

AGENDA
Borrego Water District Board of Directors
Special Meeting
March 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 (2-27)
- B. Discussion of proposed budget for FY 2014 (28-30)
- C. Update on Rams Hill (31-37)
- D. Discussion of potential agenda items for March 27th board meeting

III. STAFF REPORTS

Financial Reports – February 2013 (38-55)

IV. CLOSING PROCEDURE, Adjournment

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

The Town Hall Meeting is scheduled for March 27, 2013 at 4:00 PM at the Performing Arts Center.

BORREGO WATER DISTRICT

DEMAND OFFSET MITIGATION WATER CREDITS POLICY

(revised –January 30~~18~~, March 15, 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, demonstrates 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, i~~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 fallowed that completely eliminates the extraction, use, storage, distribution or diversion of groundwater on the land subject to the easement in perpetuity.

~~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 Desertscape 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.]1]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 immediately preceding 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.

~~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

3. Water Credits AG-2,3 & 4 or T-2 & 3 may be acceptable for District purposes only where County mitigation has already been satisfied. These credits will be issued at the sole discretion of the District and the County does not need to be included as a third-party beneficiary.

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.

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~~8~~, 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.~~

5. PROCEDURE

A.E. 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 to be used for verifiable expenses.

~~B.F.~~ 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.G.~~ 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.

6.5. 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. |
| (140) | 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 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

Date

* All legal owners of the property must sign

BORREGO WATER DISTRICT

DEMAND OFFSET MITIGATION WATER CREDITS POLICY

(revised –January 30, March 15, 2013)

1. PURPOSE

Groundwater basin studies by the United States Geological Survey (USGS) demonstrate the need for improved management of the Borrego Valley Groundwater Basin (“BVGB”). For example, since the 1982 USGS study of withdrawals from the BVGB, demonstrates the overdraft of the BVGB has continued to grow and presently represents a serious economic, social, and environmental threat to the Borrego Valley. 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 for controlling, monitoring and enforcing this Policy.

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- 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

- E. BWD or District: the Borrego Water District.
- F. Certificate Holder: Rightful owner of the BWD issued valid Water Credit.
- G. CEQA: California Environmental Quality Act.
- 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.
- I. Consumptive Use: the amount of water lost from the groundwater resource due to evapotranspiration (plant use).
- J. County: the government of San Diego County.
- 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).
- 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”).
- M. PDS: San Diego County Department of Planning and Development Services.
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- 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 -immediately preceeding the date of the Application.
- 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.

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

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

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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. 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. As further defined in Section 4B below, several classes of credits shall be available pursuant to this Policy.

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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

3. Water Credits AG-2,3 & 4 or T-2 & 3 may be acceptable for District purposes only where County mitigation has already been satisfied. These credits will be issued at the sole discretion of the District and the County does not need to be included as a third-party beneficiary.

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.

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.

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 fallowed.

(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. 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, 2008, 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.

D. Number of Credits. 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.

PROCEDURE

E. 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 to be used for verifiable expenses.

F. 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).

G. 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.

5. 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.
(6) 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

- | | | |
|-----|------------------------------------|---|
| (7) | 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. |
| (8) | 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

- | | | |
|------|--|---|
| (9) | 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. |
| (10) | 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 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

Date

* All legal owners of the property must sign

	C	E	AA	AE	AK	AL	AM	
4								
5	DRAFT	BWD BUDGET CASH FLOW						
6		2013-2014	ADOPTED BUDGET 2011-2012	ADOPTED BUDGET 2012-2013	YTD + PROJ MONTHS>> PROJECTED 2012-2013	PROPOSED BUDGET 2013-2014	10% Increase	20% Increase
7								
8		REVENUE						
9		WATER REVENUE						
10		Residential Water Sales (Assume no water use on Montesoro GC)	424,312	797,310	724,947	723,007	72,301	144,601
11		Commercial Water Sales	98,000	112,548	101,916	100,327	10,033	20,065
12		Irrigation Water Sales	99,000	134,297	129,440	128,304	12,830	25,661
13		GWM Surcharge	94,000	103,204	91,448	90,258	9,026	18,052
14		Water Sales Power Portion	277,000	331,621	300,744	295,844	29,584	59,169
15		Readiness Water Charge	635,000	986,046	948,513	939,000	93,900	187,800
16		Readiness Water Charge - Liened properties			28,803	35,400	3,540	7,080
17		Meter Installation	40,000	0	-	0		
18		Water hook-up charge	0	0	-	0		
19		Reconnect Fees	6,500	11,000	9,180	6,120		
20		Backflow Testing/installation	3,300	5,000	4,600	4,575		
21		Bulk Water Sales	1,200	3,570	6,753	5,971	597	1,194
22		Penalty & Interest Water Collection	24,000	32,252	13,026	12,000		
23		TOTAL WATER REVENUE:	1,702,312	2,516,848	2,359,370	2,340,806	231,811	463,622
24					2,359,370			
25		PROPERTY ASSESSMENTS/AVAILABILITY CHARGES						
26		641500 1% Property Assessments	69,080	68,174	65,770	65,654		
27		641502 Property Assess wtr/swr/fld (679 parcels \$66 ea(44,814))	45,000	24,985	25,324	26,128		
28		641502/641503 Prop Assess (Allowance for bad debt (\$458,909))	0	0	-	0		
29		641501 Water avail Standby	82,673	78,918	87,069	85,969		
30		641504 ID 3 Water Standby (361 parcels \$37.70 parcel (13,609.7))	13,609	13,609	-	0		
31		641504 ID 3 Water Standby-(La Casa-2 parcels= \$20,150)	20,150	19,495	45,080	35,103		
32		641503 Pest standby	17,953	14,183	15,288	15,158		
33		TOTAL PROPERTY ASSES/AVAIL CHARGES:	248,465	219,364	238,531	228,012		
34					238,531			
35		SEWER SERVICE CHARGES						
36		Town Center Sewer Holder's Fees	180,140	180,144	173,203	168,000		
37		Town Center Sewer User Fees			15,800	37,920		
38		Sewer user Fees	221,400	309,790	277,621	264,000	26,400	52,800
39		Penalty Interest-Sewer	1,800	1,200	1,290	1,200		
40		Sewer Capacity Fees	12,138	0	-	0		
41		TOTAL SEWER SERVICE CHARGES:	415,478	491,134	467,915	471,120	22,738	52,800
42					467,915			
43		OTHER INCOME						
44		Rent Income-Antilles wireless	7,715	7,715	7,815	4,800		
45		Annexation Fees	0	0	-	0		
46		Fire Hydrant Installation	5,000	0	-	0		
47		Miscellaneous Income (net csd fee/JPIA rebate)	5,000	13,000	8,214	10,320		
48		Administrative Fee-Water Credits	5,000	1,000	-	0		
49		Gain on asset sold -Sale of Package Plant	1,500	0	36,000	0		
50		Sale of Clark Dry Lake Property/Communication tower			217,335	0		
51		Stag Grant	125,000	0	-	0		
52		Interest Income	1,550	200	160	187		
53		TOTAL OTHER INCOME:	150,765	21,915	269,523	15,307		
54					269,523			
55		TOTAL INCOME:	2,517,020	3,249,262	3,335,339	3,055,245	3,309,794	3,571,667
56					3,335,339			
57		CASH BASIS ADJUSTMENTS						
58		Decrease (Increase) in Accounts Receivable		0	19,962			
59		CC Golf Equipment receivable		2,268	2,269	2,270		
60		Other Cash Basis Adjustments			(4,435)	0		
61		TOTAL CASH BASIS ADJUSTMENTS:	0	2,268	17,797	2,270		
62								
63		TOTAL INCOME RECEIVED:	2,517,020	3,251,530	3,353,135	3,057,515	3,309,794	3,571,667

