

AGENDA
Borrego Water District Board of Directors
Regular Meeting
November 19, 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
- E. Approval of Minutes
 - Special meeting of October 2, 2014 (3)
 - Special meeting of October 14, 2014 (4-5)
 - Regular meeting of October 22, 2014 (6-9)
 - Special meeting of October 31, 2014 (10)
- F. Comments from Directors and Requests for Future Agenda Items
- G. Comments from the Public and Requests for Future Agenda Items (comments will be limited to 3 minutes)
- H. Correspondence:

II. CURRENT BUSINESS MATTERS

- A. Discussion of Borrego Water Coalition Groundwater Sustainability Plan Policy Recommendations (11-17)
- B. Discussion and possible action for donation of property from Charlie White (18-32)
- C. Discussion of Solar Power Installation at the Waste Water Treatment Plant
- D. Discussion and possible approval and adoption of Ordinance No. 14-01 ***ORDINANCE OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT AMENDING ORDINANCE NO. 93-2 INSTITUTING A CROSS CONNECTION CONTROL PROGRAM TO PROTECT THE PUBLIC WATER SYSTEM AND THE ADOPTION OF RULES AND REGULATIONS*** (33-36)
- E. Presentation of ACWA / JPIA Commitment to Excellence Program (37-38)
- F. Review of planning calendar (39-40)
- G. Discussion and possible approval of a request from Considine Borrego LLC, T2 Borrego LLC. (41-48)

III. STAFF REPORTS

- A. Financial Reports – October 2014 (50-63)
- B. General Manager / Operations Report (64-67)
- C. Water and Wastewater Operations Report – October 2014 (68)
- D. Water Production/Use Records – October 2014 (69-72)

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) (73) |
| 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) |
| 10. CFD Committee | (Estep, M. Brecht) |

VI. INFORMATIONAL ITEMS

VII. CLOSING PROCEDURE

The next Regular Meeting of the Board of Directors is scheduled for December 17, 2014 at the Borrego Water District

Teleconference Site:

7815 Rush Rose Drive, #302, Carlsbad, CA 92009

**Borrego Water District
MINUTES
Special Meeting of the Board of Directors
Thursday, October 2, 2014
1:00 PM
806 Palm Canyon Drive
Borrego Springs, CA 92004**

I. OPENING PROCEDURES

- A. Call to Order: President Hart called the meeting to order at 1:00 p.m.
- B. Pledge of Allegiance: Those present stood for the Pledge of Allegiance.
- C. Roll Call: Directors: Present: President Hart, Vice-President Lyle Brecht, Secretary/Treasurer Marshal Brecht, Delahay, Estep (via teleconference)

 Staff: Jerry Rolwing, General Manager
 Morgan Foley, McDougal Love Eckis Boehmer & Foley (via teleconference, Item III only)
 David Aladjem, Downey Brand (via teleconference, Item III only)
 Wendy Quinn, Recording Secretary
- D. Approval of Agenda: ***MSC: L.Brecht/Delahay approving the Agenda as written.***
- E. Comments from Directors and Requests for Future Agenda Items: None
- F. Comments from the Public and Requests for Future Agenda Items: None

II. CURRENT BUSINESS MATTERS

- A. Discussion and possible approval of Viking note refinancing: The Board discussed options for refinancing, including 10, 15 or 20-year amortization and the associated interest rates and expenditures. ***MSC: L.Brecht/Estep endorsing a 15-year amortization for the Viking note refinancing, subject to the District accountant's confirmation that there would be no conflict with the ID4 bond, subject to the Board's choice of bond counsel and review of the Stern agreement, and provided the Due Diligence Committee and Morgan Foley open negotiations with Lance Lundberg, with a deadline for response, to determine if he is interested in revising the note to more closely match the terms of the bond market.***

III. CLOSED SESSION

Conference with Legal Counsel – Anticipated Litigation.

- A. Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code section 54956.9. One potential case: The Board adjourned to closed session at 1:25 p.m., and the public meeting reconvened at 3:30 p.m. There was no reportable action.

IV. CLOSING PROCEDURE

There being no further business, the Board adjourned at 3:30 p.m. The next Special Meeting of the Board of Directors is scheduled for October 14, 2014 at the Borrego Water District. The next Regular Meeting of the Board of Directors is scheduled for October 22, 2014 at the Borrego Water District.

**Borrego Water District
MINUTES
Special Meeting of the Board of Directors
Tuesday, October 14, 2014
9:00 AM
806 Palm Canyon Drive
Borrego Springs, CA 92004**

I. OPENING PROCEDURES

A. Call to Order: Vice-President Lyle Brecht called the meeting to order at 9:00 a.m.

B. Pledge of Allegiance: Those present stood for the Pledge of Allegiance.

C. Roll Call: **Directors:** **Present:** Vice-President Lyle Brecht,
Secretary/Treasurer Marshal Brecht, Delahay
 Absent: President Hart, Estep

Staff: Jerry Rolwing, General Manager
 Wendy Quinn, Recording Secretary

Public: Dick Walker Ray Shindler

D. Approval of Agenda: *MSC: Delahay/M.Brecht approving the Agenda as written.*

E. Comments from Directors and Requests for Future Agenda Items: None

F. Comments from the Public and Requests for Future Agenda Items: Ray Shindler expressed concern regarding the amount of water used at the Roadrunner Club during golf course reseeded and on the greenbelt. He hoped the Borrego Water Coalition would address this issue. Mr. Shindler further inquired whether the primary means to reduce the aquifer overdraft was considered to be fallowing of agricultural land. Jerry Rolwing explained that policy recommendations would be presented to the Board next month.

II. CURRENT BUSINESS MATTERS

A. Discussion of 2014 Community Groundwater Management Plan (GWMP), Groundwater Sustainability Plan (GSP) and Integrated Regional Water Management Plan (IRWMP): Mr. Rolwing reported that the Association of California Water Agencies had published a new series of frequently asked questions and due dates for GSPs. Copies are available. Discussion followed regarding the need for clarification as to when new GWMPs will be accepted, what funding might be available, the need for an IRWMP and implications of the anticipated transfer of responsibilities from the Department of Water Resources to the State Water Resources Control Board. Mr. Shindler suggested including elements from the new law in the District's planning, such as required water metering for all extraction. Mr. Rolwing brought up questions which have arisen. Can BWD be the GSP authority? (He thinks so.) Do we need to include the County in BWD's GSP? (He thinks so.) Do we need to shrink our basin size, which now includes BLM land and the State Park? (He is not sure.)

B. Discussion of proposed schedule for Raftelis Water and Wastewater Utility Rate Analysis: Director Lyle Brecht expressed concern that the Raftelis water and wastewater utility rate analysis may be premature. He questioned whether input from Dudek, David Dale and the District's capital improvement plan should be considered first. Mr. Rolwing pointed out that the proposed schedule was designed to lead to a public hearing in March, 2015, when most seasonal residents would still be here. He suggested referring the matter to the Operations and Management Committee and getting Mr. Dale involved.

Director Lyle Brecht suggested that the Strategic Planning Committee, Mr. Dale and Mr. Rolwing develop a plan and cost estimate for the GSP, including potential litigation costs.

C. Discussion of proposed Ordinance No. 14-01 **ORDINANCE OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT AMENDING ORDINANCE NO. 93-2 INSTITUTING A CROSS CONNECTION CONTROL PROGRAM TO PROTECT THE PUBLIC WATER SYSTEM AND THE ADOPTION OF RULES AND REGULATIONS:** Mr. Rolwing explained that the Operations and Management Committee had discussed this proposed Ordinance last year but it was never adopted. It was agendized today for discussion, followed by publication and posting and consideration for adoption on November 19. If approved, it will be published again and become effective on December 19.

D. Update on Viking refinancing process and questions: Director Lyle Brecht referred to the Board's action at its last meeting, endorsing a 15-year amortization for the Viking refinancing subject to certain conditions. Lance Lundberg has been contacted and supports the District's proposal to refinance but is not interested in being part of it. Morgan Foley has reviewed the Stern Brothers agreement and has no concerns. Two bond counsels are under consideration. As to the ID4 bond, Stern explained that whatever private placement is put into effect would be with full knowledge of the ID4 covenants, so an absence of conflict would be ensured. Director Marshal Brecht said there does not appear to be any conflict.

E. Discussion of potential agenda items for October 22nd board meeting: Agenda items for the next meeting will include a report by the auditors via teleconference, a resolution changing the November and December meeting dates, possibly a closed session, possibly a decision on the Tandem Solar proposal, the retention of Stern Brothers as investment bankers for the Viking note, signature of the Destination Borrego charter, and assignment of the Due Diligence Committee to the rate analysis.

III. CLOSING PROCEDURE

There being no further business, the Board adjourned at 10:20 a.m. The next Regular Meeting of the Board of Directors is scheduled for October 22, 2014 at the Borrego Water District.

since last year, reflecting prudent performance. Revenues were up and expenses were flat. The profit and loss statements and cash flow were also reviewed and reconciled, as well as capitalized assets. There were no deficits in the fund balances. A condensed financial statement for ID4 was included, and there were no deficiencies in the internal controls. Mr. Rotherham noted that from an operational standpoint, the audit went well. He thanked the staff for their responses and support. **MSC: M.Brecht/Delahay accepting the FY 2014 financial audit report.**

B. Discussion and possible approval of Tandem Solar proposal for Solar Power Purchase Agreement: Jerry Rolwing requested that this item be tabled pending receipt of additional information.

C. Discussion and possible approval of retaining Stern Brothers & Co. for Viking refinancing: Mr. Rolwing reported that the agreement between the District and Stern Brothers had been reviewed by Stern Brothers and the District's attorneys and all approved. **MSC: M.Brecht/Delahay approving the retention of Stern Brothers & Company for the Viking refinancing.**

D. Discussion and possible selection of bond counsel for the Viking refinancing: Director Lyle Brecht reported that after interviewing several bond counsel candidates, the Due Diligence Committee recommended Jenna Magan of Orrick, and for future bond disclosure counsel, Warren Devin of Best Beat & Kreiger. **MSC: M.Brecht/Delahay retaining Jenna Magan of Orrick as bond counsel, conditioned on an acceptable agreement for services.**

E. Discussion of assigning water and wastewater rate analysis to Due Diligence Committee and review of Raftelis data request: Director Lyle Brecht reported that the Committee had already begun discussing this issue and whether it would be prudent to delay the rate analysis for about a year and meanwhile prepare a business plan. Mr. Rolwing and Director Delahay agreed. Mr. Rolwing will inform Raftelis and calendar the matter for review in six months.

F. Discussion and possible approval of Resolution 2014-10-02 THE BORREGO WATER DISTRICT SUPPORTING THE EFFORTS OF THE BORREGO SPRINGS STEWARDSHIP COUNCIL TO ESTABLISH THE DESTINATION BORREGO SPRINGS CAMPAIGN: **MSC: Delahay/M.Brecht adopting Resolution 2014-10-02, Resolution of the Borrego Water District Supporting the Efforts of the Borrego Springs Stewardship Council to Establish the Destination Borrego Springs Campaign.**

G. Discussion and possible approval of Resolution 2014-10-01 REVISING THE SCHEDULE OF REGULAR MEETINGS to meet on November 19th and December 17th, 2014: **MSC: M.Brecht/Delahay adopting Resolution 2014-10-01 Revising the Schedule of Regular Meetings.**

H. Review of planning calendar: Director Lyle Brecht requested that item 27 under Administrative be changed from Rates to Business Plan.

III. STAFF REPORTS

A. Financial Reports – September 2014: Kim Pitman reported that residential water sales were up due to activity at Rams Hill. Audit fees were paid a month earlier than projected. There were excess overtime expenses due to water main breaks and master metering at the Mall.

B. General Manager/Operations Report: Mr. Rolwing distributed a response from the Department of Water Resources to his questions concerning the Integrated Regional Water Management Plan. Projects with multiple benefits are more likely to be funded. Director Lyle Brecht expressed concern regarding the phasing of our IRWMP, beginning with Borrego Valley

and gradually expanding to surrounding areas. DWR's latest letter says we cannot do this, but a previous response said it was acceptable. He suggested asking David Aladjem to discuss the issue with DWR.

C. Water and Wastewater Operations Report – September 2014: Mr. Rolwing pointed out that production has increased since last year due to activity at Rams Hill.

D. Water Production/Use Records - September 2014: Mr. Rolwing noted that unaccounted-for water (“water losses”) had increased in ID4.

IV. ATTORNEY'S REPORT

None

V. COMMITTEE REPORTS & PROPOSALS

Ad Hoc Committees

1. Audit Committee

This item was covered previously.

2. Due-Diligence

The Committee will begin focusing on a business plan.

3. Strategic Planning Committee/IRWM

The Committee will be meeting with DWR and continuing to work with the Borrego Water Coalition. They also hope to meet with the County regarding the Groundwater Sustainability Plan.

4. Executive Committee

No report.

5. Operations & Management Committee

Director Delahay reported that the Committee had been working on backflow prevention and solar. Mr. Rolwing will work with David Dale on the Capital Improvement Plan.

6. Parks Committee

No report.

7. Asset Ad Hoc Committee

No report.

8. Personnel Committee

No report.

9. Negotiating Committee

No report.

10. CFD Committee

Director Lyle Brecht noted that the Committee had been assisting with bond counsel selection, which has now been taken care of.

VI. INFORMATION ITEMS

None

VII. CLOSED SESSION

Conference with Legal Counsel – Anticipated Litigation

A. Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code section 54956.9. One potential case:

This item was cancelled.

VIII. CLOSING PROCEDURE

There being no further business, the Board adjourned at 10:35 a.m. The next Regular Meeting of the Board of Directors is scheduled for November 19, 2014 at the Borrego Water District.

**Borrego Water District
MINUTES
Special Meeting of the Board of Directors
Friday, October 31, 2014
1:00 PM
806 Palm Canyon Drive
Borrego Springs, CA 92004**

I. OPENING PROCEDURES

- A. Call to Order: President Hart called the meeting to order at 1:00 p.m.
- B. Pledge of Allegiance: Those present stood for the Pledge of Allegiance.
- C. Roll Call: Directors: Present: President Hart, Vice-President Lyle Brecht, Secretary/Treasurer Marshal Brecht, Delahay, Estep (via teleconference)

 Staff: Jerry Rolwing, General Manager
 Morgan Foley, McDougal Love Eckis Boehmer & Foley (via teleconference, Item II only)
 David Aladjem, Downey Brand (via teleconference, Item II only)

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

explained that he had been working with the Borrego Water Coalition and concentrating on the new groundwater legislation and its mandates. He suggested using philanthropy, perhaps through the Anza Borrego Foundation, to fallow agricultural land. Mr. Hall noted that he had been involved in water law for 15 years and had served as water rights counsel for a \$3 billion coal slurry steam electric generating plant in Ely, Nevada. He expressed hope that BWD and ABF could work together to address groundwater issues. President Hart announced that the BWC was developing recommendations which will probably be discussed at the November 19 BWD Board meeting. She noted that it is not too early to look into private fallowing before CEQA requirements become effective.

II. CLOSED SESSION

Conference with Legal Counsel – Anticipated Litigation.

A. Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code section 54956.9. One potential case: The Board adjourned to closed session at 1:10 p.m., and the public meeting reconvened at 2:15 p.m. The Board gave direction to legal counsel.

III. CLOSING PROCEDURE

There being no further business, the Board adjourned at 2:15 p.m. The next Regular Meeting of the Board of Directors is scheduled for November 19, 2014 at the Borrego Water District.



FOR IMMEDIATE RELEASE

CONTACT: LINDA HADDOCK,
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JERRY ROLWING, GENERAL MANAGER
BORREGO WATER DISTRICT
(760) 767-5806
JERRY@BORREGOWD.ORG

**BORREGO WATER COALITION RECOMMENDS POLICIES
FOR THE BORREGO VALLEY'S GROUNDWATER SUSTAINABILITY PLAN**

BORREGO SPRINGS, CA (NOVEMBER 6, 2014): A significant milestone was reached this afternoon when the Borrego Water Coalition ("the Coalition"), after many months of extensive negotiations and collaborative work, issued a set of policy recommendations to the Borrego Water District's Board of Directors for potential inclusion in the Borrego Valley's Groundwater Sustainability Plan (GSP).

The ongoing work of the Coalition became even more important to the valley when on September 16th of this year Governor Brown signed sweeping legislation, "The Sustainable Groundwater Management Act" ("the Act"), to manage groundwater in the state. The legislation establishes that it is the policy of the State of California that groundwater resources in the state be managed sustainably for long-term water reliability and multiple economic, social, or environmental benefits. The Act requires groundwater basins in critical overdraft, such as the Borrego Valley Groundwater Basin, to have a GSP completed no later than January, 31, 2020.

The goal of the Coalition mirrors the purpose of the Act, which is to arrive at a balanced basin where withdrawals do not exceed the sustainable yield (average annual net recharge to the basin). The legislation mandates that designated agencies develop and implement a plan that is approved by the California Department of Water Resources (DWR). The plan must seek to achieve sustainable yield in no more than 20-years from the date the plan is approved.

The policies recommended by the Coalition today are in full compliance with the Act and are designed to stimulate discussion on the part of Borrego Valley property owners in order to develop a broad consensus and support for the objectives of the GSP.

The Coalition represents all sectors of the Borrego community: agriculture, recreation, commercial, public agency (e.g. the State Park), and municipal users of water in the Valley. For almost two years we have met every month as a group. The policies presented today are one result of the ongoing work of the Coalition.

The Coalition's website is at: <http://www.borregospringschamber.com/bwc/>.



