

AGENDA
Borrego Water District Board of Directors
Regular Meeting
January 22, 2014 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 (1)
- E. Approval of Minutes
 - Special meeting of December 18, 2013 (3-5)
 - 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)
- G. Correspondence:

II. CURRENT BUSINESS MATTERS

- A. Discussion and possible approval of Genus L.P. request for water credits on Pepper Farm property (7-10)
- B. Discussion and possible action on Agri-Empire potato farm proposal (11-13)
- C. Discussion and possible approval of amendment to (page 9) of the District Water Credit Policy (14-27)
- D. Review of planning calendar (28)

III. STAFF REPORTS

- A. Financial Reports – December 2013 (30-42)
- B. General Manager / Operations Report (43-44)
- C. Water and Wastewater Operations Report – December 2013 (45)
- D. Water Production/Use Records – December 2013 (46-49)
- E. Year to Date Meter Installations (50)
- F. Meter Installation History (51)

IV. ATTORNEY'S REPORT

V. COMMITTEE REPORTS & PROPOSALS:

Ad Hoc Committees

- | | |
|--------------------------------------|------------------------|
| 1. Audit Committee | (M. Brecht, L. Brecht) |
| 2. Due-Diligence | (M. Brecht, L. Brecht) |
| 3. Strategic Planning Committee/IRWM | (Hart, L. Brecht) |
| 4. Executive Committee | (Estep, Hart) |
| 5. Operations & Management Committee | (M. Brecht, Delahay) |
| 6. Parks Committee | (Estep, Hart) |
| 7. Asset Ad Hoc Committee | (Hart, M. Brecht) |
| 8. Personnel Committee | (Hart, M. Brecht) |
| 9. Negotiating Committee | (Hart, Estep) |

VI. INFORMATION ITEMS

VII. CLOSED SESSION

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

VIII. CLOSING PROCEDURE

The next Special Meeting of the Board of Directors is scheduled for February 18, 2014 at the Borrego Water District.
The next Regular Meeting of the Board of Directors is scheduled for February 26, 2014 at the Borrego Water District.

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now faced with a decision whether to fallow the land for water credits or rebuild the well and replant. His five-year window to obtain water credits expires this year, but the District's policy does not address fallowing of oats. Ms. Foster suggested the District write the owner a letter so stating, which he could then take to the County and request an extension of the five years. The matter was referred to the Strategic Planning Committee for further investigation.

C. Consideration of transfer of EDUs from Baker/Marlow to Marlow (13 EDUs) and Baker/Marlow to Anza Borrego Desert Natural History Association (4 EDUs): MSC: L.Brecht/Estep approving the transfer of 13 EDUs from Baker/Marlow to Marlow and 4 EDUs from Baker/Marlow to ABDNHA.

D. Discussion and possible action on updating the Groundwater Management Plan:

- Review of Borrego Water Coalition Basin Management Objectives and Strategies

Mr. Rolwing invited the Board's attention to draft objectives and strategies created for discussion by the Borrego Water Coalition. The BWC has scheduled a public meeting for January 14 at 4:30 p.m. President Hart requested that the draft be included as a separate document on the BWD website.

- Proposed stakeholder interview process

Mr. Rolwing thanked Jan Naragon for agreeing to assist with the stakeholder interviews. He hoped to include various factions of the community such as agriculture, the disadvantaged, golf courses, retirees, young families and volunteers. Discussion followed regarding the number of interviews and how to select the interviewees. It was tentatively agreed to try for ten people and include a solicitation for volunteers in the next water bills. Those who are interested could contact Director Delahay at the Friday farmers' market.

III. STAFF REPORTS

A. Financial Reports - November 2013: The Financial Reports were included in the Board package.

B. General Manager/Operations Report: Mr. Rolwing reported that the USGS sent the District a rough draft of its report, but it did not yet contain enough substance for an evaluation. The Bureau of Reclamation has also submitted a draft report, which is more complete.

Mr. Rolwing reported that he, President Hart and members of the Borrego Water Coalition met recently with Senator Anderson. The Senator requested input as to how he might convince other members of the State Legislature to allocate funds to the Borrego Valley.

The District has been working with the County to finalize Lance Lundberg's water credits, which were issued by the District prior to approval of the District policy by the County. Some adjustments to the policy language, acreage calculation and easement terms were made.

C. Water and Wastewater Operations Report - November 2013

D. Water Production/Use Records - November 2013:

The monthly Water and Wastewater Operations Report and the Water Production/Use Records were included in the Board package.

IV. ATTORNEY'S REPORT

Ms. Foster announced that this would be her last BWD meeting. She enjoyed working with the District and looks forward to taking some time off.

V. COMMITTEE REPORTS & PROPOSALS

Ad Hoc Committees

1. Audit Committee

President Hart thanked the Committee for its efforts in completing the annual audit.

2. Due-Diligence

Director Lyle Brecht reported that the Committee has been working to clean up the District's balance sheet and develop sufficient cash flow to restore credit worthiness.

3. Strategic Planning Committee/IRWM

President Hart cited the recent visit to Senator Anderson, and reported the Committee continues to work with the Borrego Water Coalition and Rams Hill.

4. Executive Committee

No report.

5. Operations & Management Committee

Director Marshal Brecht reported that a Committee meeting was held during the past month. Director Delahay reported that he had participated in a webinar regarding possible future chemical regulatory requirements. A temporary remedy for sewer odors at La Casa Del Zorro has been implemented, and work is underway to recommend a permanent solution and estimate its cost.

6. Parks Committee

No report.

7. Asset Ad Hoc Committee

No report.

8. Personnel Committee

No report.

9. Negotiating Committee

No report.

VI. INFORMATION ITEMS

None

VII. CLOSED SESSION

A. Conference with Legal Counsel – Anticipated Litigation. Significant exposure to litigation pursuant to paragraph 2 of subdivision (d) of Government Code Section 54956.9. One case:

B. Public Employee Appointment. Government Code section 54957. Title: General Counsel:

The Board adjourned to closed session at 10:25 a.m., and the public meeting reconvened at 12:00 p.m. It was announced that the Board had voted to appoint Morton Park as General Counsel

VIII. CLOSING PROCEDURE

There being no further business, the Board adjourned at 12:00 p.m. The next Special Meeting of the Board of Directors is scheduled for January 14, 2014 at the Borrego Water District. The next Regular Meeting of the Board of Directors is scheduled for January 22, 2014 at the Borrego Water District.

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Etc Table 38. Zone 16 Dry Year

**Etc Table for Irrigation Scheduling and Design
Zone 16 Monthly Evapotranspiration**

Surface Irrigation Dry Year
IRRIGATION TRAINING AND RESEARCH CENTER, California Polytechnic State University, San Luis Obispo
Table does not include adjustments for bare spots and reduced vigor.