	C	E	AA	AE	AK	AL	AM
4							
5	DRAFT BWD BUDGET CASH FLOW DRAFT	ADOPTED	ADOPTED	YTD + PROJ MONTHS>>	PROPOSED		
6	2013-2014	BUDGET	BUDGET	PROJECTED	BUDGET	10%	20%
7		2011-2012	2012-2013	2012-2013	2013-2014	Increase	Increase
65	EXPENSES						
66	MAINTENANCE EXPENSE						
67	R & M Buildings & Equipment	110,000	130,000	122,199	130,000		
68	R & M - WWTP	35,000	60,000	40,859	40,000		
69	Telemetry	20,000	15,000	8,975	10,000		
70	Trash Removal	7,500	3,600	3,660	3,655		
71	Vehicle Expense	17,000	12,000	19,107	18,000		
72	Fuel & Oil	38,000	35,000	34,313	33,000		
73	TOTAL MAINTENANCE EXPENSE:	227,500	255,600	229,114	234,655		
74				229,114			
75	PROFESSIONAL SERVICES EXPENSE						
76	Accounting (Taussig)	8,000	4,000	1,916	1,500		
77	Administrative Services (ADP/Bank Fees)	4,000	5,000	5,398	6,000		
78	Audit Fees	26,000	26,000	25,963	14,439		
79	Computer billing	12,000	9,000	9,370	9,000		
80	Consulting/Technical	25,000	1,500	666	200		
81	Engineering	25,000	10,000	6,080	25,200		
82	Legal Services	60,000	10,000	15,551	15,000		
83	Testing/lab work	25,000	28,000	18,916	18,000		
84	Regulatory Permit Fees	45,000	45,000	40,181	42,000		
85	TOTAL PROFESSIONAL SERVICES EXPENSE:	230,000	138,500	124,041	131,339		
86				124,041			
87	INSURANCE/INTEREST EXPENSE						
88	ACWA Insurance	102,774	72,000	71,146	73,650		
89	Workers Comp	20,000	19,200	19,280	20,800		
90	Interest-COP 2008/Well 12 Purchase Agreement	194,875	225,072	225,072	219,313		
91	TOTAL INSURANCE/INTEREST EXPENSE:	317,649	316,272	315,498	313,763		
92				315,498			
93	PERSONNEL EXPENSE						
94	Board Meeting Expense (board stipend/board secretary)	22,000	9,130	10,275	12,870		
95	Salaries & Wages (gross)	826,918	825,000	842,795	831,000		
96	Taxes on Payroll	32,930	19,251	19,950	19,645		
97	Medical Insurance Benefits	232,733	223,000	219,182	232,839		
98	Calpers Retirement Benefits	178,000	177,240	175,550	193,500		
99	Salaries & Wages contra account	(18,000)	(24,000)	(12,025)	(12,870)		
100	Conference/Conventions/Training/Seminars	10,500	7,500	9,276	7,500		
101	TOTAL PERSONNEL EXPENSE:	1,285,081	1,237,121	1,265,004	1,284,484		
102				1,265,004			
103	OFFICE EXPENSE						
104	Office Supplies	20,000	18,000	20,275	18,000		
105	Office Equipment/ Rental/Maintenance Agreements	32,500	26,000	29,121	25,400		
106	Postage & Freight	11,000	11,000	12,166	13,000		
107	Taxes on Property	2,291	2,300	2,150	2,150		
108	Telephone/Answering Service	10,700	8,500	8,058	8,400		
109	Bad Debt Collection	4,000	1,000	7,239	720		
110	Dues & Subscriptions	8,000	5,000	5,285	4,400		
111	Printing, Publications & Notices	5,000	1,500	1,500	747		
112	Uniforms	7,000	6,500	6,421	7,177		
113	Osha Requirements/Emergency preparedness	7,500	5,000	3,695	4,842		
114	TOTAL OFFICE EXPENSE:	107,991	84,800	95,910	84,838		
115				95,910			
116	UTILITIES EXPENSE						
117	Pumping-Electricity	320,000	330,000	317,417	310,393		
118	Office/Shop Utilities	15,000	16,000	16,617	16,875		
119	Cellular Phone	10,000	9,000	9,148	8,777		
120	TOTAL UTILITIES EXPENSE:	345,000	355,000	343,182	336,045		
121				343,182			
122	TOTAL EXPENSES:	2,513,221	2,387,292	2,372,749	2,385,123	2,385,123	2,385,123
129							
130	TOTAL EXPENSES PAID:	2,513,221	2,387,292	2,380,348	2,385,123		

	C	E	AA	AE	AK	AL	AM
4							
5	DRAFT BWD BUDGET CASH FLOW	ADOPTED	ADOPTED	YTD + PROJ MONTHS>>	PROPOSED		
6	2013-2014	BUDGET	BUDGET	PROJECTED	BUDGET	10%	20%
7		2011-2012	2012-2013	2012-2013	2013-2014	Increase	Increase
131							
132	NET CASH FLOW (O&M)	3,799	864,237	972,787	672,392	924,671	1,186,544
133	NON O & M EXPENSES						
134	USGS Basin study (\$106,365 balance)	131,500	131,035	121,169	0		
135	GWM Planning Costs - unallocated	14,000	25,000	15,523	0		
136	Integrated Regional Water Management Plan/Staff time	53,000		2,695	0		
137	STAG/LGA Grant/Staff time	40,000		923	0		
138	Viking Ranch Purchase	69,000		69,000	0		
139	Viking Ranch Purchase RESERVE		100,000	-	0		
140	GWM/ABD-IRWM Legal Expenses	10,000		2,287	0		
141	Contingency for possible well pump/motor failure (Well 12/Well 5/ 800)	60,000	62,000	261,630	0		
142	Rams Hill #1 1980 steel needs inside coating, 1.25mg	150,000	200,000	200,000	0		
143	Twin Tanks, 1970's-inside coating (rescheduled into 2013-2014)	40,000		-	40,000		
144	Pickup		15,000	15,500	0		
145	ID4, Reducing Station design and installation		25,000	-	20,000		
146	Fairway Lane pipeline (excludes BWD labor)		60,000	60,000	0		
149	Concrete replacement-VVWTP		10,000	10,000	10,000		
150	Rework drying bed material-VVWTP		43,000	39,447	0		
151	Roof replacement for Lugo building/repairs		10,000	10,000	5,000		
152	Pipeline-Country Club Road Booster Sta #3 south to Slash M			-	154,000		
153	Fire Hydrant Replacements			-	12,000		
154	Rewind motors-ID 4-11/ID4-18/ID1-10			-	35,000		
155	ID 1-16 pump and casing cleaning			-	60,000		
156	WWTP-Shredder Cutters/Motor & Gear reducers/return pump			-	28,000		
157	WWTP-Video Collection Lines			-	10,000		
158	WWTP-Sewer Vacuum Trailer			-	25,000		
159	TOTAL NON O&M EXPENSES	596,581	681,035	808,174	399,000	399,000	399,000
160				808,174			
161	CASH RECAP						
162	Cash beginning of period	779,356	899,435	899,435	1,064,048	1,064,048	1,064,048
163	Net Cash Flow (O&M)	3,799	864,237	972,787	672,392	924,671	1,186,544
164	Total Non O&M Expenses	(596,581)	(681,035)	(808,174)	(399,000)	(399,000)	(399,000)
165	Transfer To/From Reserves	0		0			
166	CASH AT END OF PERIOD	186,574	1,082,637	1,064,049	1,337,440	1,589,719	1,851,592
167							
168	(Rounding)						
169	RESERVES	TARGET	TARGET		TARGET		
170	Working Capital (3 months)	629,555	600,000				
171	Contingency (3%)	75,546	72,000				
172	Asset replacement	114,791	115,000				
173	Emergency	2,500,000	2,500,000				
174	Viking Ranch Purchase		100,000				
175	TOTAL RESERVES	3,319,892	3,387,000				

REQUEST FOR PROPOSALS (RFP) FOR A PRELIMINARY ENGINEERING FEASIBILITY
ASSESSMENT TO PROVIDE WATER FOR A PRIVATELY OWNED GOLF COURSE

DRAFT

Purpose of RFP: The purpose of this RFP is to identify a qualified engineering firm to provide the Borrego Water District (District) preliminary alternatives for a less-costly, sustainable source of irrigation water for the privately owned Rams Hill Golf Course (golf course).

RFP Due Date: Your response is due by 2:00 PM Pacific Time, [REDACTED], March [REDACTED], 2013, by email to diana[at]borregowd[dot]org. Any questions concerning this RFP should be addressed to Director Lyle Brecht at 410.963.8680 (cell) or LBrecht[at]gmail[dot]com.

RFP Response: Please respond with:

- cover letter, qualifications statement, resumes, corporate capabilities statement, fee proposal (lump sum) for providing the report per this RFP;
- list of any information and need for access to District staff that you may require in order to develop this timely advice;
- an estimate of the date by which your advice can be delivered to the District in draft form for public discussion purposes.

The fee proposal shall include three (3) meetings at the District's location. The final report shall be delivered to the District thirty (30) business days after notice to proceed.

Background: The District is a California special district providing water and wastewater to approximately 2,200 customers in Borrego Springs, California (Borrego), a retirement and resort community located about 90 miles drive NE of San Diego in San Diego County (county) and surrounded by the Anza-Borrego Desert State Park (the park), the largest state park in the State of California.