BORREGO WATER COALITION MEMBER LIST

November 6, 2014

#	NAME	INTEREST AREA	AFFILIATION
1	Bill Bauer	Agriculture	AAWARE/Borrego Farms
2	David Bauer (alternate)	Agriculture	AAWARE/Borrego Farms
3	Dennis Jensen	Agriculture	AAWARE/Oasis Ranch Management
4	Duane Young	Agriculture	AAWARE/Cocopah Nurseries
5	Jim Seley	Agriculture	AAWARE/Seley Ranches
6	Mike Seley (alternate)	Agriculture	AAWARE/Seley Ranches
7	Ryan Hall (alternate)	Agriculture	AAWARE/Borrego Farms
8	Bill Berkley	Recreation	Rams Hill Partners/Rams Hill Golf Course
9	Dan Wright	Recreation	The Springs at Borrego and Road Runner Club
10	Jack Cameron (alternate)	Recreation	Borrego Springs Resort & Spa
11	Jim Moxham	Recreation	Borrego Springs Resort & Spa
12	Jim Wermers	Recreation	de Anza Country Club
13	Beth Hart	District Rate Payers; Registered Voters	Borrego Water District
14	Jerry Rolwing	District Rate Payers; Registered Voters	Borrego Water District
15	Lyle Brecht	District Rate Payers; Registered Voters	Borrego Water District
16	Marshal Brecht (alternate)	District Rate Payers; Registered Voters	Borrego Water District
17	Anne Bogardt (alternate)	School District	Borrego Springs Unified School District
18	Martha Deichler	School District	Borrego Springs Unified School District
19	Jim Wilson	Public Use Area	Christmas Circle Community Park Foundation
20	Linda Haddock	Commercial Businesses	Borrego Springs Chamber of Commerce
21	Jack McGrory	Resorts and Lodging	La Casa Del Zorro Resort & Spa
22	Casey Brown (alternate)	Resorts and Lodging	La Casa Del Zorro Resort & Spa
23	Kathy Dice	Watershed & Desert Ecosystems	Anza-Borrego Desert State Park
24	Paige Rogowski (alternate)	Watershed & Desert Ecosystems	Anza-Borrego Foundation
25	Ralph Singer	Watershed & Desert Ecosystems	Anza-Borrego Foundation
26	Laura Peters	not applicable; non-voting member	CA Department of Water Resources
27	Tim Ross	not applicable; non-voting member	CA Department of Water Resources
28	Jim Bennett	not applicable; non-voting member	San Diego County Planning & Dev. Services

For assistance with contacting one of your representatives, contact Linda Haddock, Executive Director, Borrego Springs Chamber of Commerce at (760) 767-5555 or lhaddock@bscvb.com, or Dorian Fougères, Facilitator, Center for Collaborative Policy, CSUS at (916) 531-3835 or dfougeres@ccp.csus.edu

BORREGO WATER COALITION
GROUNDWATER MANAGEMENT
POLICY RECOMMENDATIONS

This document articulates policies the Borrego Water Coalition's (BWC; "the Coalition") members recommend to the Borrego Water District's (BWD; "the District") Board of Directors ("the Board").¹

The Coalition recommends the inclusion of the following policies in the Borrego Valley's Groundwater Sustainability Plan (GSP) required under the Sustainable Groundwater Management Act (SGMA; the Act; collectively SB 1168, SB 1319 and AB 1739, as amended):²

- (1) The Coalition recommends a Physical Solution of sufficient reductions in Basin withdrawals from the baseline in order to achieve a Sustainable Yield goal of approximately 5,600 acre-feet per year (AFY).³ These reductions shall be achieved at a minimum within a 20-year period beginning no later than January 31, 2020, with 5-year minimum interim reduction targets of ⁴:

No Later Than February 1, ____:

- a. 2025: approximately 20% from the Baseline
- b. 2030: approximately 40% from the Baseline
- c. 2035: approximately 60% from the Baseline
- d. 2040: approximately 70% from the Baseline⁵

¹ See Memorandum of Understanding for Borrego Water Coalition dated March 29, 2013 at: http://water.manager.borregospringschamber.com/bwc/documents/BWCMOUFinal-Revision_12-05-13.pdf.

² The Act establishes that it is the policy of the State of California that groundwater resources be managed sustainably for long-term water reliability and multiple economic, social, or environmental benefits for current and future beneficial uses [SB 1168, Section 1.(a)].

³ United States Geological Survey, 2014, "Hydrogeology, Hydrologic Effects of Development, and Simulation of Groundwater Flow in the Borrego Valley, San Diego County, California. Draft Report." Claudia C. Faunt, Christina L. Stamos, Peter Martin, Lorraine E. Flint, Michael T. Wright, Matthew K. Burgess, Michelle Sneed, Justin Brandt, and Alissa L. Coes.

⁴ January 31, 2020 is the final due date established by the SGMA legislation for a basin in critical overdraft to have a GSP approved by DWR. All GSPs must include a reduction schedule with no more than 5-year benchmarks. A GSP may be approved and commence without penalty at any date before this final date.

⁵ The precise percentage is the amount necessary to achieve Sustainable Yield. This percentage reduction will be refined during the GSP period based on difference of actual withdrawals from the Sustainable Yield goal.

BORREGO WATER COALITION
GROUNDWATER MANAGEMENT
POLICY RECOMMENDATIONS

- (2) The Coalition recommends a Baseline be established for each Owner based on either documented metered usage or on estimated average annual usage for the 10-year period 2004-2014 that fairly establishes historical Production at full operation;
- (3) The Coalition recommends that the GSP include an annual Non-Compliance Fee based on an Owner's Production (acre-feet of withdrawals) exceeding the interim targets and thereafter exceeding the proportionate permanent reductions in annual withdrawals required to achieve the Physical Solution. The purpose of the Non-Compliance fee is primarily to deter Owners from exceeding their annual extraction limits and secondarily to support implementation of the GSP⁶. Accordingly, the Non-Compliance Fee should be set at a level consistent with a fee for the unauthorized diversion of water;
- (4) The Coalition recommends and supports the development of separate funding mechanisms, both public and private, including acquiring and/or fallowing agricultural land as a way to expedite bringing the basin into balance; for transfers of pumping rights among Owners; for paying for the implementation of the Physical Solution. Without such funding, support for these recommendations from all the members of the Coalition should be considered to be non-binding;
- (5) The Coalition recommends and supports the imposition of an approved, defined, and reasonable fee to be imposed on Owners specifically to cover the Administrative Costs of the GSP as may be required by the California Department of Water Resources (DWR) SGMA regulations;
- (6) The Coalition recommends that the County and District establish a Joint Powers Agreement (JPA), or similar legal structure, comprised of the appropriate Basin agencies and stakeholders, including Borrego Water Coalition members, for purposes of

⁶ AB-1739, Chapter 8 (Financial Authority), 10730(a) states: "A groundwater sustainability agency may impose fees, including, but not limited to, permit fees and fees on groundwater extraction or other regulated activity, to fund the costs of a groundwater sustainability program, including, but not limited to, preparation, adoption, and amendment of a groundwater sustainability plan, and investigations, inspections, compliance assistance, enforcement, and program administration, including a prudent reserve. A groundwater sustainability agency shall not impose a fee pursuant to this subdivision on a de minimis extractor unless the agency has regulated the users pursuant to this part."

BORREGO WATER COALITION
GROUNDWATER MANAGEMENT
POLICY RECOMMENDATIONS

effectively implementing the Physical Solution. Also, the JPA should work to align the County's General Plan, land-use policies, and the well permitting practices of the Department of Environmental Health (DEH) with the GSP, in support of Basin sustainability;⁷

- (7) The Coalition recommends that the District review its Policy for Water and Sewer Service to New Developments and its Water Credits Policy (WCP) so as to bring these policies into alignment with the Physical Solution and that the policies facilitate economic growth and free market trading among Owners to arrive at a Sustainable Community Solution (SCS);
- (8) The Coalition recommends that Owners be mandated to install meters on their Production wells and submit verified withdrawals data twice a year to the Basin Engineer. The Coalition agrees that a penalty be imposed for Owners failing to meter their Production wells no more than two-years from the date of the approved GSP;
- (9) The Coalition recommends that Owners be required to allow access to their Production wells for the collection of Water Quality Data (WQD), as required by state regulations. The Coalition agrees that a penalty be imposed for Owners failing to provide access to their Production wells for sampling by the Basin Engineer or other designated qualified water quality professional as specified by the GSP;
- (10) The Coalition recommends that the GSP include how it will involve the Coalition in an ongoing role in developing, monitoring, and periodically reviewing the elements of the GSP and include such mechanism(s) as a formal component of the GSP.

Definitions

Acre-feet per year (AFY) - a unit of measuring water usage over time corresponding to covering one acre of land with one foot of water over the course of one year. An acre-foot of water equals 43,560 cubic-feet of water or 325,851.4 U.S. gallons. A football field is about 1.1 acres. One cubic-foot contains 7.48 gallons of water.

⁷ The Act requires the County planning agency, before adopting or substantially amending a general plan, to review and consider the GSP for the Basin.

BORREGO WATER COALITION
GROUNDWATER MANAGEMENT
POLICY RECOMMENDATIONS

Administrative Costs – legitimate and necessary GSP administration, legal, engineering, planning, technical and other costs not covered by State and/or Foundation grants and/or bond financing.

Basin – groundwater underlying the Borrego Valley alluvial basin boundaries that underlie the District and San Diego County and under their authority as determined by SGMA. Note: this is only a part of the basin as defined by DWR in its 2003 Bulletin 118, which includes other land within the jurisdiction of San Diego County, Imperial County, the Bureau of Land Management, and potentially the California Department of Parks and Recreation.

Basin Engineer – qualified professional engineering firm hired by the Groundwater Sustainability Agency to administer the implementation of the GSP.

Groundwater Sustainability Agency (GSA) – Agencies that have been created by statute to manage groundwater are deemed the exclusive agency to comply with the Sustainable Groundwater Management Act (“the Act”) within their boundaries unless the agency elects to opt out [Section 10723 (c)(1) and (c)(2)]. Otherwise, any local agency or combination of local agencies overlying a groundwater basin may elect to be a GSA [Section 10723]. Local agencies, such as the District [California Water Code Section 35562] and the County, have until June 30, 2017 to form a GSA [Section 10735.2(1)]. A GSA may adopt rules, regulations, ordinances, and resolutions for the purposes of the Act.

Joint Powers Agreement (JPA) – formal agreement of how two or more agencies plan to work together to achieve a common purpose.

Non-Compliance Fee – an annual fee for Owners failing to meet their withdrawals reduction target. The fee would be assessed on the basis of Production exceeding an Owner’s reduction target.

Physical Solution - A physical solution is a technical legal term for an operational plan that: (i) preserves water rights and, at the same time; (ii) enables all water users to exercise those rights fully even when there might not be sufficient water if there was strict compliance with the water rights system.

Policy for Water and Sewer Service to New Developments – see http://www.borregowd.org/uploads/Borrego_WD_2013_Proposed_New_Development_Policy_with_Detail_Sheet_and_Who_Pays_for_Growth_Policy_Feb_20_2012_Cle.pdf.

Owner – a person owning a groundwater extraction facility or an interest in a groundwater extraction facility in the Basin.

Production – annual groundwater withdrawals from the Basin.

BORREGO WATER COALITION
GROUNDWATER MANAGEMENT
POLICY RECOMMENDATIONS

Sustainable Community Solution – the transfer of sustainable Production among Owners that results in the desired mix of economic activity that achieves withdrawals within the Sustainable Yield of the Basin.

Sustainable Yield – the average annual natural recharge to the Basin as determined by the US Geological Survey (USGS)

Water Credits Policy – http://www.borregowd.org/uploads/Water_Credit_policy_revision_06.25.2014.pdf

Water Quality Data (WQD) – data required under the various state agency programs, as amended (e.g. Salt and Nutrient Monitoring Program) that preserves the privacy of Owners' wells' data.

DATE: November 14, 2014
TO: Board of Directors
FROM: Jerry Rolwing
RE: Charlie White property donation

The Operations and Maintenance ad hoc committee met to discuss the donation and possible acceptance of 18 acres adjacent to the District's ID4-4 production well on Borrego Springs Road. This has been a negotiation process with the landowner over the past few months. Mr. Charlie White owns a 169.84 acre parcel (APN: 141-030-04) which lies between Borrego Springs Road and DiGiorgio Road. Mr. White has been attempting to subdivide the parcel into smaller parcels for the past four years and now would like to donate portions of the parcel in +/- 18 acre increments for tax deduction purposes. The original area was designated along the southernmost 300 feet across the property but after several discussions with the property owner, it was determined the best application for the District would be to incorporate property adjacent to the existing well site for a possible future solar array installation. It is the recommendation of the ad hoc committee to accept the donation.



BIG HORN DRIVE

Big Horn Land Proposed Subdivision
(Jim Engelke proposal to donate SW 1/4)

BORRERO SPRINGS ROAD

DIGIORGIO ROAD

Pepper Farm
(followed by Genus LLP)

BWD

Donation 2014 Parcel A 18.70 ac.	Future Donation Parcel B 19.20 ac.	Future Donation Parcel C 18.77 ac.	Future Donation Parcel D 18.22 ac.
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Original 300 ft. by 2,595 ft. strip offered for donation

Charlie White
Property Donation
November 2014

LAND APPRAISAL REPORT

File No. Borrego Springs Road - V

The purpose of this summary appraisal report is to provide the lender/client with an accurate and adequately supported opinion of the market value of the subject property.

CLIENT AND PROPERTY IDENTIFICATION

Property Address: **Borrego Springs Road** City: **Borrego Springs** State: **CA** Zip: **92004**
 Borrower: **White Charles/ONeill Macella** Owner of Public Record: **White Charles/ONeill Macella** County: **San Diego**
 Legal Description: **(Ex D05-292677)S 100 Ac of NEQ&All of N H of SEQ Sec 29-10-6E**
 Assessor's Parcel #: **141-030-40-00** Tax Year: **2013** R.E. Taxes: **\$4,508.00**
 Neighborhood Name: **Borrego Springs** Map Reference: **1058-J6** Census Tract: **210.00**
 Special Assessments: **0.00** PUD Yes No HOA: \$ **0.00** Per Year Per Month
 Property Rights Appraised: Fee Simple Leasehold Other (describe) _____
 Assignment Type: Purchase Transaction Refinance Transaction Other (describe) **Personal**
 Lender/Client: **White Charles** Address: _____

CONTRACT ANALYSIS

I did did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.

Contract Price \$: **\$0.00** Date of Contract: **0** Is the property seller the owner of public record? Yes No Data Source(s) _____
 Is there any financial assistance (loan charges, sale concessions, gift or down payment assistance, etc.) to be paid by any party on behalf of the borrower? Yes No
 If Yes, report the total dollar amount and describe the items to be paid. \$ _____

NEIGHBORHOOD DESCRIPTION

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics				One-Unit Housing Trends			One-Unit Housing		Present Land Use %				
Location	<input type="checkbox"/> Urban	<input type="checkbox"/> Suburban	<input checked="" type="checkbox"/> Rural	Property Values	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	PRICE	AGE	One-Unit	65 %		
Built-Up	<input type="checkbox"/> Over 75%	<input type="checkbox"/> 25-75%	<input checked="" type="checkbox"/> Under 25%	Demand/Supply	<input type="checkbox"/> Shortage	<input type="checkbox"/> In Balance	<input checked="" type="checkbox"/> Over Supply	\$(000)	(yrs)	2-4 Unit	5 %		
Growth	<input type="checkbox"/> Rapid	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Slow	Marketing Time	<input type="checkbox"/> Under 3 mths	<input type="checkbox"/> 3-6 mths	<input checked="" type="checkbox"/> Over 6 mths	50	Low	Multi-Family	%		
Neighborhood Boundaries: To the north of subject is Desert, to the east is State Highway 86, to the south is State Highway 78, to the west is Montezuma Road.								150	High	95	Commercial	5 %	
								90	Pred.	15	Other	Vacant	25 %
				Good	Aver.	Fair	Poor	Good	Aver.	Fair	Poor		
Convenience to Employment	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Property Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Convenience to Shopping	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	General Appearance of Properties	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Convenience to Primary Education	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Adequacy of Police/Fire Protection	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Convenience to Recreational Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Protection from Detrimental Conditions	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Employment Stability	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Overall Appeal to Market	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		

Neighborhood Description: **Convenient residential community with a mix of single family residents, some commercial and agricultural, etc. All services are near by including shopping, schools, employments centers, with access to public transportation. No adverse conditions notes which would impact the marketability in area.**

Market Conditions (including support for the above conclusions): **Residential community with a market that stable with all types of financing available. Average market times are often within 1 - 6 months for reasonable priced properties. Property values are stable, demand/supply in balance.**

SITE DESCRIPTION

Dimensions: **See assessor's parcel map** Area: **169.84 ac** Acres Sq.Ft. Shape: **Rectangular** View: **Desert-Mountains**
 Zoning Classification: **S92** Zoning Description: **Vacant Land**
 Zoning Compliance: Legal Legal Nonconforming (Grandfathered Use) No Zoning Illegal (describe) _____
 Uses permitted under current zoning regulations: **Rural home site**
 Highest & Best Use: **Vacant**
 Describe any improvements: **None**
 Do present improvements conform to zoning? Yes No No improvements If No, explain: _____

Present use of subject site: **Vacant** Current or proposed ground rent? Yes No If Yes, \$ _____
 Topography: **Level to sloping** Size: **169.84 ac** Drainage: **Average**
 Corner Lot: Yes No Underground Utilities: Yes No Fenced: Yes No If Yes, type: _____
 Special Flood Hazard Area Yes No FEMA Flood Zone: **AO** FEMA Map #: **060284 - 0635G** FEMA Map Date: **05/16/2012**

UTILITIES	Public	Other	Provider or Description	Off-Site Improvements	Type/Description	Public	Other
Electricity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Private	Street Surface	Dirt	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gas	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Propane	Street Type/Influence	Adequate	<input type="checkbox"/>	<input type="checkbox"/>
Water	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Private well	Curb/Gutter	None	<input type="checkbox"/>	<input type="checkbox"/>
Sanitary Sewer	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Private septic	Sidewalk	None	<input type="checkbox"/>	<input type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>		Street Lights	None	<input type="checkbox"/>	<input type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>		Alley	None	<input type="checkbox"/>	<input type="checkbox"/>

Are the utilities and off-site improvements typical for the market? Yes No If No, describe: _____
 Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? Yes No If Yes, describe:
No adverse conditions or easement observed at time of appraisal, appraiser is not an expert in these fields, no title report was furnished to appraiser. No public services are available to subject.