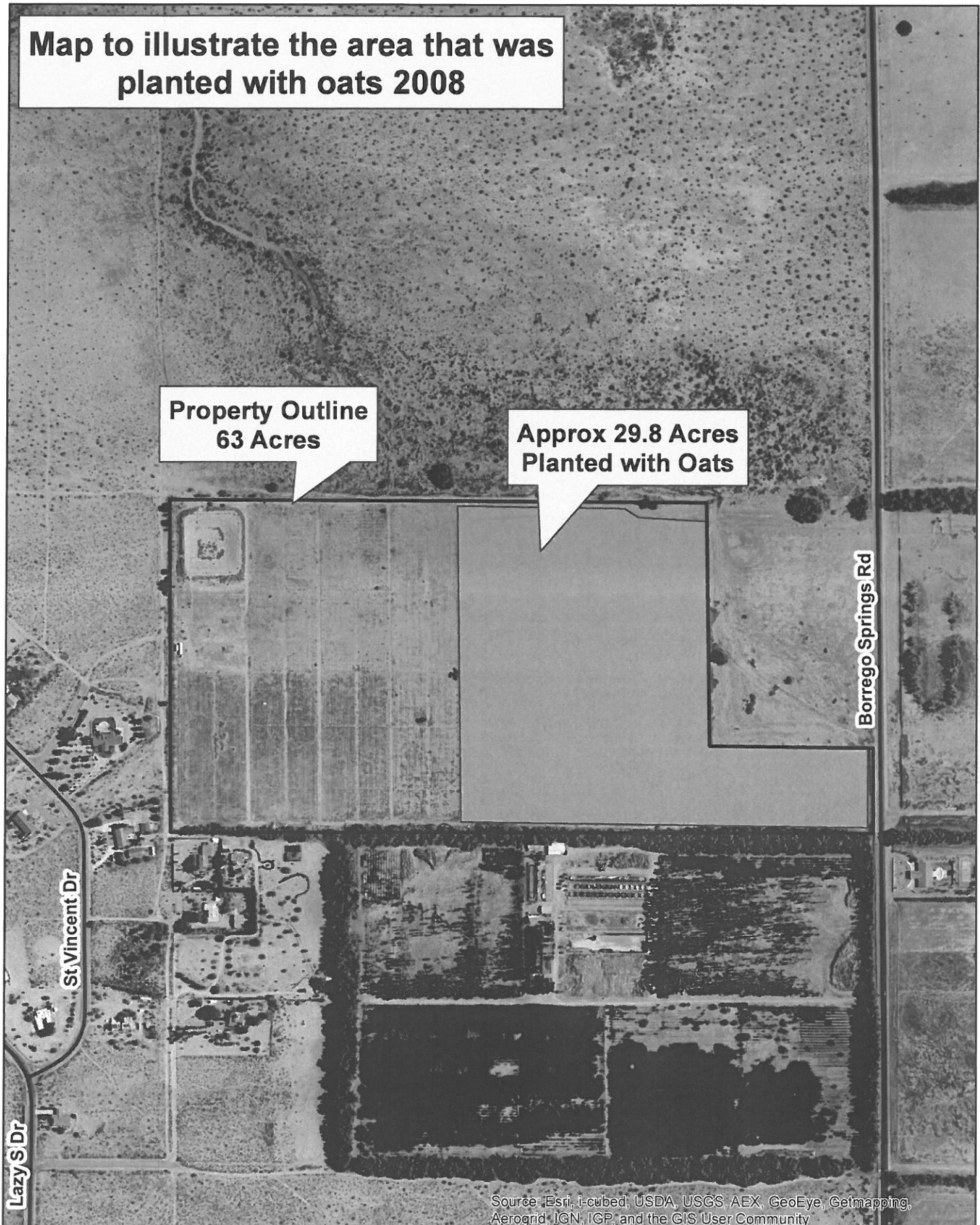
	1999 (Dry Year)												
	January	February	March	April	May	June	July	August	September	October	November	December	Annual
	inches	inches	inches	inches	inches	inches	inches	inches	inches	inches	inches	inches	inches
Precipitation	2.33	0.76	2.11	1.49	0.05	0.06	0.00	0.00	0.11	0.43	0.08	0.22	7.63
Grass Reference ETo	0.82	1.90	3.55	5.51	7.98	8.32	8.75	7.41	6.10	4.45	2.10	1.55	58.44
Apple, Pear, Cherry, Plum and Prune	0.51	1.03	2.18	4.95	7.23	7.61	8.15	6.97	5.26	2.85	0.10	0.19	47.05
Apples, Plums, Cherries etc w/covercrop	0.71	1.97	4.23	6.42	8.68	9.48	9.82	8.48	6.62	3.92	1.51	0.92	62.75
Peach, Nectarine and Apricots	0.51	1.03	1.83	4.20	6.67	7.67	8.22	6.79	5.55	2.69	0.10	0.19	45.46
Immature Peaches, Nectarines, etc	0.52	1.04	1.67	3.11	4.19	5.29	5.29	4.51	3.48	1.90	0.10	0.19	31.29
Almonds	0.51	1.31	2.28	5.50	6.65	6.81	7.28	6.64	4.71	2.71	0.10	0.19	44.72
Almonds w/covercrop	0.67	1.95	3.31	6.18	7.95	7.89	8.75	7.05	5.71	2.66	0.96	0.64	53.71
Immature Almonds	0.32	1.15	1.97	4.68	5.65	5.90	6.37	5.23	3.75	2.14	0.10	0.19	37.65
Walnuts	0.51	1.03	2.34	4.33	7.54	9.40	9.90	8.43	6.03	3.23	0.18	0.19	53.13
Pistachio	0.51	1.03	1.52	2.96	2.80	6.52	9.38	7.95	6.13	3.30	0.25	0.19	42.56
Pistachio w/ covercrop	0.75	1.97	3.00	5.41	5.89	8.39	10.21	8.72	6.93	4.39	1.27	0.78	57.71
Immature Pistachio	0.52	1.04	1.52	2.49	1.68	4.36	6.47	5.57	4.23	2.19	0.15	0.19	30.40
Misc. Deciduous	0.51	1.03	2.18	4.71	6.99	7.24	7.73	6.64	5.18	2.83	0.10	0.19	45.34
Grain and Grain Hay	0.64	2.09	3.95	6.22	4.05	0.07	0.00	0.00	0.12	0.40	0.76	0.40	18.69
Cotton	0.53	1.04	1.50	2.43	1.74	5.21	9.33	8.15	6.22	2.13	0.11	0.19	38.57
Safflower and Sunflower	0.86	1.26	2.37	6.08	9.34	8.06	0.75	0.00	0.12	0.40	0.10	0.19	29.54
Corn and Grain Sorghum	0.53	1.04	2.65	2.83	2.90	7.70	9.23	5.22	0.44	0.40	0.10	0.19	33.24
Misc. field crops	0.53	1.04	2.65	2.83	2.83	8.09	8.70	2.83	0.14	0.40	0.10	0.19	30.32
Alfalfa Hay and Clover	0.90	2.08	4.02	6.22	7.34	7.67	7.85	6.93	5.51	2.25	1.76	1.64	54.17
Pasture and Misc. Grasses	0.53	1.58	2.89	5.67	7.96	8.36	8.82	7.48	6.07	3.87	0.65	0.19	54.07
Small Vegetables	0.81	1.52	3.55	6.06	1.65	0.06	0.00	1.01	1.46	1.57	1.57	1.58	20.83
Tomatoes and Peppers	0.53	1.04	2.05	2.63	4.50	9.02	8.31	0.64	0.14	0.40	0.10	0.19	29.55
Potatoes, Sugar beets, Turnips etc.	0.92	1.31	2.70	6.28	9.05	9.47	8.17	0.06	0.14	0.40	0.10	0.19	38.78
Melons, Squash, and Cucumbers	0.53	1.04	1.50	2.03	0.85	1.45	5.54	6.17	2.05	0.40	0.10	0.19	21.84
Onions and Garlic	0.63	1.95	3.53	5.38	5.26	0.82	0.00	0.00	0.12	0.40	0.84	0.47	19.39
Citrus (no ground cover)	0.89	2.05	3.61	5.89	5.89	6.06	6.34	5.36	4.44	3.66	1.72	1.25	47.16
Immature Citrus	0.68	1.56	2.58	4.26	3.64	3.76	4.00	3.43	2.86	2.30	0.95	0.76	30.78
Misc Subtropical	0.51	1.03	2.18	4.71	6.99	7.24	7.73	6.64	5.18	2.83	0.10	0.19	45.34
Grape Vines with 80% canopy	0.52	1.04	1.86	3.19	4.51	6.38	6.77	5.08	3.20	0.40	0.10	0.19	33.23
Grape Vines with cover crop (80% canopy)	0.58	1.65	3.09	4.99	5.96	7.81	7.81	5.96	3.84	2.11	0.76	0.54	44.37
Immature Grapes Vines with 50% canopy	0.52	1.04	1.67	2.79	3.29	4.78	5.39	3.68	2.36	0.46	0.10	0.19	26.27
Idle	0.54	1.04	1.49	2.03	0.06	0.06	0.00	0.00	0.12	0.39	0.10	0.19	6.02

Area Farmed with Oats

Map to illustrate the area that was planted with oats 2008

Property Outline
63 Acres

Approx 29.8 Acres
Planted with Oats



Source: Esri, i-cubed, USDA, USGS, AEX, GeoEye, Getmapping, Aerogrid, IGN, IGP, and the GIS User Community

* * * E S T I M A T E * * *

HIDDEN VALLEY PUMP SYS., INC.
 31248 B VALLEY CENTER ROAD
 VALLEY CENTER, CA 92082

ESTIMATE NO.: 000118760000
 CUSTOMER NO.: 02300
 DATE: 12/31/13

TO:
 PAUL NORDMAN
 51849 AVENIDA CORTEZ
 LA QUINTA, CA 92253

SHIP TO:
 PAUL: 760-343-6686
 nordman1010@gmail.com
 GENUS LP PROPERTY
 BORREGO SPRINGS,

SALESPERSON ... 06

Contacts:	1.	PAUL	(760)	343-6686
	2.		()	-
	3.		()	-
	4.		()	-

QUANTITY	DESCRIPTION	UNIT PRICE	AMOUNT
	GENUS LP PROPERTY, BORREGO SPRINGS RD. MOBILIZE AND EXTRACT REMAINING WELL PUMP EQUIPMENT AND PREPARE WELL FOR VIDEO LOG SURVEY. PROVIDE VIDEO LOG SURVEY TO EXAMINE CURRENT WELL CASING CONDITION AND MAKE FURTHER RECOMMENDATIONS.		
1	LABOR PER ESTIMATE	2,080.00	2,080.00
1	SUBCONTRACT - VIDEO LOG SURVEY	950.00	950.00

NOTE:
 LABOR WILL BE BILLED AT THE HOURLY RATE OF \$260.00 PER HOUR FOR THE ACTUAL TIME REQUIRED TO COMPLETE, PORTAL-TO-PORTAL. MINIMUM LABOR CHARGE TO MOBILIZE TO SITE AND REMOVE DISCHARGE HEAD (ASSUMING NO OTHER EQUIPMENT IS LEFT IN WELL) IS \$780.00.

1 TERMS:
 PAYMENT TO BE MADE AS FOLLOWS:
 COD

WE ACCEPT VISA/MASTERCARD.

NOT CONTIGENT UPON CONNECTION TO ANY SERVING UTILITY.
 THIS PROPOSAL MAY BE WITHDRAWN BY US IF NOT ACCEPTED WITHIN 30 DAYS.

CONTINUED

TO: PAUL NORDMAN

ESTIMATE NO.: 000118760000

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QUANTITY	DESCRIPTION	UNIT PRICE	AMOUNT
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PLEASE SIGN AUTHORIZING ACCEPTANCE
OF THIS ESTIMATE.
WARRANTY & CONDITIONS ATTACHED.

CONTRACTORS LICENSE #487325

SIGNATURE: _____

DATE: _____

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* T H A N K Y O U *	SUB-TOTAL	3,030.00	
	SALES TAX	0.00	TOTAL 3,030.00

=====

First National Investment Properties



Mailing Address:
13210 Harbor Blvd., #188
Garden Grove, CA 92843

Phone (714) 878-4302
Fax (714) 530-2624

Borrego Water District
806 Palm Canyon Drive
Borrego Springs, CA 92004

Dear Borrego Water District,

Agri-Empire appreciates your interest in purchasing either a water-restrictive easement or the Fee Ownership on their 867+/- acres. We would like to confirm to you that Agri-empire is indeed interested in pursuing the sell of either a water –restrictive easement or their full Fee ownership on 653+/- acres of their 867+/- acres in Borrego Springs and under the right terms and conditions, they would also be willing to entertain an offer on the remaining 214+/- acres.