The golf course is located within Rams Hill, a second home, gated community in Borrego with approximately 400 homes. Rams Hill has gone through several periods of financial difficulties over the years and the golf course is presently not being irrigated. Previously, the golf course was irrigated from a well offsite from Rams Hill under an arrangement with the District at a delivered economic cost of about \$480/AF. As the golf course and well ownership changed ownership, irrigation of the golf course stopped.¹

¹ Well #12 served both the Rams Hill development and golf course was previously owned 85% by the original developer of Rams Hill; 15% by the District. Well #12 was able to supply less than 50% of the irrigation needs of the golf course. The remaining irrigation water for the golf course was purchased from the District at retail rates. Presently, the District owns 100% of well #12.

District's Immediate Objectives: A developer has an option to purchase the golf course that he intends to exercise if a new source of irrigation water can be identified and the ongoing costs to deliver approximately [650, 700, 750, 800, 1,000] acre-feet per year (AFY) of irrigation quality water can be accomplished for less than [\$]/acre-feet (AF).

The District desires to assist the developer in identifying alternatives to address the irrigation needs of the golf course. Some of the constraints on the District are discussed in Appendix A.²

The engineer shall research first the use of an existing agricultural irrigation well (center-pivot well; Long. 33.267, Lat. 116.331) located approximately 6.35 miles from the golf course and the District's existing municipal distribution system to deliver this water to the golf course.³ The elevation of the center-pivot well is approximately 500 feet.⁴

Feasibility Assessment Report Contents: The District requires a preliminary feasibility assessment; basically a short report to the District that provides alternatives and cost estimates for providing water to the Rams Hill golf course. The engineer shall provide answers to the following questions and requested information below in the report:

- 1) Can the center pivot well be certified by California Department of Public Health as a municipal production well without further investment of capital?⁵
- 2) If not, what is a ballpark estimate of the costs to the developer to bring this well up to municipal production standards?⁶
- 3) Can the center pivot well, once it is certified by the California Department of Public Health, be connected to the District's existing distribution system at its closest distance from the the center pivot well (approximately 1 mile)?⁷ What will be the

² See Appendix A memo from the District's Special Counsel, David Aladjem, Downey Brand Attorneys LLP, Sacramento, CA regarding legal constraints.

³ The distance from the center pivot well to the reclaimed water line located at the District's Wastewater Treatment Plant at Rams Hill is 6.35 miles.

⁴ An irrigation lake at the golf course is at an elevation of 750-800 feet. The District's well #12 previously used to deliver water to the golf course is set to deliver water to the Rams Hill reservoir tanks at 900 feet.

⁵ The developer has agreed to provide a release from the owner of the well to the District and its agents to inspect the well, well production logs, conduct a pressure test and take a water quality sample.

⁶ *Ballpark estimate of costs* - what the District is seeking is your best engineering cost estimate based on current values.

⁷ The District possesses CAD data of its system that will be available to review with the District's consulting engineer, David Dale, P.E., P.L.S., Dynamic Consulting Engineers, Imperial, CA .

required pressures to move water into the District's system? At what ballpark estimated cost to the developer?

- 4) What is a ballpark estimate to the developer of the ongoing operating and maintenance (O&M) costs to transport this water to the golf course through the District's existing distribution system?
- 5) If the California Department of Public Health requires a separate distribution system at the terminus to get the irrigation water out of the District's distribution system for use by the golf course, what is a ballpark estimate of the potential costs to the developer to accomplish this objective?⁸
- 6) What is a ballpark estimate of the cost to the developer to construct a separate distribution pipeline from the center pivot well directly to the golf course?
- 7) If a separate pipeline solution is required due to technical and/or legal considerations, would this potentially be more or less expensive than the estimated ballpark costs collectively from items #2, #3, #4, and #5 above?
- 8) Maps of the proposed water infrastructure for the alternatives;
- 9) Any additional questions that come up during your investigation and that are described in footnote #6 below;
- 10) Your recommended alternatives from this preliminary feasibility assessment that would require further study.

Required Qualifications:

- Valid, current California engineering license. The report shall be stamped and signed by the engineer;
- Experience with public water systems dependent on groundwater source;
- Experience with California Department of Public Health public water source requirements;
- Experience in converting agricultural wells to public water supply use;

⁸ Some questions for the California Department of Public Health include: (a) Can an approved public agency well be jointly owned by a State of California water district and a private entity? If so, can the water supplied by said well be wheeled through the agency's potable pipeline for both potable and non-potable end use? and (b) If a private well was drilled for municipal use but historically utilized for agricultural purposes, what is the process to make the well approved for potable use?

- Experience in estimating public water supply distribution pipeline costs;
- Professional liability insurance of at least \$1,000,000 and general liability and automobile liability of \$1,000,000 per occurrence;
- Willingness to continue with additional engineering studies of alternatives, as may be required, based on this initial preliminary feasibility assessment report;
- Disclosure of any potential disqualifying conflicts of interests in the proposed project and involved parties pursuant to state law, including but not limited to the Political Reform Act and Government Code section 1090.⁹


PROPOSAL EVALUATION CRITERIA

Proposals received will be evaluated according to the criteria listed below:

- Conformance to the specified RFP format;
- Organization, presentation, and content of the submission;
- Specialized experience, (including corporate capabilities and sub-consultants), considering the types of service required; the complexity of the project; record of performance; and the strength of the key personnel who will be dedicated to the project;
- Proposed tasks and deliverables to accomplish the work in a timely and professional manner;
- Timeliness of Project Schedule;
- Ability to meet the insurance requirements as stated in the Required Qualifications of the RFP unless the District, at its sole discretion, decides to modify or wave the insurance requirements; and
- Financial terms offered.

⁹ See Appendix B "Conflict of Interest Statement" that the bidder should sign and include with his submitted proposal.

MEMORANDUM

TO: Borrego Water District
FROM: David Aladjem 
DATE: March 13, 2013
SUBJECT: Ratemaking Principles – Rams Hill Golf Course

The District has recently issued a Request for Proposal (RFP) and Fee Quotation for a preliminary engineering feasibility assessment to provide water for a privately owned golf course. A copy of the RFP can be found on the District's website. As part of the process to evaluate proposals and fee quotations that may be submitted, the District has requested a brief summary of applicable legal principles.

1. *Public Funds May Not Subsidize Private Development.* One basic principle of public finance in California is that public funds may not be used to benefit private development. This principle is expressed in article XVI, section 6 of the California Constitution by the statement that a public agency may not make a gift of public funds to a private individual or company. This principle does not mean, for instance, that a public agency like the District may not consider economic development or property values in deciding to work with a developer. Such considerations are well within the District's discretion. However, the District may not use public funds to subsidize private development. The California Constitution demands that *if* the District wishes to work with a private development (like Rams Hill), the developer must pay the District an amount equal to (or greater than) the services that the District provides for the development. Put otherwise, the District may only engage with a private development if the relationship is an "arms-length" transaction.

Here, the developer has proposed to convey a non-potable well to the District in exchange for the District providing water from other potable and non-potable wells to the Rams Hill development. The District would treat the water from this well to potable standards. The California Constitution does not in all cases forbid this type of transaction; instead, the Constitution requires that the net present value of the well be equal to or greater than the net present value of the water service to Rams Hill (i.e., the value of the services provided over the indefinite future). Thus, if the District would incur pumping or treatment costs in order to provide water service to Rams Hill, the net present value of the well would need to be greater than the net present value of those costs.

It is important to note that the District may choose to assist the developer in reviving the golf course because of the economic effect on the Borrego Valley, but the District may not take those economic effects into account in determining whether there has been a gift of public funds. In other words, if reviving the golf course would create \$1 million in new economic activity, the District may not use those general public benefits to offset the direct economic costs to the District of providing water service. Any costs incurred by the District must be less than or equal to the payments made by a developer to the District.

2. *The District Must Charge Ratepayers the "Cost of Service."* A second fundamental principle of public finance is that the District must charge each ratepayer the proper "cost of service" for that ratepayer. In other words, the District may not adopt a water rate that forces one ratepayer (or group of ratepayers) to pay more than the cost that the District incurs in serving that ratepayer. Thus, no ratepayer (or group of ratepayers) may subsidize another ratepayer (or group of ratepayers). This principle is codified in Proposition 218 (California Constitution arts. XIII C and XIII D) as well as Proposition 26 (California Constitution art. XIII A and XIII C).

Typically, water districts implement this mandate by adopting rates that are based on classes of service (*e.g.*, potable water for residential and commercial uses; non-potable water for irrigation purposes, etc.) and zones of service (*e.g.*, geographical areas). The reason for these classifications is that different types of uses may require different levels of treatment or infrastructure needs and so are potentially associated with different cost structures. Similarly, where a water district serves areas with substantially different distribution systems, the "cost of service" principle indicates that each area should pay the costs related to its distribution system.

