

Borrego Water District Board of Directors
Regular Meeting
October 26, 2016 @ 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
 - September 20, 2016 Special Meeting (3-6)
 - September 28, 2016 Regular Board Meeting (7-11)
- 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)

II. ITEMS FOR BOARD CONSIDERATION AND POSSIBLE ACTION

- A. Presentation and Discussion of 5 year CIP – David Dale (12-34)
- B. Discussion of Master Metered, Multi-Dwelling Development Water Rate Structure – G. Poole (35-36)
- C. Approval of Resolution 2016-10-11 *REVISING THE SCHEDULE OF REGULAR MEETINGS* to meet on November 16th, 2016 and December 14th, 2016 (37-39)
- D. Discussion of BWD Joining California Special Districts Association – J Tatusko (40-42)
- E. Updating Signature Cards for UMPQUA – K. Pittman (43)
- F. Consideration of Proposal from Dudek and Associates: Support for Sustainable Yield (44-50)

III. STAFF REPORTS

- A. Financial Reports – September 2016 (51-63)
- B. General Manager - See informational items below (*item 5*)
- C. Water and Wastewater Operations Report – September 2016 (64-65)
- D. Water Production/Use Records – September 2016 (66-70)

IV. ATTORNEY'S REPORT

- A. None

v. INFORMATIONAL ITEMS (71-80)

- A.** Discussion of Potential Water Bond Measure – G. Poole
- B.** Borrego Water District Website update – G. Poole
- C.** Discussion of Contract Review and Process - J Tatusko
- D.** Salton Sea Article – J. Tatusko
- E.** Union Tribune Article on Borrego Groundwater Sustainability Plan - J Tatusko
- F.** Borrego Water District O&M/ Infrastructure meeting of 10/14/16
- G.** Future Events Calendar – G. Poole

vi. CLOSED SESSION

- A. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION**
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: (1 Case)

vii. CLOSING PROCEDURE

- A.** Suggested Items for Next Agenda
- B.** The next Meeting of the Board of Directors is scheduled for November 16, 2016 at the Borrego Water District

**Borrego Water District
MINUTES
Special Meeting of the Board of Directors
Tuesday, September 20, 2016
9:00 AM
806 Palm Canyon Drive
Borrego Springs, CA 92004**

I. OPENING PROCEDURES

- A. Call to Order: President Hart 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:

<u>Directors:</u>	<u>Present:</u>	President Hart, Vice-President Brecht, Secretary/Treasurer Tatusko, Delahay
	<u>Absent:</u>	Estep
<u>Staff:</u>		Geoff Poole, General Manager Greg Holloway, Operations Manager (Item III) Wendy Quinn, Recording Secretary
<u>Public:</u>		Harry Ehrlich Susan Percival, Club Circle East John Peterson HOA Jim Bennett, County of SD Leanne Crow, County of SD Rebecca Falk, DW Realty Trey Driscoll, Dudek Suzanne Lawrence, BV Stewardship Council
- D. Approval of Agenda: **MSC: Brecht/Tatusko 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. Adopting Memorandum of Understanding (MOU) between BWD and County of San Diego for Development of a Groundwater Sustainability Plan (GSP) and Appointment of BWD Core Team Representatives and Agency Primary Contact for Borrego Valley Groundwater Basin GSP Resolution No. 2016-07-08: Geoff Poole distributed a letter from Jim Seley, on behalf of the Agricultural Alliance for Water and Resource Education (AAWARE). They hoped that all agencies now participating as Groundwater Sustainability Agencies (BWD and the County) would continue to do so, and that the agricultural interests would continue to be represented on the Advisory Committee. The staff recommendation today was consistent with input from AAWARE and the Borrego Water Coalition. Mr. Poole had e-mailed Mr. Seley concurring in his requests. The letter from AAWARE is incorporated by reference into these Minutes.

Jim Bennett, County Planning & Development Services (PDS), requested the addition of a sentence to the definition of “County” in Section II.4 of the MOU: “The County has designated the Director of PDS, or designee(s), as the County department representative to carry out the terms of this MOU for the County,” Director Tatusko questioned whether the makeup of the Core Team (Resolution paragraph 2 and Mr. Poole’s memo, Item Description third paragraph) should provide for alternate members. Director Brecht suggested changing BWD’s designees to “the General Manager and two Board members,” and the Board concurred.

MSC: Brecht/Tatusko approving the addition to Section II.4 of the MOU as proposed by the County. MSC: Brecht/Tatusko adopting Resolution No. 2016-07-08, as amended regarding the makeup of the Core Team, Resolution of the Board of Directors of the Borrego Water District Adopting the Memorandum of Understanding (MOU) between the Borrego Water District (BWD) and County of San Diego for Development of a Groundwater Sustainability Plan (GSP) in the Borrego Valley Groundwater Basin and Related BWD Appointments.

Mr. Poole reported that the County Board of Supervisors is scheduled to consider approval of the MOU on October 19. Upon approval, the GSP process officially begins. Discussion followed regarding the recommended subsequent actions in Mr. Poole's memo. Mr. Bennett pointed out that the RFP (paragraph 3.a.ii) would not be distributed to consulting firms. The County will announce an "Industry Day," at which time invited firms will be informed of the publication and posting of the RFP. He further requested that paragraph 1.a.iv, regarding the Advisory Committee, be amended to delete "from Borrego Stakeholders" (to read simply "Farm Bureau"). With those amendments, the County concurred in Mr. Poole's recommendations.

B. Process for Selecting BWD GSP Advisory Committee Member: Director Brecht suggested forming a committee to recommend the selection process for the ratepayer representative on the GSP Advisory Committee. Harry Ehrlich suggested advertising the position in a news article and on the BWD website. Mr. Bennett suggested including an announcement in the water bills.

Discussion followed regarding Director Estep's resignation and the anticipated appointment of Mr. Ehrlich to replace him. President Hart had been in contact with the Registrar of Voters and will report on the procedure at the next meeting.

It was agreed that Director Delahay, Mr. Ehrlich and Mr. Poole would be on the selection process committee and would make a recommendation to the Board.

Director Tatusko read an e-mail from Ray Shindler, incorporated in the Minutes by this reference, requesting that the ratepayer representative be selected from his Ratepayers Steering Committee. Director Brecht hoped that the selection process committee would work with this group, but cautioned against automatically appointing one of them without considering other candidates.

C. Consulting Services for 2016 SD County New Development Impacts upon BWD: Raftelis Financial Consultants Inc.: Director Brecht invited the Board's attention to the scope of work in the Board package. He explained that developer charges were implemented so that the incremental costs of new development wouldn't be born entirely by the existing ratepayers. He was concerned that under SGMA, the cost of water could become unaffordable. Raftelis proposes a "proof of concept" study and contingent liability analysis, not to exceed \$10,000. Director Tatusko pointed out that some of the cost could be attributed to the GSP budget. ***MSC: Brecht/Tatusko approving Raftelis' consulting services for the 2016 SD County new development impacts on BWD and authorizing the General Manager to negotiate.***

D. Revised Resolution Approving Tertiary Sewage Treatment Conversion Project Feasibility Study: Grant Funding Request, SWRCB: Mr. Poole explained that the Resolution had been revised to comply with SWRCB requirements. ***MSC: Brecht/Tatusko adopting Resolution No. 2016-09-09, Resolution of the Board of Directors of the Borrego Water District Requesting SWRCB Funding for Tertiary Sewage Treatment Plant Conversion Project.***

E. Confirming of Investment Practices for BWD cash reserves: Mr. Poole explained the following issues concerning the BWD investment practices: (1) Safety. BWD's investments are

as safe as possible within the existing laws. (2) Liquidity. BWD needs its capital funds to be available quickly. (3) Rates. While complying with safety and liquidity requirements, the rates are relatively low (around one-half percent). Banking fees can be minimized by maintaining a certain balance. Of the two examples presented in Mr. Poole's memo in the Board package, he favored Example One at this point (Operations = \$2,000,000 @ 0% = \$0; Public Agency Investment Fund = \$1,200,000 @ .0046 = \$5,520 Interest Income).