We believe the steps in this process would be as follows:

- (1) Agri-Empire would receive a Letter Of Interest from the Borrego Water District expressing BWD's interest in pursuing a possible acquisition of Agri-Empire's property subject to BWD's board approval. While this is a non-binding letter to either party, it will let Agri-empire know of Borrego Water District's ("BWD") interest and help provide them a reason to consider an offer from BWD instead of moving forward with selling to a private party.
- (2) Both parties would enter into an option agreement that would allow BWD to acquire the Agri-Empire property or a portion thereof subject to reaching a mutually agreeable value for either the water-restrictive easement or the full Fee ownership on the Agri-Empire property in question. This may involve obtaining an appraisal.
- (3) We can help assist BWD in obtaining other funds for the acquisition. For example, I have extensive experience selling property to the State's Wildlife Conservation Board and will be happy to help you in navigating that process (I have sold 10's of millions of dollars worth of property to the State's Wildlife Conservation Board with some of the funds being grants and some being applied directly to purchases). You will need to write a grant to obtain those funds.
- (4) Once you have the funds, you would then move forward and complete the purchase. In the event the purchase is a water-restrictive easement, then an easement would be placed on the property at the close of escrow restricting the water use on the property. In the event the purchase is a full Fee ownership purchase, then the full Fee ownership would be transferred to BWD or their assignee at the close of escrow.

RE> Borrego Water District - Possible Purchase of Agri-Empire Property

We want to thank you for the opportunity to possibly sell BWD either a water-restrictive easement or the full Fee ownership on some or all of Agri-empire's 867+/- acres and we look forward to working with you toward the completion of this acquisition. Please note that we are aggressively marketing the property to private parties so if you are interested in pursuing this acquisition, please provide us with a Letter of Interest so Agri-empire can consider holding off selling the property to private parties and start work on the acquisition by BWD.

I have attached a copy of the aerial and parcel numbers for your convenience.

I want to thank you for your time and consideration on this matter and look forward to working with you on the possible purchase of the Agri-Empire property.

Sincerely,

Greg Lowther
President
First National Investment Properties.

January 22, 2014

Agri-Empire
630 W. 7th Street
San Jacinto, CA 92583

Dear Agri-Empire,

Thank you for your request to the District. While the District is very interested in acquiring the 867+/- acreage offered, currently it has no funds available for such an acquisition. However, if the seller were able to secure a grant to fund such a sale, the District would be willing to seriously consider entering into an option to purchase and/or a water restrictive easement in exchange for water credits as determined under the District then current Water Credit Policy.

Thank you for your time and consideration of this matter.

Sincerely,

Beth Hart
President
Borrego Water District

cc: Greg Lowther, First National Investment Properties

PROPOSED AMENDMENT to DEMAND OFFSET MITIGATION WATER CREDITS
POLICY

(revised January 30, 2013, March 25, 2013, June 26, 2013)

4. E. Forfeiture of Credits Granted

The purpose of issuing a water credit is to recognize the fallowing of actively irrigated land located in the BVGB. A water credit may be used in the future to offset the groundwater use of a proposed development. However, this offset value of the water credits issued will be forfeit if any of the water use activity on the fallowed land is merely transferred to other land located in the BVGB.

or

4. E. Forfeiture of Credits Granted

The purpose of issuing a water credit is to recognize the fallowing of actively irrigated land located in the BVGB. A water credit may be used in the future to offset the groundwater use of a proposed development. However, this offset value of the water credits issued will be forfeit if any of the water use activity on the fallowed land is merely transferred to other land located in the BVGB if the transfer produces a net increase in water use within the BVGB.

Also: see page 9 of the Water Credit policy.

**BORREGO WATER DISTRICT
POLICY STATEMENT**

SUBJECT: DEMAND OFFSET MITIGATION WATER CREDITS POLICY

NO: 2009-09-02

ADOPTED: 2009-09-16

AMENDED: 2013-03-25

AMENDED: 2013-06-26

BORREGO WATER DISTRICT

DEMAND OFFSET MITIGATION WATER CREDITS POLICY

(revised –January 30, March 25, 2013, June 26, 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”). The 2013 results of the United States Geological Survey (USGS) BVGB study indicates that the overdraft has continued to grow since the USGS study of the BVGB in 1982 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. Projects located out of

the District boundary or not making application for water service from the District are not subject to 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
- 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.
- 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, unless the project meets the exemptions of section 4A.

O. EDU or Equivalent Dwelling Unit: 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.

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 preceding 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.

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

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.

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

3. MITIGATION POLICY

Persons or entities seeking to commence an activity within the District that will create a new or increased water demand on the BWD system (“Developers”) must provide one (1)

Water Credit for every one (1) EDU demand of the proposed use as calculated by the District's General Manager, consistent with the provisions hereof. Conformance with the District's Mitigation Policy must be demonstrated prior to the District providing water service and/or a water meter to the Development proposed by the Developer, or its successor in interest.

4. WATER CREDITS

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

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

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

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

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

2. The easement shall designate County as a third-party beneficiary with the right, but not the obligation to enforce the easement. The easement shall give County the same right of access for purposes of monitoring compliance with the easement and the same options for enforcing the easement as the easement gives to BWD. A copy of the draft easement shall be submitted to the Director of Planning and Development for review and approval.

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 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. AG-1 Credits will be issued at a rate of 1.0 x the applicable number of credits designated in Exhibit B of the County MOA.

(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 Exhibit B of the County MOA.

(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 Exhibit B of the County MOA. 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 Exhibit B of the County MOA.

(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. Submit following plan for tree removal. Trees must be mulched or removed from Borrego Valley Groundwater basin.

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

6. 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 Form 104 accompanied with, 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 Exhibit B of the County MOA. 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 Exhibit B of the County MOA. 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. The request must list the actual sale price of the water credit(s) being transferred.

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 ("Certificate Holder"), accompanied by Form 104.

B. TRANSFER OF CERTIFICATES

<u>Timeframe</u>	<u>Activity</u>
(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

<u>Timeframe</u>	<u>Activity</u>
(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

Contract / Project	January	February	March	April	May	June	July	August	September	October	November	December
Viking - payment due on 5th anniversary							7/8/2016					
Layfield - \$123,000 due for tank re-lining												
American Red Cross-can cancel any time for any reason												
Utility Cost Management	Contract expires 1/19/2014											
Town Hall Meeting			Town Hall									
Quarterly Reports DPH - Water, RWQCB- Sewer			Quarterly reports due									
Interest Payment for ID4 COP's				1st half of payments due						2nd half of payments due		
Ramona Disposal				Rate guarantee expires 4/2014 Contract expires 4/2015								
CCR						CCR Reports Due						
Airport Access Permits						Annual Renewal Due						
Tax Bill resolutions						Tax Bill resolutions due						
Club Circle (Cameron & Green Desert Landscape)						Lease expires 6/30/2015						
Montesoro							Well #12 Annual Payment					
Konika Minolta							Lease contract expires 7/2015					
Secap - postage machine							lease expires 7/2017					
Cameron Bros. Water Usage Report (golf course) to county										Send to County DPLU by 10/31		

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	C	D	AK	AL	AM	AN
1	BWD CASH FLOW					
2	2013-2014					
3			ADOPTED	ACTUAL	PROJECTED	ACTUAL
4			BUDGET	DECEMBER	DEC	YTD
5			2013-2014	2013	2013	2013-2014
6	REVENUE					
6	WATER REVENUE					
7	Residential Water Sales (Assume no water use on Montesorso GC)		822,850	58,658	53,222	432,011
8	Commercial Water Sales		114,404	7,587	7,584	57,281
9	Irrigation Water Sales		145,635	8,502	10,458	79,691
10	GWM Surcharge		102,709	7,620	6,920	57,306
11	Water Sales Power Portion		336,908	23,823	22,916	180,816
12	Readiness Water Charge -15% increase		1,082,452	93,370	90,850	550,843
13	Readiness Water Charge - Lienes properties		41,000	2,674	3,450	10,118
14	Meter Installation		0	0	0	572
15	Water hook-up charge		0	0	0	-
16	Reconnect Fees		6,800	0	1,020	3,400
17	Backflow Testing/installation		4,575	0	0	-
18	Bulk Water Sales		6,235	0	90	838
19	Penalty & Interest Water Collection		12,197	0	1,000	870
20	TOTAL WATER REVENUE:		2,675,765	202,234	197,512	1,373,744
21		Receivables				
22	PROPERTY ASSESSMENTS/AVAILABILITY CHARGES	as of 01/14/14				
23	641500 1% Property Assessments	30,873	64,388	21,031	21,031	25,383
24	641502 Property Assess wtr/swr/fid (679 parcels \$66 ea(44,814))	53,751	25,369	5,681	5,681	8,031
25	641502 Prop Assess.(Allowance for bad debt (\$115,507))	873,512	0	0		-
26	641501 Water avail Standby	47,712	89,038	23,715	23,715	32,174
28	641504 ID 3 Water Standby (La Casa)	18,129	35,165	4,016	4,016	5,202
29	641503 Pest standby	27,811	15,474	3,098	3,098	3,765
30	TOTAL PROPERTY ASSES/AVAIL CHARGES:	1,051,787	229,434	57,541	57,541	74,556
31						
32	SEWER SERVICE CHARGES					
33	Town Center Sewer Holder's Fees		168,000	14,274	14,000	85,642
34	Town Center Sewer User Fees		37,920	3,180	3,160	19,000
35	Sewer user Fees		300,300	24,735	25,025	147,242
36	Sewer-liened		3,216	270	268	971
37	Penalty Interest-Sewer		1,200	0	100	54
38	Sewer Capacity Fees		0	0	0	-
39	TOTAL SEWER SERVICE CHARGES:		510,636	42,458	42,553	252,909
40						
41	OTHER INCOME					
43	Annexation Fees		0	0	0	-
44	Fire Hydrant Installation		0	0	0	-
45	Miscellaneous Income (net csd fee/JPIA rebate/check free)		10,320	34	120	976
46	Administrative Fee-Water Credits		0	0	0	5,500
50	Interest Income		187	2	5	28
51	TOTAL OTHER INCOME:		10,507	35	125	6,504
52						
53	TOTAL INCOME:		3,426,341	302,269	297,731	1,707,713
54						
55	CASH BASIS ADJUSTMENTS					
56	Decrease (Increase) in Accounts Receivable			20,050		8,297
57	CC Golf Equipment receivable		2,270	189	189	1,135
58	Other Cash Basis Adjustments-Coljen LMTD deposit			8,094		(10,495)
59	TOTAL CASH BASIS ADJUSTMENTS:		2,270	28,333	189	(1,063)
60						
61	TOTAL INCOME RECEIVED:		3,428,611	330,603	297,920	1,706,650

