that can be furnished and the maximum amount of wastewater that can be collected and treated by the District. In the event the developer's demand for water and sewer service exceeds the developer's projection of demand during the build out of the development, the District shall have no obligation to furnish water or provide wastewater

collection and treatment in excess of the amounts set forth in the water and sewer service contract. Any request for water and sewer service in excess of the amounts projected by the developer and included in the Water and Sewer Service Contract shall be treated as a new request for water and sewer service under this Policy.

(c) A Water and Sewer Service Contract cannot be assigned to any successor in interest of the developer without the express written consent of the District.

5. Installation of Improvements

(a) **Cost of Installation.** At its own expense and at no cost and expense to the District, the Developer shall furnish, install, lay and construct all on-site and off-site water and sewer system improvements, including all labor and material, as required by the District to be installed to serve the development, to maintain the current level of water and sewer service to existing customers and to meet the District's plan for the level of service to be made available in the general area of the development. The construction and installation of the water and sewer system improvements shall be in strict accordance with the plans, specifications and requirements approved by the District. In addition, the developer shall indemnify the District from any loss or damage that may directly or indirectly result from the installation of water and sewer system improvements by the developer.

(b) **Notification of Construction.** The District shall be notified at least forty-eight (48) hours before construction is to begin on installation of improvements. Thereafter, the developer shall notify the District of every day during which construction will be in progress in order for the District's inspector to be on the job site during construction.

(c) **Inspections.** All water and sewer system improvement projects shall be subject to inspection during construction and upon completion of the construction by an authorized representative of the District. Inspection may consist of full-time resident inspection or part-time inspection at the sole discretion of the District. The presence or absence of an inspector during construction does not relieve the developer from adherence to approved plans and specifications. Materials and workmanship found not meeting the requirements of approved plans and specifications shall be immediately brought into conformity with said plans and specifications at the developer's expense.

(d) **Final Inspection.** An authorized representative of the District shall make a final inspection of the water and sewer system improvements for the development after completion to determine acceptability of the work. Before this final inspection can be made, the owner, developer or engineer responsible for the project shall notify the District's Manager in writing that the work has been completed in accordance with approved plans and specifications.

(e) **Final Acceptance.** When the water and sewer system improvements pass the District's final inspection, the District will accept ownership of the completed improvements. The developer shall be responsible for seeing that the person paying the cost of constructing such improvements shall furnish "as-built" drawings to the District at the end of each phase of water

and sewer system construction and prior to final acceptance of water and sewer system improvements by the District. The date of final acceptance shall be that date on which the developer has fulfilled all conditions necessary for final acceptance, including passing a final inspection, submitting "as-built" drawings, payment of all fees due, and the placing of all water and sewer system improvements into service by the District. The District will notify the developer in writing of the date of its acceptance of the completed facilities.

(f) "As-Built" Plans. The developer shall provide the District "as-built" plans, by a registered engineer, which shall be drawn at a scale of one inch equals 50 feet and which shall indicate the location and size of all water and sewer system improvements installed for the development. The location of all water and sewer system improvements must be referenced off of two (2) permanent points such as power poles, right-of-way markers, concrete monuments, iron pins at property corners, drainage culverts, and building corners. The water and sewer system improvements shall also be shown in relationship to the edge of all paved surfaces and all other utilities located within 15 feet of either side of the improvements. All utility easements shall be shown in relationship to the improvements. In the event the actual construction differs from the recorded plat of the development, the developer will prepare and record in the Register's Office of San Diego County a revised plat showing the actual construction with the design features stated above clearly shown. The District may delay water and sewer service until this requirement has been met.

(g) Warranty. The developer shall guarantee all work on the water and sewer system improvements it installs for a period of one (1) year from the date of final acceptance and shall immediately correct any deficiencies in the work due to material or workmanship that occurs during the one-year period. The warranty shall be insured by a maintenance bond in the amount specified by the District secured by an irrevocable bank letter of credit or such similar collateral as approved by the District. When a defect is discovered in any water or sewer system improvement under warranty by the developer, the cost of repairing the defect when performed by the District and the damages caused by the defect will be billed to the developer.

(h) Conveyance of Water and Sewer System Improvements. Upon completion of the construction of the water and sewer improvements, upon final approval by the District, and upon the water and sewer system improvements being placed into service, the water and sewer system improvements shall immediately become the property of the District regardless of whether or not a formal written conveyance has been made. The developer and any other persons paying the cost of constructing such improvements shall execute all written instruments requested by the District necessary to provide evidence of the District's title to such improvements, including obtaining any lien releases from the material suppliers and subcontractors of the developer and/or its contractor. The water and sewer system improvements shall become the property of the District free and clear of the claims of any persons, firms, or corporations

6. Assessments and Collection of Fees and Charges:

(a) New Development Administrative Fee. The developer shall pay the District an Administrative Fee to cover the administrative, inspection, engineering, legal and other expenses incurred by the District related to making water and sewer service available to the development. The Administrative Fee shall be paid on or before the execution of the Water Service Agreement and Sewer Service Agreement. For developments which request water and sewer service for a larger new development, the application fee paid under Section 2(c) shall be credited against the Administrative Fee.

(b) New Development Impact Fee for Water Infrastructure (Water Capacity Fee). A Water Capacity Fee shall be paid for every new connection to the District's water system and also by customers who change their meter size to a larger meter, which shall be considered a new connection. Water Capacity Fees are one-time charges assessed for new water customers to recover a proportional share of the capital costs already incurred to provide service capacity to new customers. These charges shall be imposed to fund water system capacity improvement costs reasonably related to new development. Water Capacity Fees shall be paid on or before the execution of the Water Service Agreement. If a customer changes to a smaller meter, no credit for any Water Capacity Fee previously paid will be provided for a smaller meter.

(c) New Development Impact Fee for Sewer and Wastewater Treatment Infrastructure (Sewer Capacity Fee). A Sewer Capacity Fee shall be paid on all new connections to the District's sewer system. Sewer Capacity Fees are one-time charges assessed for new sewer customers to recover a proportional share of the capital costs incurred to provide service capacity to new customers. These charges shall be imposed to fund sewer system infrastructure improvement costs reasonably related to new development. The Sewer Capacity Fee shall be paid on or before the execution of the Sewer Service Agreement.

