

AGENDA
Borrego Water District Board of Directors
Special Meeting
March 20, 9:00 a.m.
806 Palm Canyon Drive
Borrego Springs, CA 92004

I. OPENING PROCEDURES

- A. Call to Order
- B. Pledge of Allegiance
- C. Roll Call
- D. Approval of Agenda
- E. Comments from Directors and Requests for Future Agenda Items
- F. Comments from the Public and Requests for Future Agenda Items (comments will be limited to 3 minutes)

II. CURRENT BUSINESS MATTERS

- A. Discussion of enhancement to work plan for SE Basin Study. Presenter: US Bureau of Reclamation
- B. Discussion of agenda and materials for Town Hall, March 28th
- C. Potential Items for Business Meeting

III. CLOSING PROCEDURE, Adjournment

The next Regular Meeting of the Board of Directors is scheduled for March 28, 2012 at the Borrego Water District.

1. Objectives/Scope Statement: (list features, deliverables, and objectives)

The Borrego Springs Community's sole water source is the region's aquifer. As demands in the Borrego basin are projected to exceed the natural supply to the basin's aquifer in the future, options are being explored to address potential imbalances.

2. Scope Definition:

The Southeast California Regional Basin Study (Study) will characterize current regional water supply and demand conditions. Based on the knowledge gleaned from the West Wide Climate Risk Assessment (WWCRA), the Study will assess risks to regional water supplies in the future. The Study will couple future supply scenarios with a projected range of water demands in the basin to determine the magnitude of the supply/demand imbalances. The imbalances will be addressed by identifying potential strategies and options.

Task 1.

Subtask 1.1 – Client Project Management and Administration. TSC and ESO will serve as technical leads for stakeholder outreach meetings. ESO will help develop a stakeholder communication management plan and provide a monthly report.

Subtask 1.2 – USGS-Reclamation Coordination. USGS and Reclamation will cooperate, coordinate, and schedule work between agencies, including local and state agencies affected by this work. These agencies could include the Borrego Springs Water District, the Imperial Irrigation District, the Coachella Valley Water District, the State of California, and other entities.

Task 2.

Subtask 2.1 – Gather Data. TSC will coordinate with ESO and the Southern California Area Office (SCAO) the work with local, state, and federal entities to gather historic demand data, and coordinate work to develop future supply and demand data. ESO and SCAO will collect information on aquifers, primarily, the Borrego Valley aquifer, the Clark Dry Lake Bed aquifer, and the Allegretti Farms aquifer. Information collected should be, but is not limited to, groundwater models, studies, reports, well logs, pump tests, and other information necessary to characterize the aquifers given past, present, and future conditions.

Subtask 2.2 – USGS data. Reclamation staff will work with USGS to access data, models, reports, and other information as part of this SOW. Reclamation agrees to coordinate overall data management with the USGS.

Deliverable: Technical Memo 1 describing findings of Task 2.

Task 3. Build historic and future demand scenarios. TSC will assemble and review historical and future demand data sets with support from ESO and SCAO. TSC will prepare three to four demand scenarios based on stakeholder demand projections, and based on the Colorado River Basin Study future demand estimates.

Task 4. Build historic and future water supply scenarios. TSC will prepare a maximum of five future supply scenarios from West Wide Climate Risk Assessment.

Deliverable: Technical Memo 2 to include results of Tasks 3 and 4.

Task 5. Water supply/demand modeling. Reclamation staff (TSC) will develop, test and evaluate, and run the water supply/demand model based on the mass balance approach.

Subtask 5.1 – Water supply scenario modeling. Reclamation will coordinate scenario development with the USGS using the MODFLOW model developed by the USGS for Borrego Springs to develop and/or refine the future water supply scenarios. Results, using the 69 GCMs, will be input into the Basin Characterization

Model (BCM) by the USGS. From the 69 GCMs, the USGS (with Reclamation's input/approval) will select up to 5 BCM output supply scenarios. These supply scenarios will include the minimum, maximum, and mean inflows, precipitation, and temperature (reference ET) data sets for the Borrego Basin. The BCM output will be input into the boundary conditions of the Borrego Springs groundwater model. Summary output data will be provided for each model run.