F. Considering Issuing Water Credits for 40-acre Land Fallowing – Charmar & Considine: Mr. Poole requested Board approval of Form 102 (Grant of Exclusive Groundwater Easement to Borrego Water District) and Form 104 (Request for Issuance of Water Credit Certificate) in connection with the fallowing of 40 acres by Charmar and Considine. ***MSC: Brecht/Tatusko approving BWD Forms 102 and 104 for the Charmar and Considine fallowing.*** Director Brecht requested a report on the Rams Hill surplus water and fallowing agreements.

III. INFORMATIONAL ITEMS

A. Update on Construction of 800 Tank Replacement: Greg Holloway reported that he and David Dale had considered the old R Tank and thought it would be cost effective to locate a new tank there instead of where the 800 Tank is. The R Tank has a dedicated line and the District owns the property. Director Delahay noted that the approximate cost to replace the 800 Tank on its present site would be \$911,000, as opposed to \$674,000 to destroy the R Tank and build a new tank on that site.

B. BWD Website Update: Mr. Poole reported that as part of the current upgrade to the District's software, a new program is available for the website. Go Daddy can make the transition for a nominal fee. Director Brecht inquired about the web language, and Mr. Poole agreed to check on it.

C. Operations Maintenance Committee Report: Director Tatusko reported that the Committee had two recent meetings to discuss the CIP budget. Director Delahay added that they had developed a format for reporting to the Board on current projects. Director Brecht recommended investing in infrastructure in such a way as to decrease operations and maintenance costs, i.e. making some expenditures sooner rather than later. Director Delahay cited a current pipeline project as an example of this, enabling meters to be moved from backyards into the front. Director Tatusko reported that the Committee had drafted a statement of work and RFP for development of a master plan for the water distribution system. After review by Mr. Dale and Trey Driscoll, it will be presented to the Board on September 28.

D. Recent BWD Election Results: Director Ray Delahay and Harry Ehrlich appointed to BWD Board effective November, 2016: Mr. Poole congratulated Director Delahay on his reelection and Mr. Ehrlich on his anticipated appointment to the Board. Director Delahay announced that he plans to continue manning the BWD table at the Friday farmers' market once it resumes, and Mr. Poole agreed to join him.

E. Correspondence from The Borrego Valley Stewardship Council: Mr. Poole invited the Board's attention to a letter from the Borrego Valley Stewardship Council, included in the Board package. The letter addressed the GSP and a vision for the future of Borrego Valley. He introduced Council Member Suzanne Lawrence. Ms. Lawrence explained that the Council was established in 2013 and conducts workshops to discuss the local economy. They have added a geotourism charter. Geotourism goes beyond ecotourism by considering the authenticity of the

locale and striving to improve it through tourism. Working with National Geographic and the State Park, the Council hopes to address the goals of SGMA and improve the local economy.

IV. CLOSING PROCEDURE

There being no further business, the Board adjourned at 10:25 a.m. The next Regular Meeting of the Board of Directors is scheduled for September 28, 2016 at the Borrego Water District. Agenda items will include a GSP presentation, a report from the Registrar of Voters on Director Estep's resignation and Mr. Ehrlich's appointment, and a letter of appreciation for Director Estep.

will officially assume office in November. Director-Elect Ehrlich thanked the Board and introduced his wife, Stacy.

B. Request for Proposal to Conduct Hydrogen Sulfide Odor Investigation and Assessment on BWD Sewer Force Main: David Dale summarized the long-standing odor problem in the vicinity of La Casa Del Zorro and the BWD sewage treatment plant. La Casa is at the end of a long force main (nearly three miles). This creates a lack of oxygen and nitrates on which the bacteria normally feed, causing odors from hydrogen sulfide. Upgrades to the system, video investigation and introduction of enzymes have been implemented but some odor problems continue. Mr. Dale had prepared a request for proposals and recommended selecting a consultant to assess the situation, suggest alternative solutions and provide cost estimates. **MSC: Brecht/Delahay approving the RFP and moving forward as recommended.** The Operations & Management Committee will review the proposals upon receipt.

C. Request from Rams Hill for Temporary Rate Adjustment on Proposed 20 af Purchase During October 2016: Mr. Poole reported that according to BWD's agreement with Rams Hill, by May 15 each year the District is to inform Rams Hill of the availability of surplus water and Rams Hill tells the District how much they want to purchase at a reduced rate. If they purchase water at that time and then want more, the agreement provides for an increased rate. It does not address the current situation, i.e. no water purchased in May but they now want 20 acre-feet. They are proposing to pay five percent over the reduced rate they would have paid had they purchased in May. The last time Rams Hill purchased surplus water was in 2015. President Hart suggested asking Raftelis to analyze the suggested rate. Mr. Holloway pointed out that without the 800 Tank, delivery will be more difficult and require additional pumping costs.

The Board agreed to ask Mr. Poole, Mr. Holloway and Mr. Dale to investigate the feasibility and recommended price for the Rams Hill surplus water purchase. Director Brecht requested a written report on the amount of water Rams Hill is obligated to purchase by 2018. Mr. Holloway will investigate an e-mail from Jerry Rolwing last May on this subject, and Director Tatusko noted he had a copy of the agreement between BWD and T2 Borrego with the relevant Raftelis analysis. Mr. Poole was given the authority to negotiate an appropriate arrangement with Rams Hill for the request for 20 acre-feet of water in October.

D. Public Information Plan for Fall 2016 & Winter 2017 SUN Articles: Mr. Poole proposed the continuation of Wendy Quinn's Board meeting summaries for the *Borrego Sun* and institution of periodic articles by Mike Sadler on the GSP.

Director Brecht requested that handouts at Board meetings be included in the next Board package as information items. President Hart asked that substantive information items be included under Agenda Section II (Items for Board Consideration and Possible Action), so that interested parties could leave after that if they so choose.

E. Review Planning Calendar: President Hart pointed out important milestones next year relative to the Club Circle Golf Course lease, and asked Mr. Poole to meet with the new owners of the Borrego Springs Resort regarding their intentions. She agreed to meet with Mr. Poole to review the history of the BWD/Club Circle lease. Director Brecht provided written changes to the calendar to Mr. Poole for transmission to Esmeralda Garcia.

III. STAFF REPORTS

A. Financial Reports – July 2016: Kim Pitman reported that personnel expenses were high during July because of excess vacation and sick leave payments to Mr. Rolwing and Diana Del Bono. Office supplies were high because the estimate was too low. Two new trucks were purchased at just slightly more than the budgeted amount for one truck.

B. Financial Reports – August 2016:
Ms. Pitman explained that the utility billing was not yet in the new computer system and had to be transferred from the old system. By November everything should be in the new

system. There were problems with projections in the conversion from the old to the new system, and she had resolved them for future reports. Mr. Holloway reported an unexplained “water loss” (unaccounted-for water) in ID 3 in August. The September level was back to normal. Three meters in the area need to be replaced. Further investigation was referred to the Operations & Management Committee.

C. General Manager/Operations Report:

a. Rams Hill Fallowing and Water Purchases. Mr. Poole reported that with the fallowing of the Pivot Farm, the Rams Hill fallowing requirement will have been satisfied. He will provide exact figures.

b. BWD 2015-16 Financial Audit Update. Director Brecht suggested this year’s audit presentation be conducted by teleconference, as it was last year.

c. New BWD Software Installed. This was discussed during the Financial Reports.

d. BWD Website Update. Mr. Poole reported that he and Mr. Holloway were working on the transfer of information to the website under the new computer system.

D. Water and Wastewater Operations Report – July & August 2016: Mr. Holloway reported that the majority of the work under the CIP had been accomplished under budget.

E. Water Production/Use Records – July & August 2016: The Water Production/Use Records were included in the Board package.

IV. ATTORNEY'S REPORT

None

V. COMMITTEE REPORTS & PROPOSALS

Director Brecht presented his proposal for consolidating the Ad Hoc Committees into the following: Finance (Directors Brecht and Tatusko), Executive (President Hart and Director Brecht), Operations & Infrastructure (Directors Delahay and Tatusko), Personnel (President Hart and Director Ehrlich), and Public Outreach (Directors Ehrlich and Delahay). Director Tatusko asked Mr. Poole to replace him as the Board representative to the JPIA, and Mr. Poole agreed.

