

EXHIBIT 10-B

Stephanie Pintar gave a presentation on this item that is on file at the District office. The Board discussed issues enumerated in the staff note.

Chair Edwards stated that the consensus of the Board is that a new ordinance should allow the reassignment of water credits in the examples identified as scenarios 1 and 2 in the staff note and presentation. General Manager Farina stated that the Water Demand Committee would meet to develop a recommendation to the Board on the definition of "site" and "in process," and how to handle scenarios 3 and 4. Director Markey requested that District Counsel prepare a legal opinion for the Board regarding the legal rights of property owners considered "in process." This item would be considered by the Board at the February 19, 2004 meeting.

The following comments were directed to the Board during the public comment period on this item. (1) **Mitzi Dallas** expressed concern regarding application of the rules for scenario 3. She asked how many applications for water credit transfers were pending. (2) **Christine Gianoscol Kemp** speaking on behalf of the Koopert application. She requested that her client's project be considered in progress. (3) **Craig Wilson** asked staff if his application was one that would be considered "in process." (4) **Patricia Bernardi**, a resident of Carmel Valley, asked Director Foy to restate his comment regarding a time period for ownership of a property prior to it being eligible for a water credit reassignment. (5) **Tex Irwin** reminded the Board that there are many persons that maintain gardens on contiguous lots. The Board should not eliminate the opportunity for those property owners to reassign water credits to those lots. (6) **Robert Carver**, an architect who has a client that would like to reassign water credits from one house to a contiguous lot. He stated that reassignments are based on the fixture-unit methodology so they will not increase water use.

Staff was directed to place a Consent Calendar item on the February 19, 2004 Board meeting agenda, asking for Board authorization to request that the Technical Advisory Committee provide a recommendation on a methodology for projecting future water needs within 90 days.

Henrietta Stern gave a presentation on this item that is on file at the District office. General Manager Farina stated that any changes to the rules regarding water distribution systems could not occur until June or July of 2004. Other priorities will take precedence. District Counsel Laredo briefly reviewed a document entitled History of the MPWMD Connection Charge that was distributed at the meeting and is on file at the District office.

Director Potter excused himself from the meeting at 4 PM.

5. Discuss Permits for Water Connections and Water Distribution Systems as Well as Methodology to Estimate Future Water Needs

A. Provide Direction on Development of Water Credit Reassignment Rules

B. Discuss Methodology Used to Project Jurisdictions' Future Water Needs

C. Review Rules and Regulations Governing Water Distribution Systems, and Discuss Potential Changes