(d) New Development Connection Fee (Connection Fee). The Connection Fee is based on the actual cost of the materials required for a new meter service. The Connection Fee shall be paid prior to the time actual water and sewer service is established to each new connection. Residential connections using 3/4" or 1" meters shall pay a standard Connection Fee that includes allocated, per connection, direct labor costs, materials, supplies, and equipment expenses and an allowance for indirect costs. All other connections using larger size meters will pay a custom Connection Fee based on the direct and indirect costs and expenses particular to that connection. If a customer changes to a smaller meter, no credit for any Connection Fee previously paid will be provided for a smaller meter

(e) No refunds. The developer shall have no right to recover any fees or charges paid to the District or any right to recover any part of the costs and expenses incurred in installing water system improvements or sewer system improvements for the development.

(f) Schedule of Fees and Charges. A current published schedule of fees and charges, as amended from time-to-time by the District, shall be used to determine the fee amounts assessed for each new development.

7. Approval of Final Plat

The District will not sign a "Final Plat" of the development for submission to the appropriate Planning Commission until the water and sewer system improvements for the development have been constructed, inspected and accepted for use by the District or until a performance bond secured by an irrevocable bank letter of credit issued by a bank with offices in San Diego County, California, or secured by other security specifically approved by the Board of Directors has been posted equal to the estimated cost of all necessary improvements and in favor of the District, the Water and Sewer Service Contract has been fully executed, and all applicable fees have been paid. If the development is not a subdivision, the applicable fees must be paid at the time the contract for water and sewer service is signed.

8. Easements

(a) A minimum exclusive easement twenty (20) feet in width must be conveyed to the District for water and sewer main construction and exclusive easements for other water and sewer system improvements must be conveyed to the District as required by the District. All water and sewer lines that are to become the property of the District are to be located off the public right-of-way and within these exclusive easements on private property. All exceptions are to be specifically approved by the Board of Directors or its delegatee. In all such cases where the Board of Directors or its delegatee approves water or sewer line construction within public rights-of-way, the developer shall obtain consent from the political entity having authority over such rights-of-way for such construction.

(b) The expenses of obtaining, preparing and recording easements needed for water and sewer system improvements for the new development will be paid by the developer, including but without limitation, the consideration paid to the landowner. In the event the District must exercise its power of eminent domain to acquire any such easement, the developer will pay all costs, expenses, appraisal fees, expert fees and damage awards for which the District becomes liable, on demand, including its attorney's fees.

(c) The easement grant must be on such terms and in such form and content as approved by the District.

(d) The developer is responsible for acquiring all such easements for both on-site and off-site water and sewer system improvement construction prior to the commencement of water and sewer system improvement construction.

9. Real Property Acquisition

In the event real property must be acquired for the installation of a water storage tank, a sewer treatment system, a pumping station or other water or sewer system improvement for the development, the expenses of obtaining, preparing and recording the real property will be paid by the developer, including, but without limitation, the consideration paid to the land owner. In the event the District must exercise its power of eminent domain to acquire any such real property, the developer will pay all costs, expenses, appraisal fees, expert fees and damage awards for which the District becomes liable, on demand, including its attorney's fees.

10. Meters

(a) The developer shall pay for all water meters in the development, and the District shall install all residential water meters. The developer or lot owner at their expense shall install commercial water meters, defined herein as any meter greater than one (1) inches.

(b) Each family residence or each duplex or other property shall be served with a separate water meter not smaller than ¾ inch in size, except where prior arrangements have been made with the District for apartment complexes, other types of multi-family dwellings, or businesses. In the event an existing water meter serves an apartment complex and/or other business property with units owned and/or occupied by more than one individual, firm, or corporation, the same shall be separated so as to have a meter for each ownership or occupant.

11. Permits

Before beginning construction, the developer or its contractor shall obtain all necessary permits as required by law. Such permits include, but are not limited to, those from State of California and county highway departments and any city in which the development is located.

12 Resolution of Disputes

Any controversy or claim arising out of or relating to this Policy or the Water and Sewer Service Contract, or the breach thereof, shall be submitted to the Board of Directors, which may appoint a subcommittee of the Board to negotiate the controversy or claim. If the Board is unable to resolve the dispute by negotiation, the dispute shall be submitted to a mutually acceptable mediator. Mediation shall be required before either party may proceed to any other method of dispute resolution. Costs for mediation shall be shared equally between the parties. The decision of the mediator shall not be final or binding unless agreed to in writing by the parties. All mediation proceedings, results and documentation, shall be non-binding and inadmissible for any purpose in any legal proceeding (pursuant to California Evidence Code sections 1115 through 1128) unless such admission is otherwise agreed to in writing by both parties. If the parties are unable to resolve the dispute by mediation, the dispute shall next be submitted to arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be

entered in any court having jurisdiction thereof. All water and sewer service contracts shall contain a dispute resolution clause which requires that any controversy or claim arising out of or relating to the Water and Sewer Service Contract, or the breach thereof, shall be settled using the process set forth in this Section 12.

DETAIL SHEET FOR PROPOSED CHARGES AND FEES FOR WATER AND SEWER SERVICE TO DEVELOPMENT FOR FY 2013 & FY 2014

January 17, 2013

Existing "New Water and Sewer Charges" in BWD Service Areas

Presently there are approximately 2,100 undeveloped lots that could be served with water service from existing infrastructure. Presently, certain areas of the District have been charged different amounts due to historical agreements as follows:

ID-1 (Rams Hill): The capacity fee has been paid and service laterals installed for new meters on the existing lots. Currently we charge \$640 for a 3/4" and \$735 for a 1" meter service. This covers a \$340 "turn-on" fee, the meter, meter box, customer shut off valve and the labor to install the new meter. One customer was granted a 2" residential meter by the Board in 1999 all other residential meters are either 3/4" or 1". New sewer connections are charged \$200 plus a \$50/EDU inspection fee. Monthly sewer fees are \$26.75.

ID-2: The Town Center Sewer serves the downtown area along Palm Canyon Drive from Palm Canyon Resort to the Elementary School. Also included is the La Casa del Zorro (aka Borrego Ranch) Resort. There are 1000 EDU's assigned to this system of which 316 are being used (user) and 773 are being held for future use (holder). The District has 226 EDU's available for sale at a price set by the Board of \$3,040. Holders may sell their EDU's at negotiated prices with willing buyers. The District occasionally surveys the holders to see if EDU's are available for private sales. "Holder" monthly fees \$19.42 and once they become also a "user", the fee increases by \$10. New connections are charged a \$712.80/EDU capacity fee and a \$50/EDU inspection fee. All sewer connections are performed at customer's expense by a District approved contractor. These fees are set by contract but can be adjusted to operating costs by a vote by all holders of EDU's.