Site Comments: **Vacant lot in Borrego Springs, subject is located in a water shed location and due to this is worth a premium, there are many other vacant desert parcel which are typical, however there is a limited amount in similar location as subject.**

LAND APPRAISAL REPORT

File No: Borrego Springs Road - V

There are <input type="checkbox"/> comparable sites currently offered for sale in the subject neighborhood ranging in price from \$ 0 to \$ 0				
There are <input type="checkbox"/> comparable sites sold in the past 12 months in the subject neighborhood ranging in sale price from \$ 0 to \$ 0				
COMPARABLE SALES				
FEATURE	SUBJECT	COMPARABLE SALE NO. 1	COMPARABLE SALE NO. 2	COMPARABLE SALE NO. 3
Address	Borrego Springs Road	808 Di Giorgio Road	811 Di Giorgio road	Split Mountain Road
City/State/Zip	Borrego Springs CA 92004	Borrego Springs CA 92004	Borrego Springs CA 92004	Borrego Springs CA 92004
Proximity to Subject		1.08 miles NE	1.07 miles NE	17.30 miles SE
Data Source(s)	AIRD, Realquest	Realquest, AIRD	Realquest, AIRD	Realquest, AIRD
Verification Source(s)		D#292519	D#292520	D#207550
Sale Price	\$ 0	\$ 275,000	\$ 600,000	\$ 42,000
Price/	\$ 0	\$ 5,542	\$ 7,637	\$ 2,100
Date of Sale (MO/DA/YR)	0	07/18/2014	07/15/2014	05/21/2014
Days on Market	0	575	572	NA
Financing Type	0	Cash	Cash	Cash
Concessions	0	0	0	0
Location	Agricultural	Agricultural	Agricultural	Rural +424,600.0
Property Rights Appraised	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Site Size Acres	169.84 ac	49.62 +666,259.0	78.56 +697,105.0	20 +314,664.0
View	Desert-Mountains	Desert-Mountains	Desert-Mountains	Desert-Mountains
Topography	Level-sloping	Level-sloping	Level-sloping	Level-sloping
Available Utilities	None	None	None	None
Street Frontage	Yes	Yes	Yes	None
Street Type	Public	Public	Public	Public
Water Influence	None	None	None	None
Fencing	None	None	None	None
Improvements	None	Trees, Well, etc -25,000.0	Home, wells, etc -200,000.0	None
Assessor's Parcel#	141-030-40-00	140-070-11-00	140-070-19-00	253-170-49-00
Net Adjustment (Total, in \$)		[X] + [] - \$ 641,259.0	[X] + [] - \$ 497,105.0	[X] + [] - \$ 739,264.0
Adjusted sales price of the Comparable Sales (in \$)		Net Adj. % Gross Adj. % \$ 916,259.0	Net Adj. % Gross Adj. % \$ 1,097,105.0	Net Adj. % Gross Adj. % \$ 781,264.0
The appraiser has researched the transfer history of the subject property for the past 3 years and the listing history of the subject for the past 12 months prior to the effective date of this appraisal.				
The appraiser has also researched the transfer and listing history of the comparable sales for the past 12 months.				
The appraiser's research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of the appraisal.				
Data Sources: Realquest, NDC, AIRD, SDMLS, etc				
The appraiser's research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.				
Data Sources: Realquest, NDC, AIRD, SDMLS, etc				
The appraiser's research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior listings of the subject property or comparable sales for the year prior to the effective date of the appraisal.				
Data Sources: Realquest, NDC, AIRD, SDMLS, etc				
Listing/Transfer History	Transfer/Sale (ONLY) of the Subject in past 36 months:	Listing and Transfer history of Comp 1 in past 12 months:	Listing and Transfer history of Comp 2 in past 12 months:	Listing and Transfer history of Comp 3 in past 12 months:
(If more than two, use comments section or an addendum.)	\$ 0 0	\$ 0 0	\$ 0 0	\$ 0 0
	\$ 0 0	\$ 0 0	\$ 0 0	\$ 0 0
Subject Property Is Currently Listed For Sale? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Data Source: San Diego County MLS				
Current Listing History	List Date	List Price	Days on Market	Data Source
	0	\$ 0 0	0	0
Subject Property has been listed within the last 12 Months? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Data Source: San Diego County MLS				
12 Month Listing History	List Date	List Price	Days on Market	Data Source
	0	\$ 0 0	0	0
	0	\$ 0 0	0	0
Comments on Prior Sales/Transfers and Current and Prior Listings: No other market transaction has been recorded within the last 3 years - 36 months as per public records.				
Summary of the Sales Comparison Approach: These are the newest and most comparable sales found due to limited sales I had to expand my search. All sales are taken from the subject's market area of influence. The sales used are considered comparable to subject and were used due to limited sales.				
Subject 169.84 acres @ \$5500.00 per acre is \$934,120.				
After reviewing these and other sales, no premium indicated by market for smaller parcel, if owner was to sell a portion of the subject lot the per acre sale price would be \$5500.00 per acre for portions within 10 -20 acres and \$5500.00 per acre for portion of approximately 50 acre size as indicated by market.				
Reconciliation Comments: All sales are closed sales, all sales carry equal weight in establishing value, unless stated. In scope of this appraisal the subject was inspected, measured and photographed. The market was searched for comparable sales most like subject, the best comparable sales were selected, viewed and photographed then directly compared to the subject.				
This appraisal is made <input checked="" type="checkbox"/> "as is", or <input type="checkbox"/> subject to the following conditions or inspections:				
Based on a complete visual inspection of the subject site and those improvements upon said site, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of market value, as defined, of the real property that is the subject of this report is:				
Opinion of Market Value: \$ 934120, as of: 09/09/2014, which is the date of inspection and the effective date of this appraisal.				

LAND APPRAISAL REPORT

File No. Borrego Springs Road - V

PRODUCT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? Yes No Unit type(s): Detached Attached

Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.

Legal Name of Project: _____

Total number of phases: _____ Total number of units: _____ Total number of units sold: _____

Total number of units rented: _____ Total number of units for sale: _____ Data source(s): _____

Was the project created by the conversion of existing building(s) into a PUD? Yes No If Yes, date of conversion: _____

Does the project contain any multi-dwelling units? Yes No Data Source: _____

Are the units, common elements, and recreation facilities complete? Yes No If No, describe the status of completion: _____

Describe common elements and recreational facilities: _____

CERTIFICATIONS AND LIMITING CONDITIONS

This report form is designed to report an appraisal of a parcel of land which may have some minor improvements but is not considered to be an "improved site". All improvements are considered to be of relatively minor value impact on the overall value of the site. This report form is not designed to report on an "improved site" where significant value is derived from the improvements. This appraisal report form may be used for single family, multi-family sites and may be included within a PUD development.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions and certifications. The appraiser must, at a minimum; (1) perform a complete visual inspection of the subject site and any limited improvements, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions and conclusions in this appraisal report.

INTENDED USE: The intended use of the appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this report is the lender/client identified within the appraisal report.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what they consider their own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (Source: OCC, OTS, FRS, & FDIC joint regulations published June 7, 1994)

* Adjustments to the comparables must be made for special or creative concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

- The appraiser will not be responsible for matters of a legal nature that affect the subject property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
- The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
- The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
- The appraiser has noted in this appraisal report any adverse conditions (such as the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the subject property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties express or implied. The appraiser will not be responsible for any such conditions that do exist or for the engineering or testing that might be required to discover whether such condition exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal must not be considered as an environmental assessment of the property.

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

- I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
- I performed a complete visual inspection of the subject site and any limited improvements. I have reported the information in factual and specific terms. I identified and reported the deficiencies of the subject site that could affect the utility of the site and its usefulness as a building lot(s).
- I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of the Appraisal Foundation and that were in place at the time this appraisal report was prepared.
- I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them unless indicated elsewhere within this report as there are no or very limited improvements and these approaches to value are not deemed necessary for credible result and/or reliable indicators of value for this appraisal assignment.
- I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
- I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of the sale of the comparable sale, unless otherwise indicated in this report.
- I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
- I have not used comparable sales that were the result of combining multiple transactions into reported sales.
- I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
- I have verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
- I have knowledge and experience in appraising this type of property in this market area.
- I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.

LAND APPRAISAL REPORT

File No. **Borrego Springs Road - V**

CERTIFICATIONS AND LIMITING CONDITIONS (continued)

13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believed to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.
21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).
22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.
23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.
24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature", as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.
25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature", as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

SIGNATURES

APPRAISER

Signature *Kenneth A Smith*
 Name Kenneth A Smith
 Company Name Smith Appraisal
 Company Address PO Box 6
Warner Springs CA 92086
 Telephone Number 760-782-9133
 Email Address smithappraisal@reagan.com
 Date of Signature and Report 09/15/2014
 Effective Date of Appraisal 09/09/2014
 State Certification # _____
 or State License # AL017262
 or Other (describe) _____ State # _____
 State CA
 Expiration Date of Certification or License 07/08/2015

ADDRESS OF PROPERTY APPRAISED
Borrego Springs Road
Borrego Springs, CA 92004
 APPRAISED VALUE OF SUBJECT PROPERTY \$ 934120
 LENDER/CLIENT
 Name _____
 Company Name White Charles
 Company Address _____
 Email Address _____

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
 Name _____
 Company Name _____
 Company Address _____
 Telephone Number _____
 Email Address _____
 Date of Signature _____
 State Certification # _____
 or State License # _____
 State _____
 Expiration Date of Certification or License _____

SUBJECT PROPERTY
 Did not inspect subject property
 Did inspect exterior of subject property from street
 Date of Inspection _____

COMPARABLE SALES
 Did not inspect exterior of comparable sales from street
 Did inspect exterior of comparable sales from street
 Date of Inspection _____

Borrower: White Charles/ONeill Macella	File No.: Borrego Springs Road - White
Property Address: Borrego Springs Road	Case No.:
City: Borrego Springs	State: CA Zip: 92004
Lender: White Charles	

The Scope of Work is the type and extent of research and analyses performed in an appraisal assignment that is required to produce credible assignment results, given the nature of the appraisal problem, the specific requirements of the intended user(s) and the intended use of the appraisal report. Reliance upon this report, regardless of how acquired, by any party or for any use, other than those specified in this report by the Appraiser, is prohibited. The Opinion of Value that is the conclusion of this report is credible only within the context of the Scope of Work, Effective Date, the Date of Report, the Intended User(s), the Intended Use, the stated Assumptions and Limiting Conditions, any Hypothetical Conditions and/or Extraordinary Assumptions, and the Type of Value, as defined herein. The appraiser, appraisal firm, and related parties assume no obligation, liability, or accountability, and will not be responsible for any unauthorized use of this report or its conclusions.

SELECTION OF SALES AND/OR LISTING:

In the process of selecting the most relevant sales, and/or listing, to be used as a comparison to the subject property, many factors were considered, these include, but were not limited to similar location, date of sale, number and size of structures, age, number of rooms, bedrooms and baths, quality of construction, condition, remodeling, if any, lot size, view, topography, financing terms, zoning and date of signed contracts and/or closing sales, obviously, properties possessing the most similar characteristics as subject will require minimal net/gross adjustments, which is highly desirable and will produce the most accurate estimate of market value.

Cost is not synonymous with value:

The cost of an additional or different amenity, or to repair a defect (in the Sale Comparison Approach) rarely is synonymous with value. These adjustments (differences) can exceed, be less than, or equal to actual cost of the item in question.

THERE IS NO EXACT VALUE TO ANY PROPERTY:

Value can only be estimated, based on a comparison of the most recent, similar sales in subjects market area.

STANDARD ADJUSTMENTS:

Note: The "paired sale" technique was considered as a method for determining reasonable estimates for the various dissimilarities between the enclosed sales comps and the subject; however, due to the number of complexities of these dissimilarities, this technique was considered unsupportable and was not employed, therefore, the adjustments were base on this appraiser's many years of experience, the the appraisal, and cost estimation.

I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

I assume a hypothetical condition that the property is being sold and report a reasonable exposure time 0 - 6 months, in the subject market, for the property to sell at the appraised value.

Appraiser signature affixed to report is a digital image controlled by personalized identification code, electronically affixed signature carried the same level of authenticity and responsibility as an ink signature.

This is a appraisal report intended for named lender/client and or their assigns for a mortgage finance transaction only, this report is not intended for any other use. These are the newest and best sales found. All sales are taken from what is considered the subject market area of influence. Land to value ratio is typical for area.

The Intended User of this appraisal report is the Lender/Client. The Intended User is to evaluate the property that is the subject of this appraisal for a mortgage finance transaction subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form, and Definition of Market value. No additional Intended Users are identified by the appraiser.

Appraiser: <u>Kenneth A Smith</u>	Supervisory Appraiser: _____
Name: _____	Name: _____

Borrower: White Charles/ONeill Macella	File No.: Borrego Springs Road - White
Property Address: Borrego Springs Road	Case No.:
City: Borrego Springs	State: CA Zip: 92004
Lender: White Charles	

Comments on Standards Rule 2-3

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- Unless otherwise indicated, I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).
- This report has been prepared in accordance with Title XI of FIRREA as amended, and any implementing regulations.

This Appraisal Report (A written report prepared under Standards Rule 2-2a , pursuant to the Scope of Work, as disclosed elsewhere in this report.)

The appraiser certifies and agrees that this appraisal report was prepared in accordance with the requirements of Title XI of the Financial Institutions, Reform, Recovery, and Enforcement Act (FIRREA) of 1989, as amended (12 U.S.C. 3331 et seq.), and any applicable implementing regulations in effect at the time the appraiser signs the appraisal certification.

Comp 1 - larger along Di Giorgio Road with trees, well, etc., in a similar location and following land for water. Parcel sold \$275,000.00 minus improvements of estimate \$25,000.00 adjusted land price to \$250,000.00 or \$5,038 per acres.

Comp 2 - parcel on Di Giorgio Road, with home, trees, well, etc., in similar location and following land for water. parcel sold @ \$600,000 minus improvements estimate of \$200,000.00 - Home, wells, trees, shed, etc. adjusted land price to \$400,000.00 or \$5,092 per acres.

Comp 3 smaller parcel near Ocotillo Wells Recreational park, no improvements, rural location, location adjustment taken for rural location in Ocotillo area.

Appraiser: Kenneth A Smith Supervisory Appraiser: _____
 Name: _____ Name: _____

Borrower: White Charles/ONEll Macella	File No.: Borrego Springs Road - White
Property Address: Borrego Springs Road	Case No.:
City: Borrego Springs	State: CA
Lender: White Charles	Zip: 92004



Typical view

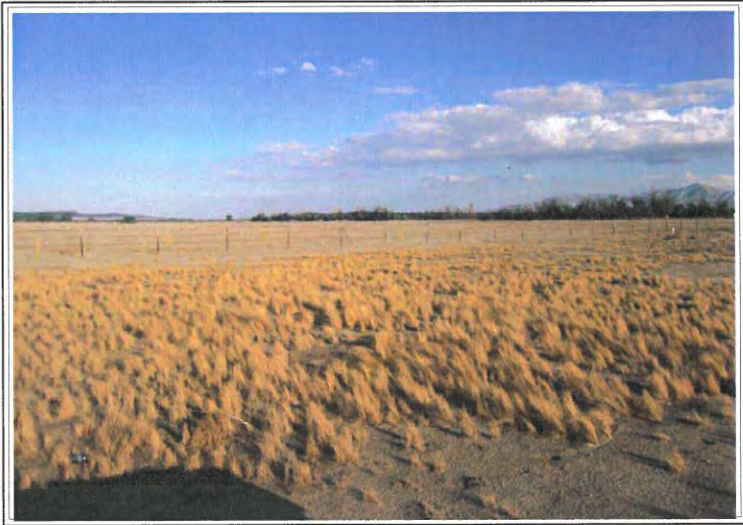


street



street

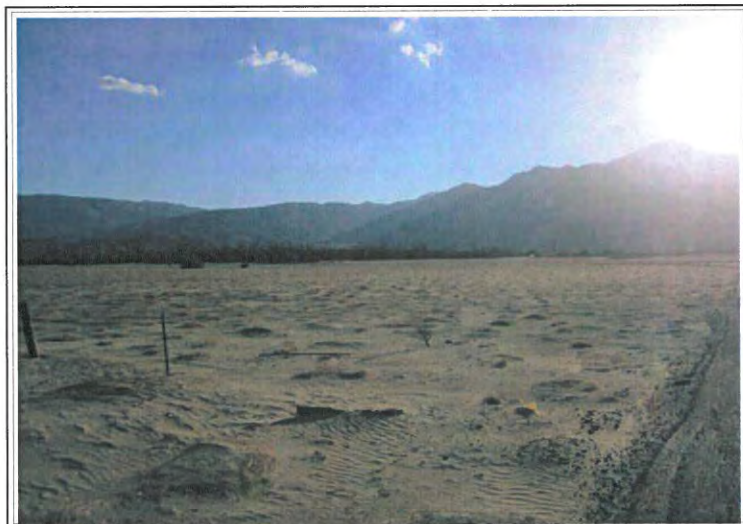
Borrower: White Charles/O'Neill Macella	File No.: Borrego Springs Road - White	
Property Address: Borrego Springs Road	Case No.:	
City: Borrego Springs	State: CA	Zip: 92004
Lender: White Charles		



typical view



typical view

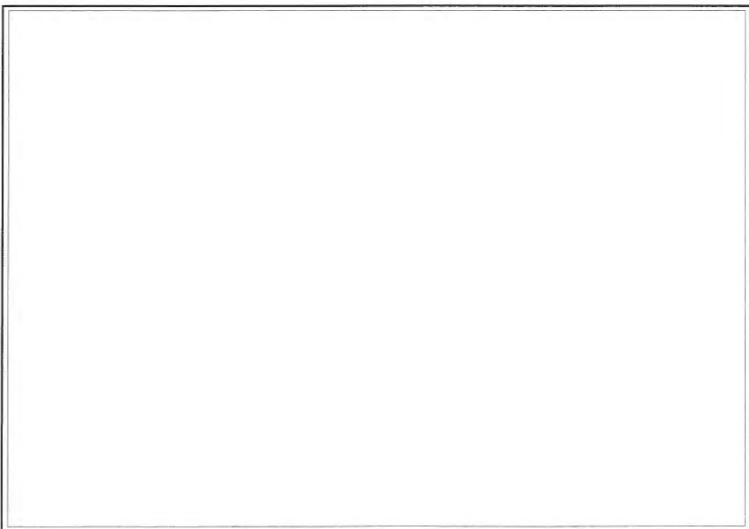
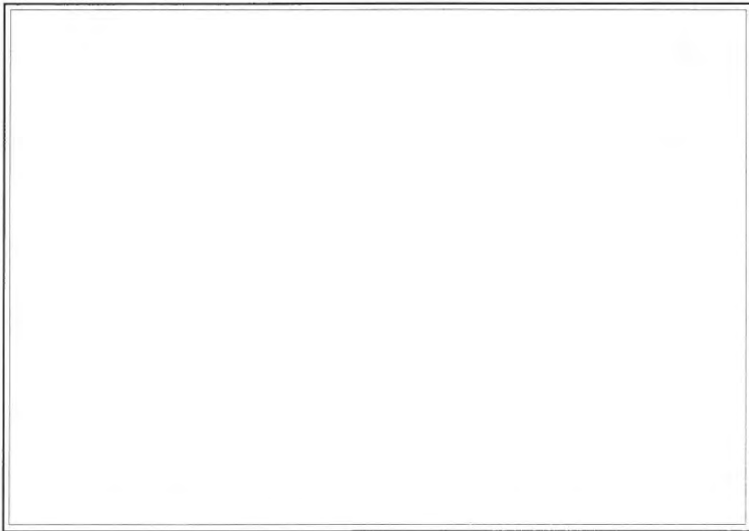


typical view

Borrower: White Charles/ONeill Macella	File No.: Borrego Springs Road - White	
Property Address: Borrego Springs Road	Case No.:	
City: Borrego Springs	State: CA	Zip: 92004
Lender: White Charles		