- a. Build new MODFLOW files
- b. Run BCM supply scenarios
- c. Plot (all and total through time)/Tabulate (min, max, median) BCM supply results
 - i. Inflows
 - ii. Precipitation
 - iii. Reference Evapotranspiration
 - iv. Water Demand
 - v. Change in storage (total, at various points?)
 - vi. Water levels/hydrographs at various locations
 - vii. Plot various hydrographs

Subtask 5.2 – Water demand scenario modeling. Reclamation and the USGS will run demand scenarios, based on well pumping scenarios as determined by the partners. Coordination with partners will be necessary. Demand scenarios will be run for each supply scenario developed in Subtask 5.1 above. Summary output data will be provided for each model run. Not to exceed 5 pumping demand scenarios for each supply scenario.

Deliverable: Technical Memo 3 describing results of Task 5.

Task 6. Analyze future water supply and demand gaps. TSC will prepare a matrix of water supply and demand scenarios and present the respective gaps. **Deliverable: Technical Memo 4** to report findings of Task 6.

Task 7. Analyze options and strategies to meet future supply gaps. TSC will support ESO to prepare a matrix of possible options and strategies to meet future supply gaps identified by TSC (Task 6).

Task 8. Determine the reasonableness of cost. TSC will support ESO to develop a cost and non-cost matrix for each scenario based on present and future values for each option to be identified as part of Task 7.

Task 9. Optimization of strategies. TSC will support ESO to address various options and optimization strategies and determine which combination of options is best suited for the gap analyses.

Task 10. Support the completion of Basin Study Report. TSC will support ESO to complete the Basin Study Report will be delivered to stakeholders for review and approval, and comments incorporated into the final report.

Tentative schedule:

1. March 27, 2012: Client Project Management and Administration (USBR)
2. October 21, 2011: Gather Data (USBR).
3. December 31, 2011: Finalize historical BCM output for groundwater model input (USGS)
- ~~4.~~ January 31, 2012: ~~Run water supply scenarios in groundwater model (USGS)~~
- ~~5-4.~~ February 24, 2012: Build historic and future demand scenarios (USGS/USBR)
- ~~5.~~ March 30, 2012: Build historic and future water supply scenarios (USBR)
- ~~6.~~ March 30, 2012: Finalize all 69 GCM runs and BCM output (USGS)
- ~~7.~~ April 15, 2012: From the 69 GCMs, select up to 5 BCM supply scenarios and determine any changes to municipal pumping, septic recharge, farm/crop distribution, crop type (USGS/USBR)
- ~~8.~~ April 30, 2012: From the 5 BCM output, develop BCM supply scenarios and resample and format for MODFLOW model (precip, ETo, streamflow/underflow) (USGS)
- ~~9.~~ April 30, 2012: Historical MODFLOW model complete (USGS)
- ~~10.~~ May 30, 2012: Run BCM supply scenarios supply scenarios in MODFLOW model (USGS)
- ~~6-11.~~ May 11, 2012: Water supply/demand modeling (USBR)
- ~~7.~~ July 1, 2012: ~~MODFLOW model complete (USGS)~~
- ~~12.~~ June 30, 2012: Run USBR supply scenarios in MODFLOW model (USGS)
- ~~8-13.~~ July 12, 2012: Analyze future water supply and demand gaps (USBR)
- ~~9-14.~~ August 22, 2012: Analyze options and strategies to meet future supply gaps (USBR)
- ~~15.~~ September 30, 2012: Borrego Springs groundwater model study to review. Report will include BCM and USBR scenarios (USGS)
- ~~40-16.~~ November 7, 2012: Determine the reasonableness of cost (USBR)

- | ~~41.17.~~ December 31, 2012: Borrego Springs groundwater model study complete (USGS)
- | ~~42.18.~~ January 23, 2012: Optimization of strategies (USBR).
- | ~~43.19.~~ March 27, 2013: Support the completion of Basin Study Report (USBR).

Project Management Plan – Small Project

(Short Form Instructions)