Ad Hoc Committees

1. Audit Committee

Director Brecht reported that the Committee was awaiting the audit draft.

2. Due-Diligence

No report.

3. Strategic Planning Committee

Director Tatusko reported he had attended a Borrego Water Coalition meeting, and President Hart added that the Committee had been working with the County.

4. Executive Committee

No report.

5. Operations & Maintenance Committee

Director Tatusko invited the Board’s attention to the Committee’s written report in the Board package. Mr. Dale is working with Trey Driscoll of Dudek on the RFQ for verification of the BWD CAD model and update as needed, optimizing a redundant CAD concept to minimize disruption of service should a well and/or storage tank be taken out of service, evaluating the need for new storage tank(s), and describing a system for potential well head treatment due to clean water non-compliance. Once the cost estimates are available they will be presented to the Board for consideration and approval.

6. Parks Committee

No report.

7. CFD Committee

No report.

8. Conservation Committee

President Hart reminded the Board and staff that the District needs to submit a report to the State in December as to what it is doing to promote water conservation. Director Brecht suggested considering a “Gallons Per Capita Per Day” system as a way to reduce water. Director Ehrlich suggested revisiting the suggestions made by John Peterson’s committee earlier this year. President Hart asked Mr. Poole to check the budget to see if subsidies for ratepayers’ irrigation audits were included. Mr. Poole agreed to present a comprehensive report on conservation efforts in October. Director Brecht suggested collecting data on how much water has been saved under the District’s conservation program as compared to how much it has cost.

9. Personnel Committee

No report.

10. GSP BWD Ratepayer Nominating

Mr. Poole reported that the Committee met this morning and developed a one-page memo and application form for potential ratepayer representatives to the GSP Advisory Committee. A newspaper ad and water bill announcement are planned. Director Ehrlich pointed out that the appointee needs to commit to two years of service, and it would be a good idea to have an alternate.

VI. INFORMATION ITEMS

A. 800 Tank Replacement/900 Tank Construction Update: Mr. Holloway reported he and Mr. Dale had been working on the 800 Tank replacement and the 900 Tank construction. The numbers refer to the elevation. The 800 Tank is partially underground and surrounded by a berm, making it expensive to replace on that site. The existing R2 Tank is about 2,000 feet to the south and has a direct feed from Well 16. The Operations & Management Committee agrees that this is the most cost-effective option and consistent with the CIP. There are also some environmental issues associated with the 800 Tank site.

Mr. Poole reported that Morgan Foley had recommended that the District pursue legal remedies for the failure of the 800 Tank liner. He will schedule a closed session next month to discuss this further.

B. Future Maintenance of Christmas Circle Park: Jim Wilson reported that the Christmas Circle Park Board had been trying to secure continued funding from the Burnand Foundation since early spring, without success. The County has also been supporting the park, but with Supervisor Horn’s term expiration in 2018, that funding will become uncertain. Mr. Wilson had previously addressed the BWD Board regarding the District’s possible activation of its park powers to manage Christmas Circle. He is also working with Patrick Meehan of the *Borrego Sun* on potential fundraising. The cost of operating the park was \$70,000 last year, estimated to be \$75,000 this year. With the next County payment not expected for a year and funds expected to be depleted by April or May, the gap needs to be bridged if the park is to be saved. Mr. Poole agreed to follow up with Mr. Foley on legal issues associated with activation of BWD’s park powers to manage Christmas Circle, and transmit the information to Mr. Wilson for discussion with the Christmas Circle Park Board.

C. 5-year BWD Capital Improvement Plan: Mr. Dale explained that some water and sewer agencies charge the lowest possible rates without thinking about the future and reserves. It is a mistake. Rates ultimately escalate more than they would have if they had increased gradually, due to unforeseen maintenance and repair needs. He went on to describe the District’s ongoing CIP projects, which are under budget so far and have been prioritized. Director Brecht asked whether the District is catching up on projects that should have been completed earlier, or investing now to reduce future operations and maintenance costs. Mr. Dale felt we were moving

forward, particularly with replacement of pumps. Only one item was carried over from last year, the backup generator. ID 4 has aging piping which is being replaced over 10 to 12 years.

D. Draft Borrego Valley Groundwater Basin GSP Presentation: Mr. Poole distributed and summarized a power point presentation developed in anticipation of the County's consideration of the GSA MOU in October. It will be presented to the Borrego Water Coalition on October 6. He introduced Marina Piscalish, a facilitator from the Center for Collaborative Policy (CCP), who will be meeting with President Hart and Director Brecht following the Board meeting. Mr. Poole's presentation included the history of SGMA and the Borrego Basin, the structure of SGMA and the GSP process, phases of the GSA/GSP development and implementation, and six sustainability indicators (no undesirable effects). The indicators were groundwater levels, groundwater storage, seawater intrusion, degraded water quality, land subsidence and interconnected surface waters. He noted that degraded water quality was probably the most important indicator for the Borrego Valley. Also included were a GSP timeline, Borrego Valley Groundwater Basin GSP structure, Borrego Valley Groundwater Basin information, Borrego Valley Groundwater Basin historic expenditures, "What's at Risk? Borrego's Future," and a Borrego Valley Groundwater Basin schedule. The Board suggested adding "BWD revenue" under the "Economic Risks of Failing" section of "What's at Risk." Mr. Poole welcomed additional comments. President Hart suggested simplifying the presentation before sharing it with the public, and offered to help.

VII. CLOSING PROCEDURE

A. Suggested Items for Next Agenda: Director Tatusko referred to last year's grant application for the UCI air quality monitoring stations through the County's Neighborhood Reinvestment Program. The application was unsuccessful, but he encouraged suggestions for the next round of grants. It will be included on the next Agenda. He further announced that the Helix Water District had earned a Regional Transparency Certificate of Excellence from the Special Districts' Association. He will provide the requirements at the next meeting.

B. The next Special Meeting of the Board of Directors is scheduled for October 18, 2016 at the Borrego Water District.

C. The next Regular Meeting of the Board of Directors is scheduled for October 26, 2016 at the Borrego Water District.

There being no further business, the Board adjourned at 11:45 a.m.

