

Borrego Water District
MINUTES
Borrego Water District 2015 Town Hall Meeting
Taking Control of Our Water Future
Wednesday, March 25, 2015, 4:00 PM
Borrego Springs Performing Arts Center
590 Palm Canyon Drive
Borrego Springs, CA 92004

Attendance:

Directors Present: President Hart, Vice-President Lyle Brecht, Secretary/Treasurer Tatusko, Delahay, Estep

Staff: Jerry Rolwing, General Manager
Greg Holloway, Operations Manager
Diana Del Bono, Administrative Assistant
Jeanne Fredericks, Customer Service Representative
Wendy Quinn, Recording Secretary

Public:

Bill Haneline	Harley DeVaux, <i>Borrego Sun</i>
Ray Schindler	Robert Vandebard
M.B. McCaffray	Jerry Bisset
Davies Mayks, Jr.	Duane Young, AWARE
Kathy Johnston	Rebecca Falk, Desert Way Realty
Steve Russell, Helping Hands	Jan Alden
Joan Kirk	Richard Gray
Tom Kimmerle	Joya Hoyt
Brett Stearns	Kathy Dice, State Parks
Harley Hartman	Jack Kuhrts
Ralph Batie	Mark Vonast
Dennis Jensen, Oasis	Martha Deichler, Borrego Water
Greg Young, W.D. Young	Coalition
Diane Hydoski	Jim Bennett, County of San Diego
Ruth Otis	Dave Otis
Nancy Stearns	Thomas Fredericks
Ralph Singer, ABF	Dan Jellis
Jim Wermers	Janet Brecht
Jim Engelke	Marshal Brecht
Ann Hamilton	Dick Walker
Judith Young	Emily Brooks
George Abrams	Dick Nickerson
Kendall Kyle	

1) Greetings & Introductions. Martha Deichler, Superintendent, Borrego Springs Unified School District. Martha Deichler introduced the BWD Board members and speakers.

2) State of the District briefing on infrastructure, groundwater levels, basin inflow/outflow, water quality and the general direction of groundwater management. General Manager Jerry Rolwing. Jerry Rolwing highlighted the District's

infrastructure, the mandatory California State Groundwater Elevation Monitoring (CASGEM) reporting, water usage levels versus outflows, water quality and the Groundwater Sustainability Plan (GSP).

3) What is the Sustainable Groundwater Management Act? Jim Bennett, San Diego County Department of Planning and Development Services. Jim Bennett reported on a recent conference he attended regarding the Sustainable Groundwater Management Act (SGMA). Other participants included the Department of Water Resources, the State Water Resources Control Board and consultants. He explained that in 2014, three bills were passed to strengthen groundwater management. Local agencies with basins at a medium or high priority groundwater extraction level are now required to develop GSPs. Priorities are determined by population, projected growth, wells, irrigated acreage and reliance on groundwater. DWR is considering subdividing the Borrego Valley basin, which now includes territories beyond the Borrego Water District.

Basins in overdraft need to develop a GSP by 2020, followed by implementation. If deadlines are missed, the State can take over management of the basin. A Groundwater Sustainability Agency is required, which in our case can be BWD or the County or both. Public outreach will be included, as well as identification of stakeholders. The Community Sponsor Group and the Borrego Water Coalition will participate. Guidelines from DWR are expected by June 2016.

Mr. Bennett explained that Sustainable Groundwater Management means management of groundwater to prevent undesirable results. Tentatively the GSP will include well metering and mandatory groundwater measurement. Limitations may be set and fees assessed. The DWR's roles will be establishment of basin boundaries and guidelines, administration of Proposition 1 funding for implementation, review and assessment of GSPs and corrective action for deficiencies. The SWRCB will intervene with noncomplying agencies.

Land use requirements will have to change. Today the County requires a 1:1 mitigation ratio for development, but that will not work under the new law.

4) What will it cost for developing a plan to manage the Borrego Valley Groundwater Basin? Who all will pay these costs? How much will ratepayers be asked to pay? Board Vice-president Lyle Brecht. Director Brecht presented a graph depicting a groundwater management cost comparison under Option A, an unmanaged basin, versus Option B, a managed basin. The Option A cost was significantly higher. He noted that Borrego is not going to run out of water, but without positive action, it will become very expensive.

Director Brecht summarized past studies indicating that the Borrego Valley is in a state of overdraft. He pointed out that there is no aquifer "over the hill" available for Borrego's use, and no possibility of importing water. A managed basin needs to be sustainable over a long period of time. The new State law mandates a 70 percent decrease in withdrawals in the next 20 years. He explained pros and cons of doing this by litigation/adjudication or having the State take over. A third alternative, suggested by the BWC, would be to develop a GSP to reach a sustainable yield within 20 years and impose penalties on pumpers who don't meet their annual reduction targets. Meters would be required on all production wells.