1. **Objectives/Scope Statement:** A sentence or phrase which describes the product of this work. A review, a report, a study, a collection of data, a model, an inspection, a design specification, etc.
2. **Scope Definition:** A sentence or two describing what, when, where, how, how much, and by whom.
3. **Schedule:** A list of milestones and who is responsible. Note: Items and dates that the client is responsible for providing and to which the schedule is dependent can be listed.
4. **Financial Plan:** A list of tasks, TSC groups, or tasks and groups and their associated staff days and nonlabor costs. Note: If earned value is to be performed, a second form will be necessary. There is a range of EV forms and spreadsheets that can be used, depending on the size and complexity of the project.
5. **Roles and Responsibilities:** A list of the key players and their titles and roles. Use separate table when more than one or two: project engineer, project technical specialist, group representative, group managers, team members, etc.
6. **Quality Control:** Describes the quality control process. Client review of work in progress, peer review, peer reviewer, checker, etc.
7. **Change Management:** Describes the change management process to include: forms to be used, thresholds of change for schedule and budget, use of contingency funding, contingency funds forms, update to service agreement, etc.
8. **Communication:** Lists regularly scheduled team meetings, conference calls, and status reports. Describes the content, frequency, and distribution of status reports.
9. **Risk Management:** Identifies potential risks which might affect the project, assesses the impact, and assigns responsibility for risk.
10. **Project Closeout:** Describes what, who, when, and how. Identifies how the final product will be delivered, final reports, feedback survey, team debriefing meeting, client closeout meeting, project records, financial closeout, etc. Note: The TSC Project Closeout Checklist may be used for reference.
11. **Signatures:** Must have the team leader, team leader's supervisor, and client contact signatures. Client sponsor signature is optional but strongly advised.

Note: Use attachments where more detail is needed. Reference attachments in their appropriate sections.

BORREGO WATER DISTRICT
2012 TOWN HALL MARCH 28, 2012
4 - 6 p.m. PERFORMING ARTS CENTER

AGENDA 3 handouts: finances; overdraft; IRWM program description

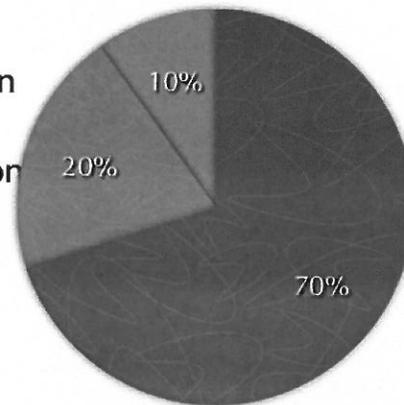
- 1) *Greetings & Introductions. Moderator (5 minutes)*
- 2) *Where is the District now financially? Will rates increase for FY 2013? Lyle Brecht, Vice President of the Board, Borrego Water District [BWD] (10 minutes)*
- 3) *Overdraft: What is it? Where are we today? Tim Ross, PhD, Senior Engineering Geologist, California Department of Water Resources (DWR), Southern Region (15 minutes)*
- 4) *The overdraft: From today into tomorrow. Claudia Faunt, PhD, Hydrologist, US Geological Survey [USGS] and Peter Martin, retired Hydrologist, USGS (15 minutes)*
- 5) *Borrego Springs Pipeline Feasibility Study: What have we learned? Jerry Rolwing, General Manager, Borrego Water District (5 minutes)*
- 6) *What is the District doing to address the overdraft? Why should we act now? Beth Hart, President of the Board, Borrego Water District (10 minutes)*
- 7) *Integrated Regional Water Management Plans (IRWMPs): How have they benefited other regions? How can a plan benefit this Anza-Borrego Desert region? How can stakeholders participate? Why is the stakeholder process important? Dale Schafer, Senior Mediator, Center for Collaborative Policy [CCP] & Ali Taghavi, PhD, Principal, Civil Engineer, WRIME, Inc. (15 minutes)*
- 8) *Recap. Lyle Brecht, Vice President of the Board, Borrego Water District (5 minutes)*
- 9) *Moderated written questions from the audience (15 minutes)*
- 10) *Comments from the Public (comments will be limited to 3 minutes). Until 6:00PM.*

760.767.5806
www.borregowd.org



withdrawals

- 70% agricultural irrigation
- 20% recreational irrigation
- 10% residential use



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Overdraft: a condition where the water extracted from a groundwater basin exceeds the amount of water that recharges the basin over a period of years where the water supply approximates average conditions (Bulletin 118-2003 p. 216; see <http://www.water.ca.gov/groundwater/bulletin118/update2003.cfm>).

Groundwater Mining: "The process, deliberate or inadvertent, of extracting groundwater from a source at a rate in excess of the replenishment rate such that the groundwater level declines persistently, threatening exhaustion of the supply or at least a decline in pumping levels to uneconomic depths" (DWR Bulletin 118-2003 p. 216).

Dewatering: the removal of groundwater from an aquifer such that groundwater levels decline and a portion of the basin becomes unsaturated. As an aquifer is dewatered, pore space in the groundwater basin can collapse, reducing the space in which water can be stored.