In the case of the Rams Hill development, the cost of service would include the cost of providing residential water service and the cost of providing service to the golf course (which would be potentially greater than providing water to other golf courses because of the pumping lift). There may also be other differences between the rates charged to Rams Hill and the rates charged to other areas. As long as those rate differentials are based on the cost of serving those areas and do not cause one area to subsidize another or provide a public subsidy to private development, such rate differentials are consistent with and required by California law.

APPENDIX B
CONFLICT OF INTEREST STATEMENT

Potential conflicts of interest related to these services include:

- Financial interests or business relationships with: Bill Berkley, CoalJen, Ltd Inc., Olympia Partners, Russell Geyser, Geyser Holdings, Montesoris Rex LLC, Russian Dan LLC, Leftco LLC, Nuveen Asset Management, Stephen Cadido, and/or previous or current owners of property or related parties that would be financially benefited by the reopening of the Rams Hill golf course;
- Financial interests or business relationships with: Duane Young, Cocopah Nurseries Inc., Roadrunner Nursery, Speer & Associates, LLC, and/or Sea Port Group Securities LLC;
- Contracts to perform engineering work for the Borrego Water District in the past year.

I represent to the best of my knowledge that I have no financial interest related to or business relationship with the above listed parties or other financial interest that would disqualify me (and/or my firm) from providing professional engineering services to the Borrego Water District as described in the attached RFP. I understand that the absence of any conflicts of interest related to the above-listed parties is a prerequisite for the District's acceptance and consideration of this proposal.

Signed: _____

BWD CASH FLOW
2012-2013

	C	D	AA	AB	AC	AD
1						
2						
3						
4	BWD CASH FLOW					
5	2012-2013		ADOPTED	ACTUAL	PROJECTED	ACTUAL
6			BUDGET	FEBRUARY	FEB	YTD
7			2012-2013	2013	2013	2012-2013
8	REVENUE					
9	WATER REVENUE					
10	Residential Water Sales (Assume no water use on Montesorro GC)		797,310	39,035	48,173	466,559
11	Commercial Water Sales		112,548	7,223	7,818	68,501
12	Irrigation Water Sales		134,297	4,404	7,279	95,165
13	GWM Surcharge		103,204	4,840	6,193	61,124
14	Water Sales Power Portion		331,621	16,069	20,263	201,614
15	Readiness Water Charge		986,046	80,933	81,000	624,513
16	Readiness Water Charge - Liened properties			3,546	2,400	19,203
17	Meter Installation		0	0	0	-
18	Water hook-up charge		0	0	0	-
19	Reconnect Fees		11,000	1,360	0	7,140
20	Backflow Testing/installation		5,000	0	25	4,550
21	Bulk Water Sales		3,570	155	350	4,622
22	Penalty & Interest Water Collection		32,252	1,263	1,000	9,026
23	TOTAL WATER REVENUE:		2,516,848	158,828	174,501	1,562,016
24		Receivables				1,562,016
25	PROPERTY ASSESSMENTS/AVAILABILITY CHARGES	as of 03/13/13				
26	641500 1% Property Assessments	28,714	68,174	1,024	1,024	37,226
27	641502 Property Assess wtr/swr/flid (679 parcels \$66 ea(44,814))	35,981	24,985	747	747	16,218
28	641502/641503 Prop Assess.(Allowance for bad debt (\$458,909))	663,895	0			-
29	641501 Water avail Standby	42,578	78,918	2,096	2,096	60,816
30	641504 ID 3 Water Standby (361 parcels \$37.70 parcel (13,609.7))	0	13,609	0	0	-
31	641504 ID 3 Water Standby-(La Casa-2 parcels= \$20,150)	6,697	19,495	233	233	20,662
32	641503 Pest standby	22,218	14,183	273	273	9,669
33	TOTAL PROPERTY ASSES/AVAIL CHARGES:	800,084	219,364	4,372	4,372	144,592
34						144,592
35	SEWER SERVICE CHARGES					
36	Town Center Sewer Holder's Fees		180,144	14,274	15,012	116,403
37	Town Center Sewer User Fees			3,160		3,160
38	Sewer user Fees		309,790	22,315	26,400	189,621
39	Penalty Interest-Sewer		1,200	0	100	890
40	Sewer Capacity Fees		0	0	0	-
41	TOTAL SEWER SERVICE CHARGES:		491,134	39,749	41,512	310,075
42						310,075
43	OTHER INCOME					
44	Rent Income-Antilles wireless		7,715	800	400	6,215
45	Annexation Fees		0	0	0	-
46	Fire Hydrant Installation		0	0	0	-
47	Miscellaneous Income (net csd fee/JPIA rebate)		13,000	9,304	9,876	7,734
48	Administrative Fee-Water Credits		1,000	0	0	-
49	Gain on asset sold -Sale of Package Plant		0	0	0	36,000
50	Sale of Clark Dry Lake Property/Communication tower			0	0	217,335
51	Stag Grant		0	0	0	-
52	Interest Income		200	4	11	99
53	TOTAL OTHER INCOME:		21,915	10,108	10,287	267,382
54						
55	TOTAL INCOME:		3,249,262	213,057	230,673	2,284,064
56						2,284,064
57	CASH BASIS ADJUSTMENTS					
58	Decrease (Increase) in Accounts Receivable		0	22,560	0	19,962
59	CC Golf Equipment receivable		2,268	189	189	1,513
60	Other Cash Basis Adjustments					(4,435)
61	TOTAL CASH BASIS ADJUSTMENTS:		2,268	22,749	189	17,041
62						17,041
63	TOTAL INCOME RECEIVED:		3,251,530	235,805	230,862	2,301,105

BWD CASH FLOW
2012-2013

	AE	AG	AH	AI	AJ
1					
2					
3					
4					
5	YTD + PROJ MONTHS>>	PROJECTED	PROJECTED	PROJECTED	PROJECTED
6	PROJECTED	MARCH	APRIL	MAY	JUNE
7	<u>2012-2013</u>	<u>2013</u>	<u>2013</u>	<u>2013</u>	<u>2013</u>
8					
9					
10	724,947	46,794	53,418	71,198	86,978
11	101,916	7,866	7,736	9,292	8,521
12	129,440	5,597	5,844	9,803	13,032
13	91,448	5,845	6,448	8,830	9,202
14	300,744	19,135	21,140	28,802	30,053
15	948,513	81,000	81,000	81,000	81,000
16	28,803	2,400	2,400	2,400	2,400
17	-	0	0	0	0
18	-	0	0	0	0
19	9,180	0	1,360	680	0
20	4,600	50	0	0	
21	6,753	79	482	1,470	100
22	13,026	1,000	1,000	1,000	1,000
23	2,359,370	169,766	180,828	214,475	232,286
24	2,359,370				
25					
26	65,770	2,024	18,581	6,672	1,267
27	25,324	660	726	6,792	927
28	-	0	0		
29	87,069	4,429	2,733	14,935	4,156
30	-	0			0
31	45,080	10,603	415	12,910	490
32	15,288	592	356	4,148	523
33	238,531	18,308	22,811	45,459	7,362
34	238,531				
35					
36	173,203	14,200	14,200	14,200	14,200
37	15,800	3,160	3,160	3,160	3,160
38	277,621	22,000	22,000	22,000	22,000
39	1,290	100	100	100	100
40	-	0	0	0	0
41	467,915	39,460	39,460	39,460	39,460
42	467,915				
43					
44	7,815	400	400	400	400
45	-	0	0	0	0
46	-	0	0	0	0
47	8,214	120	120	120	120
48	-	0	0	0	0
49	36,000	0	0	0	0
50	217,335	0	0	0	0
51	-	0	0	0	0
52	160	11	28	11	11
53	269,523	531	548	531	531
54	269,523				
55	3,335,339	228,065	243,647	299,924	279,639
56	3,335,339				
57					
58	19,962				
59	2,269	189	189	189	189
60	(4,435)				
61	17,797	189	189	189	189
62					
63	<u>3,353,135</u>	<u>228,254</u>	<u>243,836</u>	<u>300,113</u>	<u>279,828</u>