ID-3 and 4 (Deep Well Trail and old Borrego Springs Water Company service area): Water mains in these areas are normally located in the shoulder of the road, in the right-of-way, yet off of the pavement. The new meter charge in these areas depends on the location of the new service to the existing water main. New meters located on the same side of the street as the water main require a "short lateral" and those across the street a "long lateral". Certain areas of the District where the water main is located in the paved street classify as a "long lateral". The maintenance crew utilizes a boring device called a "Grundomat" to feed the new service lateral under the pavement on long laterals which is more labor intensive but does not require re-paving after an installation. The current fees are \$4,040 for a 3/4" short lateral, \$4,165 for a 1" short lateral, \$5,440 for a 3/4" long lateral and \$5,565 for a 1" long lateral. The breakdown of these fees are \$2,530 connection fee, \$340 turn-on fee, either \$500 for short lateral or \$1,900 for a long lateral and either \$70 for a 3/4" customer shut-off valve or \$95 for a 1" customer shut-off valve. Customer shut-off valves are an important feature and we also provide them to existing customers for the cost of the part, no labor charge. The customer shut-off saves us money, and possibly the customer, in the long run. When not installed, the customer is tempted to turn-off the District angle meter stop (forbidden by the administration code) or contact the "duty

operator" to turn off and turn back on after plumbing/irrigation repairs are complete. If the angle meter stop is compromised, the water main has to be excavated and the customer can be charged for the repairs. After hours duty operator "call outs" are costly to the District in overtime expense. Many water Districts found cost savings by installing the customer shut-off valve free of charge but we found it more prudent to only charge for the part and install the valve free of charge.

ID-5: This area is the old Borrego Springs Park Community Services District area of Club Circle and the Borrego Springs Resort. As part of the consolidation agreement, we are required to charge \$3,500 each, for new service (water and sewer combined). One half of this money is returned to the developer, Cameron Brothers Construction Co. as per the agreement. The service laterals on Foresome Drive were installed with poly vinyl pipe which have proven to be substandard in our desert conditions. New service requires the removal of this pipe and replaced with copper service laterals which are charged on a "time and material" basis. All sewer connections are performed at customer's expense by a District approved contractor. Only one connection has been made since the consolidation of the two districts.

The monthly rates are listed as follows:

ID-1; \$26.75/mo. plus portion of \$66/parcel availability fee collected through the annual property taxes
Connection fee of \$200 plus \$50/EDU inspection fee

ID-2; \$19.42 (holder) plus \$10 (user) totaling \$29.42/mo.
Connection fee is \$712.80 per EDU plus \$50/EDU inspection fee

ID-5; \$49.92/mo.
Connection/capacity fee collected is \$3500, 1/2 is directed to the developer, Cameron Bros. Construction Co. and 1/2 to BWD per EDU. Meter installation is charged on "time and materials" only.

Both ID-2 and ID-5 require lifting the effluent from the newly built Lift Station (capital improvement of \$680K in 2011) on Borrego Valley Rd to the RMWWTP.

All of these sewer charges were developed based on developer "buy-in" or other such arrangement. For this reason, existing platted lots will continue with the above fee structure. The total number of existing platted lots involved should not require any further improvements to the existing infrastructure; however, this can be reviewed in subsequent years if needed. Any new development will be required to pay the new calculated sewer capacity fee of \$8,000 per EDU plus any additional new infrastructure required specifically for the new development which will be determined by the District Engineer.

A study is also eventually needed to evaluate at what point the RHWTP can generate reclaimed water supply and where the reclaimed water could be utilized if the Rams Hill Golf course is not in operation.

Historically, we have utilized the following calculations for EDU breakdowns.

Single Family Residence (SFR) =	1.0 EDU
Casitas/Guest House with SFR=	0.5 EDU
Mobile Home (in a park) =	0.5 EDU
Recreational Vehicle (in a park) =	0.25 EDU

These ratios were based on overall housing footprint (property size, human capacity, etc). A mobile (manufactured or modular) installed on a lot designed for a single family residence is considered a single family residence due to the lot size and potential of developing extensive landscaping. Units installed in a designated mobile home park are situated on small lots where the landscaping potential is significantly less. A "casitas" is a small single family residence less than 800 square feet, is a small development with common landscaping.

New commercial projects will need to be reviewed in a case-by-case basis. There are too many factors to apply a general fee schedule to these types of installation. Historically, an engineering deposit is required to recoup District funds expended. The amount of deposit will vary depending on the scope of the project but a minimum fee of \$2,500 would be appropriate.

Water Credit Policy

The Water Credit Policy was first established as a 3:1 groundwater mitigation in 2005. In 2007 the 3:1 was reduced to a 2:1 with the premise that one would satisfy the County of San Diego requirements and one for the Borrego Water District. The water credit policy for new development consists of two - 1:1 policies, one water credit to satisfy the County New Subdivision Policy and one credit to satisfy the Borrego Water District Demand Offset Mitigation Water Credit Policy. For existing platted lots in the area, only one water credit is required to fulfill the District's policy. For all new subdivisions, both 1:1 policies must be satisfied for a total of two water credits.

The Proposed Structure for New Development

Proposed New Water and Sewer Connection Fees for New Subdivisions:

The proposed "capacity fee" has been calculated by dividing the total water system asset \$11,041,479.26 (as of June 30, 2012), minus \$2,775,000 (existing infrastructure debt from the ID4 2008 Certificates of Participation) by the total existing water meters utilizing the American Water Works Association (AWWA) meter sizing factors (see Attachment A). This equates to \$1,841.17 but for simplicity, it would be appropriate to round that number to \$1,850/EDU.