Recharge: "Water added to an aquifer or the process of adding water to an aquifer. Groundwater recharge occurs either naturally as the net gain from precipitation, or artificially as the result of human influence." (DWR Bulletin 118-2003, p. 219) Natural groundwater recharge may include deep percolation of precipitation falling on the ground surface, percolation of stream flow, and subsurface flow into the basin from underlying or adjacent permeable materials. Artificial recharge may include water infiltrated through a percolation basin, water injected into the subsurface, and water applied to the land surface that percolates to the groundwater table.

BORREGO VALLEY GROUNDWATER BASIN
OVERDRAFT

Horizontal hydraulic conductivity (Permeability)

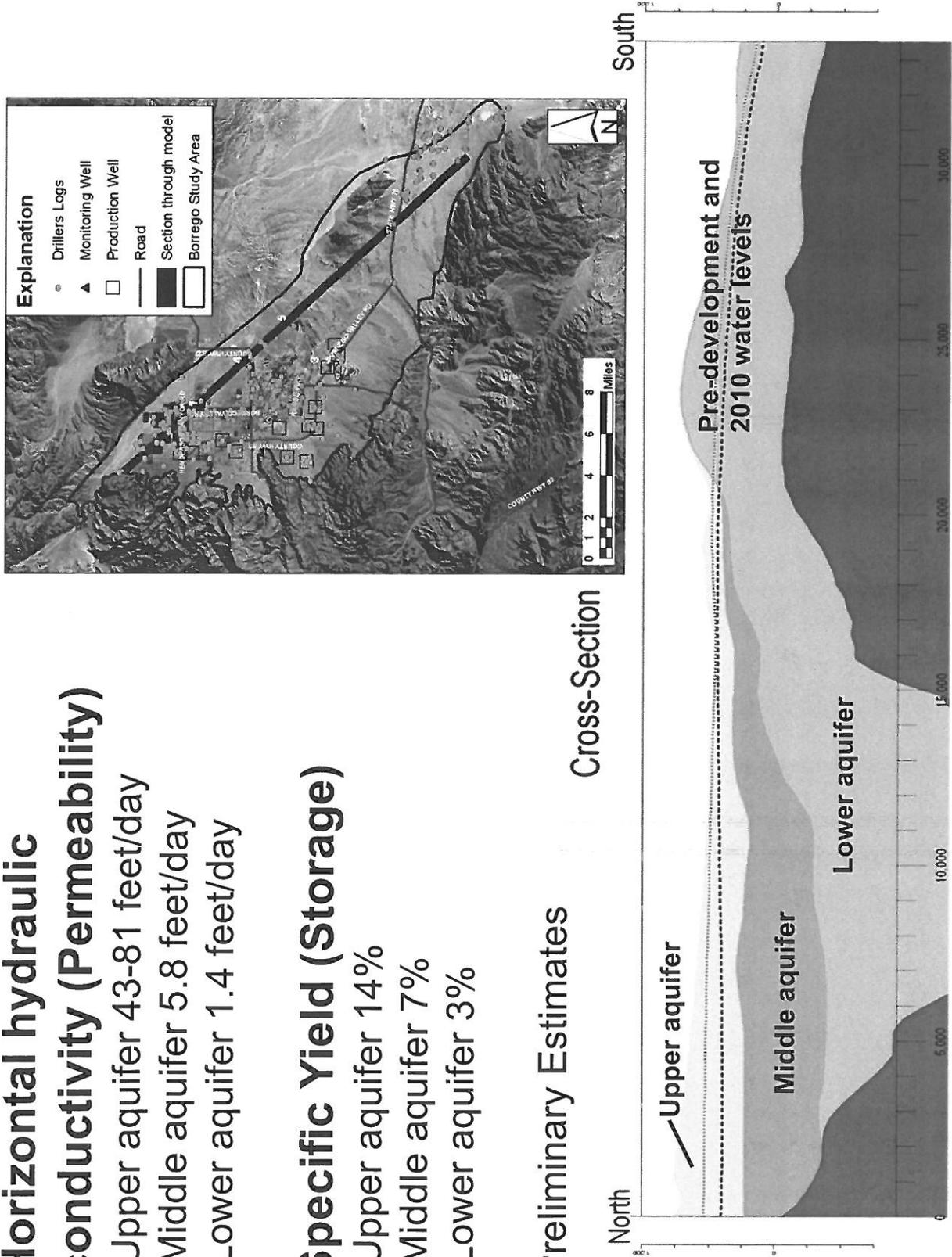
- Upper aquifer 43-81 feet/day
- Middle aquifer 5.8 feet/day
- Lower aquifer 1.4 feet/day

Specific Yield (Storage)