BORREGO WATER DISTRICT

BOARD OF DIRECTORS MEETING – OCTOBER 26, 2016

AGENDA BILL II.A

October 20, 2016

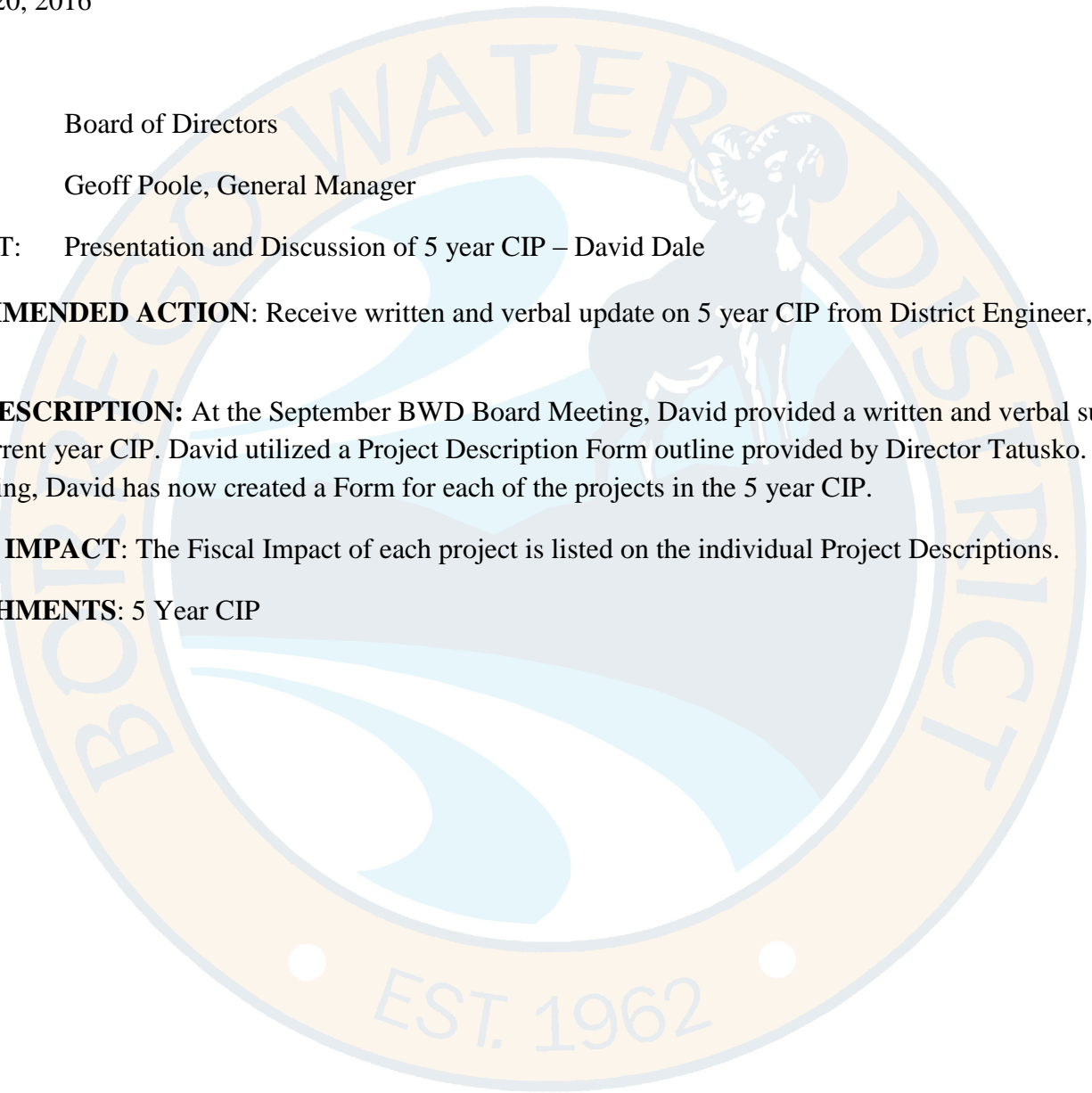
TO: Board of Directors
FROM: Geoff Poole, General Manager
SUBJECT: Presentation and Discussion of 5 year CIP – David Dale

RECOMMENDED ACTION: Receive written and verbal update on 5 year CIP from District Engineer, David Dale

ITEM DESCRIPTION: At the September BWD Board Meeting, David provided a written and verbal summary of the current year CIP. David utilized a Project Description Form outline provided by Director Tatusko. Since the last meeting, David has now created a Form for each of the projects in the 5 year CIP.

FISCAL IMPACT: The Fiscal Impact of each project is listed on the individual Project Descriptions.

ATTACHMENTS: 5 Year CIP



MEMORANDUM**DATE:** 10/26/16**TO:** Geoff Poole, General Manager BWD**FROM:** David Dale, PE, PLS**Re:** Borrego Water District – 2017-2021 CIP Project Summary and Overview

The following tables show the summary of the forecasted 2017-2021 projects.

BWD – (2017-2021) SHORT LIVED ASSETS REPLACEMENT FORECAST OVERVIEW

#	SHORT LIVED ASSETS	2017-18	2018-19	2019-20	2020-21
2	ID1-8, 125 Hp		\$ 40,000		\$ 15,000
3	ID1-10, 150 Hp			\$ 20,000	
4	ID1-12, 200 Hp				\$ 20,000
5	ID1-16, 300 Hp	\$ 20,000			\$ 74,400
6	Wilcox, Diesel drive				\$ 20,000
8	ID4-11, 200 Hp		\$ 20,000		\$ 80,000
9	ID4-18	\$ 12,000			
10	ID5-5, 200 Hp	\$ 80,000			\$ 20,000
11	Air Quality Compliance	\$ 50,000			\$ 50,000
12	Emergency Generator Connections	\$ 15,000	\$ 15,000		
15	Rams Hill #2, 1980 galv. 0.44 MG, repairs - engineering study		\$125,000		
16	Indianhead, 1970's 1- 0.22MG, inside coating	\$ 125,000			
17	Twin Tanks, 1970's 2- 0.22 MG, inside coating (two tanks, one per year)			\$ 125,000	
21	ID1, Booster Sta. 1, #1 &2 30 Hp, #3 50hp				\$ 20,000
22	ID4, Booster Sta. 3, #7, 25 Hp			\$ 10,000	
23	ID4, Booster Sta. 4, 5hp				\$ 5,000
25	Motor and Gear Reducers for Brushes	\$ 17,920			
31	Clarifier Rehab	\$ 20,000			
33	Tractor repair/roadwork blade			\$ 25,000	
34	Backhoe		\$165,000		
35	Pickups			\$ 37,000	
36	Big Truck	\$ 50,000			
37	Air Photo Imagery	\$ 10,000			
		2017-18	2018-19	2019-20	2020-21
	Subtotals Short Lived Asset Replacement Program:	\$ 399,920	\$365,000	\$ 217,000	\$ 304,400

BWD – (2017-2021) PROJECT OVERVIEW

CIP #	CIP	2017-18	2018-19	2019-20	2020-21
2	Environmental review for Wilcox Reservoir, forebay and transmission lines		\$ 100,000		
3	Wilcox Reservoir, 2.0 MG			\$2,300,000	
4	Wilcox Related Transmission Mains			\$2,300,000	
5	Wilcox Booster Station/Forebay			\$ 460,000	
7	Transmission mains		\$ 150,000		
8	Indianhead Reservoir, 0.5 MG				\$ 992,000
9	Indianhead Transmission Mains				\$ 620,000
16	Forcemain replacement at La Casa del Zorro, collection system repairs	\$ 150,000			
17	Sewer main replacement/upgrades	\$ 200,000		\$ 200,000	
22	ID4, Reducing Sta. design and installation	\$ 25,000			
23	ID5, Reducing Sta. design and installation	\$ 20,000			
27	Borrego Springs Rd, Weathervane Dr. to Barrel Dr.	\$ 63,000			
28	Borrego Springs Rd, Walking H Dr. to Tilting T Dr.		\$ 91,140		
29	Borrego Springs Rd, Tilting T Dr. to Country Club Rd. First half			\$ 84,075	
30	Borrego Springs Rd, Tilting T Dr. to Country Club Rd. Second half				\$ 81,675
36	Slash M Rd. to Tank	\$ 20,000			
37	Double O	\$ 30,000			
38	Club Circle East	\$ 48,300			
39	Club Circle West		\$ 49,560		
40	De Anza Dr. 1600 block			\$ 45,375	
41	Pointing Rock Dr/Montezuma Rd Loop First half				\$ 58,144
43	Country Club Road from Tilting T Dr. south to Booster Sta #3	\$ 20,000	\$ 20,000		
45	Pipeline installation to convey well water directly to reservoirs ID-1	\$ 100,000			
46	Pipeline installation to convey well water directly to reservoirs ID-4	\$ 100,000			
47	Relocate alley water mains to streets in southern ID-4	\$ 100,000		\$ 60,000	
		2017-18	2018-19	2019-20	2020-21
Subtotals CIP 2017-2021:		\$ 876,300	\$410,700	\$5,449,450	\$1,751,819

SHORT LIVED ASSETS PROGRAM

1. - Well Maintenance Fiscal Years 2017 - 2021

Item 2 – ID 1-8, 125 Hp	Budget \$ 55,000
Item 3 – ID 1-10, 150 Hp	Budget \$ 20,000
Item 4 – ID 1-12, 200 Hp	Budget \$ 20,000
Item 5 – ID1-16, 300 Hp	Budget \$ 94,400
Item 6 – Wilcox, Diesel Drive	Budget \$ 20,000
Item 8 – ID 4-11, 200 Hp	Budget \$ 100,000
Item 9 – ID4-18	Budget \$ 12,000
Item 10 – ID5-5, 200 Hp	Budget \$ 100,000
Total	\$ 421,400

A. Project Description / Reasons for expense:

The Borrego Water District relies solely on groundwater within the Borrego Valley Aquifer. The District owns and operates several wells within its boundaries. The well locations are shown on the following page. In order to provide a reliable source of water, the wells need maintenance from time to time. Staff has estimated the costs to maintain the wells for fiscal years 2017 – 2021 in the above budget. The estimated amounts are based on experience with the costs for maintaining the wells.