BWD CASH FLOW
2012-2013

	C	D	AA	AB	AC	AD
4	BWD CASH FLOW					
5	2012-2013		ADOPTED	ACTUAL	PROJECTED	ACTUAL
6			BUDGET	FEBRUARY	FEB	YTD
7			2012-2013	2013	2013	2012-2013
64	EXPENSES					2,301,105
65						
66	MAINTENANCE EXPENSE					
67	R & M Buildings & Equipment		130,000	2,700	10,500	83,493
68	R & M - WWTP		60,000	2,827	5,000	20,859
69	Telemetry		15,000	0	1,000	4,975
70	Trash Removal		3,600	324	300	2,460
71	Vehicle Expense		12,000	4,424	500	17,407
72	Fuel & Oil		35,000	5,633	3,167	23,230
73	TOTAL MAINTENANCE EXPENSE:		255,600	15,907	20,467	152,425
74						152,425
75	PROFESSIONAL SERVICES EXPENSE					
76	Accounting (Taussig)		4,000	0	0	416
77	Administrative Services (ADP/Bank Fees)		5,000	433	420	3,724
78	Audit Fees		26,000	0	0	21,150
79	Computer billing		9,000	956	300	5,753
80	Consulting/Technical		1,500	166	0	166
81	Engineering		10,000	0	0	2,980
82	Legal Services		10,000	1,330	300	14,351
83	Testing/lab work		28,000	930	2,000	7,613
84	Regulatory Permit Fees		45,000	373	3,000	32,661
85	TOTAL PROFESSIONAL SERVICES EXPENSE:		138,500	4,187	6,020	88,813
86						88,813
87	INSURANCE/INTEREST EXPENSE					
88	ACWA Insurance		72,000	0	0	30,539
89	Workers Comp		19,200	0	0	9,680
90	Interest-COP 2008/Well 12 Purchase Agreement		225,072	0	0	162,634
91	TOTAL INSURANCE/INTEREST EXPENSE:		316,272	0	0	202,853
92						202,853
93	PERSONNEL EXPENSE					
94	Board Meeting Expense (board stipend/board secretary)		9,130	1,180	1,200	5,475
95	Salaries & Wages (gross)		825,000	65,574	68,750	567,795
96	Taxes on Payroll		19,251	2,949	2,791	15,697
97	Medical Insurance Benefits	+8% Jan-June 2014	223,000	18,657	18,747	144,194
98	Calpers Retirement Benefits		177,240	13,819	15,000	115,550
99	Salaries & Wages contra account		(24,000)	(990)	(1,200)	(7,225)
100	Conference/Conventions/Training/Seminars		7,500	975	150	8,676
101	TOTAL PERSONNEL EXPENSE:		1,237,121	102,164	105,438	850,162
102						850,162
103	OFFICE EXPENSE					
104	Office Supplies		18,000	1,645	1,000	16,275
105	Office Equipment/ Rental/Maintenance Agreements		26,000	3,739	600	22,721
106	Postage & Freight		11,000	2,000	1,000	8,166
107	Taxes on Property		2,300	0	0	2,150
108	Telephone/Answering Service		8,500	641	700	5,258
109	Bad Debt Collection		1,000	6,952	0	6,889
110	Dues & Subscriptions		5,000	630	130	1,625
111	Printing, Publications & Notices		1,500	0	0	747
112	Uniforms		6,500	600	550	4,221
113	Osha Requirements/Emergency preparedness		5,000	30	200	995
114	TOTAL OFFICE EXPENSE:		84,800	16,236	4,180	69,047
115						69,047
116	UTILITIES EXPENSE					
117	Pumping-Electricity		330,000	22,314	25,000	214,417
118	Office/Shop Utilities		16,000	1,036	1,000	12,167
119	Cellular Phone		9,000	780	725	5,948
120	TOTAL UTILITIES EXPENSE:		355,000	24,131	26,725	232,532
121						232,532
122	TOTAL EXPENSES:		2,387,292	162,625	162,830	1,595,833
123						1,595,833
124	CASH BASIS ADJUSTMENTS					
125	Decrease (Increase) in Accounts Payable		0	(19,918)	(6,717)	(1,143)
126	Increase (Decrease) in Inventory		0	0	0	8,698
127	Other Cash Basis Adjustments-Mesquite Trails Deposit			44	44	44
128	TOTAL CASH BASIS ADJUSTMENTS:		0	(19,874)	(6,673)	7,599
129						AGENDA PAGE 5940
130	TOTAL EXPENSES PAID:		2,387,292	142,751	156,156	1,603,432

BWD CASH FLOW
2012-2013

	AE	AG	AH	AI	AJ
4					
5	YTD + PROJ MONTHS>>	PROJECTED	PROJECTED	PROJECTED	PROJECTED
6	PROJECTED	MARCH	APRIL	MAY	JUNE
7	2012-2013	2013	2013	2013	2013
64					
65					
66					
67	122,199	10,000	10,000	10,500	8,206
68	40,859	5,000	5,000	5,000	5,000
69	8,975	0	2,000	1,000	1,000
70	3,660	300	300	300	300
71	19,107	200	500	500	500
72	34,313	2,400	3,400	2,300	2,983
73	229,114	17,900	21,200	19,600	17,989
74	229,114				
75					
76	1,916	0	0	1,500	0
77	5,398	420	420	420	414
78	25,963	0	0	4,813	0
79	9,370	300	1,367	650	1,300
80	666	500	0	0	0
81	6,080	1,500	500	500	600
82	15,551	300	300	300	300
83	18,916	1,600	3,450	3,600	2,654
84	40,181	820	700	3,000	3,000
85	124,041	5,440	6,737	14,783	8,268
86	124,041				
87					
88	71,146	10,585	30,022	0	0
89	19,280	4,800	0	0	4,800
90	225,072	62,438	0	0	0
91	315,498	77,823	30,022	0	4,800
92	315,498				
93					
94	10,275	1,200	1,200	1,200	1,200
95	842,795	68,750	68,750	68,750	68,750
96	19,950	1,173	1,100	1,000	980
97	219,182	18,747	18,747	18,747	18,747
98	175,550	15,000	15,000	15,000	15,000
99	(12,025)	(1,200)	(1,200)	(1,200)	(1,200)
100	9,276	150	150	150	150
101	1,265,004	103,820	103,747	103,647	103,627
102	1,265,004				
103					
104	20,275	1,000	1,000	1,000	1,000
105	29,121	1,600	1,600	1,600	1,600
106	12,166	0	2,000	0	2,000
107	2,150	0	0	0	0
108	8,058	700	700	700	700
109	7,239	50	100	100	100
110	5,285	500	2,500	0	660
111	1,500	0	250	343	160
112	6,421	550	550	550	550
113	3,695	2,000	200	200	300
114	95,910	6,400	8,900	4,493	7,070
115	95,910				
116					
117	317,417	23,000	25,000	25,000	30,000
118	16,617	1,000	1,000	1,200	1,250
119	9,148	725	825	825	825
120	343,182	24,725	26,825	27,025	32,075
121	343,182				
122	2,372,749	236,108	197,431	169,548	173,829
123	2,372,749				
124					
125	(1,143)				
126	8,698				
127	44				
128	7,599	0	0	0	0
129					
130	2,380,348	236,108	197,431	169,548	173,829

**BWD CASH FLOW
2012-2013**

	C	D	AA	AB	AC	AD
4	BWD CASH FLOW					
5	2012-2013		ADOPTED	ACTUAL	PROJECTED	ACTUAL
6			BUDGET	FEBRUARY	FEB	YTD
7			2012-2013	2013	2013	2012-2013
131						1,603,432
132	NET CASH FLOW (O&M)		864,237	93,055	74,705	697,673
133	NON O & M EXPENSES					697,673
134	USGS Basin study (\$106,365 balance)		131,035			14,803
135	GWM Planning Costs - unallocated		25,000	1,427	1,500	9,523
136	Integrated Regional Water Management Plan/Staff time		0			2,695
137	STAG/LGA Grant/Staff time		0			923
138	Viking Ranch Purchase		0			-
139	Viking Ranch Purchase RESERVE		100,000			-
140	GWM/ABD-IRWM Legal Expenses		0			2,287
141	Contingency for possible well pump/motor failure (Well 12/Well 5/ 80)***		62,000			133,040
142	Rams Hill #1 1980 steel needs inside coating, 1.25mg		200,000	4,590		4,590
143	Twin Tanks, 1970's-inside coating (rescheduled into 2013-2014)		0			-
144	Pickup		15,000			15,500
145	ID4, Reducing Station design and installation		25,000			-
146	Fairway Lane pipeline (excludes BWD labor)		60,000			-
149	Concrete replacement-WWTP		10,000			-
150	Rework drying bed material-WWTP		43,000			39,447
151	Roof replacement for Lugo building/repairs		10,000			-
152	Pipeline-Country Club Road Booster Sta #3 south to Slash M					
153	Fire Hydrant Replacements					
154	Rewind motors-ID 4-11/ID4-18/ID1-10					
155	ID 1-16 pump and casing cleaning					
156	WWTP-Shredder Cutters/Motor & Gear reducers/return pump					
157	WWTP-Video Collection Lines					
158	WWTP-Sewer Vacuum Trailer					
159	TOTAL NON O&M EXPENSES		681,035	6,017	1,500	222,808
160						222,808
161	CASH RECAP					
162	Cash beginning of period		899,435	1,287,261	1,287,261	899,435
163	Net Cash Flow (O&M)		864,237	93,055	74,705	697,673
164	Total Non O&M Expenses		(681,035)	(6,017)	(1,500)	(222,808)
165	Transfer To/From Reserves			0		-
166	CASH AT END OF PERIOD		1,082,637	1,374,299	1,360,466	1,374,300
167				1,374,299		
168	(Rounding)			(0)		
169	RESERVES		TARGET			
170	Working Capital (3 months)		600,000			
171	Contingency (3%)		72,000			
172	Asset replacement		115,000			
173	Emergency		2,500,000			
174	Viking Ranch Purchase		100,000			
175	TOTAL RESERVES		3,387,000			
176						
177	SIGNIFICANT ITEMS	ACTUAL	PROJECTED			
178						
179	Water Revenue	158,828	174,501	Less water use than projected		
180	Bad Debt Collection	6,952	0	Sewer EDU's returned to District		
181	Rams Hill #1 1980 steel needs inside coating, 1.25mg	4,590	0	Engineering costs for preparation		
182						
183	Total Significant Items:	170,370	174,501			