Applying the same metering factor to new installations would result as follows:

3/4" meter	x 1.5 meter factor	= \$2,775
1" meter	x 2.5 meter factor	= \$4,625
1-1/2" meter	x 3.3 meter factor	= \$6,105
2" meter	x 5 meter factor	= \$9,250
3" meter	x 15 meter factor	= \$27,750
4" meter	x 32 meter factor	= \$59,200
6" meter	x 85 meter factor	= \$157,250

Using the same formula as water, dividing sewer assets (\$5,505,105.59) by existing EDU's (689) equates to \$7,989.99 or for our purposes, \$8,000/EDU. Any proposed development will have to complete an analysis of increased flow to the Ram Hill Wastewater Treatment Plant (RHWWTWP) except the remaining undeveloped lots in the Rams Hill community who built the facility. Town Center Sewer EDU "holders" have also been worked into the RHWWTWP expansion calculations through the costs outlined in the Town Center Sewer Agreement. Sewer customers in ID-5 are required to pay \$3,500 (combined water and sewer) 1/2 of this amount is for reimbursement to the Cameron Bros. Construction Co. per prior agreement. Unplatted lots (not a County approved buildable lot) in ID-5 will have to go through the permit process and associated engineering study for RMWWTWP capacity issues.

Due to the number of historical agreements in the various service areas, it is proposed that new connections for existing platted lots in ID-1 be exempted from the new capacity fee. Existing lots in ID-1 have already been assessed capacity fees and the infrastructure for the new meter installations are in place. Existing lots in ID-5 will be required to pay the historical capacity fee of \$3,500 (water and sewer combined) of which 1/2 will be paid to the Cameron Bros. as per the consolidation agreement. The existing infrastructure for the new meter installations that was installed by the developer does not meet the requirements of the District and therefore the will be charged the "actual installment costs" and in ID-3 and ID-4.

Subdivisions:

"Will Serve" Letter - first step in County permitting process	\$50/Letter
"Will Serve" Conditions Letter - outlining system requirements	\$2,500 engineering deposit
Engineering Plan Review	\$5,000 engineering deposit
Final Map:	Water Credit & Capacity
Fees	
One water credit per EDU	
Capacity fee of \$1,850/EDU plus metering factor	

Commercial:

Case-by-case basis on fixture unit count and approved landscaping plan

Water Credits:

The water credit policy for new development consists of two - 1:1 policies, one water credit to satisfy the County New Subdivision Policy and one credit to satisfy the Borrego Water District Demand Offset Mitigation Water Credit Policy. For existing platted lots in the area, only one water credit is required to fulfill the District's policy. For all new subdivisions, both 1:1 policies must be satisfied for a total of two water credits.

A list of approved water credits at time of policy adoption is included in attachment C.

Schedule of Proposed New Water and Sewer Installation Charges for a Single Family Residence for FY 2013 & FY 2014

New Water and Sewer Service on Existing Platted Lot in ID-1:

(Note: Sewer Fees not applicable to lots in the "Estates" Community where lots are on septic systems)

- One Water Credit
- Capacity fee and lateral installation pre-paid by developer
- Sewer Connection Fee \$200
- Sewer Inspection Fee \$50
- All sewer connections are performed at customer's expense by District approved contractor
- Connection Fee (actual installation costs from Attachment B)
 - 3/4" meter = \$205
 - 1" meter = \$340
- \$340 Administrative Fee

Total 3/4" Charge = \$795.00

Total 1" Charge= \$930.00

Larger meters will be reviewed on a case-by-case basis

New Sewer Service for "holders" of Town Center Sewer EDU's in ID-2:

- New service must be holder in good standing of ID-2 EDU's (contact District office for Town Center Sewer EDU information)
- Capacity Fee of \$712.80 per EDU
- Inspection Fee of \$50/EDU
- All sewer connections are performed at customer's expense by District approved contractor

Total Fees due District \$762.80/EDU

New Water Service on Existing Platted Lot in ID 3 or ID-4:

- One Water Credit
- Capacity fee (\$1,850) with metering factor:
 - 3/4" meter x 1.5 meter factor = \$2,775
 - 1" meter x 2.5 meter factor = \$4,625
- Connection Fee (actual installation costs from Attachment B)
 - Short lateral charge (parcel located on same side of street as the water main)
 - 3/4" meter service = \$2,401.05 or 1" meter service = \$2,495.10
 - Long lateral charge (parcel located on opposite side of street from water main)
 - 3/4" meter service = \$3,760.82 or 1" meter service = \$3,854.87
- Administrative Fee of \$340

Total 3/4" charge with short lateral: 2,775 + 2,401.05 + 340 = \$5,516.05

Total 3/4" charge with long lateral: 2,775 + 3,760.82 + 340 = \$6,875.82

Total 1" charge with short lateral: 4,625 + 2,495.10 + 340 = \$7,460.10

Total 1" charge with long lateral: 4,625 + 3,854.87 + 340 = \$8,819.87

Larger meters will be reviewed on a case-by-case basis

New Water and Sewer Service on Existing Platted Lot in ID-5:

- One Water Credit
- Capacity Fee of \$3,500 (water and sewer combined, existing agreement where 1/2 is paid to the developer)
- Sewer Inspection Fee of \$50
- Connection Fee (actual installation costs from Attachment B)
 - Long lateral charge (water mains in street)
 - 3/4" meter service = \$3,760.82 or 1" meter service = \$3,854.87
- \$340 Administrative Fee

Total 3/4" charge: 3,500 + 50 + 3,760.82 + 340 = \$7,650.82

Total 1" charge: 3,500 + 50 + 3,854.87 + 340 = \$7,744.87

Larger meters will be reviewed on a case-by-case basis

New Water and Sewer Installation Charges for Single Family or Duplex Residences - FY 2013 & FY 2014

(revised January 17, 2013)

The Policy for New Development applies to any new single family or duplex residence within the Borrego Water District boundary on an existing platted lot. Highlighted below is an outline of requirements for residential home construction from the Policy.

NEW METER INSTALLATION -

- 1) Submit a "Request for Information" to the District to determine if the lot in question is served by a water main and if the parcel requires a "long lateral" or "short lateral" connection. (Policy Section 2g)
- 2) Submit a "New Meter Application" and pay all associated fees. (Policy Section 2g)

NEW SEWER SERVICE -

Sewer service is limited to areas in Rams Hill, Club Circle/Cameron development and the Town Center Sewer. Each area has different requirements and is listed separately below. Before a sewer collection line from a residence to the sewer main is constructed, it must be approved and inspected by the District to ensure it is correctly installed. There is an inspection fee for this service. (Policy Section 5c)

NEW RESIDENCE BUILDING PERMIT -

San Diego County requires that a signed "Required Agency Clearance Letter" (RACL) be submitted with any building permit request. To secure the District's signature, submit the RACL along with an approved water credit(s) certificate. Once the water credit(s) certificate is verified, the District will approve and sign the RACL form.