	AO	BB	BC	BD	BE	BF	BG
1							
2	YTD + PROJ MONTHS>>	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
3	PROJECTED	JANUARY	FEB	MARCH	APRIL	MAY	JUNE
4	2013-2014	2014	2014	2014	2014	2014	2014
5							
6							
7	834,218	58,123	54,917	49,744	75,020	76,538	87,865
8	113,020	8,903	8,913	8,624	10,150	9,989	9,160
9	132,854	7,762	8,298	5,483	9,071	10,538	12,010
10	105,958	7,271	7,060	6,202	9,235	9,492	9,392
11	337,858	24,059	23,100	20,550	30,478	28,802	30,053
12	1,095,943	90,850	90,850	90,850	90,850	90,850	90,850
13	30,818	3,450	3,450	3,450	3,450	3,450	3,450
14	572	0	0	0	0	0	0
15	-	0	0	0	0	0	0
16	6,800	680	0	680	680	680	680
17	4,575	4,550	25	0	0	0	0
18	3,953	172	350	343	482	970	799
19	7,067	1,000	1,000	1,197	1,127	873	1,000
20	2,673,637	206,819	197,963	187,124	230,545	232,182	245,259
21							
22							
23	64,391	10,822	1,024	2,024	15,990	7,882	1,267
24	26,262	8,335	1,321	660	1,650	5,340	927
25	-				0	0	
26	86,859	24,367	2,109	4,429	5,292	14,332	4,156
28	33,651	13,713	343	10,603	1,046	2,254	490
29	15,141	5,298	303	592	2,063	2,597	523
30	226,304	62,535	5,099	18,308	26,040	32,405	7,362
31							
32							
33	169,642	14,000	14,000	14,000	14,000	14,000	14,000
34	37,960	3,160	3,160	3,160	3,160	3,160	3,160
35	299,917	25,025	25,025	25,025	25,025	25,025	27,550
36	2,579	268	268	268	268	268	268
37	654	100	100	100	100	100	100
38	-	0	0	0	0	0	0
39	510,752	42,553	42,553	42,553	42,553	42,553	45,078
40							
41							
43	-	0	0	0	0	0	0
44	-	0	0	0	0	0	0
45	10,576	120	9,000	120	120	120	120
46	5,500	0	0	0	0	0	0
50	143	22	10	11	30	11	30
51	16,219	142	9,010	131	150	131	150
52							
53	3,426,912	312,048	254,626	248,116	299,287	307,271	297,850
54							
55							
56	8,297						
57	2,270	189	189	189	189	189	189
58	(10,495)	0	0	0	0	0	0
59	71	189	189	189	189	189	189
60							
61	3,426,983	312,237	254,815	248,305	299,477	307,461	298,039

	C	D	AK	AL	AM	AN
1	BWD CASH FLOW					
2	2013-2014					
3			ADOPTED	ACTUAL	PROJECTED	ACTUAL
4			BUDGET	DECEMBER	DEC	YTD
62			2013-2014	2013	2013	2013-2014
63	EXPENSES					
64	MAINTENANCE EXPENSE					
65	R & M Buildings & Equipment		130,000	8,998	10,800	40,154
66	R & M - WWTP		40,000	1,147	3,334	15,134
67	Telemetry		10,000	0	2,000	5,687
68	Trash Removal		3,655	287	287	1,722
69	Vehicle Expense		18,000	1,838	1,500	7,188
70	Fuel & Oil		33,000	2,390	2,750	15,169
71	TOTAL MAINTENANCE EXPENSE:		234,655	14,660	20,671	85,053
72						
73	PROFESSIONAL SERVICES EXPENSE					
74	Accounting (Taussig)		1,500	0	0	1,667
75	Administrative Services (ADP/Bank Fees)		6,000	476	500	12,012
76	Audit Fees		14,439	0	0	14,439
77	Computer billing		9,000	238	750	2,766
78	Consulting/Technical		200	0	0	-
79	Engineering		25,200	600	2,100	1,040
80	Legal Services		15,000	426	1,097	6,486
81	Testing/lab work		18,000	1,050	110	8,830
82	Regulatory Permit Fees		42,000	(100)	240	25,983
83	TOTAL PROFESSIONAL SERVICES EXPENSE:		131,339	2,689	4,797	73,223
84						
85	INSURANCE/INTEREST EXPENSE					
86	ACWA Insurance		73,650	0	0	28,629
87	Workers Comp		18,800	3,690	4,000	7,306
88	Interest-COP 2008/Well 12 Purchase Agreement		219,313	0	0	157,438
89	TOTAL INSURANCE/INTEREST EXPENSE:		311,763	3,690	4,000	193,373
90						
91	PERSONNEL EXPENSE					
92	Board Meeting Expense (board stipend/board secretary)		12,870	720	1,170	4,985
93	Salaries & Wages (gross)		750,000	58,225	62,500	352,216
94	Taxes on Payroll		16,000	895	764	5,478
95	Medical Insurance Benefits	+8% Jan-June 2014)	181,000	14,592	14,540	96,692
96	Calpers Retirement Benefits		157,200	12,501	13,100	74,617
97	Salaries & Wages contra account		(12,870)	(660)	(1,170)	(4,455)
98	Conference/Conventions/Training/Seminars		7,500	697	1,100	4,497
99	TOTAL PERSONNEL EXPENSE:		1,111,700	86,971	92,004	534,030
100						
101	OFFICE EXPENSE					
102	Office Supplies		18,000	2,535	1,500	10,042
103	Office Equipment/ Rental/Maintenance Agreements		25,400	1,550	1,414	13,760
104	Postage & Freight		13,000	2,012	2,000	10,548
105	Taxes on Property		2,150	0	0	2,188
106	Telephone/Answering Service		8,400	596	700	3,736
107	Bad Debt Collection		720	0	60	(195)
108	Dues & Subscriptions		4,400	25	50	946
109	Printing, Publications & Notices		747	0	116	622
110	Uniforms		7,177	253	550	2,395
111	Osha Requirements/Emergency preparedness		4,842	0	325	701
112	TOTAL OFFICE EXPENSE:		84,838	6,970	6,715	44,744
113						
114	UTILITIES EXPENSE					
115	Pumping-Electricity		360,000	26,801	25,549	159,082
116	Office/Shop Utilities		16,875	1,074	1,062	9,126
117	Cellular Phone		8,777	623	756	3,750
118	TOTAL UTILITIES EXPENSE:		385,652	28,497	27,367	171,958
119						
120	TOTAL EXPENSES:		2,259,946	143,478	155,554	1,102,380
121						
122	CASH BASIS ADJUSTMENTS					
123	Decrease (Increase) in Accounts Payable			18,752		61,689
124	Increase (Decrease) in Inventory			4,290		16,865
125	Other Cash Basis Adjustments					-
126	TOTAL CASH BASIS ADJUSTMENTS:			23,041	0	78,554
127						
128	TOTAL EXPENSES PAID:		2,259,946	166,519	155,554	1,180,935
129						
130	NET CASH FLOW (O&M)		1,168,665	164,084	142,366	525,715