BWD CASH FLOW
2012-2013

	AE	AG	AH	AI	AJ
4					
5	YTD + PROJ MONTHS>>	PROJECTED	PROJECTED	PROJECTED	PROJECTED
6	PROJECTED	MARCH	APRIL	MAY	JUNE
7	<u>2012-2013</u>	<u>2013</u>	<u>2013</u>	<u>2013</u>	<u>2013</u>
131					
132	972,787	(7,855)	46,405	130,565	105,999
133					
134	121,169		53,183		53,183
135	15,523	1,500	1,500	1,500	1,500
136	2,695				
137	923				
138	69,000	0	69,000		
139	-				
140	2,287				
141	257,040	62,000	62,000		
142	204,590	100,000		100,000	
143	-				
144	15,500				
145	-	0	0		0
146	60,000		60,000		
149	10,000		10,000		
150	39,447				
151	10,000	10,000			
152	-				
153	-				
154	-				
155	-				
156	-				
157	-				
158	-				
159	808,174	173,500	255,683	101,500	54,683
160	808,174				
161					
162	899,435	1,374,299	1,192,944	983,666	1,012,731
163	972,787	(7,855)	46,405	130,565	105,999
164	(808,174)	(173,500)	(255,683)	(101,500)	(54,683)
165	0				
166	1,064,049	1,192,944	983,666	1,012,731	1,064,048
167					
168					
169					
170					
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183					



BORREGO WATER DISTRICT

	BALANCE SHEET February 28, 2013 (unaudited)	BALANCE SHEET January 31, 2013 (unaudited)	MONTHLY CHANGE (unaudited)
ASSETS:			
CURRENT ASSETS			
Cash and cash equivalents	\$ 1,374,299.35	\$ 1,287,261.38	\$ 87,037.97
Accounts receivable from water sales and sewer charges	\$ 353,574.53	\$ 376,134.03	\$ (22,559.50)
Interest receivable	\$ -	\$ -	\$ -
Inventory	\$ 144,492.71	\$ 144,492.71	\$ -
Availability charges receivable	\$ 540,457.67	\$ 540,457.67	\$ -
Allowance for uncollectable availability charges	\$ (458,909.85)	\$ (458,909.85)	\$ -
Grant Receivable	\$ -	\$ -	\$ -
Prepaid expenses	\$ 41,217.72	\$ 41,217.72	\$ -
Other Receivables	\$ 5,297.80	\$ 5,487.00	\$ (189.20)
TOTAL CURRENT ASSETS	\$ 2,000,429.93	\$ 1,936,140.66	\$ 64,289.27
RESTRICTED ASSETS			
Debt Service:			
Deferred amount of COP Refunding	\$ 152,562.81	\$ 152,562.81	\$ -
Unamortized bond issue costs	\$ 105,430.03	\$ 105,430.03	\$ -
Total Debt service	\$ 257,992.84	\$ 257,992.84	\$ -
Trust fund:			
Investments with fiscal agent -CFD 2007-1	\$ 61,338.24	\$ 62,103.71	\$ (765.47)
Total Trust fund	\$ 61,338.24	\$ 62,103.71	\$ (765.47)
TOTAL RESTRICTED ASSETS	\$ 319,331.08	\$ 320,096.55	
UTILITY PLANT IN SERVICE			
Land	\$ 1,935,693.94	\$ 1,935,693.94	\$ -
Flood Control Facilities	\$ 4,319,603.58	\$ 4,319,603.58	\$ -
Capital Improvement Projects	\$ 181,778.42	\$ 181,778.42	\$ -
Sewer Facilities	\$ 5,544,552.59	\$ 5,544,552.59	\$ -
Water facilities	\$ 11,036,462.17	\$ 11,031,872.17	\$ 4,590.00
Pipelines, wells and tanks	\$ 151,699.02	\$ 151,699.02	\$ -
General facilities	\$ 1,009,059.92	\$ 1,009,059.92	\$ -
Equipment and furniture	\$ 323,754.18	\$ 323,754.18	\$ -
Vehicles	\$ 495,572.91	\$ 495,572.91	\$ -
Accumulated depreciation	\$ (10,395,326.24)	\$ (10,395,326.24)	\$ -
NET UTILITY PLANT IN SERVICE	\$ 14,602,850.49	\$ 14,598,260.49	\$ 4,590.00
OTHER ASSETS			
Water rights -ID4	\$ 185,000.00	\$ 185,000.00	\$ -
TOTAL OTHER ASSETS	\$ 185,000.00	\$ 185,000.00	
TOTAL ASSETS	\$ 17,107,611.50	\$ 17,039,497.70	\$ 68,113.80

Balance sheet continued

	BALANCE SHEET February 28, 2013 (unaudited)	BALANCE SHEET January 31, 2013 (unaudited)	MONTHLY CHANGE (unaudited)
LIABILITIES:			
<i>CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS</i>			
Accounts Payable	\$ 68,897.76	\$ 48,979.77	\$ 19,917.99
Accrued expenses	\$ 168,546.27	\$ 168,546.27	\$ -
Deferred Revenue	\$ -	\$ -	\$ -
Deposits	\$ 21,920.00	\$ 23,136.25	\$ (1,216.25)
TOTAL CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS	\$ 259,364.03	\$ 240,662.29	\$ 18,701.74
<i>CURRENT LIABILITIES PAYABLE FOM RESTRICTED ASSETS</i>			
Debt Service:			
Accounts Payable to CFD 2007-1	\$ 61,338.24	\$ 62,103.71	\$ (765.47)
TOTAL CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS	\$ 61,338.24	\$ 62,103.71	\$ (765.47)
<i>LONG TERM LIABILITIES</i>			
2008 Certificates of participation (payable from restricted assets)	\$ 2,775,000.00	\$ 2,775,000.00	\$ -
Montesoro Note Payable	\$ 695,726.52	\$ 695,726.52	\$ -
TOTAL LONG TERM LIABILITIES	\$ 3,470,726.52	\$ 3,470,726.52	\$ -
TOTAL LIABILITIES	\$ 3,791,428.79	\$ 3,773,492.52	\$ 17,936.27
<i>FUND EQUITY</i>			
Contributed equity	\$ 9,649,544.17	\$ 9,649,544.17	\$ -
Retained Earnings:			
Unrestricted Reserves/Retained Earnings	\$ 3,666,638.54	\$ 3,616,461.01	\$ 50,177.53
Total retained earnings	\$ 3,666,638.54	\$ 3,616,461.01	\$ 50,177.53
TOTAL FUND EQUITY	\$ 13,316,182.71	\$ 13,266,005.18	\$ 50,177.53
TOTAL LIABILITIES AND FUND EQUITY	\$ 17,107,611.50	\$ 17,039,497.70	\$ 68,113.80



BORREGO WATER DISTRICT

Treasurer's Report February, 2013

% of Portfolio

Bank Balance	Carrying Value	Fair Value	Current Actual	Rate of Interest	Maturity	Valuation Source
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Cash and Cash Equivalents:

Demand Accounts at WFB/BSB/LAIF

WFB/BSB General Account/Petty Cash	\$ 1,158,361	\$ 1,158,233	\$ 1,158,233	84.28%	0.00%	N/A	WFB/BSB
Payroll Account	\$ 95,797	\$ 94,819	\$ 94,819	6.90%	0.01%	N/A	WFB
LAIF	\$ 20,850	\$ 20,850	\$ 20,850	1.52%	0.36%	N/A	LAIF
MMA	\$ 100,397	\$ 100,397	\$ 100,397	7.31%	0.05%	N/A	WFB
Total Cash and Cash Equivalents	\$ 1,375,405	\$ 1,374,299	\$ 1,374,299	100.00%			


Facilities District No. 2007-1

First American Treas Obligation -US BANK	61,338	61,338	61,338
Total Cash, Cash Equivalents & Investments	\$ 1,436,744	\$ 1,435,638	\$ 1,435,638

Cash and investments conform to the District's Investment Policy statement filed with the Board of Directors on June 27, 2012.