- Upper aquifer 14%
- Middle aquifer 7%
- Lower aquifer 3%

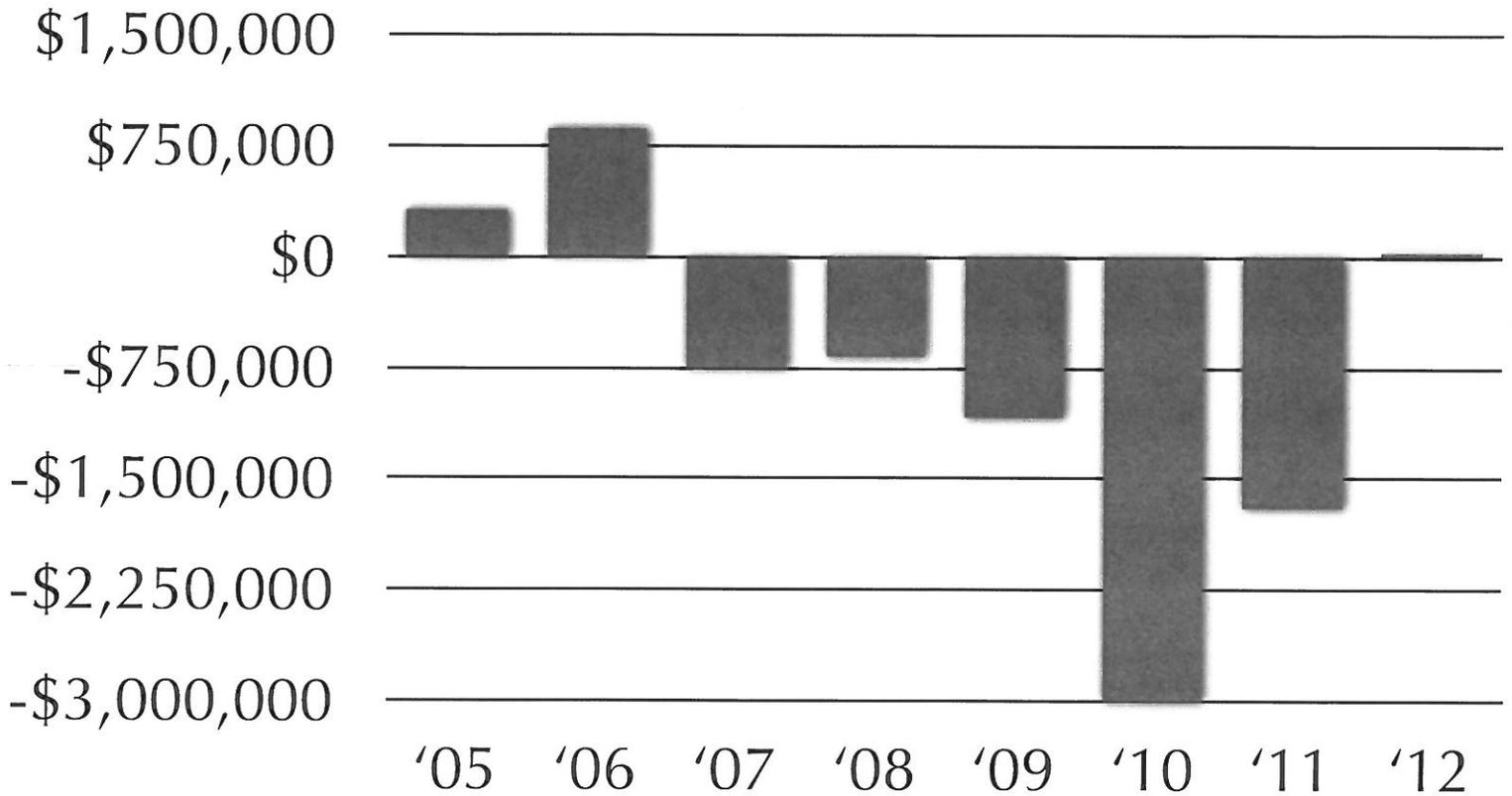
Preliminary Estimates

Cross-Section



BORREGO WATER DISTRICT FINANCIAL SITUATION

■ Net Increase (Decrease) in Cash & Cash Equivalents



The revenue increase for FY 2012 (July 1, 2011 - June 30, 2012) was not imposed to pay for salaries or other operations and maintenance expenses (O&M expenses). It was levied to pay only for necessary capital improvements and ground water management since these non-O&M expenses could be paid neither from existing cash reserves nor new debt as in the past.