FEES BY AREA –

New Water and Sewer Service on Existing Platted Lots in ID-1 (Rams Hill):

(Sewer Fees do not apply to lots in the "Estates" section that are on septic systems.)

- One Water Credit
- Capacity and lateral installation fees do not apply - pre-paid by developer
- Sewer Connection Fee \$200
- Sewer Inspection Fee \$50
- All sewer connections are performed at customer's expense by District approved contractors
- Connection Fee (actual installation costs from Attachment B)
 - 3/4" meter = \$205
 - 1" meter = \$340
- \$340 Administrative Fee

Total 3/4" Charge = \$795.00

Total 1" Charge = \$930.00

Larger meters will be reviewed on a case-by-case basis

New Sewer Service for "holders" of Town Center Sewer EDU's in ID-2 (Palm Canyon Drive, Borrego Valley Road, East Rango Way, Yaqui Pass Road, La Casa del Zorro Resort):

- New service must be holder in good standing of ID-2 EDU's (contact District office for Town Center Sewer EDU information)
- Capacity Fee of \$712.80 per EDU
- Inspection Fee of \$50/EDU
- All sewer connections are performed at customer's expense by District approved contractor

Total Fees Due District = \$762.80/EDU

New Water Service on Existing Platted Lot in ID 3 or ID-4 (Deep Well Trail and old Borrego Springs Water Company Service Area):

- One Water Credit
- Capacity fee (\$1,850) with metering factor:
 - 3/4" meter x 1.5 AWWA meter factor = \$2,775
 - 1" meter x 2.5 AWWA meter factor = \$4,625
- Connection Fee (actual installation costs from Attachment B)
 - Short lateral charge (parcel located on same side of street as the water main)
 - 3/4" meter service = \$2,401.05 or 1" meter service = \$2,495.10
 - Long lateral charge (parcel located on opposite side of street from water main)
 - 3/4" meter service = \$3,760.82 or 1" meter service = \$3,854.87
- Administrative Fee of \$340

Total 3/4" charge with short lateral: 2,775 + 2,401.05 + 340 = \$5,516.05

Total 3/4" charge with long lateral: 2,775 + 3,760.82 + 340 = \$6,875.82

Total 1" charge with short lateral: 4,625 + 2,495.10 + 340 = \$7,460.10

Total 1" charge with long lateral: 4,625 + 3,854.87 + 340 = \$8,819.87

Larger meters will be reviewed on a case-by-case basis

New Water and Sewer Service on Existing Platted Lot in ID-5 (old Borrego Springs Park Community Services District Area - Club Circle and Borrego Springs Resort):

- One Water Credit
- Capacity Fee of \$3,500 (water and sewer combined, existing agreement where 1/2 is paid to the developer)
- Sewer Inspection Fee of \$50
- Connection Fee (actual installation costs from Attachment B)
 - Long lateral charge (water mains in street)
 - 3/4" meter service = \$3,760.82 or 1" meter service = \$3,854.87
- \$340 Administrative Fee

Total 3/4" charge: 3,500 + 50 + 3,760.82 + 340 = \$7,650.82

Total 1" charge: 3,500 + 50 + 3,854.87 + 340 = \$7,744.87

Larger meters will be reviewed on a case-by-case basis

Possible schedule of New Development Policy process

	SCENARIO 1	SCENARIO 2
New Development Adoption Date	2/27/2013	3/27/2013
Publish ad in San Diego Union, 10 days prior to Public Hearing	3/6/2013 and 3/13/2013	4/3/2013 and 4/10/2013
Email notice to interested parties, 14 days prior to Public Hearing	3/12/2013	4/4/2013
Public Hearing	3/27/2013	4/24/2013
Policy goes into affect 60 days after Public Hearing	5/27/2013	6/24/2013

Policy: Who pays for growth?

Background: There are always discussions about responsibility for costs when a developer seeks to add an area of water and sewer service to a new development. As a general rule, the Borrego Water District (BWD) requires the development to pay its own way, desiring not to subsidize growth. This is only fair to existing customers. Sometimes, however, BWD desires to extend a water or sewer line at its own cost whenever the result will be an improvement to the system. Because these are differing directions, the differences can sometimes become blurred. BWD has attempted to resolve the issues with its developer policy. This policy will need to be reviewed from time to time to determine its applicability. What is needed for effective strategic planning is a statement of policy on the subject affirming the general direction.

Policy: It is the policy of the Borrego Water District (BWD) to encourage responsible growth by requiring new developers to install water and sewer connector lines at the developer's expense, in addition to the assessment of developer charges for each new connection to pay for any improvements required to the existing BWD system and the use of existing system capacity. Participation in costs by BWD will occur only when BWD is convinced such connector lines will add further benefit to the District.

DATE: August 23, 2012

TO: Board of Directors

FROM: Jerry Rolwing

RE: Changing Fees for New Development and New Meter Installations

The fees charged for new development and new meter installation fees have not changed in the past ten years. It is imperative that these charges be reviewed every five years to keep up with inflation and the rising costs associated with the actual costs of installation.

Presently, new development is charged a "capacity fee" of \$1,500/EDU (equivalent dwelling unit) plus the developer must pay all costs pertaining to the actual installation of new infrastructure required for the particular project. Capacity fees are dedicated to increasing the existing "common" infrastructure facilities to accommodate the new water use. It is unknown how this present number was formulated by the previous District Engineers. The proposed "capacity fee" has been calculated by dividing the total water system asset (\$11,041,479.26 - as of June 30, 2012) by the total existing water meters utilizing the American Water Works Association (AWWA) meter sizing factors. This equates to \$2,459.24 but for simplicity, it would be appropriate to make the fee an even number of \$2,500/EDU.

Applying the same metering factor to new installations would result as follows:

3/4" meter	x 1.5 meter factor	= \$3,750
1" meter	x 2.5 meter factor	= \$6,250
1-1/2" meter	x 3.3 meter factor	= \$8,250
2" meter	x 5 meter factor	= \$12,500
3" meter	x 15 meter factor	= \$37,500
4" meter	x 32 meter factor	= \$80,000
6" meter	x 85 meter factor	= \$145,000

Historically, we have utilized the following calculations for EDU breakdowns.