AGENDA PAGE 32

	AO	BB	BC	BD	BE	BF	BG
1							
2	YTD + PROJ MONTHS>>	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
3	PROJECTED	JANUARY	FEB	MARCH	APRIL	MAY	JUNE
4	2013-2014	2014	2014	2014	2014	2014	2014
62							
63							
64							
65	105,354	10,800	10,800	10,800	10,800	11,000	11,000
66	35,130	3,334	3,334	3,334	3,334	3,330	3,330
67	11,687	2,000	0	2,000	0	0	2,000
68	3,444	287	287	287	287	287	287
69	16,188	1,500	1,500	1,500	1,500	1,500	1,500
70	31,669	2,750	2,750	2,750	2,750	2,750	2,750
71	203,471	20,671	18,671	20,671	18,671	18,867	20,867
72							
73							
74	2,667	0	0	0	0	500	500
75	15,012	500	500	500	500	500	500
76	14,439	0	0	0	0	0	0
77	7,266	750	750	750	750	750	750
78	200	0	0	0	0	200	0
79	13,640	2,100	2,100	2,100	2,100	2,100	2,100
80	12,486	1,000	1,000	1,000	1,000	1,000	1,000
81	18,149	1,345	1,232	1,200	1,542	2,000	2,000
82	38,071	1,000	5,108	699	0	3,175	2,106
83	121,931	6,695	10,690	6,249	5,892	10,226	8,956
84							
85							
86	70,279	0	10,650	0	31,000	0	0
87	15,306	0	0	4,000	0	0	4,000
88	219,313	0	0	61,875	0	0	0
89	304,898	0	10,650	65,875	31,000	0	4,000
90							
91							
92	12,005	1,170	1,170	1,170	1,170	1,170	1,170
93	725,716	62,500	62,500	62,500	62,000	62,000	62,000
94	16,691	5,320	2,646	908	896	766	677
95	174,992	15,660	15,660	15,660	15,660	15,660	0
96	153,217	13,100	13,100	13,100	13,100	13,100	13,100
97	(11,475)	(1,170)	(1,170)	(1,170)	(1,170)	(1,170)	(1,170)
98	6,737	550	600	360	70	600	60
99	1,077,883	97,130	94,506	92,528	91,726	92,126	75,837
100							
101							
102	19,042	1,500	1,500	1,500	1,500	1,500	1,500
103	30,497	2,740	2,500	1,438	2,000	3,059	5,000
104	13,008	15	15	1,200	15	15	1,200
105	2,188	0	0	0	0	0	0
106	7,936	700	700	700	700	700	700
107	165	60	60	60	60	60	60
108	4,201	0	600	200	2,360	50	45
109	838	0	0	116	0	0	100
110	6,052	549	908	550	550	550	550
111	4,575	76	111	1,926	59	1,030	673
112	88,504	5,639	6,394	7,690	7,244	6,964	9,828
113							
114							
115	319,956	21,785	27,176	26,837	26,466	27,457	31,153
116	16,153	1,506	904	932	1,079	1,137	1,470
117	8,286	756	756	756	756	756	756
118	344,395	24,047	28,836	28,525	28,301	29,350	33,379
119							
120	2,141,081	154,182	169,747	221,538	182,834	157,533	152,867
121							
122							
123	61,689						
124	16,865						
125	-						
126	78,554	0	0	0	0	0	0
127							
128	<u>2,219,635</u>	<u>154,182</u>	<u>169,747</u>	<u>221,538</u>	<u>182,834</u>	<u>157,533</u>	<u>152,867</u>
129							
130	1,207,348	158,055	85,068	26,767	116,643	149,928	145,172

	C	D	AK	AL	AM	AN
1	BWD CASH FLOW					
2	2013-2014					
3			ADOPTED	ACTUAL	PROJECTED	ACTUAL
4			BUDGET	DECEMBER	DEC	YTD
131	NON O & M EXPENSES		2013-2014	2013	2013	2013-2014
132	USGS Basin study (\$49,028 balance)	(\$49,000 br fwd FY)	57,500	0		8,460
133	GWM Planning Costs - legal		30,000	2,471	2,500	2,490
136	Viking Ranch Purchase		69,000			70,493
137	Viking Ranch Purchase RESERVE		100,000			-
140	Rams Hill #1 1980 steel needs inside coating, 1.25mg	(\$100,000 br fwd FY)	200,000			194,836
141	800 Tank	(Bal br fwd FY)	123,576			-
142	Twin Tanks, 1970's-inside coating (rescheduled into 2013-2014)		40,000		0	-
144	ID4, Reducing Station design and installation		20,000			-
148	Concrete replacement/Repairs-WWTP		70,000			18,240
150	Lugo building repairs		4,000	480	1,000	980
151	Pipeline-Country Club Road Booster Sta #3 south to Slash M		154,000			-
152	Fire Hydrant Replacements		12,360			-
153	Rewind motors-ID 4-11ID1-10		35,000		0	-
154	ID 1-16 pump and casing cleaning		60,000			-
155	ID4-Well 18 new submersible pump					24,500
156	WWTP-Shredder Cutters/Motor & Gear reducers/return pump		28,000		0	-
157	WWTP-Video Collection Lines		10,000			-
159	TOTAL NON O&M EXPENSES		1,013,436	2,951	3,500	319,997
160						
161	CASH RECAP					
162	Cash beginning of period		1,471,674	1,516,260	1,426,874	1,471,674
163	Net Cash Flow (O&M)		1,168,665	164,084	142,366	525,715
164	Total Non O&M Expenses		(1,013,436)	(2,951)	(3,500)	(319,997)
165	Transfer To/From Reserves			0	0	-
166	CASH AT END OF PERIOD		1,626,903	1,677,393	1,565,740	1,677,392
167	Cash allocated for Viking reserves		(200,000)			
168	Coljen LMTD deposit net expenditures			2,577		
169	CASH AFTER ALLOCATION FOR RESERVES/DEPOSIT		1,426,903			
170						
171						
172	RESERVES		TARGET			
173	Working Capital (3 months)		600,000			
174	Contingency (3%)		80,000			
175	Asset replacement		160,000			
176	Emergency		2,500,000			
177	Viking Ranch		200,000			
178	TOTAL RESERVES		3,540,000			
179						
180	SIGNIFICANT ITEMS		ACTUAL	PROJECTED		
181						
182	Office Supplies		2,535	1,500	Replace check scanner - \$1,200	
183						
184	Total Significant Items:		2,535	1,500		
185						

	AO	BB	BC	BD	BE	BF	BG
1							
2	YTD + PROJ MONTHS>>	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
3	PROJECTED	JANUARY	FEB	MARCH	APRIL	MAY	JUNE
4	<u>2013-2014</u>	<u>2014</u>	<u>2014</u>	<u>2014</u>	<u>2014</u>	<u>2014</u>	<u>2014</u>
131							
132	57,488		49,028				
133	17,490	2,500	2,500	2,500	2,500	2,500	2,500
136	70,493						
137	-						
140	194,836						
141	123,576	123,576	0				
142	40,000		0				40,000
144	20,000			20,000			
148	48,240		10,000	10,000	10,000		
150	4,980	1,000	1,000		1,000		1,000
151	154,000		0		77,000		77,000
152	12,360				4,120	4,120	4,120
153	35,000		0			17,500	17,500
154	60,000	0		60,000			
155	24,500						
156	16,500	0	16,500				
157	10,000	10,000		0			
159	<u>889,461</u>	<u>137,076</u>	<u>79,028</u>	<u>92,500</u>	<u>94,620</u>	<u>24,120</u>	<u>142,120</u>
160							
161							
162	1,471,674	1,677,393	1,698,372	1,704,412	1,638,679	1,660,702	1,786,509
163	1,207,348	158,055	85,068	26,767	116,643	149,928	145,172
164	(889,461)	(137,076)	(79,028)	(92,500)	(94,620)	(24,120)	(142,120)
165	0	0	0	0	0	0	0
166	1,789,560	1,698,372	1,704,412	1,638,679	1,660,702	1,786,509	1,789,561
167	(200,000)						
168	2,577						
169	1,592,138						
170							
171							
172							
173							
174							
175							
176							
177							
178							
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185							



BORREGO WATER DISTRICT

	BALANCE SHEET December 31, 2013 (unaudited)	BALANCE SHEET November 30, 2013 (unaudited)	MONTHLY CHANGE (unaudited)
ASSETS:			
CURRENT ASSETS			
Cash and cash equivalents	\$ 1,677,393.17	\$ 1,516,260.28	\$ 161,132.89
Accounts receivable from water sales and sewer charges	\$ 429,619.92	\$ 449,670.11	\$ (20,050.19)
Interest receivable	\$ -	\$ -	\$ -
Inventory	\$ 160,775.22	\$ 156,485.39	\$ 4,289.83
Availability charges receivable	\$ 715,594.62	\$ 715,594.62	\$ -
Allowance for uncollectable availability charges	\$ (665,170.62)	\$ (665,170.62)	\$ -
Grant Receivable	\$ -	\$ -	\$ -
Prepaid expenses	\$ 43,007.66	\$ 43,007.66	\$ -
Other Receivables	\$ 3,405.80	\$ 3,595.00	\$ (189.20)
TOTAL CURRENT ASSETS	\$ 2,364,625.77	\$ 2,219,442.44	\$ 145,183.33
RESTRICTED ASSETS			
Debt Service:			
Deferred amount of COP Refunding	\$ 142,558.65	\$ 142,558.65	\$ -
Unamortized bond issue costs	\$ 98,942.11	\$ 98,942.11	\$ -
Total Debt service	\$ 241,500.76	\$ 241,500.76	\$ -
Trust fund:			
Investments with fiscal agent -CFD 2007-1	\$ 25,238.23	\$ 20,516.08	\$ 4,722.15
Total Trust fund	\$ 25,238.23	\$ 20,516.08	\$ 4,722.15
TOTAL RESTRICTED ASSETS	\$ 266,738.99	\$ 262,016.84	
UTILITY PLANT IN SERVICE			
Land	\$ 3,134,875.65	\$ 3,134,875.65	\$ -
Flood Control Facilities	\$ 4,319,603.58	\$ 4,319,603.58	\$ -
Capital Improvement Projects	\$ 186,830.42	\$ 186,368.42	\$ 462.00
Sewer Facilities	\$ 5,523,162.69	\$ 5,523,162.69	\$ -
Water facilities	\$ 10,565,668.38	\$ 10,565,668.38	\$ -
Pipelines, wells and tanks	\$ 151,699.02	\$ 151,699.02	\$ -
General facilities	\$ 1,006,881.13	\$ 1,006,881.13	\$ -
Equipment and furniture	\$ 312,133.38	\$ 312,133.38	\$ -
Vehicles	\$ 495,572.91	\$ 495,572.91	\$ -
Accumulated depreciation	\$ (10,600,530.90)	\$ (10,600,530.90)	\$ -
NET UTILITY PLANT IN SERVICE	\$ 15,095,896.26	\$ 15,095,434.26	\$ 462.00
OTHER ASSETS			
Water rights -ID4	\$ 185,000.00	\$ 185,000.00	\$ -
TOTAL OTHER ASSETS	\$ 185,000.00	\$ 185,000.00	
TOTAL ASSETS	\$ 17,912,261.02	\$ 17,761,893.54	\$ 150,367.48