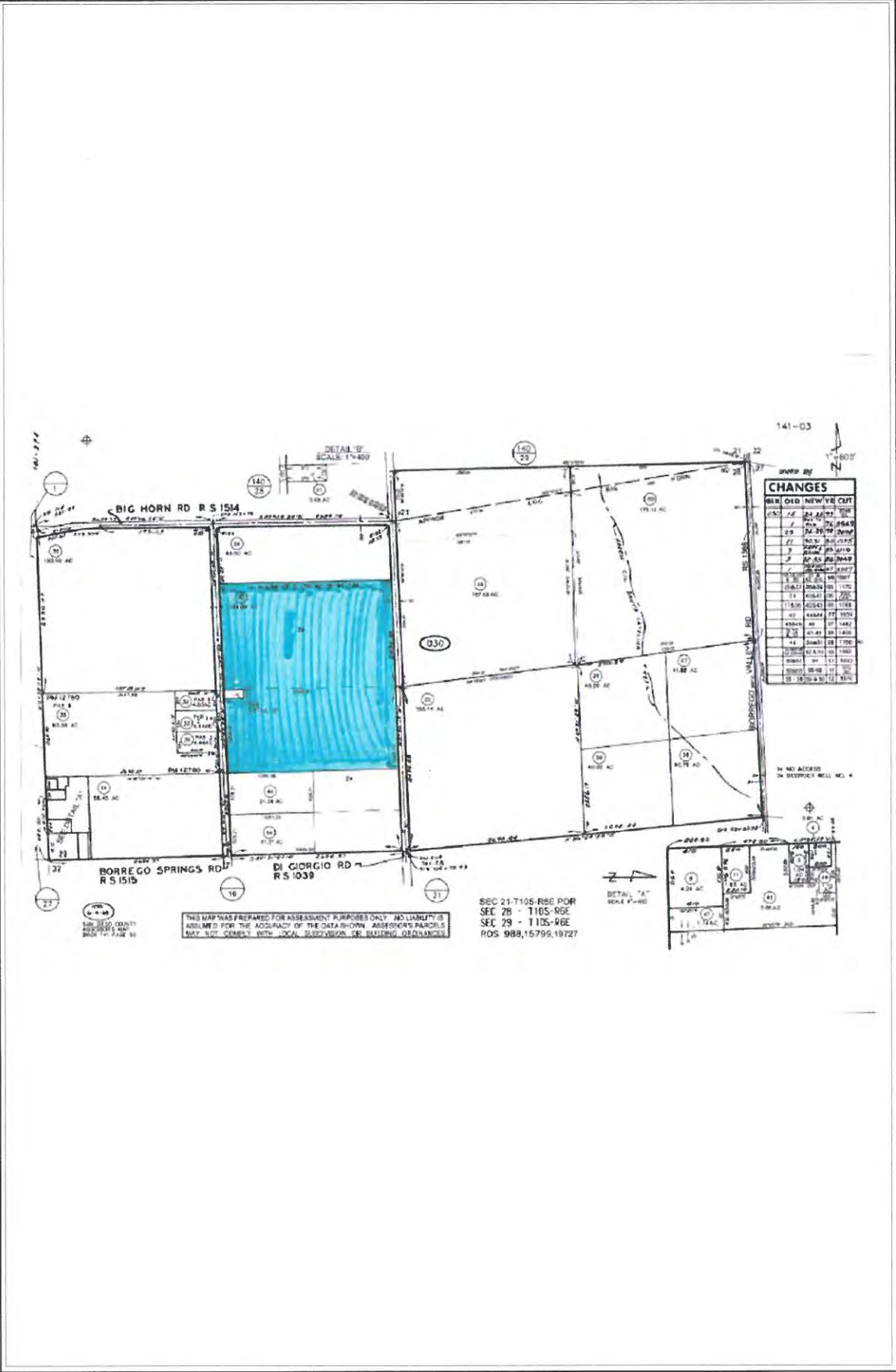
Typical view



PLAT MAP

Borrower: White Charles/ONeill Macella
 Property Address: Borrego Springs Road
 City: Borrego Springs
 Lender: White Charles

File No.: Borrego Springs Road - White
 Case No.:
 State: CA
 Zip: 92004



LOCATION MAP

Borrower: White Charles/ONEll Macella	File No.: Borrego Springs Road - White	
Property Address: Borrego Springs Road	Case No.:	
City: Borrego Springs	State: CA	Zip: 92004
Lender: White Charles		



Borrower: White Charles/Oneill Macella	File No.: Borrego Springs Road - White
Property Address: Borrego Springs Road	Case No.:
City: Borrego Springs	State: CA Zip: 92004
Lender: White Charles	

RealQuest.com ® - Report

Page 1 of 1

Property Detail Report

For Property Located At :
DI GIORGO RD, BORREGO SPRINGS, CA 92004



Owner Information

Owner Name: WHITE CHARLES/ONEILL MACELLA
Mailing Address: 1296 DIAMOND MOUNTAIN RD, CALISTOGA CA 94515-9634 R001
Vesting Codes: SM / JT

For Sale

Location Information

Legal Description: (EX D05-292677)S 100 AC OF NEQ&ALL OF N H OF SEQ SEC 29-10-6E
County: SAN DIEGO, CA **APN:** 141-030-40-00
Census Tract / Block: 210.00 / **Alternate APN:**
Township-Range-Section: **Legal Book/Page:** 141-03 **Subdivision:**
Legal Lot: **Map Reference:** /
Legal Block: **Tract #:**
Market Area: **School District:** BORREGO
Neighbor Code: **School District Name:**
Owner Transfer Information: **Munic/Township:**

Recording/Sale Date:

Sale Price: / **Deed Type:**
Document #: / **1st Mtg Document #:**

Last Market Sale Information

Recording/Sale Date: 06/09/2005 / 03/16/2005 **1st Mtg Amount/Type:** /
Sale Price: \$387,500 **1st Mtg Int. Rate/Type:** /
Sale Type: FULL **1st Mtg Document #:**
Document #: 485001 **2nd Mtg Amount/Type:** /
Deed Type: GRANT DEED **2nd Mtg Int. Rate/Type:** /
Transfer Document #: **Price Per SqFt:**
New Construction: **Multi/Split Sale:**

Title Company: CHICAGO TITLE CO.

Lender:
Seller Name: QVALE KJELL & K TRUST

Prior Sale Information

Prior Rec/Sale Date: / **Prior Lender:**
Prior Sale Price: / **Prior 1st Mtg Amt/Type:** /
Prior Doc Number: / **Prior 1st Mtg Rate/Type:** /
Prior Deed Type:

Property Characteristics

Year Built / Eff: /	Total Rooms/Offices	Garage Area:
Gross Area:	Total Restrooms	Garage Capacity:
Building Area:	Roof Type:	Parking Spaces:
Tot Adj Area:	Roof Material:	Heat Type:
Above Grade:	Construction:	Air Cond:
# of Stories:	Foundation:	Pool:
Other Improvements:	Exterior wall:	Quality:
	Basement Area:	Condition:

Site Information

Zoning: S92	Acres: 169.84	County Use: RURAL 161-360 AC (864)
Lot Area: 7,388,230	Lot Width/Depth: x	State Use:
Land Use: VACANT LAND (NEC)	Commercial Units:	Water Type:
Site Influence:	Sewer Type:	Building Class:

Tax Information

Total Value: \$438,628	Assessed Year: 2013	Property Tax: \$4,508.72
Land Value: \$438,628	Improved %:	Tax Area: 58007
Improvement Value:	Tax Year: 2013	Tax Exemption:
Total Taxable Value: \$438,628		

<http://pro.realquest.com/jsp/report.jsp?&client=&action=confirm&type=getreport&recrdo=0&reportopt...> 8/21/2014

Borrower: White Charles/ONeill Macella
Property Address: Borrego Springs Road
City: Borrego Springs
Lender: White Charles

File No.: Borrego Springs Road - White
Case No.:
State: CA
Zip: 92004



ORDINANCE NO. 14-01

ORDINANCE OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT AMENDING ORDINANCE NO. 93-1 INSTITUTING A CROSS CONNECTION CONTROL PROGRAM TO PROTECT THE PUBLIC WATER SYSTEM AND THE ADOPTION OF RULES AND REGULATIONS

Section 1. Ordinance No. 93-1 of the Borrego Water District is hereby repealed.

Section 2. A new Cross Connection Control Program for the Borrego Water District is hereby adopted to read as follows;

CROSS-CONNECTION CONTROL PROGRAM AND REGULATIONS

§ 0001. Purpose

The intent and purpose of this code section/program is to protect public health by isolating the District's potable water distribution system from other systems from which contamination could occur as a result of unauthorized or accidental cross connections; and provide for the maintenance of a continuing program which will systematically and effectively prevent such unauthorized or accidental cross-connection.

§ 0002. Definition of Terms

The definitions of terms as related to this code section are to be found in Title 17, Article 1, Section 7583 of the California Code of Regulations. The District will enforce the most current edition of Title 17, and amend this code as necessary.

§ 0003. Authorization

The District's Cross Connection Control Specialist, or a designated cross-connection control technician is hereby authorized and directed to implement the provisions of this program code section, and to make minor and limited exceptions to prevent undue hardship or unreasonable restrictions, provided that a thorough evaluation of the customer's premises has been conducted and no imminent danger of contamination to the public water supply is present.

§ 0004. Inspection

A. All new and existing customer/user systems shall be available for inspection at all reasonable times to authorized representatives of the District to enable the District to ascertain the need for backflow protection, or to evaluate the existence of cross-connections. When backflow protection is required or a cross-connection becomes known, the District will notify the customer/user of the condition and require corrective action based on the degree of hazard. Failure of the customer/user to perform the corrective action as dictated by the District is cause for the denial or immediate discontinuance of water service to the premises.

B. Any backflow prevention device required to be installed must conform to the

standards established by the American Water Works Association, U.S.C. tenth edition manual of cross connection control, or the American Backflow Prevention Association as set forth in its publication entitled: A.W.W.A C506-78 Standards for Reduced Pressure Principle and Double Check Backflow Prevention Devices. A "Certificate of Approval" issued by an approved testing laboratory, certifying full compliance with A.W.W.A Standards will evidence final approval.

C. All existing backflow prevention devices which do not meet the requirements of Title 17, Article 1, of the California Code of Regulations will be required to be repaired or replaced. All repair or replacement costs will be the sole responsibility of the customer/user.

§ 0005. Implementation

A. When the District has made the determination that a backflow prevention device is required at a potable water service connection for the safety of the potable water distribution system, a written notice to the affected customer will be issued and the inspection results outlined. The written notice will also contain the necessary District Guidelines, State Requirements, and Time Period for the installation of the required device. The customer will be required to install the approved device at his or her own expense. Failure, refusal or inability on the part of the customer to install said device or devices, will be cause for the immediate discontinuance of water service to such metered water service connections until such device or devices have been properly installed.

B. The following is a list of conditions or situations where an approved backflow prevention device must be installed:

1. In the case of premises having an auxiliary water supply (well, pond, lake, or other water utility), which is not, or may not be of safe bacteriological or chemical quality, and which is not an accepted service by the District or appropriate health agency.
2. In the case of premises on which any industrial fluid, or any other objectionable substance is handled in such a fashion as to create an actual or potential hazard to the District system, including the handling of process water, or water originating from the District system which has been subject to deterioration in quality.
3. Whenever a customer's premises have been determined to have an intricate plumbing or a fire suppression system in which making a thorough inspection of the internal or subterranean workings is impossible.
4. Where in the case of multiple units, the frequency of tenant turnover, and the changes in water use makes it impracticable or impossible to determine whether or not dangerous cross-connections exist (such as industrial or commercial, apartments and condominiums (R.V./Mobile home parks, nurseries, etc.).
5. In the case of any premises where, because of security requirements or other prohibitions or restrictions, it is impossible or impractical to make a complete in-plant cross-connection survey, the potable distribution system will be protected against backflow or back-siphonage from the premises by the installation of a backflow prevention device. In this case, maximum protection will be required; that is, an approved air-gap separation or an approved reduced pressure principal backflow prevention device will be installed in each potable water service connection to the premises.

§ 0006. Customers Responsibility

It is the responsibility of the customer/user at any premises where backflow prevention devices are installed to have annual testing performed by certified testers. In those instances where the District deems the hazard to be great enough, it may require testing to be performed at more frequent intervals. These inspections and tests will be at the expense of the customer/user, and must be performed by a certified tester. The customer/user will notify the District in advance when the tests are to be undertaken, so that District personnel may witness the tests if desired. Devices that fail the annual testing must be repaired, or replaced at the expense of the customer/user and re-tested to the satisfaction of the District's cross-connection control specialist or technician. The customer/user is required to submit all testing results to the District's cross-connection control specialist upon test completion. It is the duty of the customer/user to verify that the individual or company performing the test and issuing the certification has the appropriate licenses and certificates.

§ 0007. District's Responsibility

The District will collect and maintain all necessary records including: installation, repair, and certification of all backflow devices. The District will notify each customer/user when a device is required to be installed or tested. Only testers certified by the A.W.W.A or A.P.B.A will be allowed to perform testing of backflow devices. The District's cross connection control technician will evaluate the test result and perform spot-checking as necessary.

Section 3. This ordinance shall become effective thirty (30) days following its adoption.

ADOPTED, SIGNED AND APPROVED this 19th day of November, 2014.

President of the Board of Directors of Borrego Water District

ATTEST:

Secretary of the Board of Directors
of Borrego Water District

STATE OF CALIFORNIA)

) ss.

COUNTY OF SAN DIEGO)

I, _____, Secretary of the Board of Directors of the Borrego Water District, do hereby certify that the foregoing ordinance was duly adopted by the Board of Directors of said District at a regular meeting held on the 19th day of November, 2014, and that it was so adopted by the following vote:

AYES: DIRECTORS:

NOES: DIRECTORS:

ABSENT: DIRECTORS:

ABSTAIN: DIRECTORS:

Secretary of the Board of Directors of Borrego Water District

STATE OF CALIFORNIA)

) ss.

COUNTY OF SAN DIEGO)

I, _____, Secretary of the Board of Directors of the Borrego Water District, do hereby certify that the above and foregoing is a full, true and correct copy of ORDINANCE NO. 14-01, of said Board, and that the same has not been amended or repealed.

Dated: November 19, 2014

Secretary of the Board of Directors of Borrego Water District

To: Board of Directors

From: General Manager

Subject: ACWA/JPIA Commitment to Excellence Program

Objective: Commit to a program of excellence towards risk reduction in the interest of reducing insurance costs.

Action Required: Adopt the ACWA/JPIA's Commitment to Excellence agreement.

Summary: ACWA/JPIA is collaborating with member agencies in an effort to reduce the frequency and severity of losses.

Discussion: In May 2014, the ACWA/JPIA initiated the Commitment to Excellence Program. This program will be a long-term effort to help JPIA's membership reduce the frequency and severity of liability, workers' compensation, and property losses. The goal of this program is to reduce the frequency and severity of vehicle, infrastructure, construction, employment practices, ergonomic strain, and fall losses, to a level only attainable through direct and visible support from the District management and staff. By signing the agreement, the District's General Manager and the Board of Directors will demonstrate their on-going support of the program.