Single Family Residence =	1.0 EDU
Mobile Home (in a park) =	0.5 EDU
Recreational Vehicle (in a park) =	0.25 EDU

These ratios were based on overall housing footprint (property size, human capacity, etc.). A mobile (manufactured or modular) installed on a lot designed for a single family residence is considered a single family residence due to the lot size and potential of developing extensive landscaping. Units installed in a designated mobile home park are situated on small lots where the landscaping potential is significantly less.

New commercial projects will need to be reviewed in a case-by-case basis. There are too many factors to apply a general fee schedule to these types of installation. Historically, an engineering deposit is required to recoup District funds expended. The amount of deposit will vary depending on the scope of the project but a minimum fee of \$2,500 would be appropriate.

New Meter Installations on Existing Lots in BWD Service Areas

Presently there are approximately 2,100 undeveloped lots that could be served with water service from existing infrastructure. Areas of the District have been charged different amounts due to historical agreements as follows:

ID-1 (Rams Hill): The capacity fee has been paid and service laterals installed for new meters on the existing lots. Currently we charge \$640 for a 3/4" and \$735 for a 1" meter service. This covers a \$340 "turn-on" fee, the meter, meter box, customer shut off valve and the labor to install the new meter. One customer was granted a 2" residential meter by the Board in 1999 all other residential meters are either 3/4" or 1". New sewer connections are charged \$200 plus a \$50/EDU inspection fee. Monthly sewer fees are \$26.75.

ID-2: The Town Center Sewer serves the downtown area along Palm Canyon Drive from Palm Canyon Resort to the Elementary School. Also included is the La Casa del Zorro (aka Borrego Ranch) Resort. There are 1000 EDU's assigned to this system of which 316 are being used (user) and 773 are being held for future use (holder). The District has 226 EDU's available for sale at a price set by the Board of \$3,040. Holders may sell their EDU's at negotiated prices with willing buyers. The District occasionally surveys the holders to see if EDU's are available for private sales. "Holder" monthly fees \$19.42 and once they become also a "user", the fee increases by \$10. These fees are set by contract but can be adjusted to operating costs and a vote by all holders.

ID-3 and 4: Water mains in these areas are normally located in the shoulder of the road, in the right-of-way, yet off of the pavement. The new meter charge in these areas depends on the location of the new service to the existing water main. New meters located on the same side of the street as the water main require a "short lateral" and those across the street a "long lateral". Certain areas of the District where the water main is located in the paved street classify as a "long lateral". The maintenance crew utilizes a boring device called a "Grundomat" to feed the new service lateral under the pavement on long laterals which is more labor intensive but does not require re-paving after an installation. The current fees are \$4,040 for a 3/4" short lateral, \$4,165 for a 1" short lateral, \$5,440 for a 3/4" long lateral and \$5,565 for a 1" long lateral. The breakdown of these fees are \$2,530 connection fee, \$340 turn-on fee, either \$500 for short lateral or \$1,900 for a long lateral and either \$70 for a 3/4" customer shut-off valve or \$95 for a 1" customer shut-off valve. Customer shut-off valves are an important feature and we also provide them to existing customers for the cost of the part, no labor charge. The customer shut-off saves us money, and possibly the customer, in the long run. When not installed, the customer is tempted to turn-off the District angle meter stop (forbidden by the administration code) or contact the "duty operator" to turn off and turn back on after plumbing/irrigation repairs are complete. If the angle meter stop is compromised, the water main has to be excavated and the customer can be charged for the repairs. After hours duty operator "call outs" are costly to the District in overtime expense. Many water Districts found cost savings by installing the customer shut-off valve free of charge but we found it more prudent to only charge for the part and install the valve free of charge.

ID-5: This area is the old Borrego Springs Park Community Services District area of Club Circle and the Borrego Springs Resort. As part of the consolidation agreement, we are required to charge \$3,000 each, for new water and new sewer service. This money is returned to the developer, Cameron Brothers Construction Co. as per the agreement. Our rate sheet reflects a charge of \$3,500 for new water service; however, no analysis was performed in setting this rate. The service laterals on Foresome Drive were installed with poly vinyl pipe which have proven to be substandard in our desert conditions. New

service requires the removal of this pipe and replaced with copper service laterals which are charged on a "time and material" basis. Only one connection has been made since the consolidation of the two districts.

New Sewer Connections on Proposed New Subdivisions:

Using the same formula as water, dividing sewer assets (\$5,505,105.59) by existing EDU's (689) equates to \$7,989.99 or for our purposes, \$8,000/EDU. Any proposed development will have to complete an analysis of increased flow to the Ram Hill Wastewater Treatment Plant (RHHWTP) except the remaining undeveloped lots in the Rams Hill community who built the facility. Town Center Sewer EDU "holders" have also been worked into the RHHWTP expansion calculations through the costs outlined in the Town Center Sewer Agreement. Sewer customers in ID-5 will have to pay \$3,000 to reimburse Cameron Bros. Construction Co. Unplatted lots in ID-5 will have to go through the permit process and associated engineering study for RMWWTP capacity issues. One issue that needs addressing are the sewer rates for ID-5 which are almost double the other areas. The monthly rates are listed as follows:

ID-1; \$26.75/mo. plus portion of \$66/parcel availability fee collected through the annual property taxes
Connection fee of \$200 plus \$50/EDU inspection fee

ID-2; \$19.42 (holder) plus \$10 (user) totaling \$29.42/mo.
Connection fee is \$712.80 per EDU plus \$50/EDU inspection fee

ID-5; \$49.92/mo.
Connection fee paid to Cameron Bros. is \$3,000 per EDU. There are no District fees associated with new connections in ID-5.

Both ID-2 and ID-5 require lifting the effluent from the newly built Lift Station (\$680K in 2011) on Borrego Valley Rd to the RMWWTP.

The sewer element needs more engineering studies to determine the appropriate rate for ID-5 and new connection fees beyond the reimbursement to Cameron Bros. A study is also eventually needed to evaluate at what point the RHHWTP can generate reclaimed water supply and where the reclaimed water can be utilized if the Rams Hill Golf course is not in operation.

Water Credit Policy

The Water Credit Policy was first established as a 3:1 groundwater mitigation in 2005. In 2007 the 3:1 was reduced to a 2:1 with the premise that one would satisfy the County of San Diego requirements and one for the Borrego Water District. As we move closer to combining the two programs (County and District) the concept of reducing the program once again to a 1:1 would simplify the confusion between the programs. Just as the 3:1 was deemed "punitive" recent Board presentations reveal the same for the 2:1. The County of San Diego has assured the District that the proposed amendment to the County Groundwater Ordinance and associated MOU (memorandum of understanding) will be returned to the District shortly. The reduction from a 2:1 to a 1:1 will be more palatable for encouraging new development for the community. The 1:1 groundwater mitigation will achieve the County's goal of "no net gain" on the overdraft.