Balance sheet continued

	BALANCE SHEET December 31, 2013 (unaudited)	BALANCE SHEET November 30, 2013 (unaudited)	MONTHLY CHANGE (unaudited)
LIABILITIES:			
<i>CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS</i>			
Accounts Payable	\$ 36,174.16	\$ 54,925.67	\$ (18,751.51)
Accrued expenses	\$ 134,203.06	\$ 134,203.06	\$ -
Deferred Revenue	\$ -	\$ -	\$ -
Deposits	\$ 25,170.85	\$ 17,076.58	\$ 8,094.27
TOTAL CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS	\$ 195,548.07	\$ 206,205.31	\$ (10,657.24)
<i>CURRENT LIABILITIES PAYABLE FOM RESTRICTED ASSETS</i>			
Debt Service:			
Accounts Payable to CFD 2007-1	\$ 25,238.23	\$ 20,516.08	\$ 4,722.15
TOTAL CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS	\$ 25,238.23	\$ 20,516.08	\$ 4,722.15
<i>LONG TERM LIABILITIES</i>			
2008 Certificates of participation (payable from restricted assets)	\$ 2,750,000.00	\$ 2,750,000.00	\$ -
Montesoro Note Payable	\$ 323,402.32	\$ 323,402.32	\$ -
Viking Ranch Note	\$ 1,494,000.00	\$ 1,494,000.00	\$ -
TOTAL LONG TERM LIABILITIES	\$ 4,567,402.32	\$ 4,567,402.32	\$ -
TOTAL LIABILITIES	\$ 4,788,188.62	\$ 4,794,123.71	\$ (5,935.09)
<i>FUND EQUITY</i>			
Contributed equity	\$ 9,611,814.35	\$ 9,611,814.35	\$ -
Retained Earnings:			
Unrestricted Reserves/Retained Earnings	\$ 3,512,258.05	\$ 3,355,955.48	\$ 156,302.57
Total retained earnings	\$ 3,512,258.05	\$ 3,355,955.48	\$ 156,302.57
TOTAL FUND EQUITY	\$ 13,124,072.40	\$ 12,967,769.83	\$ 156,302.57
TOTAL LIABILITIES AND FUND EQUITY	\$ 17,912,261.02	\$ 17,761,893.54	\$ 150,367.48



BORREGO WATER DISTRICT

Treasurer's Report December, 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	\$ 1,526,738	\$ 1,495,459	\$ 1,495,459	89.15%	0.00%	N/A	WFB/AB
Payroll Account	\$ 111,788	\$ 110,618	\$ 110,618	6.59%	0.01%	N/A	WFB
MMA	\$ 50,425	\$ 50,425	\$ 50,425	3.01%	0.03%	N/A	WFB
LAIF	\$ 20,891	\$ 20,891	\$ 20,891	1.25%	0.24%	N/A	LAIF
Total Cash and Cash Equivalents	\$ 1,709,842	\$ 1,677,393	\$ 1,677,393	100.00%			

Facilities District No. 2007-1

First American Treas Obligation -US BANK	\$ 20,516	\$ 20,516	\$ 20,516				
Total Cash, Cash Equivalents & Investments	\$ 1,730,358	\$ 1,697,909	\$ 1,697,909				

Cash and investments conform to the District's Investment Policy statement filed with the Board of Directors on June 26, 2013.

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 December, 2013

A. Vendor disbursements paid during this period:		\$	108,425.96
<u>Significant items:</u>			
Utilities		\$	27,484.38
CalPERS Payments		\$	15,164.45
Employee Health Benefits		\$	15,742.94
Workers Compensation 4th quarter 2013		\$	3,690.00
B. Capital Projects/Fixed Asset Outlays:			
C. Total Professional Services for this Period:			
<i>(included in vendor disbursements paid above)</i>			
McDougal, Love, Eckis, Attorneys	Legal-general	\$	425.58
	GWM	\$	761.25
	R/H GC Deposit	\$	1,357.28
	Total Invoice:	\$	2,544.11
Downey Brand, Attorneys	Legal-general		
	GWM	\$	292.00
	R/H GC Deposit	\$	3,446.73
	Total Invoice:	\$	3,738.73
RHGC DEPOSIT BALANCE AS OF 12/31/13		\$	2,577.10
D. Payroll for this Period:			
Gross Payroll		\$	58,225.31
Employer Payroll Taxes and ADP Fee		\$	1,040.59
Total		\$	59,265.90

BORREGO WATER DISTRICT
FOR BOARD CONSIDERATION AND APPROVAL
DECEMBER 31, 2013

GENERAL ACCOUNT

CHECK#	DATE	PAYEE & DESCRIPTION	AMOUNT
18877	12/31/13	U.S.BANK CORPORATE PAYMENT SYS SEE INVOICE FOR DETAILS SEE INVOICE FOR DETAILS	1,497.62
18862	12/24/13	ABILITY ANSWERING/PAGING SER ANSWERING SERVICE	180.75
18863	12/24/13	CB&T ACWA-JPIA EMPLOYEE INSURANCE JANUARY	15,742.94
18878	12/31/13	ACWA/JPIA WORKERS COMPENSATION PE: 10/1/13 - 12/31/13	3,690.00
18864	12/24/13	AFLAC EMPLOYEE PAID SUPPLEMENTAL INS	1,660.08
18865	12/24/13	AIR POLLUTION INVOICE FOR DISTRICT FEES APCD2012-SITE-00924	309.00
18879	12/31/13	AMERICAN BACKFLOW SPECIALTIES CALIBRATION TOOL FOR BACKFLOW BACKFLOW PARTS	1,138.68
18888	01/09/14	AMERICAN LINEN INC. UNIFORMS FOR CREW	287.10
18889	01/09/14	AT CONFERENCE CONFERENCE CALL USAGE	21.72
18890	01/09/14	AT&T MOBILITY CELL PHONES FOR CREW	546.36
18880	12/31/13	AT&T-CALNET 2 WWTP PHONE MAIN OFFICE PHONE SHOP PHONE	288.32
18881	12/31/13	B & J EARTHWORKS MANHOLE REPAIRS ON LA CASA DEL ZORRO PROPERTY	300.00
18867	12/24/13	DATASTREAM BUSINESS MONTHLY PROGRAMMING CHARGES 11.1.13 - 11.30.13	237.50
18891	01/09/14	JAMES G HORMUTH/DBA TRUE VALUE SEE INVOICE FOR DETAILS	56.92
18856	12/18/13	DEBBIE MORETTI PEST CONTROL	113.00
18892	01/09/14	CDPH-OCP WATER TREATMENT CERT RENEWAL CODY COX	60.00
18893	01/09/14	DESERT TIRE CENTER MAINTENANCE ON SKIP LOADER	1,694.44
18882	12/31/13	DOWNEY BRAND SERVICES RENDERED 11/30/13	3,738.73
18894	01/09/14	E.S. BABCOCK & SONS, INC. SAMPLES TO LAB	1,020.00
18868	12/24/13	FED EX SAMPLES SHIPED TO LAB	12.27
18869	12/24/13	GREEN DESERT LANDSCAPE	

BORREGO WATER DISTRICT
 FOR BOARD CONSIDERATION AND APPROVAL
 DECEMBER 31, 2013

CHECK#	DATE	PAYEE & DESCRIPTION	AMOUNT
18895	01/09/14	WATER PIPE CLEAN UP DE ANZA V. GREEN DESERT LANDSCAPE MANAGEMENT FEE CLUB CIRCLE GC DECEMBER	462.00 5,210.80
18896	01/09/14	HACH COMPANY CHLORINE TEST PACKS	393.35
18897	01/09/14	HOME DEPOT CREDIT SERVICES SEE INVOICE FOR DETAILS	985.01
18870	12/24/13	IN-SITU, INC. REPLACE "RUGGED READER" DATA COLLECTOR TO RETRIEVE DATA FROM MONITOR WELLS	1,746.31
18898	01/09/14	JC LABS & MONITORING SERVICE WASTEWATER CONSULTING SERVICES	600.00
18871	12/24/13	JUAN'S TREE SERVICE PALM TREE TRIMMING	1,325.00
18872	12/24/13	KENNY STRICKLAND, INC. FUEL FOR DISTRICT VEHICLES FUEL FOR DISTRICT VEHICLES	1,372.63
18906	01/13/14	KONICA MINOLTA COPIER LEASE 12/25/13 - 1/24/14	1,337.68
18883	12/31/13	MAR-CON PRODUCTS SEWER MATERIALS	333.99
18857	12/18/13	MCDUGAL LOVE ECKIS SERVICES THRU 11/30/13 SERVICES RENDERED THRU 11/30	2,544.11
18899	01/09/14	NAPA AUTO PARTS INC SEE INVOICE FOR DETAILS	149.92
18884	12/31/13	PACIFIC PIPELINE SUPPLY INC INVENTORY INVENTORY INVENTORY MATERIAL PURCHASED FOR METER SERVICE AT STANLUNDS MOTEL	6,844.04
18866	12/24/13	AMERIGAS PROPANE LP PROPANE FOR LIFT STATION	918.35
18858	12/18/13	PUBLIC EMP'S RETIREMENT SYSTEM RETIREMENT BENEFITS PE: 12/01/13 - 12/15/13	7,180.81
18885	12/31/13	PUBLIC EMP'S RETIREMENT SYSTEM RETIREMENT BENEFITS PE: 12/16/13 - 12/31/13	7,983.64
18907	01/13/14	PITNEY BOWES/PURCHASE POWER POSTAGE	2,000.00
18859	12/18/13	QUILL CORPORATION OFFICE SUPPLIES	134.39
18873	12/24/13	QUILL CORPORATION OFFICE SUPPLIES	485.99
18900	01/09/14	QUILL CORPORATION OFFICE SUPPLIES	267.36
18901	01/09/14	RAMONA DISPOSAL SERVICE TRASH REMOVAL 2475 STIRRUP TRASH REMOVAL 4861 BS ROAD	