B. Project Design / Process Flow:

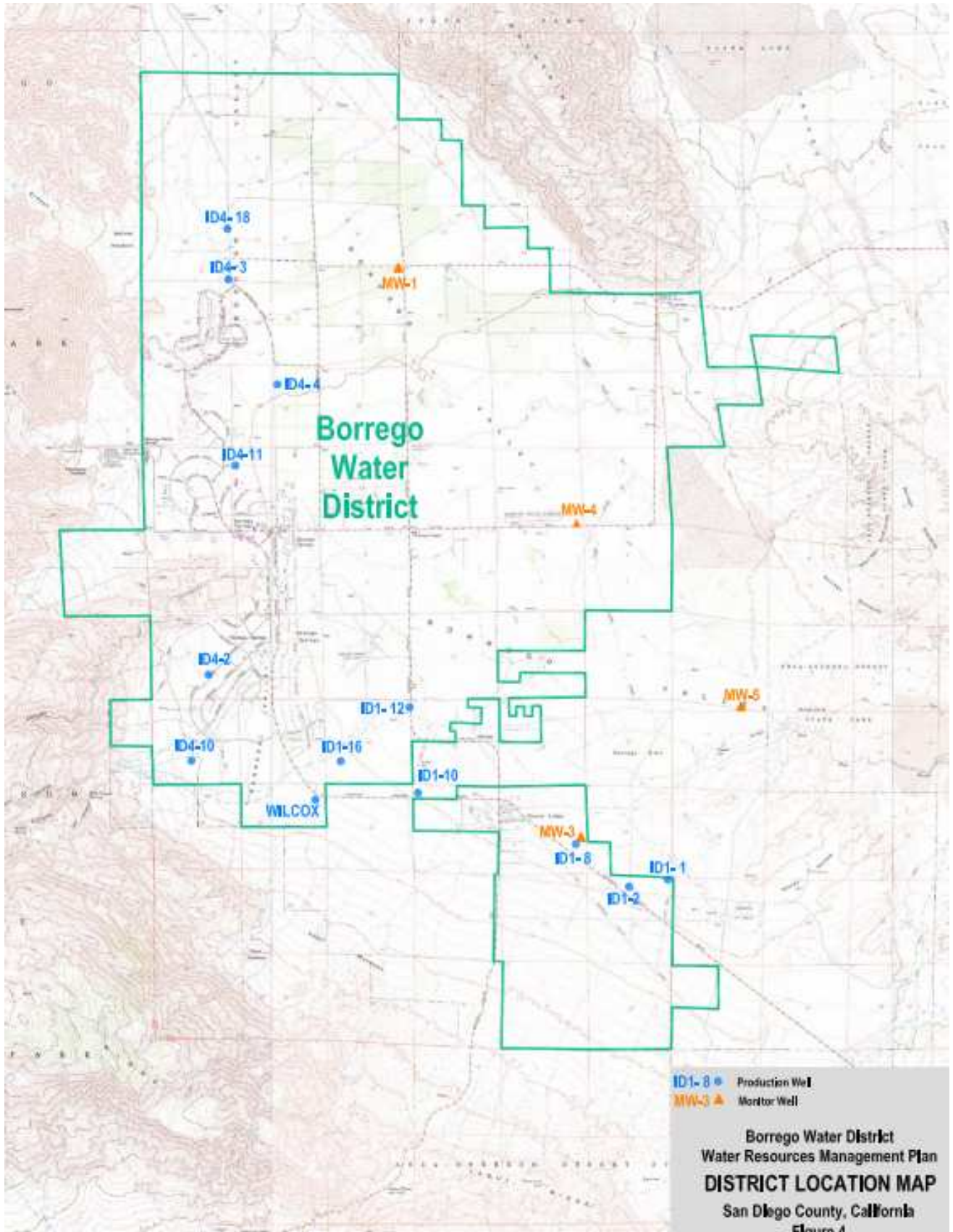
Staff is proactive with periodic maintenance of the wells. Experience gives a glimpse of what will be needed in the future, but priorities change quickly as motors, pumps and piping fail or water levels within the wells drop unexpectedly. When staff identifies a potential immediate need for maintenance/repair of a well, quotes are requested from contractor(s). The number of contractors contacted depends on the urgency of the maintenance/repair of the well. The District normally uses contractors that can quickly respond to the District’s needs. There are only a few specialty contractors that are able to do this due to the District’s remote location. Projects include electric motor replacement, piping replacement, pump lowering, and full well rehabilitation.

C. Cost Estimate

The costs of maintenance is speculative. The amounts shown in the CIP here were not tied to any specific price quotes, but are placeholders for expected costs in the future based on experience.

D. Project Estimated Timeline:

Maintenance/repairs occur as can be scheduled and as necessary. There are times when items are projected to be repaired or replaced in a certain year, but then are reevaluated to be moved to a future year because it is deemed unnecessary.



2. Air Quality Compliance

Item 11 – Air Quality Compliance (Short Lived Assets) Budget \$ 50,000

A. Project Description / Reasons for capital expense:

The County of San Diego Air Pollution Control District (APCD) oversees the District’s diesel generators and diesel-driven pumps. There has been some correspondence from the APCD regarding the Wilcox Well pump, which employs a diesel motor. The diesel motor must be replaced for the District to be in compliance with the APCD.

B. Project Design / Process Flow:

The diesel motor will be replaced with an APCD compliant motor.

C. Cost Estimate:

A grant is being pursued to replace the Wilcox Well Pump. The cost of this item is estimated based on experience with similar projects, and no formal quote has been obtained.

D. Project Estimated Timeline:

Motor replacement completion: December 2017

3. Emergency Generator Connections

Item 12 (Short Lived Assets) – Emergency Generator Connections: Budget \$ 30,000

A. Project Description / Reasons for Capital Expense

This project is to replace the automatic transfer switches (ATS) for the generators located at Well ID1-16 and ID4-4.

B. Project Design / Process Flow:

Staff will contact appropriate contractor(s) for quotes to replace the switches. The contractor with the best quote will be awarded the project.

C. Cost Estimate:

The cost estimate of \$30,000 is to replace (2) ATS.

D. Project Estimated Timeline:

Well ID1-16 ATS replacement: February 2018
 Well ID4-4 ATS replacement: March 2019

4. Rams Hill #2 Repairs

Item 15 (Short Lived Assets) – Rams Hill #2, 1980 galv. 0.44 MG repairs Budget \$ 125,000

A. Project Description / Reasons for Capital Expense

The Rams Hill #2 tank is located south of the Rams Hill Tank #1 and serves the Rams Hill area. The tank has a capacity of 440,000 gallons and is composed of galvanized steel. The California Department of Health Services requires the District to physically inspect the inside of the domestic water reservoirs every three years. This service is performed by a consultant that utilizes divers and provides a written report as well as a video. The next tank inspection is due in February 2017. Periodically, tanks need to be maintained and/or recoated. It is anticipated that the Rams Hill Tank #2 will need to be recoated in the next five years.

B. Project Design / Process Flow:

The tank will be inspected in 2017. After the inspection report is delivered, the report will be reviewed. If recoating and/or repairs are identified as being necessary, engineering documents will be prepared and the project will be sent out for public bidding. Normally, three bids are received and the lowest responsive bidder is selected to complete the project.

C. Cost Estimate:

Without a recent dive inspection, an accurate cost estimate is difficult because the number of metal repairs necessary is unknown. Experience with past projects gives an approximate cost estimate of \$125,000 to recoat and repair the tank.

D. Project Estimated Timeline:

The timeline of this project depends on the results of the dive inspection. If the results indicate that the tank can continue without repairs, this item will be placed in a future date in the CIP.