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

To: BWD Board of Directors
From: Kim Pitman
Subject: Consideration of the Disbursements and Claims Paid
Month Ending February, 2013

A. Vendor disbursements paid during this period:		\$	105,537.12
<u>Significant items:</u>			
Utilities		\$	23,027.90
CalPERS Payments		\$	16,245.32
Employee Health Benefits		\$	20,088.48
B. Capital Projects/Fixed Asset Outlays:			
<i>(included in vendor disbursements paid above)</i>			
C. Total Professional Services for this Period:			
<i>(included in vendor disbursements paid above)</i>			
McDougal, Love, Eckis, Attorneys	legal-general	\$	157.50
	R/H Deposit Account	\$	1,216.25
	Total Invoice:	\$	1,373.75
Downey Brand, Attorneys	legal-general		
	IRWM		
	GWM	\$	1,426.95
	Total Invoice:	\$	1,426.95
Dynamic Consulting Engineers	Total Invoice:	\$	4,590.00
Rams Hill Tank #1			
D. Payroll for this Period:			
Gross Payroll		\$	65,573.86
Employer Payroll Taxes and ADP Fee		\$	3,114.42
Total		\$	68,688.28

BORREGO WATER DISTRICT
 FOR BOARD CONSIDERATION AND APPROVAL
 FEBRUARY 28, 2013

GENERAL ACCOUNT

CHECK#	DATE	PAYEE & DESCRIPTION	AMOUNT
18298	03/12/13	U.S.BANK CORPORATE PAYMENT SYS SEE INVOICES FOR DETAILS SEE INVOICES FOR DETAILS	3,754.08
18264	02/22/13	ABILITY ANSWERING/PAGING SER ANSWERING & PAGING SERVICES	202.19
18265	02/22/13	ACWA/JPIA EMPLOYEE INSURANCE BENEFITS PE: 03/01/13-04/01/13	20,088.48
18278	03/06/13	AFLAC EMPLOYEE PAID SUPPLEMENTAL INSURANCE	1,749.60
18240	01/31/13	AIR POLLUTION PROCESSING FEE APCD2012-SITE-00924	25.00
18241	02/07/13	AIR POLLUTION EMMISSION RENEWAL APCD2012-SITE-00924	-309.00
18266	02/22/13	AIR POLLUTION APCD2011-SITE 00605 EMISSION FEE APCD2012 SITE-00918 EMISSION FEE	665.00
18279	03/06/13	RENEWAL ALLIED WASTE SERVICES #467 3-0467-0701728 4861 BORREGO SPRINGS RD 2475 STIRRUP RD BASIC SERVICE	324.10
18299	03/12/13	ALLIED WASTE SERVICES #467 3-0467-0007554 3155 HONOR COURT BASIC SERVICE AMERICAN LINEN INC. UNIFORMS FOR CREW	2,480.00
18280	03/06/13	AT&T MOBILITY COMPANY CELL PHONES	599.96
18281	03/06/13	AT&T-CALNET 2 WWTP PHONE MAIN OFFICE PHONE MAINT SHOP PHONE	620.03
18282	03/06/13		298.08

BORREGO WATER DISTRICT
FOR BOARD CONSIDERATION AND APPROVAL
FEBRUARY 28, 2013

CHECK#	DATE	PAYEE & DESCRIPTION	AMOUNT
18267	02/22/13	BAY CITY ELECTRIC WORKS PREVENTATIVE MAINTENANCE ON GENERATORS	3,130.70
18300	03/12/13	BORREGO SPRINGS BOTTLED WATER BOTTLED WATER	29.53
18301	03/12/13	BORREGO SPRINGS CHAMBER FOR MAINT CREW PLATINUM MEMBERSHIP 2013	500.00
18268	02/22/13	DATASTREAM BUSINESS PROGRAMMING FOR VARIOUS ISSUES 2012 LASER TAX FORMS FOR 1099'S	534.67
18283	03/06/13	JAMES G HORMUTH/DBA TRUE VALUE SEE INVOICES	130.80
18269	02/22/13	FOR DETAILS DEBBIE MORETTI PEST CONTROL	113.00
18270	02/22/13	ALL BWD OFFICES DESERT TIRE CENTER FLAT REPAIR	12.00
18284	03/06/13	1993 CAT BACKHOE DESERT TIRE CENTER 2008 GMC CANYON LIC#:1252455 CA TIRE REPAIR 2001 SKIP LOADER TIRES	
18302	03/12/13	2007 GMC SIERRA 2500 LIC#:1251968 CA TIRES	3,353.97
18285	03/06/13	2008 GMC CANYON LIC#:1252455 CA BASIC SERVICE	2,361.40
18286	03/06/13	2009 JEEP LIBERTY LIC#:1319465 CA TAIL LIGHT REPAIR DLT SOLUTIONS, INC. AUTOCAD RENEWAL 05/26/13-05/25/14 DOWNEY BRAND PROFESSIONAL FEES PE:01/31/13	1,426.95
18303	03/12/13	DYNAMIC CONSULTING ENGINEERS PROFESSIONAL FEES PE:02/28/13 RAMS HILL TANK #1 E.S. BABCOCK & SONS, INC. SAMPLES TAKEN FROM ALL WELLS	4,590.00
			900.00

BORREGO WATER DISTRICT
FOR BOARD CONSIDERATION AND APPROVAL
FEBRUARY 28, 2013

CHECK#	DATE	PAYEE & DESCRIPTION	AMOUNT
18287	03/06/13	GREEN DESERT LANDSCAPE MAINTENANCE FEE	5,210.80
18304	03/12/13	FEBRUARY 2013 HOME DEPOT CREDIT SERVICES SEE INVOICES	211.06
18288	03/06/13	FOR DETAILS INTERSTATE BATTERY OF YUMA DUMP TRUCK	197.82
18271	02/22/13	BATTERIES KENNY STRICKLAND, INC.	1,928.30
18289	03/06/13	FUEL FOR CREW TRUCKS AND WELLS KENNY STRICKLAND, INC.	1,302.66
18305	03/12/13	FUEL FOR CREW TRUCKS & WELLS KENNY STRICKLAND, INC.	2,402.02
18290	03/06/13	McDOUGAL LOVE ECKIS PROFESSIONAL FEES	1,373.75
18306	03/12/13	THROUGH: JANUARY 2013 NAPA AUTO PARTS INC WIPER BLADES	18.79
18291	03/06/13	FOR TRUCK PARKER FREELANCE	480.68
18292	03/06/13	SERVER MAINTENANCE PUBLIC EMP'S RETIREMENT SYSTEM EMPLOYEE BENEFITS PE: 02/01/13-02/15/13 EMPLOYEE BENEFITS PE: 02/16/13-02/28/13	16,245.32
18272	02/22/13	PITNEY BOWES/PURCHASE POWER POSTAGE FOR	2,000.00
18273	02/22/13	BILLING QUILL CORPORATION	193.83
18293	03/06/13	OFFICE SUPPLIES QUILL CORPORATION	94.25
18307	03/12/13	OFFICE SUPPLIES QUILL CORPORATION	257.68
18294	03/06/13	OFFICE SUPPLIES OFFICE SUPPLIES OFFICE SUPPLIES OFFICE SUPPLIES OFFICE SUPPLIES REORDER/COUNTY CLERK'S OFFICE RELEASE LIEN:	13.00
18295	03/06/13	CROUTHAMEL 06-3213-1 SAN DIEGO GAS & ELECTRIC 3864 202 758 1 2510 RAMS HILL DR BOOSTER STATION 1 9525 627 944 5 2989 BORREGO VALLEY RD	