Peter Kuchinsky II, CSP, CEAS I
Lead Risk Management Consultant
ACWA/JPIA



ASSOCIATION OF CALIFORNIA WATER AGENCIES

JOINT POWERS
INSURANCE AUTHORITY

Commitment to Excellence

BORREGO WATER DISTRICT

and the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA) in mutual support for ensuring the most consistent, cost effective, and broadest possible affordable insurance coverage and related services, and in partnership with all ACWA/JPIA members, and in the interest of reducing *Borrego Water District's* insurance costs, commit to a program of excellence that, through the implementation of "best practices" reduces the potential and frequency of:

- **Vehicle Losses**
- **Infrastructure Related Losses**
- **Construction Related Losses**
- **Employment Practices Claims**
- **Ergonomic (Musculoskeletal) and Fall Injuries**

Walt "Rudy" Sells (CEO, ACWA/JPIA)
Signature

Signature (General Manager)

Signature (Board Member)

Signature (Board Member)

Signature (Board Member)

Signature (Board Member)

Signature (Board Member)

	Contract / Project	January	February	March	April	May	June
	PAYMENTS						
1	Viking - payment due on 5th anniversary						
2	T2 Borrego	1/1/15: Pay spare cost in advance			Raftelis spare capacity cost analysis	5/1/15 Notice of 2015/2016 spare capacity due.	6/15/15: commitment of annual spare capacity due from T2 6/30/15: T2 to fallow 200 acre feet 6/30/15: T2 to pay BWD \$110 per a/f over 800.
3	Airport Access Permits						Annual Renewal Due
4	P & I Payment for ID4 COP's			1st half of payments due			
6	CONTRACTS						
7	American Red Cross-can cancel any time for any reason						
8	Club Circle (Cameron)		option to renew lease by 2/28/2015				Lease expires 6/30/2015
9	Green Desert Landscape		discuss w/ Bob the option of continuing with contract 2/28/2015				Agreement expires 6/30/2015
10	JC Labs	1/15/2015 agreement expires/thereafter month to month.					
11	Konika Minolta						
12	Secap - postage machine				4/1/2017 send letter of cancellation if desired		
13	San Diego Mailing Solutions (Annual maintenance - postage and stuffer machine)						
14	Ramona Disposal - Club Circle						
15	Ramona Disposal - BWD Dumpsters						
16	REPORTS						
17	CASGEM				Submit CASGEM water level data		
18	CCR						
19	Cameron Bros. Water Usage Report (golf course) to county						
20	Santago Estate						Occupancy report due
21	Annual EAR Report (CDHS)			Due 3/31 for previous year			
22	Check fallow property for water usage						
23	ADMINISTRATIVE						
24	Audit					Begin audit	
25	Budget			Pump check	CIP meeting, draft budget document	Final Budget document / FY Rate Resolution	
26	Investment Policy						Investment polices restated
27	Business Plan (TBD)						
28	Special Assessments / tax bill resolutions-Taussig						Special Assessments resolutions due
29	Town Hall Meeting			2015			
30	Elections						
31	Water Credit repricing			2015			

	July	August	September	October	November	December
1	7/8/2017 payment due spare capacity lease					
2	7/1/17: establish water budget					12/31/14: T2 to purchase land to fallow 12/31/18 lease expires
3						
4			2nd half of payments due			
6						
7						
8						
9	Cost of Water Adjustment each July 1st. With Cameron					
10						
11	Lease contract expires 7/2015					
12	lease expires 7/2017					
13		Annual maintenance contract expires 10/6/15.				
14		contact RDS re: contract renewal 2015				rate valid until 12/2015
15		contact RDS re: contract renewal 2015				rate valid until 12/2015
16						
17					Submit CASGEM water level data	
18				10/1/14 Mail CCR Certification form		
19				Send to County DPLU by 10/31		
20						
21						
22			Annual fallow property check			
23						
24			Review of draft audit report			
25						
26						
27						
28						
29						
30					New board is elected	
31						

CONSIDINE COMPANIES

Borrego Water District
PO Box 1870
Borrego Springs, CA 92004
Attn: Jerry Rowling
via email and USPS

November 5, 2014

Dear Jerry:

This letter relates to the January 27, 2014 "Agreement to Resolve Outstanding Claims and Establish Long-Term Cooperation for the Delivery of Water to the Rams Hill Golf Course," as amended, between the District and T2 Borrego (the "Agreement"). Capitalized but undefined terms shall have the meanings given to them in the Agreement.

Pursuant to Section 4(c)(1) of the Agreement, T2 Borrego is required by December 31, 2014, to purchase agricultural land overlying the BVGB that uses 800 acre-feet/year of water, and later fallow this land. T2 Borrego has already purchased more than half of the necessary land and is formalizing the purchase the remainder. The purpose of this letter is to get District approval of these purchases and confirmation that this will meet or exceed T2 Borrego's year-end obligations under the Section 4(c)(1) Agreement.

Attached to this letter as Exhibit A is the District's calculation of water credits available from the property commonly referred to as the Fortiner property. Attached to this letter as Exhibit B are T2 Borrego's deeds from the purchase of the Fortiner properties. Together, this shows that T2 Borrego has met 458 acre-feet of its obligation.

Attached to this letter as Exhibit C is the District's calculation of water credits available from the property commonly referred to as the Center Pivot Property. Attached to this letter as Exhibit D is the Letter of Intent between T2 Borrego LLC and JM Roadrunner LLC outlining the terms upon which T2 Borrego will purchase the land, lease it back to the seller, and obtain the water credits after the land is fallowed over a four-year period. When this land sale closes on substantially the same terms in December and T2 Borrego holds title to the property, T2 Borrego will have met an additional 357 acre-feet of its obligation.

Together, with both the Fortiner and Center Pivot properties, T2 Borrego will have purchased land that uses 815 acre-feet/year of water demand; this exceeds T2 Borrego's obligations under the Agreement by 15 acre-feet.

By signing below, the District acknowledges and agrees that once the Center Pivot Property is purchased by December 31, 2014, T2 Borrego's obligations to purchase agricultural land pursuant to Section 4(c)(1) of the Agreement will be satisfied. Upon the closing of such purchase, T2 Borrego will forward the deeds to the District.

Please let me know if you have any questions regarding this letter. We are excited that the Rams Hill Golf Course is green and will be soon re-open to the public on a regular basis. We look forward to the success of the course and appreciate our on-going relationship and open communication with the District.

Sincerely,



Cathryn R. Milkey
for Considine Borrego LLC, T2 Borrego LLC

Acknowledged, accepted, and agreed:

Jerry Rowling
Manager, Borrego Water District
Date: _____

cc: Terry Considine
Bill Berkley
Steve Gregory

Fortiner Water Credits						
		Acres	Credits, x 4.9 AF/Ac	Total AG1	Total AG2	AG1 Equivalent
AG-1	parcel C	47.6	233.24	233		233
AG-2	parcel C	21.1	103.39		103	78
AG-2	parcel B	7.6	37.24		37	28
AG-2	parcel A	32.5	159.25		159	120
Total		108.8	533	233	300	458
Land Sale Price, closed July 15, 2014						
Parcel	Gross Ac.	Sale Price	Price/Ac.			
Charmar	47.2	\$ 275,000	\$ 5,826.27			
Home Pl.	76.5	\$ 600,000	\$ 7,843.14			
Total	123.7	\$ 875,000				
<i>NOTE:</i> Acreage from survey by Patrick Engineering and Surveying 6/24/14						
Charmar is parcels A and B						
Home place is parcel C						

EXHIBIT B

Branch :A01 User :3801

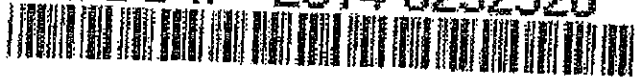
RECORDING REQUESTED BY:
First American Title Insurance Company

WHEN RECORDED MAIL DOCUMENT AND
TAX STATEMENT TO:

T2 Borrego LLC
4582 South Ulster St. Pkwy. Ste. 310
Denver, CO 80237

PL
OR
LIT
TT

DOC # 2014-0292520



JUL 15, 2014 8:00 AM

OFFICIAL RECORDS
SAN DIEGO COUNTY RECORDER'S OFFICE
Ernest J. Dronenburg, Jr., COUNTY RECORDER
FEES: 668.00
OC: 00

PAGES: 2



APN: 140-070-19-00
TITLE ORDER NO.: DIV-4565119
ESCROW NO.: 3455-KT

THIS SPACE FOR RECORDER'S USE ONLY

GRANT DEED

The undersigned Grantor(s) declares that the DOCUMENTARY TRANSFER TAX IS: \$ 660.00 County
XX computed on the full value of the interest of property conveyed, or
_____ computed on the full value less the value of liens or encumbrances remaining thereon at the time of sale.
_____ OR transfer is EXEMPT from tax for the following reason

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, John R. Fortiner, as Sole Trustee(s) of
the Charlotte Fortiner 2008 Family Trust Under Declaration dated June 1, 2008

HEREBY GRANT(S) to T2 BORREGO LLC, a Colorado Limited Liability Company

All that real property situated in the County of San Diego, State of California, described as:

See Exhibit "A" attached hereto and made a part hereof.

Commonly Known As: 811 Di Giorgio Road, Borrego Springs, CA 92004

Dated: February 4, 2014

STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

On MARCH 14, 2014, before me,
SILVIA B. VASQUEZ, a Notary Public
personally appeared

JOHN R. FORTINER

Charlotte Fortiner 2008 Family Trust

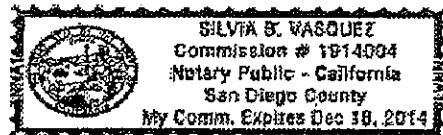
By: *John R. Fortiner*
John R. Fortiner, Trustee

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Silvia B. Vasquez
Signature



(SEAL)

MAIL TAX STATEMENTS AS DIRECTED ABOVE

2

Exhibit "A"

Legal Description

A.P.N.: 140-070-19-00

Real property in the unincorporated area of the County of San Diego, State of California, described as follows:

THE SOUTH HALF OF THE SOUTHWEST QUARTER OF SECTION 9, TOWNSHIP 10 SOUTH, RANGE 6 EAST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO GOVERNMENT SURVEY APPROVED MAY 14, 1885.

EXCEPTING THEREFROM ALL URANIUM, THORIUM, OR OTHER MINERALS WHICH ARE OR MAY BE DETERMINED TO BE ESSENTIAL TO THE PRODUCTION OF FISSIONABLE MATERIALS AS RESERVED BY THE UNITED STATES OF AMERICA IN PATENT RECORDED OCTOBER 19, 1949, IN BOOK 3356, PAGE 360 OF OFFICIAL RECORDS.

RECORDING REQUESTED BY:
First American Title Insurance Company

WHEN RECORDED MAIL DOCUMENT AND
TAX STATEMENT TO:

T2 Borrego LLC
4582 South Ulster St. Pkwy. Ste. 310
Denver, CO 80237

*FF
20
LAF
TK*

DOC # 2014-0292519



JUL 15, 2014 8:00 AM

OFFICIAL RECORDS
SAN DIEGO COUNTY RECORDER'S OFFICE
Ernest J. Dronenburg, Jr., COUNTY RECORDER
FEES: 338.50
BC: 00

PAGES: 2



APN: 140-070-05-00 and 140-070-11-00
TITLE ORDER NO.: DIV-4565125
ESCROW NO.: 3454-KT

THIS SPACE FOR RECORDER'S USE ONLY

GRANT DEED

The undersigned Grantor(s) declare that the DOCUMENTARY TRANSFER TAX IS: \$ 302.50 County
XX computed on the full value of the interest of property conveyed, or
___ computed on the full value less the value of liens or encumbrances remaining thereon at the time of sale.
___ OR transfer is EXEMPT from tax for the following reason:

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, John R. Fortner and Lynne M. Fortner,
as Trustee(s) of the John and Lynne Fortner Family Trust Under Declaration dated April 28, 2007

HEREBY GRANT(S) to T2 BORREGO LLC, a Colorado Limited Liability Company

All that real property situated in the County of San Diego, State of California, described as:

See Exhibit "A" attached hereto and made a part hereof.

Commonly Known As: Vacant Land 140-070-05-00 & 140-070-11-00, Borrego Springs, CA 92004

Dated: February 3, 2014

STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

On MARCH 20, 2014, before me,
SILVIA B. VASQUEZ, a Notary Public
personally appeared JOHN R. FORTNER
AND LYNN M. FORTNER

who proved to me on the basis of satisfactory evidence to be the
person(s) whose name(s) is/are subscribed to the within
instrument and acknowledged to me that he/she/they executed
the same in his/her/their authorized capacity(ies), and that by
his/her/their signature(s) on the instrument the person(s), or the
entity upon behalf of which the person(s) acted, executed the
instrument.

I certify under PENALTY OF PERJURY under the laws of the
State of California that the foregoing paragraph is true and
correct.

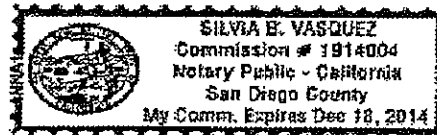
WITNESS my hand and official seal.

Silvia B. Vasquez
Signature

MAIL TAX STATEMENTS AS DIRECTED ABOVE

John and Lynne Fortner Family Trust Under Declaration
dated April 28, 2007

By *John R. Fortner*
John R. Fortner, Trustee
By *Lynne M. Fortner*
Lynne M. Fortner, Trustee



(SEAL)

Exhibit "A"

Legal Description

A.P.N.: 140-070-05-00 and 140-070-11-00

Real property in the City of , County of San Diego, State of California, described as follows:

PARCEL NO. 1: (APN: 140-070-05)

THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 8, TOWNSHIP 10 SOUTH, RANGE 6 EAST, SAN BERNARDINO BASE AND MERIDIAN, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO UNITED STATES GOVERNMENT SURVEY APPROVED MAY 14, 1885.

PARCEL NO. 2: (APN: 140-070-11)

THE SOUTH HALF OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 8, TOWNSHIP 10 SOUTH, RANGE 6 EAST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO UNITED STATES GOVERNMENT SURVEY, APPROVED MAY 14, 1885.

Center Pivot Plant Count - Revised after Land Survey

Old planting (AG-1) 8 ft. spacing by 10 ft. rows equals 546 trees per acre

New planting (AG-2) 10 ft. spacing by 10 ft. rows equals 441 trees per acre

Parcels: 141-210-04, 74.37 acres
 141-210-05, 72.25 acres
 Total property: 146.62 acres

County Approved AG-1 Credits

Block	Tree Count	Planted Acres @546 T/Ac	Water Credits x 3.7 AF/Ac	Block Sq. Ftg.	Block Acres
A	7,226	13.23	48.97	755,238.24	18.18
B	6,033	11.05	40.88	600,538.59	15.03
C	8,512	15.59	57.68	930,038.17	21.57
	21,771	39.87	147.53		54.78

BWD Approved AG-2 Credits

	Tree Count	Planted Acres @441 T/Ac	Water Credits x 3.7 AF/Ac	Block Sq. Ftg.	Block Acres
D	5,716	11.38	42.11	495,894.21	11.38 *
E	6,381	13.84	51.21	602,713.37	13.84 *
F	4,876	11.06	40.91	482,265.17	11.07
G	925	2.10	7.76	1,045,293.07	24.00
	17,898	38.37	141.98		60.29

Block Difference AG-2 Credits

Credit Type	Planted Ac.	Block Ac.	Difference	Water Credits x 3.7 AF/Ac.
County	39.87	54.78	14.91	55.17
BWD	38.37	60.29	21.91	81.08
				136.25

Totals

AG-1 Credits	AG-2 Credits	AG-2 Credits/1.33	TOTAL AG-1 Credit Equivalent
148	278	209	357

Total Restrictive Easement Acreage: 146.62

NOTES: Tree count provided by Center Pivot Farm
 County approved credits by Jim Bennett 6/13/14
 Tree spacing verified by Jerry Rolwing property visit
 Block acres digitized from 2009 Aerial Photo on AutoCAD by Jerry Rolwing
 * Block acres were less than tree count @441 so block acre total used.
 AG-1 Equivalent formula is only applicable for T2/BWD Agreement purposes.