Figure 1 - Location of Rams Hill #2 Tank

5. Indianhead, 0.22 MG, inside coating

Item 16 (Short Lived Assets) – Indianhead, 1970’s 1-0.22MG, inside coating Budget \$ 125,000

E. Project Description / Reasons for Capital Expense

The Indianhead tank is located at the far northwest boundary of the District. The tank has a capacity of 220,000 gallons and is welded steel. The California Department of Health Services requires the District to physically inspect the inside of the domestic water reservoirs every three years. This service is performed by a consultant that utilizes divers and provides a written report as well as a video. The next tank inspection is due in February 2017. Periodically, tanks need to be maintained and/or recoated. It is anticipated that the Indianhead tank will need to be recoated within the next five years.

F. Project Design / Process Flow:

The tank will be inspected in 2017. After the inspection report is delivered, the report will be reviewed. If recoating and/or repairs are identified as being necessary, engineering documents will be prepared and the project will be sent out for public bidding. Normally,

three bids are received and the lowest responsive bidder is selected to complete the project.

G. Cost Estimate:

Without a recent dive inspection, an accurate cost estimate is difficult because the number of metal repairs necessary is unknown. Experience with past projects gives an approximate cost estimate of \$125,000 to recoat and repair the tank.



6. Twin Tanks Coating

A. Project Description / Reasons for Capital Expense

Item 17 (Short Lived Assets) – ID1 Booster Station Budget \$ 125,000

The Twin Tanks are located approximately ½ mile southwest of the intersection of Palm Canyon Drive and Montezuma Valley Road (S22). The two tanks have a capacity of 220,000 gallons each and are composed of galvanized steel. The California Department of Health Services requires the District to physically inspect the inside of the domestic water reservoirs every three years. This service is performed by a consultant that utilizes divers and provides a written report as well as a video. The past inspection report recommended that the tanks be recoated and minor metal repairs made. One tank was scheduled for repairs and recoating in the 2016-2017 CIP budget, and the other tank is scheduled for the 2017-2018 CIP. The next tank inspections are due in February 2017.

B. Project Design / Process Flow:

When the tanks are inspected in 2017, the divers will install a plug in the pipe that interconnects the tank because there is no valve there to allow for one tank to be taken out of service. Staff will then install a permanent valve. After the inspection report is delivered, engineering documents will be prepared and the project will be sent out for public bidding. In the most recent tank recoating project (Rams Hill #1), the District received three bids and selected the lowest responsive bidder to complete the project.

C. Cost Estimate:

Without a recent dive inspection, an accurate cost estimate is difficult because the number of metal repairs necessary is unknown. Experience with past projects gives an approximate cost estimate of \$125,000 to recoat and repair one tank.

D. Project Estimated Timeline:

Dive Inspection:	February 2018
Receive Dive Inspection Report:	March 2018
Engineering/design completion:	March 2018 – April 2018
Project Bidding:	April 2018 – May 2018
Repair Recoat Tank:	June 2018 – July 2018

ITEM	QUAN	UNIT	ITEM	UNIT COST	AMOUNT
1	1	LS	Mobilization/ Demobilization, Temporary Facilities, Construction Sign, Insurance, Payment Bond, Taxes, Permits, Fees and Similar Expenses	\$ 22,500	\$ 22,500
2	5,940	SF	Sandblast Complete Interior Including Columns, Rafters, Appurtenances, Exterior Roof Coatings to SSPC-SP 10. Remove and Legally Dispose of Spent Blast Material. This Item to be Considered Lump Sum Unless the Area is Shown to be Materially Different than shown.	\$ 3.75	\$ 22,275
3	1	LS	Remove and replace metal components as necessary	\$ 15,500	\$ 15,500
3	5,940	SF	Recoat Interior Surfaces. This Item to be Considered Lump Sum Unless the Area is Shown to be Materially Different than shown.	\$ 5.10	\$ 30,294
4	1	LS	Coating Inspection and Testing	\$ 3,500	\$ 3,500
5	1	EA	Replace Manway Gasket	\$ 750	\$ 750
6	1	LS	Hydrostatic Testing, VOC Testing, Disinfection of Tank, Bacteriological Testing	\$ 3,800	\$ 3,800
Subtotal Interior:					\$ 98,619

Construction Subtotal: \$ 98,619
 Contingency (10%): \$ 10,000
 Subtotal Construction: \$ 108,619

Engineering/Contract Document Preparation: \$ 6,500
Construction Inspection: \$ 9,500
Total Project Estimate: \$ 124,619



Figure 2 - Twin Tanks Location

7. Booster Pump Stations

- Item 21 – ID1, Booster Station 1, #1&2 30 Hp, #3, 50 Hp (Short Lived Assets) Budget \$ 20,000
- Item 22 – ID4, Booster Sta. 3, #7, 25 Hp Budget \$ 10,000
- Item 23 – ID4, Booster Sta. 4, 5 Hp Budget \$ 5,000

Total: \$35,000

A. Project Description / Reasons for Capital Expense

The District employs booster pumps in the potable water distribution system to overcome the pressures needed as elevations of natural terrain increase. In order to provide a reliable source of water, the booster pumps need maintenance from time to time. Staff has estimated the costs to maintain the wells for fiscal years 2017 – 2021 in the above budget. The estimated amounts are based on experience with the costs for maintaining the booster pumps.

E. Project Design / Process Flow:

Staff is proactive with periodic maintenance of the booster pumps. Experience gives a glimpse of what will be needed in the future, but priorities change quickly as motors, pumps and piping fail. When staff identifies a potential immediate need for maintenance/repair of a booster pump, quotes are requested from contractor(s). The number of contractors contacted depends on the urgency of the maintenance/repair. The District normally uses contractors that can quickly respond to the District’s needs. There are only a few specialty contractors that are able to do this due to the District’s remote location. Projects include electric motor replacement, pumps and piping replacement.

F. Cost Estimate

The costs of maintenance is speculative. The amounts shown in the CIP here were not tied to any specific price quotes, but are placeholders for expected costs in the future based on experience.

G. Project Estimated Timeline:

Maintenance/repairs occur as can be scheduled and as necessary. There are times when items are projected to be repaired or replaced in a certain year, but then are reevaluated to be moved to a future year because it is deemed unnecessary.

8. Wastewater Treatment Plant/Other Items Maintenance

Item 25 (Short Lived Assets) – Motor and Gear Reducers for Brushes	Budget \$ 17,920
Item 31 (Short Lived Assets) – Clarifier Rehab	Budget \$ 20,000
Item 33 (Short Lived Assets) – Tractor Repair/roadwork blade	Budget \$ 25,000
Item 34 (Short Lived Assets) – Backhoe	Budget \$165,000
Item 35 (Short Lived Assets) – Pickups	Budget \$ 37,000
Item 36 (Short Lived Assets) – Big Truck	Budget \$ 50,000

Total: \$314,920

A. Project Description / Reasons for Capital Expense

These items are needed to keep the wastewater treatment plant operating per the waste discharge permit through the California Regional Water Quality Control Board, Colorado River Region. Items 33, 34, 35 and 36 can be used for maintaining the wastewater and water systems.

B. Project Design / Process Flow

Staff gets quotes and selects the best item/service based on quality and price.

C. Cost Estimates

The costs associated with the wastewater CIP were estimated on historical records and anticipated repairs by the wastewater treatment plant operator. The total estimated cost when preparing the CIP is \$314,920 for the above items during the next five years.

D. Project Timeline

These items will occur within the next five years. Additional items may arise at the wastewater plant that need to be addressed that were not anticipated.

9. Air Photo Imagery

Item 37 – Air Photo Imagery(Short Lived Assets) Budget \$ 10,000

A. Project Description / Reasons for Capital Expense

District staff use aerial photo imagery of the Borrego Springs area when planning projects, placing water infrastructure in AutoCAD and other uses. The last time the area was flown was in 2005. The County and other agencies participate in a shared cost program to capture high resolution aerial imagery and have requested that the BWD participate. Due to the cost vs. benefits of participating, at this time staff have recommended that the BWD not participate this year (2016-2017); however this item will be addressed during the preparation of the CIP next year.