For FY 2012, the District is forecasting having a balanced budget, meaning we will have the same amount of cash at the end of this fiscal year that we had at the beginning of the year.

Our goal is to accumulate additional cash so that the District will be credit worthy to borrow \$6-\$7 million for Capital Improvements by FY 2016/2017 and to insure the District's ability to address any emergency that may occur and restore service in a timely fashion. A rate increase for FY 2013 (July 1, 2012 - June 30, 2013) is required to build these necessary cash reserves.

BORREGO WATER DISTRICT FINANCIAL SITUATION

FINANCIAL HIGHLIGHTS (excerpt from the District's FY 2011 audited financial statements)

During the fiscal year ended June 30, 2011, the following events impacted, or have the potential to impact, the finances of the District:

- In January 2011, the District's Board of Directors canceled health insurance benefits for Directors. Such benefits had cost the District \$38,477 in the previous 12-months. If all 5 directors had insurance for all of 2011 this cost would have been \$61,669.
- In January 2011, the District's Board of Directors received a report from the District's investment banking firm, Stern Brothers & Co.. The report informed the Board that investors who had previously indicated a potential interest in providing the District a \$1,500,000 loan for water supply-related infrastructure had withdrawn their offer. Also, due to the District's financial performance in the prior two fiscal years, its current cash position, and its projected cash flow from operations for FY 2011, Stern Brothers believed the District was no longer creditworthy to assume further debt.
- In February 2011, the District's Board of Directors commissioned an analysis from its auditors, White Nelson Diehl Evans LLP, concerning the status of the District's cash reserves. The results of the analysis indicated that the District's cash reserves had declined from \$6,530,581 at July 1, 2007 to \$764,991 at December 31, 2010.
- In May 2011, the District's Board of Directors declined to exercise a \$150,000 option agreed to by the previous Board in November 2010 to purchase 160 acres of palms and 40 acres of citrus for fallowing, plus two wells from the Cocopah Nurseries, Inc. for \$2,500,000.
- In June 2011, the District's Board of Directors held a public hearing as required by California's Proposition 218 process. The Board approved the rate increases as published for FY 2012 through FY 2016 as a majority of protest votes were not received by the end of the public hearing. The approved maximum rate increase for each of these fiscal years are approximately 30%, 30%, 10%, 10%, 5% above the prior year's base rate and commodity rate for both water and sewer services averaged across all service connections. The new rates for FY 2012 went into effect July 1, 2011.
- Cash and cash equivalents were lower than last year by \$1,695,187 due primarily to the loss from operating activities for the year and the expenditure of cash reserves for capital projects.
- Net assets were lower than last year by \$2,813,340 due in part to the loss from operating activities for the year and a loss on the disposal of previously capitalized assets.

More information about the overall analysis of the District's financial position and results of operations is provided in the District's audited financial report for FY 2011 available at the District's web site at <http://www.borregowd.org/Budget.php>.

Good afternoon. I'm Lyle Brecht. I am vice president of the District's Board of Directors.

On the home page of the website of the Borrego Water District is the District's mission statement: *The Mission of the Borrego Water District is to preserve and conserve its priceless resource so as to reverse the overdraft of the Borrego Valley while at the same time to provide quality water and sewer service in an efficient, cost effective manner while providing a high level of customer satisfaction.*

Let's spend a few minutes and reflect upon what the duties of the District are and how it fulfills this mission statement. For this is what the revenues collected by the District from you are used for:

- 1) to deliver safe, potable (poat' a ble) water to your homes and businesses.
- 2) to repair and replace in a timely fashion the infrastructure that delivers this safe, potable water to your homes and businesses. Continuance of service and high customer satisfaction.
- 3) to protect the source of supply of this safe, potable water. In this case the groundwater in the Borrego Valley Groundwater Basin.

For each of these duties, if they are done well, everything goes on as usual. No worries. If a water utility fails at any one of these duties, things can go from bad to worse, usually affecting property values, the economy of the community, and even the health of those living in the community.

Let's talk about potability (poat' a bility): Throughout much of human history, cholera epidemics were common in almost all communities. John Snow, a London MD, in 1850 figured out that cholera was a water-borne disease, coming from the public water supply and Robert Koch (German MD) figured out that cholera was a bacterium. Present-day public water treatment was first used in Hamburg after a cholera outbreak there. In 1908, George Johnson, a contractor, was the first person to use chlorine to disinfect water supply for Chicago stockyards (for pigs) and later built a public water treatment plant for Jersey City at the request of the mayor who figured if water treatment was good enough for pigs in Chicago, it was good enough for the citizens of his city. Today, we know of many more water borne contaminants that affect human health.