The Proposed Structure for New Development

Subdivisions:

"Will Serve" Letter - first step in County permitting process	\$50/Letter
"Will Serve" Conditions Letter - outlining system requirements	\$2,500 + engineering deposit
Engineering Plan Review	\$5,000 engineering deposit
Final:	Water Credit & Capacity Fees
One water credit per EDU	
\$2,500/EDU plus metering factor, may be paid by Phase	

Commercial:

Case-by-case basis on fixture unit count and approved landscaping plan

New Water Service on Existing Platted Lot in ID-1:

One Water Credit (1.5 if includes guest house)
Landscaping Plan Approval/commitment to 0.33 AFY or less usage (?)
\$340 Turn-on Fee
Plus \$ (actual cost of parts and labor calc by Greg)

New Water Service on Existing Platted Lot in ID 3 or ID-4:

One Water Credit
Landscaping Plan Approval/commitment to 0.33 AFY or less usage (?)
Capacity fee (\$2,500) with metering factor:
3/4" meter x 1.5 meter factor = \$3,750
1" meter x 2.5 meter factor = \$6,250
Plus \$340 Turn-on Fee
Plus \$ (actual cost of parts and labor calc by Greg)

New Water Service on Existing Platted Lot in ID-5:

One Water Credit
Water Reimbursement to Cameron \$3,000
Landscaping Plan Approval/commitment to 0.33 AFY or less usage (?)
\$340 Turn-on Fee
Plus \$ (actual cost of parts and labor calc by Greg)
Poly Vinyl lateral replacement (parts and labor)

May 2012

\$ 5,505,105.59	sewer assets	
\$ 10,889,780.24	water assets	
\$ 151,699.02	pipelines, wells and tanks	
\$ 11,041,479.26	water total assets	
2124	water meters	751 Indirect
689	sewer accounts	
\$ 7,989.99	Sewer Asset \$/sewer accounts	

Indirect includes residential meters in mobile home parks, apts, etc.

Water Asset \$/water meter

\$ 5,198.44	By customer totals
\$ 3,840.51	By customer totals and indirect customers
\$ 2,459.24	By EDU Count (AWWA meter factors)

METER COUNT

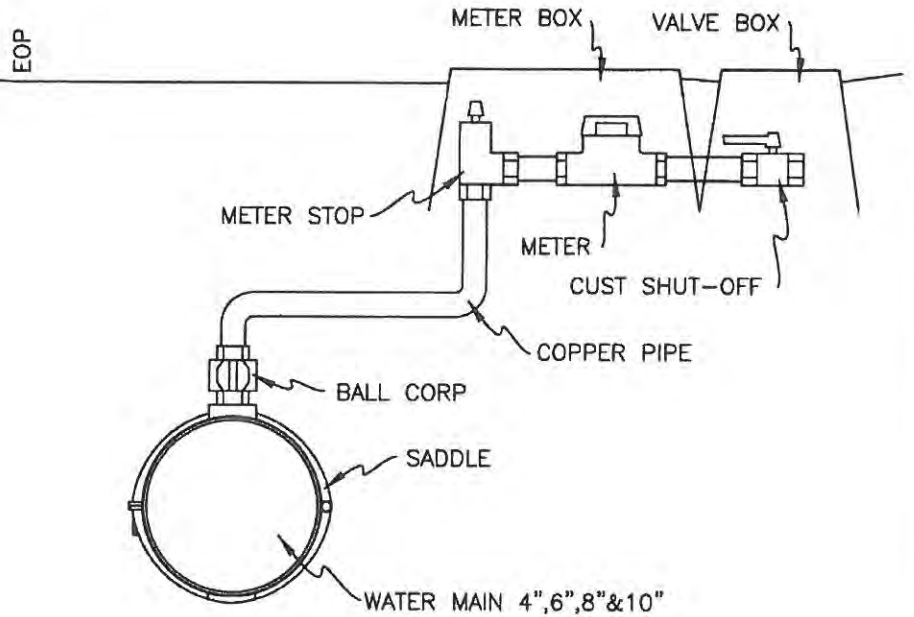
Meter Size	MU	PA	IR	CM	R	GC	Total
5/8				2	1		3
3/4	4	10	3	63	1419		1499
1	2	12	12	29	444		499
1-1/2	16	5	36	9	10		76
2	1	6	9	7	8		31
3		1		2			3
4	2	1		2	1		6
6	3			3			6
8							
10						1	
Total	28	35	60	117	1883	1	2124