BWD – (2017-2021) PROJECT OVERVIEW

The following items are included in the planning of the 2017 – 2021 CIP:

1. Wilcox Reservoir

Item 2 – Environmental Review for Wilcox Reservoir	Budget \$ 100,000
Item 3 – Wilcox Reservoir, 2.0 MG	Budget \$ 2,300,000
Item 4 – Wilcox Reservoir Related Transmission Mains	Budget \$ 2,300,000
Item 5 – Wilcox Booster Station/Forebay	Budget \$ 460,000
Item 7 – Transmission Mains	Budget \$ 150,000
	<u>Total: \$5,310,000</u>

A. Project Description / Reasons for Capital Expense

The District is concerned with future water quality. To be proactive the District placed this item on the CIP for the next five years. It has been well documented that the Borrego Valley aquifer is in an overdraft condition. Right now the groundwater remains potable and within the tolerance of the maximum contamination levels. As the groundwater drops, there is a potential for increasing the concentration of contamination chemicals which are naturally found in the groundwater.

The District has proposed to install a 2.0 million gallon tank south of the Wilcox Well that would be filled directly from Well ID5-5 and ID1-16. The tank would be installed on 80 acres of land that the BWD already owns. The idea is that with a tank that is filled directly from District owned wells, the stored water could be either blended if one well had poor water quality; or a centralized water treatment plant could be installed.

B. Project Design / Process Flow

Additional information may be needed. There has not been much growth in recent years in Borrego Springs that would justify additional water storage; stored water over time becomes stale. Too much water storage is not a good thing. An investigation may be needed into the District’s water distribution system that would include current and future water storage and transmission needs, potential for increases in regulated chemicals in the groundwater, potential treatment and recommendations is needed from an engineering firm that specializes in groundwater treatment, distribution and storage.

C. Cost Estimates

The costs associated with the Wilcox Tank were estimated.

Wilcox Reservoir				10/15/2016	
No.	Qua	Unit	Description	Unit Cost	Total Cost
1 Construction Cost					
1.00	28,000	LF	Install 10-inch PVC pipe and fittings	\$ 60.00	\$1,680,000
1.01	1	LS	Install Booster Pump	\$ 400,000.00	\$ 400,000
1.02	1	LS	Excavate and install tank foundation	\$ 150,000.00	\$ 150,000
1.04	1	EA	New 2.0 MG gallon tank	\$1,850,000.00	\$1,850,000
				Project Construction Cost:	\$ 4,080,000
				10% Contingency:	\$ 408,000
				Total Construction Cost:	\$ 4,488,000
2 Admin and Engineering					
2.01	1	LS	Environmental Documents		\$ 100,000
2.02	1	LS	Engineering 8%		\$ 359,040
2.03	1	LS	Construction Management 8%		\$ 359,040
TOTAL PRELIMINARY PROJECT ESTIMATED COST					\$ 5,306,080

D. Project Timeline

The environmental documentation was placed in the 2018-2019 fiscal year to be completed. Before that is done it may be beneficial to complete the above mentioned study to determine the best and most efficient alternative to the potential future water quality problems.

2. Indianhead Reservoir

Item 8 – Indianhead Reservoir, 0.5 MG	Budget \$ 992,000
Item 9 – Indianhead Transmission Mains	Budget \$ 620,000
Total:	\$1,612,000

A. Project Description / Reasons for Capital Expense

It is unsure why this item is on the CIP for the next five years. It is thought the previous administration counted on potential growth in the northwest corner of the BWD boundary or the tank to be used for centralized treatment. The existing Indianhead tank is slated to be

recoated in the next five years, and there is no anticipated growth in the area. The Indianhead transmission mains in the area comprise approximately 20,000 linear feet of 8-inch pipe and there would be 20 fire hydrants. When growth begins in this area, this item can be revisited.

3. Forcemain replacement at La Casa del Zorro, collection system repairs

Item 16 – Forcemain replacement at La Casa del Zorro Budget \$150,000

A. Project Description / Reasons for Capital Expense

The sewer is collected and flows by gravity to a pump station located along Borrego Valley Road, approximately 0.6 miles north of Tilting T Drive. The pump station was installed within the past 10 years. The raw sewage is pumped via a sewer forcemain approximately 2.8 miles to a point 150 feet north of Borrego Springs Road at Yaqui Pass Road. The sewer then flows by gravity inside the La Casa Del Zorro Resort property (located at 3845 Yaqui Pass Road in Borrego Springs, CA) via an 18" PVC gravity main owned by the District and then along Borrego Springs Road to the wastewater treatment plant located at 4861 Borrego Springs Road.

There has been a history of high hydrogen sulfide gas levels and odors detected at manholes located downstream of where the sewer force main discharges into the 18-inch gravity pipeline, at or near the La Casa Del Zorro Resort, especially during the high residency season (November through March) and during holidays.

B. Project Design / Process Flow

To be proactive, the District has begun the process of investigating the problem and potential cost effective solutions (if any are necessary). This line item in the budget is for this. An engineering investigation is planned for this year. The engineering investigation will determine if there is a problem in the District's collection system and forcemain, and if so what the most cost effective solution is.

C. Cost Estimate

At this time the engineering investigation has not yet been completed. A placeholder of \$150,000 was placed in the CIP until the engineering estimate is received.

4. Sewer Main replacement/Upgrades

Item 17 – Sewer main replacement/upgrades Budget \$400,000

A. Project Description / Reasons for Capital Expense

The Club Circle sewer collection system is aged and is in need of replacement. The sewer pipes are constructed of a clay material.

B. Project Design / Process Flow

To be proactive, the District has begun the process of obtaining a grant for the sewer system at Club Circle. The project may require a CEQA document. Surveying and Engineering would then commence, and when complete the project put to public bidding.

C. Cost Estimate

Club Circle East Sewer Replacement						
No.	Qua	Unit	Description	Unit Cost	Total Cost	
1 Construction Cost						
1.00	1,800	LF	Install 8-inch Sewer Pipeline	\$ 75.00	\$ 135,000	
1.01	24	EA	Connect New Sewer Laterals	\$ 1,500.00	\$ 36,000	
Project Construction Cost:					\$	171,000
10% Contingency:					\$	17,100
Total Construction Estimated Cost:					\$	188,100

Club Circle West Sewer Replacement						
No.	Qua	Unit	Description	Unit Cost	Total Cost	
1 Construction Cost						
1.00	1,800	LF	Install 8-inch Sewer Pipeline	\$ 75.00	\$ 135,000	
1.01	34	EA	Connect New Sewer Laterals	\$ 1,500.00	\$ 51,000	
Project Construction Cost:					\$	186,000
10% Contingency:					\$	18,600
Total Construction Estimated Cost:					\$	204,600

D. Project Timeline

Club Circle East Sewer Replacement	February 2018
Club Circle West Sewer Replacement	February 2020

5. Reducing Stations

Item 22 – ID4, Reducing Station	Budget \$25,000
Item 23 – ID5, Reducing Station	Budget \$20,000
Total:	\$45,000

A. Project Description / Reasons for Capital Expense

Because there are large differences in elevations in the Borrego area, the BWD operates pressure reducing stations to protect lower lying areas from extremely high pressures. Pressures within the system are well over 100psi in some areas. Lower lying areas could see pressures in excess of 150psi if not protected by the pressure reducing stations. These stations need periodic maintenance and repair.

B. Project Design / Process Flow:

Staff will contact appropriate contractor(s) for quotes to replace the switches. The contractor with the best quote will be awarded the project.

C. Cost Estimate:

The cost estimate of \$45,000 for both stations is based on operator experience.