BORREGO WATER DISTRICT
 FOR BOARD CONSIDERATION AND APPROVAL
 DECEMBER 31, 2013

CHECK#	DATE	PAYEE & DESCRIPTION	AMOUNT
		TRASH REMOVAL CLUB CIRCLE	3,184.50
18876	12/24/13	SAN DIEGO GAS & ELECTRIC ELECTRICITY CHARGES	24,013.45
18886	12/31/13	SAN DIEGO GAS & ELECTRIC ELECTRICITY CHARGES	3,470.93
18902	01/09/14	SAN DIEGO GAS & ELECTRIC ELECTRICITY CHARGE	19.27
18874	12/24/13	SECAP FINANCE POSTAGE MACHINE LEASE	137.49
18875	12/24/13	SYNECO SYSTEMS, INC CONVERTING MEDIA	725.17
18903	01/09/14	T.S. INDUSTRIAL SUPPLY MISC TOOLS	54.95
18904	01/09/14	UNDERGROUND SERVICE ALERT DIG ALERTS	10.50
18860	12/18/13	U-T SAN DIEGO PUBLICATION NOI RESOLUTION	1,418.00
18887	12/31/13	UNIVAR USA INC. CAUSTIC SODA FOR SEWER COLLECTION SYSTEM	384.65
18861	12/18/13	VERIZON WIRELESS EMERGENCY PHONE	76.24
18905	01/09/14	WENDY QUINN RECORDING SERVICES DEC.	60.00
		TOTAL	----- 108,425.96 =====

Borrego Water District Management Report – January 2014

By: Jerry Rolwing

Happy 2014!

FEDERAL LEVEL

U.S. Geological Survey: I contacted Claudia and she believes they will have the draft for us by the end of January. The GS will be available to run future scenarios on the model but she did not list a price. We can follow up with a program for this action. They are still on-board for working with us on the water quality element of the model and will have time this Spring-summer to work on this program.

U.S. Bureau of Reclamation: Comment period for the Southeast California Basin Study was extended to the end of January and a final report will follow.

STATE LEVEL

A follow up letter was sent to thank Senator Joel Anderson for meeting with Beth Hart and members of the Borrego Water Coalition on December 17th (Attached A).

COUNTY LEVEL

A kick off meeting was held here at the District office for the Corps of Engineers/San Diego County Early Warning Flood Project. The two groups will be working together to build an early warning system for potential flood activity in the Borrego Valley.

DISTRICT LEVEL

Work continues with the Strategic Planning Ad Hoc Committee on the Rams Hill Golf Course and Borrego Water Coalition. Additional work has been on-going for the Viking Water credits, sewer issues at La Casa del Zorro, Valley water level program with John Peterson, proposed water quality monitoring program and writing sections of the Groundwater Management Plan update.

The sewer issue at La Casa del Zorro required immediate attention and I met with the O&M Committee to approve an expenditure over my \$5,000 limit which totaled \$22,510 for a manhole rebuild. The project will utilize the majority of the Sewer CIP budget. These repairs include rebuilding one manhole, repairing two other manholes and cleaning the sewer main that traverses the resort property. The cleaning will run approximately \$10K, the manhole work will run about \$30K (including video after project is done) and I envision we will be lucky to get completed under \$50K. Primary problems arose when the resort reopened and cleaned their on-site mains, filling the District's sewer main. The one manhole on the District's main had deteriorated and hindered the cleaning process. A more detailed study of the sewer collection system is required and will take place of the next few months.



BORREGO WATER DISTRICT

December 23, 2013

The Honorable Joel Anderson
Senator 36th District
27555 Ynez Rd. Suite 204
Temecula, CA 92591

Dear Senator Anderson:

The Borrego Water District and the Borrego Water Coalition wish to express our sincere thanks for taking your valuable time to meet with us on December 17th. We especially appreciated your candor in explaining the process for successfully getting legislation approved through the Senate and Assembly.

Groundwater is fast becoming a hot topic in California. Although considered a "hidden resource" it plays an important role in our State's water supply system. The Borrego Water District is participating in the Department of Water Resources' "CASGEM" water level monitoring and reporting program, as well as providing comments to the draft State Water Resource Control Board's "Groundwater Workplan". Both of these programs have great potential, as long as "local control" can be maintained over our precious resource.

Our community firmly believes that the groundwater aquifer overdraft can be resolved by working together with a goal of water sustainability. In addition, we believe that the solution will also positively impact the State of California.

We understand from our meeting that our proposal needs to address a number of issues. Our present goal is to design a program that both resolves our overdraft and facilitates an opportunity to secure support from other California legislators.

Both the Borrego Water District and the Borrego Water Coalition are at your disposal if you require any stakeholder support for one of your projects. Please let us know if we can assist you in any way.

Sincerely,

Jerry Rolwing
General Manager

Cc: Ms. Beth Hart, President of the Board of Directors
Mr. Ben Parish, District Representative, 36th Senate District



BORREGO WATER DISTRICT

December 2013

WATER OPERATIONS REPORT

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

System Problems: ID1-Well 16 not in use waiting for evaluation from pump service company.
All other Production Wells are in operating condition. Re-Relining of the 800 tank has begun and should be completed sometime between January 21 thru the 24 , 2014 provided there aren't any issues with the new liner.

WASTEWATER OPERATIONS REPORT

Rams Hill Water Reclamation Plant serving ID-1, ID-2 and ID-5 Total Cap. 0.25 MGD (million gallons per day):

Average flow: 78949 (gallons per day)
Peak flow: 112399 gpd Sunday December 1, 2013

Extensive cleaning sewer main and rehabilitation of a manhole is going on in the town center sewer that flows through the La Casa Del Zorro area. We will also be videoing this area for future rehabilitation needs. I will provide a brief explanation at the upcoming board meeting.



BORREGO WATER DISTRICT

WATER PRODUCTION SUMMARY

December 2013

DATE	ID-1	ID-3	ID-4	ID-5	DISTRICT-WIDE TOTALS
Jan-12	14.14	9.99	93.09	3.60	120.82
Feb-12	15.96	9.75	99.64	4.60	129.95
Mar-12	17.01	9.36	87.22	4.73	118.32
Apr-12	13.47	10.86	101.43	6.86	132.62
May-12	20.98	13.34	131.79	8.31	174.42
Jun-12	31.57	13.84	133.24	5.36	184.01
Jul-12	33.18	14.27	135.30	6.36	189.11
Aug-12	42.43	17.76	157.68	6.35	224.22
Sep-12	27.60	12.72	117.15	3.14	160.61
Oct-12	33.21	12.41	122.78	29.77	198.17
Nov-12	36.38	11.13	100.49	0.00	148.00
Dec-12	20.41	8.54	101.89	0.00	130.84
Jan-13	15.18	10.21	103.59	2.05	131.03
Feb-13	11.65	9.60	76.50	2.26	100.01
Mar-13	10.26	8.33	85.01	4.54	108.14
Apr-13	12.26	10.88	135.54	7.10	165.78
May-13	22.86	11.86	118.08	5.37	158.17
Jun-13	26.59	12.71	133.18	2.86	175.34
Jul-13	27.81	14.19	153.49	2.42	197.91
Aug-13	27.96	13.26	123.17	2.45	166.84
Sep-13	30.51	11.16	117.30	0.92	159.89
Oct-13	29.63	10.86	137.93	4.34	182.76
Nov-13	21.45	11.58	113.46	5.28	151.77
Dec-13	16.85	6.75	89.16	3.48	116.24
12 Mo. TOTAL	253.01	131.39	1386.41	43.07	1813.88

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

WATER LOSS SUMMARY (%)

DATE	ID-1	ID-3	ID-4	ID-5	DISTRICT-WIDE AVERAGE
Oct-13	4.62	-8.00	6.63	N/A	1.08
12 Mo. Average	5.69	2.01	13.36	N/A	7.02

BORREGO WATER DISTRICT
Water Production / Use Records
ID # 1
Month of December 2013

----- Water Production (Acre Feet) -----								
Date	Well 1	Well 2	Well 8	Well 10	Well 12	Well 16	Total	LessID3&4
=====	=====	=====	=====	=====	=====	=====	=====	=====
DEC'12	0.00	0.00	0.07	9.04	19.84	0.00	28.95	20.41
JAN'13	0.00	0.00	0.06	10.86	14.47	0.00	25.39	15.18
FEB'13	0.00	0.00	8.49	2.70	10.06	0.00	21.25	11.65
MAR'13	0.00	0.00	18.59	0.00	0.00	0.00	18.59	10.26
APR'13	0.00	0.00	0.00	0.00	23.14	0.00	23.14	12.26
MAY'13	0.00	0.00	0.00	0.00	34.72	0.00	34.72	22.86
JUN'13	0.00	0.00	6.78	0.04	32.48	0.00	39.30	26.59
JUL'13	0.00	0.00	0.02	7.16	34.82	0.00	42.00	27.81
AUG'13	0.00	0.00	0.08	13.53	27.61	0.00	41.22	27.96
SEP'13	0.00	0.00	1.00	10.35	30.32	0.00	41.67	30.51
OCT'13	0.00	0.00	0.06	11.21	29.22	0.00	40.49	29.63
NOV'13	0.00	0.00	0.00	11.99	21.04	0.00	33.03	21.45
DEC'13	0.00	0.00	0.94	7.26	15.40	0.00	23.60	16.85
TOTALS	0.00	0.00	36.02	75.10	273.28	0.00	384.40	253.01
=====	=====	=====	=====	=====	=====	=====	=====	=====