ITEM III A

FINANCIALS

	C	D	AV	BA	BB	BC	BI
1	BWD CASH FLOW						
2			ADOPTED	ACTUAL	PROJECTED	ACTUAL	YTD + PROJ MONTHS>>
3	2014-2015		BUDGET	OCTOBER	OCTOBER	YTD	PROJECTED
4			2014-2015	2014	2014	2014-2015	2014-2015
5	<u>REVENUE</u>						
6	<u>WATER REVENUE</u>						
7	Residential Water Sales		899,221	86,421	82,109	357,015	931,463
8	Commercial Water Sales		120,570	10,446	10,787	44,274	120,831
9	Irrigation Water Sales		142,918	18,458	18,639	81,712	160,314
10	GWM Surcharge		114,930	10,882	11,178	44,685	115,982
11	Water Sales Power Portion		364,158	35,278	34,957	143,273	368,914
12	Readiness Water Charge		1,080,000	93,513	94,000	377,156	1,129,156
13	Readiness Water Charge - Liened properties		27,600	0	750	568	6,568
14	RH Golf Course surplus capacity lease			0	0	189,630	189,630
15	Meter Installation		5,809	0	0	-	5,809
16	Water hook-up charge			0	0	-	0
17	Reconnect Fees		4,080	680	340	1,360	4,080
18	Backflow Testing/installation		4,600	0	0	(212)	4,388
19	Bulk Water Sales		3,500	82	0	263	3,722
20	Penalty & Interest Water Collection		6,000	1,301	500	5,537	9,537
21	TOTAL WATER REVENUE:		2,773,387	257,061	253,260	1,245,261	3,050,394
22		Receivables					
23	<u>PROPERTY ASSESSMENTS/AVAILABILITY CHARGES</u>	as of 11/04/14					
24	641500 1% Property Assessments	65,300	64,625	500	500	2,013	65,175
25	641502 Property Assess wtr/swr/fld (25 parcels \$66 ea(1,650))	106,268	1,650	226	226	461	3,870
27	641501 Water avail Standby	93,402	82,559	571	571	2,403	83,737
29	641504 ID 3 Water Standby (La Casa)	34,388	33,722	203	203	203	34,306
30	641503 Pest standby	19,148	17,938	84	84	293	18,102
31	TOTAL PROPERTY ASSES/AVAIL CHARGES:	318,506	200,493	1,583	1,583	5,372	205,191
32							
33	<u>SEWER SERVICE CHARGES</u>						
34	Town Center Sewer Holder's Fees		170,190	14,274	14,274	57,095	170,190
35	Town Center Sewer User Fees		38,040	3,320	3,170	9,960	35,320
36	Sewer user Fees		345,125	26,549	30,250	108,401	350,401
37	Sewer-liened		2,160	0	180	-	1,440
38	Penalty Interest-Sewer			0	0	10	10
39	Sewer Capacity Fees			0	0	-	0
40	TOTAL SEWER SERVICE CHARGES:		555,515	44,142	47,874	175,465	557,360
41							
42	<u>OTHER INCOME</u>						
44	Annexation Fees			0	0	-	0
45	Fire Hydrant Installation			0	0	-	0
46	Miscellaneous Income (net csd fee/JPIA rebate/check free)		15,880	103	80	371	15,931
47	Water Credits income		8,250	2,750	2,750	5,250	10,750
51	Interest Income		80	15	16	20	78
52	TOTAL OTHER INCOME:		24,210	2,867	2,846	5,642	26,760
53						-	0
54	TOTAL INCOME:		3,553,605	305,653	305,562	1,431,740	3,839,704
55							
56	<u>CASH BASIS ADJUSTMENTS</u>						
57	Decrease (Increase) in Accounts Receivable			(3,384)	0	(11,770)	(11,770)
58	CC Golf Equipment receivable		2,270	189	189	757	2,270
59	Other Cash Basis Adjustments-Construction meter deposit			(850)	0	850	850
60	TOTAL CASH BASIS ADJUSTMENTS:		2,270	(4,045)	189	(10,164)	(8,651)
61						-	
62	TOTAL INCOME RECEIVED:		3,555,875	301,608	305,751	1,421,576	3,831,054

	BJ	BK	BL	BM	BN	BO	BP	BQ
1								
2	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
3	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
4	2014	2014	2015	2015	2015	2015	2015	2015
5								
6								
7	78,774	62,765	65,341	58,160	53,226	80,272	81,896	94,016
8	10,043	8,118	9,864	7,954	9,228	10,861	10,688	9,801
9	12,863	9,098	9,721	7,221	5,867	9,706	11,276	12,850
10	10,287	8,154	8,657	7,475	6,636	9,882	10,157	10,050
11	32,129	25,490	27,073	23,375	21,988	32,612	30,818	32,157
12	94,000	94,000	94,000	94,000	94,000	94,000	94,000	94,000
13	750	750	750	750	750	750	750	750
14	0	0	0	0	0	0	0	0
15	0	0	0	5,809	0	0	0	0
16	0	0	0	0	0	0	0	0
17	340	340	340	340	340	340	340	340
18	0	0	4,600	0	0	0	0	0
19	750	0	0	484	343	482	750	650
20	500	500	500	500	500	500	500	500
21	240,435	209,214	220,845	206,067	192,879	239,405	241,174	255,114
22								
23								
24	2,890	21,031	10,822	1,673	1,610	15,990	7,882	1,267
25	1,759	1,650	0	0	0	0	0	0
27	7,235	21,949	22,601	2,726	3,044	5,292	14,332	4,156
29	1,562	15,015	12,713	439	584	1,046	2,254	490
30	539	4,559	6,759	377	394	2,063	2,597	523
31	13,985	64,203	52,894	5,215	5,632	24,390	27,065	6,435
32								
33								
34	14,274	14,274	14,274	14,274	14,000	14,000	14,000	14,000
35	3,170	3,170	3,170	3,170	3,170	3,170	3,170	3,170
36	30,250	30,250	30,250	30,250	30,250	30,250	30,250	30,250
37	180	180	180	180	180	180	180	180
38	0	0	0	0	0	0	0	0
39	0	0	0	0	0	0	0	0
40	47,874	47,874	47,874	47,874	47,600	47,600	47,600	47,600
41								
42								
44	0	0	0	0	0	0	0	0
45	0	0	0	0	0	0	0	0
46	80	80	80	15,000	80	80	80	80
47	0	2,750	0	0	0	2,750	0	0
51	2	2	16	2	2	16	2	16
52	82	2,832	96	15,002	82	2,846	82	96
53								
54	302,376	324,123	321,709	274,157	246,193	314,240	315,921	309,245
55								
56								
57	0	0	0	0	0	0	0	0
58	189	189	189	189	189	189	189	189
59	0	0	0	0	0	0	0	0
60	189	189	189	189	189	189	189	189
61								
62	302,565	324,312	321,898	274,346	246,382	314,429	316,111	309,434

	C	D	AV	BA	BB	BC	BI
1	BWD CASH FLOW						
2			ADOPTED	ACTUAL	PROJECTED	ACTUAL	YTD + PROJ MONTHS>>
3	2014-2015		BUDGET	OCTOBER	OCTOBER	YTD	PROJECTED
4			2014-2015	2014	2014	2014-2015	2014-2015
63	EXPENSES						
64							
65	MAINTENANCE EXPENSE						
66	R & M Buildings & Equipment		142,000	56,225	12,000	111,769	205,769
67	R & M - WWTP		60,000	25,235	5,000	33,632	73,632
68	Telemetry		20,000	2,599	1,500	2,599	16,599
69	Trash Removal		3,600	287	300	1,035	3,435
70	Vehicle Expense		18,000	1,461	1,675	9,479	22,804
71	Fuel & Oil		33,000	1,337	2,750	8,585	30,585
72	TOTAL MAINTENANCE EXPENSE:		276,600	87,144	23,225	167,098	352,823
73							
74	PROFESSIONAL SERVICES EXPENSE						
75	Tax Accounting (Taussig)		3,000	0	0	517	2,017
76	Administrative Services (ADP/Bank Fees)		6,000	433	500	1,501	5,501
77	Audit Fees		14,439	0	0	14,439	14,439
78	Computer billing-TBD		18,250	1,085	750	2,359	8,359
79	Consulting/Technical/Contract Labor		1,200	0	100	-	800
80	Engineering		35,000	(67,954)	(70,280)	(7,360)	15,840
81	District Legal Services		20,000	3,333	1,500	9,326	23,326
82	Testing/lab work		18,000	730	990	2,840	14,955
83	Regulatory Permit Fees		38,000	10,968	500	14,146	45,146
84	TOTAL PROFESSIONAL SERVICES EXPENSE:		153,889	(51,405)	(65,940)	37,768	130,383
85							
86	INSURANCE/DEBT EXPENSE						
87	ACWA Insurance		74,000	0	0	23,281	67,281
88	Workers Comp		14,400	0	0	3,821	14,621
89	COP 2008 Installment		255,713	0	0	196,875	255,713
90	TOTAL INSURANCE/DEBT EXPENSE:		344,113	0	0	223,977	337,615
91							
92	PERSONNEL EXPENSE						
93	Board Meeting Expense (board stipend/board secretary)		12,870	985	1,170	3,215	12,575
94	Salaries & Wages (gross)		730,000	64,400	62,472	249,782	735,142
95	Taxes on Payroll		15,500	997	900	3,815	15,815
96	Medical Insurance Benefits	+5% Jan-June	180,000	30,326	14,583	88,658	195,744
97	Calpers Retirement Benefits		162,000	13,845	13,500	54,067	162,067
98	Salaries & Wages contra account		(12,195)	(825)	(1,170)	(2,805)	(11,490)
99	Conference/Conventions/Training/Seminars		7,000	167	700	3,962	7,362
100	TOTAL PERSONNEL EXPENSE:		1,095,175	109,894	92,155	400,694	1,117,214
101							
102	OFFICE EXPENSE						
103	Office Supplies		18,000	1,859	1,500	6,171	18,171
104	Office Equipment/ Rental/Maintenance Agreements		25,000	4,433	2,650	15,849	29,449
105	Postage & Freight		13,000	7	20	6,243	12,987
106	Taxes on Property		2,366	2,375	2,188	2,375	2,552
107	Telephone/Answering Service		7,674	688	645	2,677	7,827
108	Dues & Subscriptions		3,970	0	0	529	3,578
109	Printing, Publications & Notices		838	262	550	262	478
110	Uniforms		6,000	451	500	1,597	5,597
111	OSHA Requirements/Emergency preparedness		4,500	135	375	135	3,135
112	TOTAL OFFICE EXPENSE:		81,347	10,210	8,429	35,837	83,774
113							
114	UTILITIES EXPENSE						
115	Pumping-Electricity		360,000	45,651	40,000	189,256	509,256
116	Office/Shop Utilities		17,319	1,773	1,313	8,965	18,917
117	Cellular Phone		8,000	1,165	667	2,705	8,037
118	TOTAL UTILITIES EXPENSE:		385,319	48,589	41,980	200,926	536,211
119							
120	TOTAL EXPENSES:		2,336,442	204,433	99,849	1,066,301	2,558,019
121							
122	CASH BASIS ADJUSTMENTS						
123	Decrease (Increase) in Accounts Payable			(1,238)	42,377	61,239	61,239
124	Increase (Decrease) in Inventory			(4,359)	0	(951)	(951)
125	Other Cash Basis Adjustments				0	1,160	1,160
126	TOTAL CASH BASIS ADJUSTMENTS:			(5,596)	42,377	61,448	61,448
127							
128	TOTAL EXPENSES PAID:		2,336,442	198,837	142,226	1,127,749	2,619,468
129							
130	NET CASH FLOW (O&M)		1,219,433	102,771	205,903	293,837	1,211,586

	BJ	BK	BL	BM	BN	BO	BP	BQ
1								
2	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
3	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
4	2014	2014	2015	2015	2015	2015	2015	2015
63								
64								
65								
66	12,000	12,000	12,000	12,000	12,000	12,000	11,000	11,000
67	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
68	2,000	1,500	2,000	1,500	2,000	1,500	2,000	1,500
69	300	300	300	300	300	300	300	300
70	1,487	1,838	2,000	2,000	1,500	1,500	1,500	1,500
71	2,750	2,750	2,750	2,750	2,750	2,750	2,750	2,750
72	23,537	23,388	24,050	23,550	23,550	23,050	22,550	22,050
73								
74								
75	0	0	0	0	0	0	0	1,500
76	500	500	500	500	500	500	500	500
77	0	0	0	0	0	0	0	0
78	750	750	750	750	750	750	750	750
79	100	100	100	100	100	100	100	100
80	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900
81	2,000	1,500	2,000	1,500	2,000	1,500	2,000	1,500
82	1,220	1,050	2,720	1,725	1,200	1,200	1,500	1,500
83	18,080	500	1,500	500	4,722	399	3,175	2,123
84	25,550	7,300	10,470	7,975	12,172	7,349	10,925	10,873
85								
86								
87	0	0	0	0	11,000	33,000	0	0
88	0	3,600	0	0	3,600	0	0	3,600
89	0	0	0	0	58,838	0	0	0
90	0	3,600	0	0	73,438	33,000	0	3,600
91								
92								
93	1,170	1,170	1,170	1,170	1,170	1,170	1,170	1,170
94	62,611	62,472	62,499	57,611	59,231	60,852	60,852	59,231
95	1,100	930	3,500	1,700	1,200	1,500	1,100	970
96	14,583	14,583	15,584	15,584	15,584	15,584	15,584	0
97	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500
98	(1,170)	(1,170)	(1,170)	(495)	(1,170)	(1,170)	(1,170)	(1,170)
99	1,000	600	100	400	500	100	600	100
100	92,794	92,085	95,183	89,470	90,015	91,536	91,636	73,801
101								
102								
103	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
104	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
105	2,000	20	2,014	0	2,020	50	591	50
106	0	0	177	0	0	0	0	0
107	617	596	627	511	700	700	700	700
108	0	25	237	132	200	2,360	50	45
109	0	0	0	0	116	0	0	100
110	500	500	500	500	500	500	500	500
111	375	375	375	375	375	375	375	375
112	6,692	4,715	7,130	4,717	7,111	7,185	5,416	4,970
113								
114								
115	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
116	1,185	1,174	1,384	1,192	1,032	1,179	1,237	1,570
117	667	667	667	667	666	666	666	666
118	41,852	41,841	42,051	41,859	41,698	41,845	41,903	42,236
119								
120	190,425	172,929	178,884	167,571	247,984	203,964	172,430	157,530
121								
122								
123	0	0	0	0	0	0	0	0
124	0	0	0	0	0	0	0	0
125	0	0	0	0	0	0	0	0
126	0	0	0	0	0	0	0	0
127								
128	190,425	172,929	178,884	167,571	247,984	203,964	172,430	157,530
129								
130	112,139	151,382	143,014	106,776	(1,602)	110,465	143,681	151,904

	C	D	AV	BA	BB	BC	BI
1	BWD CASH FLOW						
2			ADOPTED	ACTUAL	PROJECTED	ACTUAL	YTD + PROJ MONTHS>>
3	2014-2015		BUDGET	OCTOBER	OCTOBER	YTD	PROJECTED
4			2014-2015	2014	2014	2014-2015	2014-2015
131	NON O & M EXPENSES						
132	USGS Basin study					3,526	12,775
133	GWM -Plan Completion		15,000	8,637	1,250	20,207	30,207
140	Twin Tanks, 1970's-inside coating (rescheduled into 2015-2016)				0	-	0
142	ID4, Reducing Station design and installation (rescheduled to 2014-2015)				0	-	20,000
146	ID 5, Reducing Station design and installation(rescheduled to 2014-2015)		10,000			-	10,000
147	GWM-Plan conversion to IRWM		35,000		3,500	-	35,000
148	Application for IRWMP round three implementation		35,000		3,500	-	35,000
149	Collection system repairs \$25,000/manhole replacement \$50,000		75,000			-	75,000
151	Lugo building repairs		5,000		400	-	5,000
152	Pipeline-Country Club Road Booster Sta #3 south to Slash M					-	154,000
154	Rewind motors-ID1-10/ID4-11(rescheduled to 2014-2015)					-	30,000
155	Rewind motors-ID1-12/ID5-5		30,000		0	-	30,000
156	ID 1-16 pump and casing cleaning(rescheduled to 2014-2015)					96,269	96,269
157	ID4-4 pump and casing cleaning		60,000		0	-	60,000
159	Booster Station Motors		16,000			-	16,000
160	WWTP-Skid Steer		65,000	58,290	65,000	58,290	58,290
161	WWTP-Portable engine driven trash pump		10,000		10,000	-	10,000
162	WWTP-Rehab grit chamber & sludge holding tank diffuser system		30,000			-	30,000
163	WWTP-Jetting & Vactor Truck Service		10,000			-	10,000
164	WWTP-Rehab Clarifier		40,000			-	40,000
165	WWTP-Video Collection Lines		25,000			-	25,000
170	Blower Unit for Equalization Basin Upgrade WWTP (not budgeted)			11,222		11,222	11,222
171	218 Process		110,000			-	110,000
172	Circle J Pipeline project		57,000		0	-	57,000
173	Trailer to haul pipe		10,000		10,000	-	10,000
174	Air Quality Compliance		40,000			-	40,000
175	New Computer for server		10,000			-	10,000
176	TOTAL NON O&M EXPENSES		688,000	78,149	93,650	189,514	1,020,763
177							1,020,763
178	CASH RECAP						
179	Cash beginning of period		1,688,382	2,048,743	2,048,743	1,969,053	1,969,053
180	Net Cash Flow (O&M)		1,219,433	102,771	205,903	293,827	1,211,586
181	Total Non O&M Expenses		(688,000)	(78,149)	(93,650)	(189,514)	(1,020,763)
182	CASH AT END OF PERIOD		2,219,815	2,073,366	2,160,996	2,073,366	2,159,876
183							
184	RESERVES						
185	Working Capital (4 months)		(750,000)		(750,000)		(750,000)
186	Viking Ranch		(300,000)		(300,000)		(300,000)
187	Available for Emergency Reserves		1,169,815		1,110,996		1,109,876
188	Target Emergency Reserves		2,000,000		2,000,000		2,000,000
189	Emergency Reserves Deficit		(830,185)		(889,004)		(890,124)
190							
191	SIGNIFICANT ITEMS		ACTUAL	PROJECTED			
192							
193	R & M Buildings & Equipment		56,225	12,000	(44,225)	\$21,750 repave at main break/	
194						\$9,500 reconfigure meters Borrego Villas	
195						\$12,000 chlorine tablets	
196	R & M - WWTP		25,235	5,000	(20,235)	\$18,564 replace airline at headworks WWTP	
197	Medical Insurance Benefits		30,326	14,583	(15,743)	Paid Oct & Nov invoices	
198	Pumping-Electricity		45,651	40,000	(5,651)	\$6,000 T2 usage	
199							

	BJ	BK	BL	BM	BN	BO	BP	BQ
1								
2	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
3	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
4	2014	2014	2015	2015	2015	2015	2015	2015
131								
132			9,249					
133	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250
140								
142		20,000						
146		10,000						
147	3,500	3,500	3,500	3,500	3,500	3,500	7,000	7,000
148	3,500	3,500	3,500	3,500	3,500	3,500	7,000	7,000
149		25,000				50,000		
151	500	500	600	600	700	700	700	700
152				154,000				
154						15,000		15,000
155			15,000		15,000			
156								
157					60,000			
159		8,000		8,000				
160								
161			10,000					
162						30,000		
163			10,000					
164		40,000						
165				25,000				
170								
171	13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750
172				57,000				
173		10,000						
174			40,000					
175			10,000					
176	22,500	135,500	116,849	266,600	97,700	117,700	29,700	44,700
177								
178								
179	2,073,366	2,163,005	2,178,887	2,205,052	2,045,228	1,945,926	1,938,691	2,052,672
180	112,139	151,382	143,014	106,776	(1,602)	110,465	143,681	151,904
181	(22,500)	(135,500)	(116,849)	(266,600)	(97,700)	(117,700)	(29,700)	(44,700)
182	2,163,005	2,178,887	2,205,052	2,045,228	1,945,926	1,938,691	2,052,672	2,159,876
183								
184								
185	(750,000)	(750,000)	(750,000)	(750,000)	(750,000)	(750,000)	(750,000)	(750,000)
186	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)
187	1,113,005	1,128,887	1,155,052	995,228	895,926	888,691	1,002,672	1,109,876
188	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
189	(886,995)	(871,113)	(844,948)	(1,004,772)	(1,104,074)	(1,111,309)	(997,328)	(890,124)
190								
191								
192								
193								
194								
195								
196								
197								
198								
199								