To produce safe, potable water requires a water utility to spend adequate O&M expenses: have enough personnel; have trained operators. Worst case of skimping on O&M expenses: in May 2000 in Walkerton, Ontario, a town of 5,000 people, 2,300 people fell ill, hundreds were hospitalized, and 7 people died from an E-coli O157:H7 outbreak due to skimping on O&M.

This Board has lowered O&M expenses for FY 2012 about \$800,000 from their FY 2011 level. That is close to the maximum we feel that is prudent and safe.

Not making timely repairs and replacement of infrastructure can also cause potability problems: worst case of skimping: failure to repair and replace their water treatment infrastructure in a timely fashion allowed cryptosporidium oocysts into the public water supply that sickened 400,000 people in Milwaukee in April 1993; 4,000 were hospitalized, 100 people died.

In case you were wondering, the replacement cost of the District's investment in capital infrastructure is about \$62.5M. To keep this infrastructure operating in the least costly and safest way requires continuous repair and replacement of this investment. Most of us know that it costs less to replace a bad tire than to drive on it until it blows out. When it blows, there is the potential for all sorts of collateral damage that adds to the ultimate repair cost, to say nothing of the risk to our safety and well being traveling down the road.

The same is true for the District. Neglecting repair and replacement beyond an item's economic life just costs more - sometimes much more. Delaying the investment can result in degrading water service, increasing water service disruptions, and increasing expenditures for emergency repairs.

Since presently the District lacks credit to borrow for large capital projects; the \$400,000 in this year's capital projects, much less than the \$1M or so that should normally be spent on an annualized basis to repair and replace this infrastructure, must be done on a pay-as-you-go basis; i.e., paid for from current revenues.

For example, the revenue increase for FY 2012 (July 1, 2011 - June 30, 2012) was not imposed to pay for salaries or other operations and maintenance expenses (O&M expenses). It was levied to pay only for necessary repair and replacement of infrastructure (capital improvements) and ground water management since these non-O&M expenses could be paid neither from existing cash reserves nor new debt as in the past.

So, the question a thoughtful person might be asking is: "Are we spending enough to assure the continuance of safe, potable water service to our homes and businesses?" NOT "Why can't we have lower rates?"

Did you ever wonder why you get sick when you drink the public tap water traveling in a less-developed country? One reason is that the Federal and State drinking water standards here require water utilities to run a 24x7 positive pressure system. This helps keep contaminants from entering the water supply en-route to your home or business. But, its an expensive system and few countries in the world can afford it.

But, even with such an expensive system to operate and maintain, safe, potable water is still one of the best deals going. To put this in perspective, by FY 2016, if all the proposed revenue increase goes into effect, 250 gallons of water from the District will still cost less than it costs today for 1 gallon of bottled water purchased from Costco. But, the water from the District is regulated and regularly tested, unlike the bottled water from Costco. Water from the District is also likely to be as good or better quality than any bottled water you can buy.

A. Now, here is why rates will increase over the short term:

The real world revolves around cash flow. Just about everyone here today understands this basic concept. Cash flows in from wages, investments and from social security and pensions. Cash flows out for food, gasoline, utilities, cable, cell phones, real estate taxes, income taxes, payroll taxes, clothing, mortgage payments, car payments, insurance payments, medical bills, auto repairs, home repairs, appliances, electronic gadgets, education, and a countless other everyday expenses. If the outflow exceeds the inflow a family may be able to fund the deficit with credit cards for awhile, but ultimately running a cash flow deficit will result in debt default and loss of your home and assets.

Cash flow for the District works similarly. Revenues for the District come primarily from the rates you pay for the safe, potable water delivered to your homes and businesses. As we previously discussed, the District has two types of expenses: (1) operating and maintenance (O&M) expenses: field operations and administrative salaries and benefits, pumping energy costs, chemicals, and the annual maintenance to keep the water flowing to your homes and businesses. The second type of expense is non-O&M expenses: repair and replacement of the District's infrastructure and groundwater management costs.