----- Water Use (Acre Feet) -----									
Date	Domestic	Irrigat'n	Constrt'n	Golf			Total	Water	
				Course	ID 3	ID 4		Loss	% Loss
=====	=====	=====	=====	=====	=====	=====	=====	=====	=====
DEC'12	8.32	10.12	0.00	0.00	8.54	0.00	26.98	1.97	6.80%
JAN'13	8.01	5.39	0.00	0.00	10.21	0.00	23.61	1.78	6.97%
FEB'13	7.35	3.76	0.00	0.00	9.60	0.00	20.71	0.54	2.53%
MAR'13	7.03	3.12	0.00	0.00	8.33	0.00	18.48	0.11	0.64%
APR'13	8.36	5.51	0.00	0.00	10.88	0.00	24.75	-1.61	-6.95%
MAY'13	9.49	7.03	0.00	0.00	11.86	0.00	28.38	6.34	18.25%
JUN'13	9.99	10.56	0.00	0.00	12.71	0.00	33.26	6.04	15.36%
JUL'13	11.06	15.99	0.00	0.00	14.19	0.00	41.24	0.76	1.76%
AUG'13	11.19	18.22	0.00	0.00	13.26	0.00	42.67	-1.45	-3.51%
SEP'13	10.18	18.81	0.00	0.00	11.16	0.00	40.15	1.52	3.64%
OCT'13	11.12	13.31	0.00	0.00	10.86	0.00	35.29	5.20	12.85%
NOV'13	9.63	10.24	0.00	0.00	11.58	0.00	31.45	1.58	4.80%
DEC'13	8.09	7.67	0.00	0.00	6.75	0.00	22.51	1.09	4.62%
TOTALS	111.50	119.61	0.00	0.00	131.39	0.00	362.50	21.90	5.69%
=====	=====	=====	=====	=====	=====	=====	=====	=====	=====

BORREGO WATER DISTRICT
 Water Production / Use Records
 ID # 3
 Month of December 2013

Date	La Casa del Zorro Total Acre Feet		Deep Well Trail / Others Acre Feet			Total Irrigat'n	Total Domestic	Total Acre Feet
	Irrigat'n	Domestic	Irrigat'n	Domestic	Total			
DEC'12	0.00	3.29	0.01	4.58	4.59	0.01	7.87	7.88
JAN'13	1.24	3.67	0.03	4.81	4.84	1.27	8.48	9.75
FEB'13	0.68	4.08	0.16	4.57	4.73	0.84	8.65	9.49
MAR'13	0.57	4.16	0.05	3.54	3.59	0.62	7.70	8.32
APR'13	0.79	4.03	0.02	5.40	5.42	0.81	9.43	10.24
MAY'13	0.83	5.16	0.08	5.89	5.97	0.91	11.05	11.96
JUN'13	1.06	5.21	0.15	6.06	6.21	1.21	11.27	12.48
JUL'13	1.08	6.31	0.11	6.36	6.47	1.19	12.67	13.86
AUG'13	1.10	5.74	0.03	5.98	6.01	1.13	11.72	12.85
SEP'13	0.93	4.67	0.03	5.36	5.39	0.96	10.03	10.99
OCT'13	1.17	4.50	0.06	4.96	5.02	1.23	9.46	10.69
NOV'13	0.59	3.28	0.12	6.84	6.96	0.71	10.12	10.83
DEC'13	0.20	3.22	0.10	3.77	3.87	0.30	6.99	7.29
TOTALS	10.24	54.03	0.94	63.54	64.48	11.18	117.57	128.75

Date	Water Produced Acre Feet	Water Delivered Acre Feet	Wtr Loss	% Loss
DEC'12	8.54	7.88	0.66	7.73%
JAN'13	10.21	9.75	0.46	4.51%
FEB'13	9.60	9.49	0.11	1.15%
MAR'13	8.33	8.32	0.01	0.12%
APR'13	10.88	10.24	0.64	5.88%
MAY'13	11.86	11.96	- .10	- .84%
JUN'13	12.71	12.48	0.23	1.81%
JUL'13	14.19	13.86	0.33	2.33%
AUG'13	13.26	12.85	0.41	3.09%
SEP'13	11.16	10.99	0.17	1.52%
OCT'13	10.86	10.69	0.17	1.57%
NOV'13	11.58	10.83	0.75	6.48%
DEC'13	6.75	7.29	- .54	-8.00%
TOTALS	131.39	128.75	2.64	2.01%

BORREGO WATER DISTRICT
Water Production / Use Records
ID # 4
Month of December 2013

----- Water Production (Acre Feet) -----											
Date	Well 2	Well 3	Well 4	Well 5	Well 10	Well 11	Well 18	Wilcox	Well 85	Total	Less ID5
DEC'12	0.00	0.00	49.39	35.72	9.47	1.54	5.77	0.00	0.00	101.89	101.89
JAN'13	0.00	0.00	61.63	27.85	11.84	0.00	4.32	0.00	0.00	105.64	103.59
FEB'13	0.00	0.00	38.14	10.41	9.84	16.89	3.48	0.00	0.00	78.76	76.50
MAR'13	0.00	0.00	43.79	23.93	9.60	5.48	6.75	0.00	0.00	89.55	85.01
APR'13	0.00	0.00	0.00	37.31	11.28	88.84	5.21	0.00	0.00	142.64	135.54
MAY'13	0.00	0.00	0.09	13.14	9.40	96.00	4.82	0.00	0.00	123.45	118.08
JUN'13	0.00	0.00	0.88	16.22	9.52	102.65	6.02	0.75	0.00	136.04	133.18
JUL'13	0.00	0.00	10.28	19.46	11.12	114.63	0.04	0.38	0.00	155.91	153.49
AUG'13	0.00	0.00	3.08	11.83	9.31	98.37	3.03	0.00	0.00	125.62	123.17
SEP'13	0.00	0.00	0.00	7.60	9.42	95.61	4.33	0.34	0.00	117.30	116.38
OCT'13	0.00	0.00	0.09	12.89	10.69	113.95	4.64	0.01	0.00	142.27	137.93
NOV'13	0.00	0.00	0.22	10.85	9.41	93.97	4.29	0.00	0.00	118.74	113.46
DEC'13	0.00	0.00	15.89	5.63	9.26	59.13	2.32	0.41	0.00	92.64	89.16
TOTALS	0.00	0.00	174.09	197.12	120.69	885.52	49.25	1.89	0.00	1428.56	1385.49

Date	Water Produced Acre Feet	Water Use Acre Feet	Wtr Loss	% Loss	ID 5 Acre Feet
DEC'12	101.89	80.44	21.45	21.05%	0.00
JAN'13	105.64	89.67	15.97	15.12%	2.05
FEB'13	78.76	67.95	10.81	13.73%	2.26
MAR'13	89.55	80.28	9.27	10.35%	4.54
APR'13	142.64	121.16	21.48	15.06%	7.10
MAY'13	123.45	109.96	13.49	10.93%	5.37
JUN'13	136.04	115.96	20.08	14.76%	2.86
JUL'13	155.91	130.14	25.77	16.53%	2.42
AUG'13	125.62	111.28	14.34	11.42%	2.45
SEP'13	117.30	98.56	18.74	15.98%	0.92
OCT'13	142.27	120.99	21.28	14.96%	4.34
NOV'13	118.74	105.21	13.53	11.39%	5.28
DEC'13	92.64	86.50	6.14	6.63%	3.48
TOTALS	1428.56	1237.66	190.90	13.36%	43.07

BORREGO WATER DISTRICT NEW METER INSTALLATION

2013/2014

EXISTING ACCOUNTS

WEA	ID-4	TOTAL
582	1543	2125

JULY
AUGUST
SEPTEMBER
OCTOBER
NOVEMBER
DECEMBER
JANUARY
FEBRUARY
MARCH
APRIL
MAY
JUNE
Y-T-D TOTAL

WEA	SA-4	TOTAL
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
		0

2012/2013

9 meters removed per owner request
2 NEW

**BORREGO WATER DISTRICT
METER INSTALLATION HISTORY**

SA# 4		
<u>YEAR</u>	<u>NEW METERS</u>	<u>TOTAL METERS</u>
<u>2013/14</u>		<u>1543</u>
<u>2012/13</u>	<u>2 NEW METERS</u>	1543
<u>2012/13</u>	4 meters removed per owner	1541
2011/12	4 meters removed 2 exchanges	1545
2010/11	9	1549
2009/10	7	1540
	3 meters removed/1 per owner 2 unpaid	
2008/9	3	1536
2007/8	10	1533
2006/7	39	1523
2005/6	96	1484
2004/5	79	1388
2003/4	58	1308
2002/3	32	1250
2001/2	23	1218

SA # 3		
<u>YEAR</u>	<u>NEW METERS</u>	<u>TOTAL METERS</u>
<u>2013/14</u>		<u>135</u>
<u>2012/13</u>	0	135
2011/12	0	135
2010/11	0	135
2009/10	0	135
2008/9	0	133
2007/8	0	133
2006/7	4	133
2005/6	11	129
2004/5	6	118
	(29) METERS REMOVED FROM LA CASA	112
2003/4	7	141
2002/3	3	134
2001/2	0	131

SA # 1		
<u>YEAR</u>	<u>NEW METERS</u>	<u>TOTAL METERS</u>
<u>2013/14</u>		<u>343</u>
<u>2012/13</u>	<u>2 meters removed per owner</u>	343
2011/12	0	345
2010/11	0	345
2009/10	0	345
2008/9	1	345
2007/8	12	344
2006/7	18	332
2005/6	3	314
2004/5	5	311
2003/4	3	306
2002/3	6	303
2001/2	1	297

SA# 5		
<u>YEAR</u>	<u>NEW METERS</u>	<u>TOTAL METERS</u>
<u>2013/14</u>		<u>104</u>
<u>2012/13</u>	<u>2 METERS REMOVED</u>	104
<u>2011/12</u>	1	106
2010/11		105

TOTAL METERS IN GROUND 2125