TYPICAL METER INSTALLATION

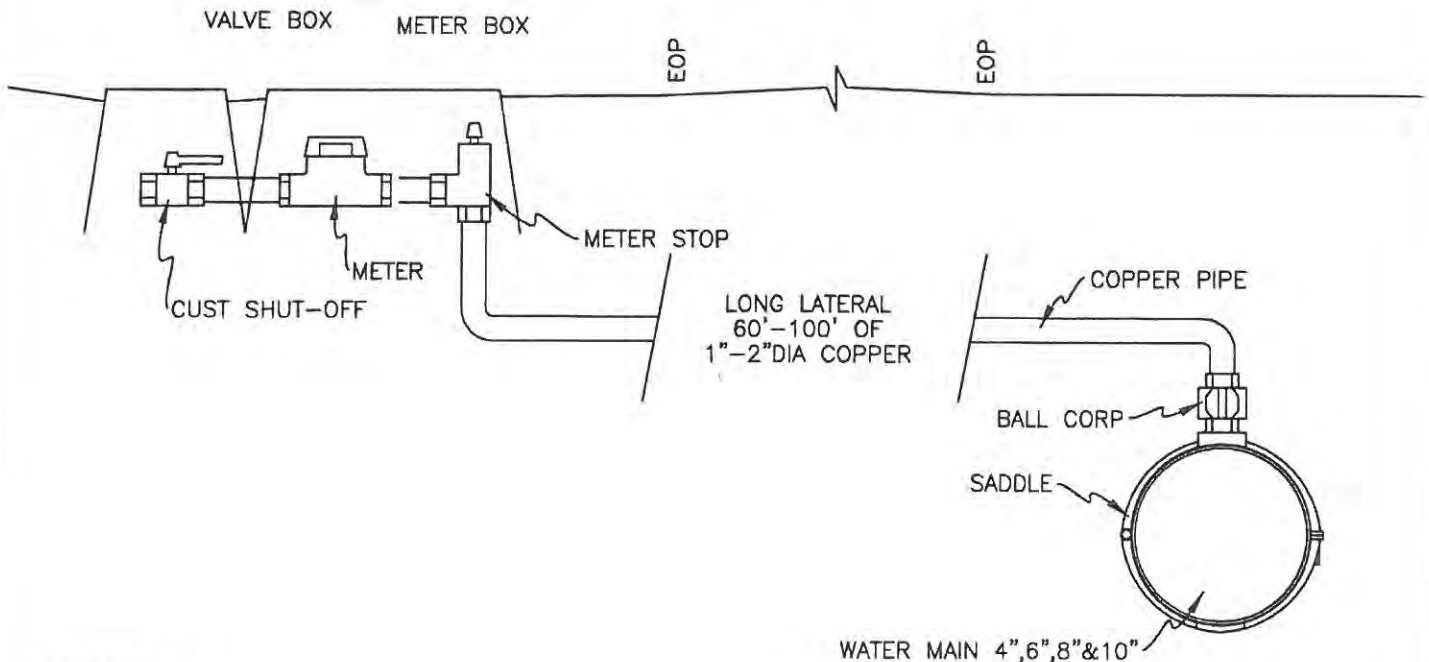
SHORT LATERAL

NOTE: SEE PARTS SHEET FOR SIZE AND COST ESTIMATE

- 1.) SADDLE
- 2.) BALL CORP
- 3.) COPPER PIPE
- 4.) METER STOP
- 5.) METER
- 6.) CUST SHUT-OFF



LONG LATERAL



**NEW METER INSTALLATION
SIZE AND COST SHEET 1**

1.)SADDLE

PART #	SIZE	PRICE	DESCRIPTION	PART #	SIZE	PRICE	DESCRIPTION
1312	1"x4"	\$ 85.00	202b d/s saddle				
1315	1"x6"	\$ 102.00	101b s/s saddle	1435	1"	\$ 92.00	mip/mip corp stop
	1"x8"	\$ 126.00	202b d/s saddle				
1320	1"x10"	\$ 130.00	202b d/s saddle				
1323	1 1/2"x4"	\$ 100.00	202bd/s saddle	1405	1 1/2"	\$ 170.00	mip/cts/corp stop
1324	1 1/2"x6"	\$ 115.00	202b d/s saddle				
	1 1/2"x8"	\$ 132.00	202b d/s saddle				
	1 1/2"x10"	\$ 170.00	202b d/s saddle				
1311	2"x4"	\$ 109.00	202b d/s saddle	1412	2"	\$ 237.00	fip/fip ; pp#6101w-2
1313	2"x6"	\$ 127.00	202b d/s saddle	1406	2"	\$ 216.00	mip/mip comp
1314	2"x8"	\$ 143.00	202b d/s saddle				
1325	2"x10"	\$ 182.00	202b d/s saddle				

2.)BALL CORP

3.)COPPER PIPE

PART #	SIZE	PRICE	DESCRIPTION	PART #	SIZE	PRICE	DESCRIPTION
	3/4"	\$4.30 LF	hard (copper pipe)	1402	3/4"x1"	\$ 89.00	cts/comp/ams
	3/4"	\$4.91 LF	soft (copper pipe)	1434	3/4"x1"	\$ 81.00	pp#b13-342
				1418	3/4"	\$ 61.00	fip/fip/sms
	1"	\$6.35 LF	hard				
	1"	\$6.46 LF	soft	1401	1"	\$ 110.00	cts comp ams
				1419	1"	\$ 91.00	fip/fip/sms
	1.5"	\$10.07LF	hard		1"		
	1.5"	\$10.77LF	soft				
				1420	1 1/2"	\$ 255.00	cts comp ams
	2"	\$15.62LF	hard		1 1/2"	\$ 255.00	fip/fip/sms
	2"	\$17.24LF	soft				
					2"	\$ 325.00	cts comp ams
					2"	\$ 261.00	fip/sms

4.)METER STOP

**NEW METER INSTALLATION
SIZE AND COST SHEET 2**

5.)METER

PART #	SIZE	PRICE	DESCRIPTION	PART #	SIZE	PRICE	DESCRIPTION
1500	3/4"	\$ 101.00	water meter	1431	3/4"	\$ 56.00	fip/fip ball valve
							lockable handle
1501	1"	\$ 177.00	water meter	1432	1"	\$ 96.00	fip/mnut ball valve
							lockable handle
1502	1 1/2"	\$ 646.00	water meter	1433	1"	\$ 86.00	fip/fip ball valve
							lockable handle
1503	2"	\$ 1,063.00	water meter		1"	\$ 400.00	backflow/parts
					1"	\$ 250.00	backflow/labor
1414	1 1/2"	\$ 84.00	(2)mtr flange/\$42ea.				
1417	1 1/2"	\$ 8.00	(2) gasket/\$4ea.		1 1/2"	\$ 682.00	backflow/parts
1415	2"	\$ 108.00	(2)mtr flange/\$54ea.		1 1/2"	\$ 250.00	backflow/labor
1421	2"	\$ 8.00	(2) gasket/\$4ea.				
707	4"	\$ 5.40	4" bolt kit		2"	\$ 940.00	backflow/parts
1408	3/4"	\$ 14.00	meter tailpiece		2"	\$ 250.00	backflow/labor
1424	1"	\$ 18.00	meter tailpiece				
1508	large	\$ 32.00	meter box lid				
1507	large	\$ 69.00	meter box				

6.)CUST SHUT-OFF

Labor = \$40.00 per hour

Typical 1" Short Lateral:

Parts: \$ 747.20
 Tax: \$ 57.91
 S&H: \$ 120.76
 Labor: \$ 640.00 (16 Man/Hr@\$40.00hr)
 Equipment: \$ 300.00
 Total: \$ 1,865.87

Typical 1" Long Lateral:

Parts: \$ 747.20
 Tax: \$ 57.91
 S&H: \$ 120.76
 Labor: \$ 1,280.00 (32 Man/Hr@\$40.00hr)
 Equipment: \$ 900.00
 Total: \$ 3,105.87