BORREGO WATER DISTRICT

	BALANCE SHEET October 31, 2014 (unaudited)	BALANCE SHEET September 30, 2014 (unaudited)	MONTHLY CHANGE (unaudited)
ASSETS:			
CURRENT ASSETS			
Cash and cash equivalents	\$ 2,073,365.90	\$ 2,048,742.81	\$ 24,623.09
Accounts receivable from water sales and sewer charges	\$ 373,283.74	\$ 369,899.69	\$ 3,384.05
Interest receivable	\$ -	\$ -	\$ -
Inventory	\$ 133,363.72	\$ 137,722.34	\$ (4,358.62)
Availability charges receivable	\$ -	\$ -	\$ -
Allowance for uncollectable availability charges	\$ -	\$ -	\$ -
Grant Receivable	\$ -	\$ -	\$ -
Prepaid expenses	\$ 30,298.12	\$ 30,298.12	\$ -
Other Receivables	\$ 1,513.80	\$ 1,703.00	\$ (189.20)
TOTAL CURRENT ASSETS	\$ 2,611,825.28	\$ 2,594,765.13	\$ 17,060.15
RESTRICTED ASSETS			
Debt Service:			
Deferred amount of COP Refunding	\$ 132,554.49	\$ 132,554.49	\$ -
Unamortized bond issue costs	\$ 92,454.19	\$ 92,454.19	\$ -
Total Debt service	\$ 225,008.68	\$ 225,008.68	\$ -
Trust fund:			
Investments with fiscal agent -CFD 2007-1	\$ 95,899.28	\$ 93,192.96	\$ 2,706.32
Total Trust fund	\$ 95,899.28	\$ 93,192.96	\$ 2,706.32
TOTAL RESTRICTED ASSETS	\$ 320,907.96	\$ 318,201.64	
UTILITY PLANT IN SERVICE			
Land	\$ 3,029,275.65	\$ 3,034,775.65	\$ (5,500.00)
Flood Control Facilities	\$ 4,319,603.58	\$ 4,319,603.58	\$ -
Capital Improvement Projects	\$ 186,213.42	\$ 186,213.42	\$ -
Sewer Facilities	\$ 5,511,661.08	\$ 5,500,439.07	\$ 11,222.01
Water facilities	\$ 10,585,969.56	\$ 10,585,969.56	\$ -
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	\$ 553,862.67	\$ 495,572.91	\$ 58,289.76
Accumulated depreciation	\$ (10,987,728.01)	\$ (10,998,128.60)	\$ (10,400.59)
NET UTILITY PLANT IN SERVICE	\$ 14,669,571.48	\$ 14,616,493.62	\$ 53,077.86
OTHER ASSETS			
Water rights -ID4	\$ 185,000.00	\$ 185,000.00	\$ -
TOTAL OTHER ASSETS	\$ 185,000.00	\$ 185,000.00	
TOTAL ASSETS	\$ 17,787,304.72	\$ 17,714,460.39	\$ 72,844.33

Balance sheet continued

	BALANCE SHEET October 31, 2014 <small>(unaudited)</small>	BALANCE SHEET September 30, 2014 <small>(unaudited)</small>	MONTHLY CHANGE <small>(unaudited)</small>
LIABILITIES:			
CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS			
Accounts Payable	\$ 81,679.55	\$ 80,442.15	\$ 1,237.40
Accrued expenses	\$ 173,602.49	\$ 173,602.49	\$ -
Deferred Revenue	\$ -	\$ -	\$ -
Deposits	\$ 22,093.75	\$ 22,943.75	\$ (850.00)
TOTAL CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS	\$ 277,375.79	\$ 276,988.39	\$ 387.40
CURRENT LIABILITIES PAYABLE FOM RESTRICTED ASSETS			
Debt Service:			
Accounts Payable to CFD 2007-1	\$ 95,899.28	\$ 93,192.96	\$ 2,706.32
TOTAL CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS	\$ 95,899.28	\$ 93,192.96	\$ 2,706.32
LONG TERM LIABILITIES			
2008 Certificates of participation(payable from restricted assets)	\$ 2,615,000.00	\$ 2,615,000.00	\$ -
Viking Ranch Note	\$ 1,425,000.00	\$ 1,425,000.00	\$ -
TOTAL LONG TERM LIABILITIES	\$ 4,040,000.00	\$ 4,040,000.00	\$ -
TOTAL LIABILITIES	\$ 4,413,275.07	\$ 4,410,181.35	\$ 3,093.72
FUND EQUITY			
Contributed equity	\$ 9,611,814.35	\$ 9,611,814.35	\$ -
Retained Earnings:			
Unrestricted Reserves/Retained Earnings	\$ 3,762,215.30	\$ 3,692,464.69	\$ 69,750.61
Total retained earnings	\$ 3,762,215.30	\$ 3,692,464.69	\$ 69,750.61
TOTAL FUND EQUITY	\$ 13,374,029.65	\$ 13,304,279.04	\$ 69,750.61
TOTAL LIABILITIES AND FUND EQUITY	\$ 17,787,304.72	\$ 17,714,460.39	\$ 72,844.33



BORREGO WATER DISTRICT

TREASURER'S REPORT OCTOBER, 2014

% 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/UB/LAIF

WFB/UB General Account/Petty Cash	\$ 2,040,343	\$ 1,981,465	\$ 1,981,465	95.57%	0.00%	N/A	WFB/UB
Payroll Account	\$ 21,975	\$ 20,523	\$ 20,523	0.99%	0.01%	N/A	WFB
MMA	\$ 50,438	\$ 50,438	\$ 50,438	2.43%	0.03%	N/A	WFB
LAIF	\$ 20,940	\$ 20,940	\$ 20,940	1.01%	0.22%	N/A	LAIF
Total Cash and Cash Equivalents	\$ 2,133,696	\$ 2,073,366	\$ 2,073,366	100.00%			

Facilities District No. 2007-1

First American Treas Obligation -US BANK	\$ 95,899	\$ 95,899	\$ 95,899				
Total Cash, Cash Equivalents & Investments	\$ 2,229,596	\$ 2,169,265	\$ 2,169,265				

Cash and investments conform to the District's investment Policy statement filed with the Board of Directors on June 25, 2014.

Cash, investments and future cash flows are sufficient to meet the needs of the District for the next six months.

Sources of valuations are Umpqua Bank, 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 October, 2014

A. Vendor disbursements paid during this period:	\$ 301,541.49
<i>Significant items:</i>	
San Diego Gas & Electric	\$ 40,968.90
RHGC portion of San Diego Gas & Electric	\$ 5,994.87
CalPERS Payments	\$ 16,610.28
Employee Health Benefits	\$ 31,485.88
ACWA-2015 Annual Agency Dues	\$ 10,489.00
Pacific Pipe-Extra material to refigure meters for Borrego Villas	\$ 9,499.01
 B. Capital Projects/Fixed Asset Outlays:	
Hawthorne Machinery-Cat Track Loader and Forks	\$ 58,289.76
Joes Paving-paving of Marker Lane due to main break	\$ 21,750.00
Terry Robertson-replace air line at head works WWTP	\$ 18,564.64
Accurate Air Engineering-Blower unit WWTP	\$ 11,222.01
Aquatic Inspections-Twin & Indian Head tanks	\$ 6,350.00
 C. Total Professional Services for this Period: <i>(included in vendor disbursements paid above)</i>	
Downey Brand, Attorneys	
Legal-general	
GWM	\$ 8,636.73
Total Invoice:	\$ 8,636.73
 McDougal Love Eckis	
Legal-general	
GWM	\$ 3,333.00
Total Invoice:	\$ 3,333.00
 Dynamic Consulting Engineers-Sewer-Rams Hill/La Casa	\$ 3,712.50
Total Invoice:	\$ 3,712.50
 D. Payroll for this Period:	
Gross Payroll	\$ 64,399.76
Employer Payroll Taxes and ADP Fee	\$ 1,170.42
Total	\$ 65,570.18

BORREGO WATER DISTRICT
FOR BOARD CONSIDERATION AND APPROVAL
OCTOBER 31, 2014

GENERAL ACCOUNT

CHECK#	DATE	PAYEE & DESCRIPTION	AMOUNT
19524	11/14/14	U.S.BANK CORPORATE PAYMENT SYS SEE INVOICE FOR DETAILS SEE INVOICE FOR DETAILS	2,582.90
19469	10/14/14	TERRY ROBERTSON REPLACE AIR LINE AT HEAD WORKS (RHWTF)	18,564.64
19492	10/28/14	ABILITY ANSWERING/PAGING SER ANSWERING SERVICE	186.01
19525	11/14/14	ACCURATE AIR ENGINEERING, INC NEW BLOWER UNIT FOR THE EQUALIZATION BASIN UPGRADE	11,222.01
19509	11/14/14	ASSOC OF CALIFORNIA 2015 ANNUAL AGENCY DUES DELTA SUSTAINABILITY ASSESMEN	10,489.00
19470	10/14/14	CB&T ACWA-JPIA MEDICAL BENEFITS	15,742.94
19510	11/14/14	CB&T ACWA-JPIA MEDICAL COVERAGE	15,742.94
19478	10/21/14	AdvizeX Technologies,LLC HP9000 INSURANCE AND SUPPORT	964.80
19479	10/21/14	AFLAC EMPLOYEE PAID SUPPLEMENTAL INS	1,864.46
19511	11/14/14	AGGREGATE PRODUCTS INC. ROAD BASE FOR REPAIRS	574.10
19493	10/28/14	AIRGAS USA,LLC ACETYLENE	69.44
19526	11/14/14	AMERICAN LINEN INC. UNIFORMS FOR CREW	451.41
19512	11/14/14	AQUATIC INSPECTIONS SCHEDULED RESERVOIR INSPECTION AND CLEANING/STATE REQUIRMENT TWIN AND INDIAN HEAD TANKS	6,350.00
19513	11/14/14	AT CONFERENCE CONFERENCE CALLS	37.09
19514	11/14/14	AT&T MOBILITY CELL PHONES FOR CREW	1,088.91
19503	10/31/14	AT&T-CALNET 2 PHONES FOR OFFICE, MAINTENANCE AND WWTP	333.12
19515	11/14/14	BENITO ARTEAGA REIMBURSE FOR WORK BOOTS	135.00
19494	10/28/14	BORREGO LANDFILL HAUL MISC TRASH TO LANDFILL	211.22
19527	11/14/14	BORREGO SPRINGS BOTTLED WATER BOTTLED WATER FOR CREW	23.63
19495	10/28/14	BORREGO SUN ADVERTISEMENT ORDINANCE	93.75
19496	10/28/14	CEB CA SUBDIVISION MAP	151.51
19480	10/21/14	CONTRON	

BORREGO WATER DISTRICT
FOR BOARD CONSIDERATION AND APPROVAL
OCTOBER 31, 2014

CHECK#	DATE	PAYEE & DESCRIPTION	AMOUNT
19528	11/14/14	SCADA UPDATED FOR T2 GOLF SCADA UPDATED FOR T2 GOLF COUNTY OF SAN DIEGO	2,598.80
19481	10/21/14	PERMIT INSPECTIONS COUNTY OF SAN DIEGO	249.00
19471	10/14/14	LEGAL ADS - NOTICE TO DECLARE CANDIDACY	168.56
19516	11/14/14	DE ANZA READY MIX CONCRETE KICKER NORTH SIDE OF MALL MASTER METER	239.88
19517	11/14/14	DE ANZA READY MIX WASTEWATER PLANT PALM CANYON MANHOLE	741.96
19482	10/21/14	JAMES G HORMUTH/DBA TRUE VALUE SEE INVOICE FOR DETAILS	279.55
19529	11/14/14	DEBBIE MORETTI PEST MANAGEMENT	113.00
19504	10/31/14	DOWNEY BRAND PROFESSIONAL SERVICES DOWNSTREAM SERVICES, INC.	8,636.73
19518	11/14/14	CLEAN GRIT CHAMBER DYNAMIC CONSULTING ENGINEERS ENGINEERING ASSISTANCE	2,431.50
19519	11/14/14	RAMS HILL AND LA CASA E.S. BABCOCK & SONS, INC.	3,712.50
19520	11/14/14	WATER SAMPLING GREEN DESERT LANDSCAPE MANAGEMENT FEE CLUB CIRCLE OCTOBER	685.00 5,210.80
19483	10/21/14	HAWTHORNE MACHINERY CO CAT TRACK LOADER AND FORKS	58,289.76
19530	11/14/14	HOME DEPOT CREDIT SERVICES SEE INVOICE FOR DETAILS	417.64
19531	11/14/14	JC LABS & MONITORING SERVICE WASTEWATER CONSULTING SERVICES	1,500.00
19472	10/14/14	JOE'S PAVING CO. INC. PAVING OF MARKER LANE DUE TO MAIN BREAK	21,750.00
19505	10/31/14	JOHN WATKINS REFUND CONTRUCTION METER DEPOSIT	850.00
19484	10/21/14	KENNY STRICKLAND, INC. FUEL FOR DISTRICT VEHICLES	863.71
19497	10/28/14	KENNY STRICKLAND, INC. FUEL FOR DISTRICT VEHICLES	473.78
19485	10/21/14	KONICA MINOLTA KONICA MINOLTA LEASE CONTRACT 9/25/14 - 10/24/14	1,515.88
19532	11/14/14	KONICA MINOLTA COPIER FEES 10/25/14 - 11/24	1,319.59
19473	10/14/14	LIDLAW PLUMBING INSTALLATION OF TANKLESS WATER HEATER	290.61
19533	11/14/14	McDOUGAL LOVE ECKIS	

BORREGO WATER DISTRICT
FOR BOARD CONSIDERATION AND APPROVAL
OCTOBER 31, 2014

CHECK#	DATE	PAYEE & DESCRIPTION	AMOUNT
19521	11/14/14	PROFESSIONAL SERVICES NAPA AUTO PARTS INC	3,333.00
19498	10/28/14	SEE INVOICE FOR DETAILS PACIFIC PIPELINE SUPPLY INC BACKFLOW TOOLS METER BOX LIDS 4 1/2 4" BACKFLOW MATERIALS FOR MALL 4" C900 100LF PARTS DUCTILE, BACKFLOW METER BOXES (7) 1 1/2" BACKFLOW DEVICES & FITTINGS FOR BORREGO VILLAS PVC PARTS SS REPAIR CLAMPS	659.82
19506	10/31/14	PACIFIC PIPELINE SUPPLY INC FITTING FOR WASTE WATER PLANT	9,499.01
19486	10/21/14	PUBLIC EMP'S RETIREMENT SYSTEM RETIREMENT 10/1/14 - 10/15/14	256.74
19507	10/31/14	PUBLIC EMP'S RETIREMENT SYSTEM EMPLOYEE RETIREMENT	8,089.26
19487	10/21/14	QUILL CORPORATION OFFICE SUPPLIES, TONER	8,521.02
19499	10/28/14	QUILL CORPORATION OFFICE SUPPLIES	96.68
19534	11/14/14	QUILL CORPORATION OFFICE SUPPLIES	177.81
19488	10/21/14	R.P. GENERAL CONSTRUCTION ENG. PAVE AREAS OF MALL PARKING LOT FROM MASTER METER PROJECT	122.46
19522	11/14/14	RAMONA DISPOSAL SERVICE TRASH DISPOSAL	1,825.00
19500	10/28/14	RECORDER/COUNTY CLERK'S OFFICE RELEASE OF LIENS 06-2600-3, 06-2590-3	3,184.50
19474	10/14/14	ROGELIO MARTINEZ PURCHASE OF CASE FOR CELL PHON	26.00
19535	11/14/14	SAN DIEGO CO VECTOR CONTROL MOSQUITO AND VECTOR DISEASE CONTROL ASSESSMENT	73.22
19475	10/14/14	SAN DIEGO COUNTY TREASURER TAXES FOR FY 7/1/14 - 6/30/15 200-130-01-00 200-130-02-00 201-260-04-00	176.55
19489	10/21/14	SAN DIEGO GAS & ELECTRIC ELECTRICITY CHARGES	2,198.34
19501	10/28/14	SAN DIEGO GAS & ELECTRIC ELECTRICITY CHARGES ELECTRICITY CHARGES	4,471.01
19476	10/14/14	SAN DIEGO MAILING SOLUTIONS SEALING SOLUTION	42,492.76
19490	10/21/14	SECAP FINANCE POSTAGE MACHINE LEASE	60.15
19536	11/14/14	SOUTHLAND WATER TECHNOLOGIES KNIGHT PRO WATCH 510XT GEAR	137.49

BORREGO WATER DISTRICT
 FOR BOARD CONSIDERATION AND APPROVAL
 OCTOBER 31, 2014

CHECK#	DATE	PAYEE & DESCRIPTION	AMOUNT
19502	10/28/14	MOTOR AND PUMP TUBE WWTP SPRINGBROOK SOFTWARE INC. HP9000 PROGRAMMING	212.68
19537	11/14/14	8/20/14 - 9/30/14 STAPLES CREDIT PLAN	1,085.30
19538	11/14/14	SEE INVOICE FOR DETAILS STATE WATER RESOURCE CONTROL	204.83
19523	11/14/14	RENEWAL OF WWTP OPERATOR CERT CODY COX	230.00
19491	10/21/14	SYNECO SYSTEMS, INC PERSNICKETY	1,856.24
19539	11/14/14	TYCO INTEGRATED SECURITY LLC ALARM QUARTERLY BILLING 11/1/14 - 01/31/15	189.12
19477	10/14/14	UNDERGROUND SERVICE ALERT DIG ALERTS	13.50
19540	11/14/14	UNIVAR USA INC. HYPOCHLORITE - ACCUTAB	12,275.85
19508	10/31/14	VERIZON WIRELESS EMERGENCY CELL PHONES	76.21
19541	11/14/14	VORTEX INDUSTRIES, INC GATE REPAIR AND MAINTENANCE BWD YARD GATE REPAIR AND MAINTENANCE RHWTF	619.81
		WENDY QUINN RECORDING SECRETARY	160.00
		TOTAL	----- 301,541.49 =====

Borrego Water District Management Report – November 2014

By: Jerry Rolwing

FEDERAL LEVEL

U.S. Geological Survey: The USGS final report entitled "Hydrogeology, Hydrologic Effects of Development, and Simulation of Groundwater Flow in the Borrego Valley, San Diego County, California is expected to be released in December 2014.