BORREGO WATER DISTRICT
 FOR BOARD CONSIDERATION AND APPROVAL
 FEBRUARY 28, 2013

CHECK#	DATE	PAYEE & DESCRIPTION	AMOUNT
		PACKAGE PLANT	
		6160 624 622 9	
		951 RANGO WAY	
		ID1-16	
		4785 979 020 3	
		3003 LOFTER DR	
		ID5-5	
		6114 522 473 7	
		3352 BORREGO VALLEY RD	
		ID1-12	
		1614 489 405 4	
		5037 BORREGO SPRINGS RD	
		ID1-8	
		2739 492 349 3	
		4861 BORREGO SPRINGS RD	
		TREATMENT PLANT	
		4240 011 405 2	
		301 SLASH M RD	
		COUNTRY CLUB TANK	
		5035 410 733 7	
		3528 COUNTRY CLUB DR	
		ID4-10	
		6160 427 632 7	
		COUNTRY CLUB RD	
		ID4-2	
		7285 625 351 8	
		4201 BORREGO SPRINGS RD	
		ID1-10	
		8364 482 055 9	
		5073 BORREGO SPRINGS RD	
		ID1-1	
		9489 482 054 6	
		5065 BORREGO SPRINGS RD	
		ID1-2	
		3607 425 233 9	
		2990 BORREGO VALLEY RD	
		TC LIFT STATION-ID5	
		3909 503 745 7	
		1775 BORREGO SPRINGS RD	
		ID4-4	
		2881 512 118 8	
		1111 INDIAN HEAD RANCH RD	
		ID4-18	
		2700 523 335 7	
		806 PALM CANYON DR	
		OFFICE/MAINT SHOP	
		6159 441 279 1	
		2473 STIRRUP RD	
		LUGO BLDG	
		6954 509 423 8	
		STIRRUP RD E N	
		OLD SHOP	
		9534 569 937 1	
		2201 DIGUENO RD	

BORREGO WATER DISTRICT
 FOR BOARD CONSIDERATION AND APPROVAL
 FEBRUARY 28, 2013

CHECK#	DATE	PAYEE & DESCRIPTION	AMOUNT
18274	02/22/13	ID4-11 SECAP FINANCE COPIER LEASE PE:01/31/13- 02/28/13	23,027.90
18296	03/06/13	TROY DEPRIEST EDUCATION EXPENSES REIMBURSEMENT	137.49
18308	03/12/13	REIMBURSEMENT EDUCATION EXPENSES	553.25
18297	03/06/13	UNDERGROUND SERVICE ALERT DIG ALERT TICKETS FOR FEBRUARY	16.50
18275	02/22/13	UNIVAR USA INC. SCALE INHIBITING TABLETS	1,811.71
18309	03/12/13	VERIZON WIRELESS EMERGENCY CELL PHONES FOR POWER OUTAGES, ETC.	80.09
18310	03/12/13	VERIZON WIRELESS CELL PHONES FOR EMERGENCY USE	80.07
18276	02/22/13	WENDY QUINN RECORDING SERVICES FOR FEBRUARY 2013 WEST PAYMENT CENTER CA WATER CODE SUBSCRIPTION RENEWAL	190.00
		TOTAL	129.61
			105,537.12

DISTRIBUTION SUMMARY

G/L ACCOUNT#	DESCRIPTION	AMOUNT
01 1487	BOB MOORE CC GOLF EQUIP REC	-189.20
01 2410	MESQUITE TRAILS DEPOSIT	43.75
01 5190	BOARD MEETING EXPENSE	190.00
01 5200	COMPUTER BILLING	955.68
01 5240	CONFERENCE/TRAINING	391.80
01 5260	CONTRACT LABOR	166.32
01 5400	DUES & SUBSCRIPTIONS	629.61
01 5401	FEES	397.50
01 5420	EMPLOYEE MEDICAL BENEFITS	12,740.48
01 5421	EMPLOYEE RETIREMENT BENEFITS	2,426.47
01 5460	FUEL & OIL	563.30
01 5480	GROUNDWATER STUDY	1,426.95
01 5560	LEGAL SERVICES	1,330.00
01 5600	R & M BUILDINGS & EQUIPMENT	1,375.08
01 5662	OFFICE SUPPLIES	1,644.61
01 5663	OFFICE EQUIPMENT/MAINT/AGREMENT	3,739.30
01 5664	OFFICE UTILITIES	713.47
01 5690	POSTAGE & FREIGHT	200.00
01 5852	ANSWERING SERVICE	202.19
01 5854	CELLULAR PHONE	780.19
01 5858	TELEPHONE	401.80
01 5890	TRASH REMOVAL	324.10
01 5895	UNIFORMS	599.96
01 5896	VEHICLE EXPENSE	4,408.67
03 1731	WATER FACILITIES-ID 1	4,590.00
03 4605	CSD FEES-GOLF/TRASH	7,880.00
03 5420	EMPLOYEE MEDICAL BENEFITS	7,055.28
03 5421	RETIREMENT BENEFIT	5,251.16
03 5460	FUEL & OIL	1,971.55
03 5600	R & M BUILDINGS & EQUIPMENT	634.10
03 5690	POSTAGE & FREIGHT	560.00
03 5720	PUMPING-ELECTRICITY	7,924.41
03 5860	TESTING/LAB WORK	120.00
04 5180	NSF/LIEN FEES	13.00
04 5421	RETIREMENT BENEFIT	7,047.61
04 5460	FUEL & OIL	2,253.19
04 5600	R & M BUILDINGS & EQUIPMENT	1,540.42
04 5690	POSTAGE & FREIGHT	1,200.00
04 5720	PUMPING - ELECTRICITY	11,781.10
04 5860	TESTING/LAB WORK	240.00
05 5240	CONFERENCE/TRAINING	276.63
05 5420	EMPLOYEE MEDICAL BENEFITS	928.33
05 5421	RETIREMENT BENEFIT	690.94
05 5460	FUEL & OIL	422.47
05 5601	R & M WWTP	1,413.42
05 5720	PUMPING - ELECTRICITY	2,288.58
05 5858	TELEPHONE	36.94
05 5860	TESTING/LAB WORK	270.00
06 5240	CONFERENCE/TRAINING	276.62
06 5420	EMPLOYEE MEDICAL BENEFITS	928.33
06 5421	RETIREMENT BENEFIT	690.94
06 5460	FUEL & OIL	422.47

DISTRIBUTION SUMMARY

G/L ACCOUNT#	DESCRIPTION	AMOUNT
06 5601	R & M WWTP	1,413.40
06 5690	POSTAGE	40.00
06 5720	PUMPING - ELECTRICITY	320.34
06 5860	TESTING/LAB WORK	270.00
07 5420	EMPLOYEE MEDICAL BENEFITS	115.11
07 5421	EMPLOYEE RETIREMENT BENEFITS	85.68
08 5420	EMPLOYEE MEDICAL BENEFITS	70.55
08 5421	EMPLOYEE RETIREMENT BENEFITS	52.52

		105,537.12

GWM ACCOUNTING
01-5480
FY 2013

A	B	E	F	G	H	K	L	N	O	P
	DESCRIPTION	LGA GRANT	LGA GRANT STAFF SUPPORT	IRWMP	IRWMP STAFF SUPPORT	GWM	GWM STAFF SUPPORT	TOTALS	MONTHLY TOTALS	
6										
7										
8	DATE									
9										
10										
11	Record Staff time-Rolwing LGA Grant		923.20					923.20		
12	Fed-X overnight-DWR-IRWM planning			48.55				48.55		
13	Ecolayers - hosting DWR			800.00				800.00	\$ 1,771.75	JULY
14	Record Staff time-Rolwing IRWM				553.92			553.92		
15	Record Staff time-Rolwing IRWM				738.56			738.56	\$ 1,292.48	AUGUST
16	McDougal, Love,Eckis-Attorney			87.50				87.50		
17	GWA Conference-Jerry					265.00		265.00		
18	Refund preservation fee-Lewis					2,750.00		2,750.00		
19	USGS-work performed per agreement					1,182.01		1,182.01		
20	Record Staff time-Rolwing IRWM				553.92			553.92	\$ 4,838.43	SEPT
21	Jerry IRWM meeting-lunch			15.00				15.00	\$ 15.00	NOV
22	McDougal, Love,Eckis-Attorney					1,128.75		1,128.75		
23	Ecolayers-hosting USGS/DWR					2,400.00		2,400.00		
24	Downy & Brand-Professional fees					805.00		805.00		
25	USGS-4th quarter billing					13,621.48		13,621.48	\$ 17,955.23	DEC
26	Graphics you can trust-Native plant brocures					480.00		480.00		
27	Downy & Brand-Professional fees					2,451.10		2,451.10	\$ 2,931.10	JAN
28	Downy & Brand-Professional fees					1,426.95		1,426.95	\$ 1,426.95	FEB
29										
30	TOTAL GWM EXPENSES FY 2013:	-	923.20	951.05	1,846.40	26,510.29	-	30,230.94	\$ 30,230.94	