The GSP cost estimate is \$1.5 million over two or three years. Director Brecht recommended that all current users pay a share, including agriculture, recreation and

BWD ratepayers. Should shares be determined by acreage, annual withdrawals, property value, water rights or a blend? A proportional share of water rights or a blended system would be most equally apportioned. Director Brecht presented a chart showing the estimated increase for current ratepayers, ranging from \$1.65 to \$5 per month for five years. He went on to explain how the District is doing as far as cash flow, now on the positive side after five years with the current administration.

5) How does the Sustainable Groundwater Management Act affect the citizens of Borrego Springs? Board President Beth Hart. President Hart emphasized the need for the community to work together and preserve the unique character of our area. The BWC has been working toward this goal and has drafted policy recommendations for the GSP, available on the BWD website. BWC and BWD will continue to work together and with the County to refine these recommendations. President Hart pointed out that Borrego is ahead of many areas in the planning process, and has already developed a framework. We hope to maintain local control while conforming to legal mandates, and will apply for Proposition 1 grant funds although not counting on it. President Hart invited representatives from all factions to join in the effort.

6) Moderated, written questions from the audience for specific presenters. Ray Schindler asked Mr. Bennett, in light of the AB 1739 provision that a local agency may impose fees once a groundwater management plan is in effect, can these fees be imposed on golf and agriculture? Mr. Bennett explained that under the new legislation, a groundwater management plan is not in effect. Mr. Rolwing added that the District has a 2002 GWMP, but it doesn't really address the current requirements. Mr. Schindler further asked whether the SGMA can limit extraction from wells, as it states. Mr. Bennett replied that although the legislation provides that authority, it should be used carefully to avoid being punitive or interfering with business. Next, Mr. Schindler inquired why some water districts are exempt from the legislation. Mr. Bennett cited Orange County Water District as an example. They have an exemplary track record and an effective GWMP. The State has deemed this and others exempt because they are already managing their basins in a satisfactory manner. Mr. Schindler wondered if adjudication would exempt Borrego from planning. Mr. Bennett explained that this would be addressed as the process moves forward. Lastly, Mr. Schindler inquired about possible bonds. Who would pay them back? Mr. Bennett replied that it would depend on how the bonds were set up.

Another member of the audience asked Ms. Deichler what was the goal of the GSP process. Ms. Deichler replied that from the perspective of the BWC and the School District, the goal is to work together, listen, learn and come to agreement on how to divide water use and save our aquifer.

The next question was how can we reduce the 14,000 acre-feet of water used by agriculture each year. It was explained that farmers are using less water and producing more crops, and these efforts will need to continue, with the probability that a lot of agriculture will eventually leave Borrego Valley.

Director Brecht was asked where the GSP funding would come from, and he referred to the options outlined in his presentation.

In response to an inquiry about the possible purchase of agricultural water, per a BWC suggestion, Director Brecht explained that this would be addressed once a GSP is developed.

Mr. Rolwing responded to a question about the possible subdivision of the Borrego Valley basin. The overdraft exists from the Texas Dip to the north, while Ocotillo Wells, the State Park, Bureau of Land Management territory and parts of Imperial County are included in the basin. There are no major pumpers in these areas.

Another question regarded how the adjudication in Santa Margarita Basin was working. Mr. Bennett replied that a Water Master has been appointed, but he was unable to comment on how it was working. Director Brecht added that he was aware of no adjudicated basins that did not rely on supplemental water.

Responding to an inquiry as to whether, in view of the contention that 80 percent of the local water users were cooperating through the BWC, the remaining 20 percent would cooperate, Mr. Rolwing hoped so. Director Brecht thought it unlikely that 100 percent would cooperate in any plan, but would like as many on board as possible.

Since the idea of groundwater management is new to California, what are the mind sets of the State and counties? Mr. Bennett cited the recent drought, noting that from San Diego County's perspective, the new legislation mandates action and the County is prepared to take it.

In response to the question of whether the distribution of costs for development of the SGMA would set a precedent for how the implementation costs are distributed, Director Brecht stated there was no correlation.

7) Comments from the audience. Mr. Schindler cited assessments and bonds as possible ways to pay for agricultural water. He questioned how the bonds would be repaid, and opined that perhaps adjudication would be the fastest and cheapest way to retire agricultural land or drastically reduce its water use. Mr. Schindler then questioned who would use agricultural water if it were purchased. Perhaps solar farms? He urged the Sponsor Group to remain vigilant on these issues.

President Hart thanked all those who asked questions and made comments, and announced that Board members would be available after the meeting for further discussion.

There being no further comments, the meeting was adjourned at 5:35 p.m.