If you look at page 1 of your "District Financial Situation" handout - this pretty much tells the

story of where the District has been and where it is now:

- from FY '05 - '08, Conservative use of cash from reserves;
- from FY '09 - '11, Significant change in outflows, creating large deficits and eliminating the District's credit and current ability to borrow funds in the public markets. About 75% of this cash that was spent, promised to be spent, or that will be spent in the future due to the decisions made during this period were to do something about the overdraft. These expenditures were based on two assumptions: (1) that ratepayers who are responsible for about 10% of the overdraft can pay all the GWM costs associated with the overdraft; and (2) that water can be imported to the Valley "for free." Unfortunately, both of these assumptions are mistaken. The result is that the District was left in perilous financial health even as little changed regarding the overdraft;
- The objective for FY 2012 (July 1, 2011 - June 30, 2012) is to have a balanced budget by fiscal year end (June 30, 2012). That is, the cash available at the end of the year will be about the same as the cash available at the beginning of the year (about \$780,000, about the minimum required for covering the normal ups and downs of monthly cash flow during the year - working capital).
- The objective for FY 2013 is to begin to accumulate savings (cash reserves). This is a requirement that the public bond market credit rating agencies have for reestablishing credit and the ability to borrow by FY 2016/2017. Yes rates will be higher than in the past, but as compared to other Districts, even if revenue requirements increase through FY 2016 as presently forecast, the District's rates will still be near the median for groundwater dependent water districts located in Southern California's desert communities. Today, Borrego water rates are among the least expensive water cost in San Diego County.
- The District, as part of DWR's Integrated Regional Water Management planning program has also submitted an \$800,000 planning grant request to DWR to begin the planning work necessary to establish a managed basin *to preserve and conserve the priceless resource* of this Basin's groundwater. You'll hear more about this program from other speakers on today's agenda.

B. Now, let's discuss why rates may go up yet again in the medium term even if credit is reestablished by FY 2016/17. It's all about the overdraft.

In this community, most everyone has an opinion concerning the overdraft. Some say the basin has been in overdraft since 1945. Some claim there is no overdraft. Some say it doesn't matter if there is one. Others believe that somehow the overdraft will be solved through "free-market" mechanisms or discovering a fresh water source "over the next hill."

Simply, an overdraft is defined as more water being used than is returned to the basin through replenishment. In our case, replenishment is primarily rain water from the mountains. In the 1980's best estimates were that the overdraft was around 9,400 AFY. The assumption then was that "market forces" would lower this overdraft. That assumption was wrong. Today, we believe that the overdraft is around 16,000 AFY per year. What that means is higher electricity costs (read, higher rates for the District's customers) and moving ever closer to requiring more expensive secondary or tertiary water treatment to render this water potable as the water table continues to drop (read, higher rates for the District's customers).

Communities around the world traditionally do one of two things to deal with an overdraft: They

(1) do nothing - let *laissez faire* reign, or

(2) manage the basin

When communities choose to do nothing, they don't solve the problem. They simply delay the consequences. They postpone paying the real economic costs associated with the overdraft, and in doing so increase the ultimate, typically much higher, consequential costs associated with overdraft.

Typically, the problem is not that "the water runs out." Things often come to a head when the water becomes very expensive because the water quality requires many times more expensive treatment to render the water potable and/or instead of needing one well to withdraw X amount of water, one now needs 4 new wells or more to withdraw the same amount of water, etc. In other overdrafted basins, subsidence due to overpumping has also caused many millions of dollars in damage to above ground structures, roads, etc.

The other option from doing nothing is to manage the basin. It may cost more initially (read higher water rates) than doing nothing, but it is typically much less expensive than benign neglect and is the only responsible way to preserve, and potentially enhance, the community's economic growth prospects and to preserve property values and continue to deliver safe, potable water to your homes and businesses.

C. What about the longer term? This Board believes we must, as a community, begin the planning necessary to resolve the overdraft now, rather than waiting any longer. During this afternoon, you'll hear about our current and future plans to address the issue in a manner that involves and invites the community as a whole to participate.

This is not something that the District or this Board can impose on the community. It is something that those to believe they have a stake in the future of this community need to get around the table and work together to figure out how to move forward into the future. The days of benign neglect or denial concerning the overdraft are well behind us.

In Conclusion: If you have questions or if you don't agree with the direction this Board is taking, I urge you to go to the District's web site and read the materials available there that tell the story for why the decisions this Board is making are responsible and necessary to preserve the economic vitality of this community's businesses and your property values.

If you still believe that you have a better idea or that we and our advisors may have missed something important in our analyses, come speak with us at the Farmers Market on Fridays or attend the Board workshop on April 17th where we will listen to your concerns and attempt to answer your questions in more detail.

The Board also plans on holding a Town Hall in November to discuss the results of the County's Flood Control Study which affects future development in the Valley and to provide an update of the US Bureau of Reclamation's study on potential sources of imported water in the region.