U.S. Bureau of Reclamation: The Reclamation final report entitled "Southeast California Regional Basin Study" has been held up due to a reorganization of upper management at Reclamation and the Department of the Interior. I will continue to check with the Temecula office for updates.

STATE LEVEL

The Southern District DWR staff will be here for semi-annual water level measurements November 18-20. These measurements are used to create and update the Valley's water table map, depicting the groundwater elevations and associated trends.

Proposition 1, the \$7.5 billion dollar water bond passed in the November election. According to the Association of California Water Agencies (ACWA), outlays of the funding source include:

- \$810 M for water conservation, stormwater capture and other programs that increase local and regional supplies;
- \$725M for recycled or desalination projects,
- \$800M to clean up contaminated groundwater,
- \$520M for safe drinking water and clean water programs, particularly for disadvantaged communities,
- \$900M for groundwater sustainability,
- \$1.89B for watershed and flood management,
- \$2.7B for new surface and groundwater storage projects.

Funds will be distributed through a competitive process by various agencies. Which agency will depend on how the money will be utilized.

COUNTY LEVEL

The Borrego Water District is working with the County Department of Planning and Development Services to modify the water credit program and structure a relationship as we move forward with the Groundwater Sustainability Plan for the Borrego Valley Groundwater Basin.

DISTRICT LEVEL

Dudek Engineering and Environmental has submitted the Rams Hill Water Supply Application for their newly constructed well RH-3. I issued a temporary use waiver so they could utilize the water production while the District evaluates the application. The other new production well, RH-4 is still in the testing stage and no water supply application has been received at this time. A third test well was drilled but there is no information on its production value yet.

On November 3rd, the District was visited by our Joint Powers Insurance Authority (JPIA) representative, Peter Kuchinsky. This was a routine visit where Peter sits down with Greg and I, then tours with Greg. Attached is the follow up letter from Peter (attachment A).



November 10, 2014

JOINT POWERS
INSURANCE AUTHORITY

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Roseville, CA 95661-9082

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Melody A. McDonald
Charles W. Muse
Lou Reinkens
Kathleen J. Tiegs

Mr. Jerry Rolwing, General Manager
Borrego Water District
P.O. Box 1870
Borrego Springs, California 92004-1870

Re: Loss Review and Risk Assessment Visit

Dear Jerry:

It was a pleasure to meet with you and visit your District on November 3, 2014. The purpose was to review loss history and obtain an update on operations. Please extend my thanks Greg Holloway, Water Operations Supervisor, and Kim Pitman, Administrative Manager, for their time during my visit.

The District works hard to control losses. There has not been a property claim in the past seven policy years, or a workers' compensation (WC) claim in the last two policy years. The last major claim in the Liability Program occurred in the 2006/07 policy year. This claim was related to an employment practices issue and is closed. There is one open liability claim related to damage caused by a line break. Your staff continues to work with our claims department to dispute responsibility on this claim.

As a result of this loss history, your District's Experience Modification (E-Mod) Rates in the WC and Property Programs are .73 and .88, respectively. Whenever an E-Mod rate is below 1.0, you pay a reduced rate for insurance coverage. E-Mod rates are affected by the frequency and value of claims. Please thank your staff and board for their proactive efforts in risk reduction.

A Commitment to Excellence (C2E) certificate and program outline was delivered to you for your board to consider signing. The C2E Program was highlighted at the ACWA/JPIA Conference in May 2014. Members are asked to support and adopt "best practices" that reduce losses. The areas that expose members and the pool to the most frequent and highest valued claims include:

- At-fault vehicle accidents and driver review/qualification standards
- Infrastructure failures related to deferred preventive maintenance or capital improvement programs
- Construction related losses associated with risk transfer and contracting
- Employment practices claims connected to hiring practices and employee manuals and policies
- Workers' compensation claims, especially in the areas of ergonomics and personal protective equipment

You and your board are asked to support the C2E Program. Your District's commitment to the Program is simply to work towards loss reduction, whenever and however possible. Members are not required to adopt specific programs or policies as part of their commitment. Once your certificate is signed, please send us a copy.

Mr. Jerry Rolwing, General Manager
Borrego Water District
November 10, 2014
Page 2

We reviewed the JPIA's Learning Management System (LMS) that was launched at the beginning of August 2014. Through this new self-service system, members can view upcoming training, register to attend classes, review training history, access the Lending Library, and print certificates. Each agency must set up an administrator to access the site and services. To use the new system, your staff is encouraged to go to <http://www.acwajpia.com/LMSHome.aspx> to access the tutorial and user guide, or call our Training Department at (800) 535-7899, ext. 3421, to be guided through the process.

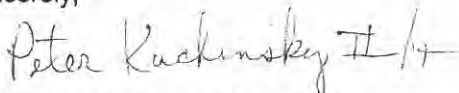
Greg took me on a tour of District facilities after our meeting. He explained that the District is working with several properties to install master meters. This action is supported by the JPIA and the Commitment to Excellence program as a method to reduce liability exposure and maintenance costs.

Greg also explained that Borrego Springs Resort is again in escrow. The development has a number of lots zoned for residential development. The condition of water and wastewater improvements is unknown due to the amount of time that has passed since these water and sewer improvements were installed. The District is also not sure of the inspection and construction methods and materials used for these infrastructure projects. The District may want to give written notice to the local fire and county planning departments regarding the status of water and wastewater improvements in these areas. Builders/developers should also be advised to contact the District prior to re-starting construction, for a complete list of requirements that may be needed to finalize water and wastewater improvements.

Not ensuring that existing improvements in the Borrego Springs Resort area meet current standards before development resumes, could expose the District to unknown capital improvement costs and liability claims in the future. Greg mentioned that even though the sewer mainlines are not supposed to be connected to the District's wastewater treatment plant, that as a result of a summer storm event, the plant experienced water infiltration that stressed the plant's capacity. It is recommended that the entire system be inspected, and corrections made, prior to being accepted by the District.

We welcome the opportunity to assist you and your staff in improving risk management and safety at Borrego Water District. Greg will contact me to schedule training for your staff early in 2015. Should you have any questions or need additional assistance, please contact me directly at (760) 224-4322 or pkuchinsky@acwajpia.com.

Sincerely,



Peter Kuchinsky II, CSP, CEAS I
Lead Risk Management Consultant

1110:11

c: Greg Holloway, Water Operations Supervisor
Kim Pitman, Administrative Manager
JPIA Member Services
JPIA Risk Management Committee
Marhsal Brecht, JPIA Board Member



BORREGO WATER DISTRICT

October 2014

WATER OPERATIONS REPORT

<u>WELL</u>	<u>TYPE</u>	<u>FLOW RATE</u>	<u>STATUS</u>	<u>COMMENT</u>
ID1-8	Production	350	In Use	
ID1-10	Production	300	In Use	
ID1-12	Production	950	In Use	
ID1-16	Production	850	In Use	
Wilcox	Production	150	In Use	Diesel backup well for ID-4
ID4-4	Production	350	In Use	
ID4-10	Production	80	In Use	
ID4-11	Production	1000	In Use	Diesel engine drive exercised monthly
ID4-18	Production	250	In Use	
ID5-5	Production	900	In Use	

System Problems: All Production Wells and reservoirs are in operating condition.

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: 64,040 (gallons per day)

Peak flow: 99,325 gpd Saturday October 25, 2014



BORREGO WATER DISTRICT

WATER PRODUCTION SUMMARY

October 2014

DATE	ID-1	ID-3	ID-4	ID-5	DISTRICT-WIDE TOTALS
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
Jan-14	12.51	7.44	99.13	4.12	123.20
Feb-14	20.59	6.37	90.06	3.81	120.83
Mar-14	34.62	6.90	89.53	3.93	134.98
Apr-14	29.52	8.32	118.08	6.35	162.27
May-14	72.93	8.46	111.16	5.15	197.70
Jun-14	87.66	9.52	121.42	2.34	220.94
Jul-14	132.29	9.13	138.73	2.72	282.87
Aug-14	132.62	9.72	112.59	2.17	257.10
Sep-14	127.21	10.49	140.83	1.99	280.52
Oct-14	128.61	9.71	124.41	5.97	268.70
12 Mo. TOTAL	816.86	104.39	1348.56	47.31	2317.12

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
Aug-14	0.43	4.43	9.12	N/A	4.66
12 Mo. Average	1.61	1.80	11.96	N/A	5.12

BORREGO WATER DISTRICT
 Water Production / Use Records
 ID # 1
 Month of October 2014

----- Water Production (Acre Feet) -----									
Date	Well 1	Well 2	Well 8	Well 10	Well 12	Well 16	Wells 1&2	Total	LessID3&4
=====	=====	=====	=====	=====	=====	=====	=====	=====	=====
OCT'13	0.00	0.00	0.06	11.21	29.22	0.00	0.00	40.49	29.63
NOV'13	0.00	0.00	0.00	11.99	21.04	0.00	0.00	33.03	21.45
DEC'13	0.00	0.00	0.94	7.26	15.40	0.00	0.00	23.60	16.85
JAN'14	0.00	0.00	0.00	0.09	19.86	0.00	0.00	19.95	12.51
FEB'14	0.00	0.00	0.20	8.03	18.73	0.00	0.00	26.96	20.59
MAR'14	5.35	6.74	0.00	27.26	17.92	0.00	12.09	45.18	50.37
APR'14	0.00	0.00	0.07	32.69	31.33	0.00	0.00	64.09	55.77
MAY'14	24.66	25.30	1.52	27.76	43.65	0.00	49.96	72.93	114.43
JUN'14	15.43	13.90	0.04	24.42	63.20	0.00	29.33	87.66	107.47
JUL'14	18.94	13.16	0.03	39.19	70.10	0.00	32.10	109.32	132.29
AUG'14	23.93	7.56	0.61	27.67	59.88	22.69	31.49	110.85	132.62
SEP'14	26.13	11.75	0.06	19.00	48.79	31.97	37.88	99.82	127.21
OCT'14	18.53	10.42	0.01	19.36	46.55	43.45	28.95	109.37	128.61
TOTALS	132.97	88.83	3.48	244.72	456.45	98.11	221.80	802.76	920.17

----- Water Use (Acre Feet) -----										
Date	Domestic	Irrigat'n	Constrt'n	Golf Course	Golf Spare Cap	ID 3	ID 4	Total	Water Loss	% Loss
=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====
OCT'13	11.12	13.31	0.06	0.00	0.00	10.86	0.00	35.35	5.14	12.69%
NOV'13	9.63	10.24	0.00	0.00	0.00	11.58	0.00	31.45	1.58	4.80%
DEC'13	8.09	7.67	0.00	0.00	0.00	6.75	0.00	22.51	1.09	4.62%
JAN'14	8.40	8.29	0.00	0.00	0.00	7.44	0.00	24.13	-4.18	-20.90%
FEB'14	6.66	5.11	0.00	0.00	6.00	6.37	0.00	24.14	2.82	10.46%
MAR'14	6.88	4.98	1.88	3.62	15.75	6.90	0.00	40.01	5.17	11.43%
APR'14	9.20	8.32	1.90	6.96	26.25	8.32	0.00	60.95	3.14	4.90%
MAY'14	8.85	8.90	0.19	10.21	37.71	8.46	0.00	74.32	-1.39	-1.90%
JUN'14	10.03	12.25	0.00	4.32	50.52	9.52	0.00	86.64	1.02	1.17%
JUL'14	11.26	16.13	0.62	12.03	58.98	9.13	0.00	108.15	1.17	1.07%
AUG'14	13.27	17.82	0.41	0.00	68.48	9.72	0.00	109.70	1.15	1.05%
SEP'14	13.51	13.13	0.09	0.00	61.73	10.49	0.00	98.95	0.87	0.89%
OCT'14	12.23	15.39	0.03	0.00	71.55	9.71	0.00	108.91	0.46	0.43%
TOTALS	118.01	128.23	5.12	37.14	396.97	104.39	0.00	789.86	12.90	1.61%

BORREGO WATER DISTRICT
 Water Production / Use Records
 ID # 3
 Month of October 2014

Date	La Casa del Zorro Total Acre Feet		Deep Well Trail / Others Acre Feet			Total	Total	Total
	Irrigat'n	Domestic	Irrigat'n	Domestic	Total	Irrigat'n	Domestic	Acre Feet
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
JAN'14	0.00	2.60	0.12	4.65	4.77	0.12	7.25	7.37
FEB'14	0.00	2.04	0.04	4.15	4.19	0.04	6.19	6.23
MAR'14	0.00	3.02	0.08	3.78	3.86	0.08	6.80	6.88
APR'14	0.00	3.37	0.06	4.80	4.86	0.06	8.17	8.23
MAY'14	0.00	3.24	0.04	5.15	5.19	0.04	8.39	8.43
JUN'14	0.00	3.32	0.21	5.81	6.02	0.21	9.13	9.34
JUL'14	0.00	2.88	0.14	5.96	6.10	0.14	8.84	8.98
AUG'14	0.00	3.30	0.17	5.91	6.08	0.17	9.21	9.38
SEP'14	0.00	3.19	0.11	6.97	7.08	0.11	10.16	10.27
OCT'14	0.00	2.94	0.11	6.23	6.34	0.11	9.17	9.28
TOTALS	0.79	36.40	1.30	64.02	65.32	2.09	100.42	102.51

Date	Water Produced Acre Feet	Water Delivered Acre Feet	Wtr Loss	% Loss
OCT'13	10.87	10.69	0.18	1.66%
NOV'13	11.58	10.83	0.75	6.48%
DEC'13	6.75	7.29	- .54	-8.00%
JAN'14	7.44	7.37	0.07	0.94%
FEB'14	6.37	6.23	0.14	2.20%
MAR'14	6.90	6.88	0.02	0.29%
APR'14	8.32	8.23	0.09	1.08%
MAY'14	8.46	8.43	0.03	0.35%
JUN'14	9.52	9.34	0.18	1.89%
JUL'14	9.13	8.98	0.15	1.64%
AUG'14	9.72	9.38	0.34	3.50%
SEP'14	10.49	10.27	0.22	2.10%
OCT'14	9.71	9.28	0.43	4.43%
TOTALS	104.39	102.51	1.88	1.80%

BORREGO WATER DISTRICT
 Water Production / Use Records
 ID # 4
 Month of October 2014

----- 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
=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====
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
JAN'14	0.00	0.00	53.25	6.89	10.82	29.03	3.24	0.02	0.00	103.25	99.13
FEB'14	0.00	0.00	45.47	6.06	9.34	29.74	3.26	0.00	0.00	93.87	90.06
MAR'14	0.00	0.00	42.13	6.11	8.97	33.10	3.12	0.03	0.00	93.46	89.53
APR'14	0.00	0.00	52.05	10.17	10.42	47.59	4.20	0.00	0.00	124.43	118.08
MAY'14	0.00	0.00	43.37	10.03	8.83	50.44	3.64	0.00	0.00	116.31	111.16
JUN'14	0.00	0.00	46.08	10.57	9.43	54.04	3.64	0.00	0.00	123.76	121.42
JUL'14	0.00	0.00	49.84	11.88	10.39	64.30	4.96	0.08	0.00	141.45	138.73
AUG'14	0.00	0.00	31.96	8.53	8.86	61.91	3.50	0.00	0.00	114.76	112.59
SEP'14	0.00	0.00	54.73	10.38	10.84	62.48	4.39	0.00	0.00	142.82	140.83
OCT'14	0.00	0.00	43.63	12.00	8.66	62.73	3.36	0.00	0.00	130.38	124.41
TOTALS	0.00	0.00	478.62	109.10	115.23	648.46	43.92	0.54	0.00	1395.87	1348.56
=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====

Date	Water Produced Acre Feet	Water Use Acre Feet	Wtr Loss	% Loss	ID 5 Acre Feet
=====	=====	=====	=====	=====	=====
OCT'13	142.27	120.19	22.08	15.52%	4.34
NOV'13	118.74	104.29	14.45	12.17%	5.28
DEC'13	92.64	85.79	6.85	7.39%	3.48
JAN'14	103.25	91.70	11.55	11.19%	4.12
FEB'14	93.87	83.03	10.84	11.55%	3.81
MAR'14	93.46	82.18	11.28	12.07%	3.93
APR'14	124.43	110.90	13.53	10.87%	6.35
MAY'14	116.31	102.57	13.74	11.81%	5.15
JUN'14	123.76	108.72	15.04	12.15%	2.34
JUL'14	141.45	121.06	20.39	14.41%	2.72
AUG'14	114.76	101.69	13.07	11.39%	2.17
SEP'14	142.82	118.54	24.28	17.00%	1.99
OCT'14	130.38	118.49	11.89	9.12%	5.97
TOTALS	1395.87	1228.96	166.91	11.96%	47.31
=====	=====	=====	=====	=====	=====

DISTRICT BUSINESS PLANNING TASKS

Proposed Schedule

Task	Completed No Later Than
Identify & Implement Mechanism to Pay For GSP costs	March 2015
Update Development Fees (water credits & infrastructure buy-in costs for new connections)	Nov 2015
Update Availability Fees (property tax assessments)	Jan 2016
Update rate structure & water & sewer + WWT rates	Mar 2016