D. Project Estimated Timeline:

ID4 Reducing Station Maintenance:	February 2018
ID5 Reducing Station Maintenance:	February 2018

6. Pipelines

Item 27 – Borrego Springs Rd, Weathervane Drive to Barrel Drive	Budget \$63,000
Item 28 – Borrego Springs Rd, Walking H Dr. to Tilting T Dr.	Budget \$91,140
Item 29 – Borrego Springs Rd, Tilting T Dr. to Country Club Rd First Half	Budget \$84,075
Item 30 – Borrego Springs Rd, Tilting T Dr. to Country Club Rd Second	Budget \$81,675
Item 36 – Slash M Rd. to Tank	Budget \$20,000
Item 37 – Double O	Budget \$30,000
Item 38 – Club Circle East	Budget \$48,300
Item 39 – Club Circle West	Budget \$49,560
Item 40 – Anza Dr. 1600 Block	Budget \$45,375
Item 41 – Pointing Rock Dr/Montezuma Rd Loop First Half	Budget \$58,144
Item 43 – Country Club Road from Tilting T Dr. south to Booster #3	Budget \$40,000
Item 45 – Pipeline to convey well water directly to reservoirs ID-1	Budget \$100,000
Item 46 – Pipeline to convey well water directly to reservoirs ID-4	Budget \$100,000
Item 47 – Relocate alley water mains to streets in Southern ID-4	Budget \$160,000

Total Budgeted Pipelines 2017-2021: \$971,269

A. The District has an aggressive distribution pipeline replacement/installation schedule for the next five years. Some pipeline projects are to replace old, failing and undersized pipes, or pipelines installed in alleys. Others are to be installed to convey well water directly to reservoirs, so that the water can be blended or centrally treated in the future if necessary. The distribution system relies on high pressures due to the changes in elevation of the natural terrain in the area, so the pipelines must be in good condition.

B. Project Design / Process Flow:

Most pipeline projects are completed in-house, so they are more cost effective than if they were to be bid to pipeline contractors.

C. Cost Estimates

Borrego Springs Road, Weathervane Dr. to Barrel Dr.						
No.	Qua	Unit	Description	Unit Cost	Total Cost	
1 Construction Cost						
1.00	1,500	LF	Install 10-inch PVC pipe and fittings	\$ 50.00	\$ 75,000	
1.01	8	EA	Connect laterals and new meters	\$ 500.00	\$ 4,000	
					Project Construction Cost:	\$ 79,000
					10% Contingency:	\$ 7,900
					Total Construction Estimated Cost:	\$ 86,900

Borrego Springs Road, Walking H Dr. to Tilting T Drive						
No.	Qua	Unit	Description	Unit Cost	Total Cost	
1 Construction Cost						
1.00	2,200	LF	Install 10-inch PVC pipe and fittings	\$ 50.00	\$ 110,000	
1.01	9	EA	Connect laterals and new meters	\$ 500.00	\$ 4,500	
					Project Construction Cost:	\$ 114,500
					10% Contingency:	\$ 11,450
					Total Construction Estimated Cost:	\$ 125,950

Borrego Springs Rd., Tilting T to Country Club Road, First Half						
No.	Qua	Unit	Description	Unit Cost	Total Cost	
1 Construction Cost						
1.00	1,800	LF	Install 10-inch PVC pipe and fittings	\$ 50.00	\$ 90,000	
1.01	1	EA	Connect laterals and new meters	\$ 500.00	\$ 500	
					Project Construction Cost:	\$ 90,500
					10% Contingency:	\$ 9,050
					Total Construction Estimated Cost:	\$ 99,550

Borrego Springs Rd., Tilting T to Country Club Road, Second Half						
No.	Qua	Unit	Description	Unit Cost	Total Cost	
1 Construction Cost						
1.00	1,800	LF	Install 10-inch PVC pipe and fittings	\$ 50.00	\$ 90,000	
					Project Construction Cost:	\$ 90,000
					10% Contingency:	\$ 9,000
					Total Construction Estimated Cost:	\$ 99,000

Slash M Road Country Club Tank Connections						
No.	Qua	Unit	Description	Unit Cost	Total Cost	
1 Construction Cost						
1.00	2,500	LF	Install 8-inch PVC pipe and fittings	\$ 35.00	\$ 87,500	
					Project Construction Cost:	\$ 87,500
					10% Contingency:	\$ 8,750
					Total Construction Estimated Cost:	\$ 96,250

Double O Pipeline						
No.	Qua	Unit	Description	Unit Cost	Total Cost	
1 Construction Cost						
1.00	800	LF	Install 8-inch PVC pipe and fittings	\$ 35.00	\$ 28,000	
					Project Construction Cost:	\$ 28,000
					10% Contingency:	\$ 2,800
					Total Construction Estimated Cost:	\$ 30,800

Club Circle East						
No.	Qua	Unit	Description	Unit Cost	Total Cost	
1 Construction Cost						
1.00	1,800	LF	Install 8-inch Water Pipeline	\$ 35.00	\$ 63,000	
1.01	24	EA	Connect New Meters	\$ 500.00	\$ 12,000	
					Project Construction Cost:	\$ 75,000
					10% Contingency:	\$ 7,500
					Total Construction Estimated Cost:	\$ 82,500

Club Circle West					
No.	Qua	Unit	Description	Unit Cost	Total Cost
1 Construction Cost					
1.00	1,800	LF	Install 8-inch Sewer Pipeline	\$ 35.00	\$ 63,000
1.01	34	EA	Connect New Meters	\$ 500.00	\$ 17,000
Project Construction Cost:					\$ 80,000
10% Contingency:					\$ 8,000
Total Construction Estimated Cost:					\$ 88,000

De Anza Drive 1600 Block					
No.	Qua	Unit	Description	Unit Cost	Total Cost
1 Construction Cost					
1.00	1,200	LF	Install 6-inch PVC pipe and fittings	\$ 30.00	\$ 36,000
1.01	15	EA	Connect laterals and new meters	\$ 500.00	\$ 7,500
1.02	2	EA	Fire Hydrants	\$ 5,000.00	\$ 10,000
Project Construction Cost:					\$ 53,500
10% Contingency:					\$ 5,350
Total Construction Estimated Cost:					\$ 58,850

Pointing Rock Dr./ Montezuma Road Loop First Half					
No.	Qua	Unit	Description	Unit Cost	Total Cost
1 Construction Cost					
1.00	1,600	LF	Install 8-inch PVC pipe and fittings	\$ 35.00	\$ 56,000
Project Construction Cost:					\$ 56,000
10% Contingency:					\$ 5,600
Total Construction Estimated Cost:					\$ 61,600

Country Club Road from Tilting T Dr. south to Booster Station #3					
No.	Qua	Unit	Description	Unit Cost	Total Cost
1 Construction Cost					
1.00	2,700	LF	Install 8-inch PVC pipe and fittings	\$ 35.00	\$ 94,500
Project Construction Cost:					\$ 94,500
10% Contingency:					\$ 9,450
Total Construction Estimated Cost:					\$ 103,950

Country Club Road from Tilting T Dr. south to Booster Station #3					
No.	Qua	Unit	Description	Unit Cost	Total Cost
1 Construction Cost					
1.00	2,700	LF	Install 8-inch PVC pipe and fittings	\$ 35.00	\$ 94,500
				Project Construction Cost:	\$ 94,500
				10% Contingency:	\$ 9,450
				Total Construction Estimated Cost:	\$ 103,950

Total Estimated Construction Cost of Pipeline Projects 2017-2021: **\$1,037,300**



David Dale

**BORREGO WATER DISTRICT
BOARD OF DIRECTORS MEETING – OCTOBER 26, 2016
AGENDA BILL II.B**

October 20, 2016

TO: Board of Directors

FROM: Geoff Poole, General Manager

SUBJECT: Discussion of Master Metered, Multi-Dwelling Development Water Rate Structure – G Poole

RECOMMENDED ACTION: Receive staff report and direct staff accordingly

ITEM EXPLANATION: At the last Special Board Meeting a number of questions were raised on the topic of Mater Metered, Multi-Dwelling Development Water Rate Structure. Specifically, Road Runner and Club Circle have requested to be reclassified as Residential and receive a 7 unit, Tier 1 rate per dwelling with the remainder of the consumption charged at the Tier 2 rate. Following is a list of the questions raised at the last Meeting:

1. **What is the Fiscal Impact of this Proposal?** Following is the annual impact on 3 different sized users:

<u>Customer</u>	<u>Annual Usage</u>	<u>Current Bill</u>	<u>“Residential” Bill</u>	<u>Difference</u>
Roadrunner @ 340 homes –	33,722 hcf	\$112,968	\$108,482	-\$4,486 (-3.9%)
Vintage Vacations @ 70 -	3.072 hcf	\$ 10,291	\$ 9,707	-\$ 584 (5.6%)
Clun Circle @ 8 units -	777 hcf	\$ 2,602	\$ 2,448	-\$ 154 (-5.9%)

Method of Calculations:

Current Bill = HCF X \$3.35

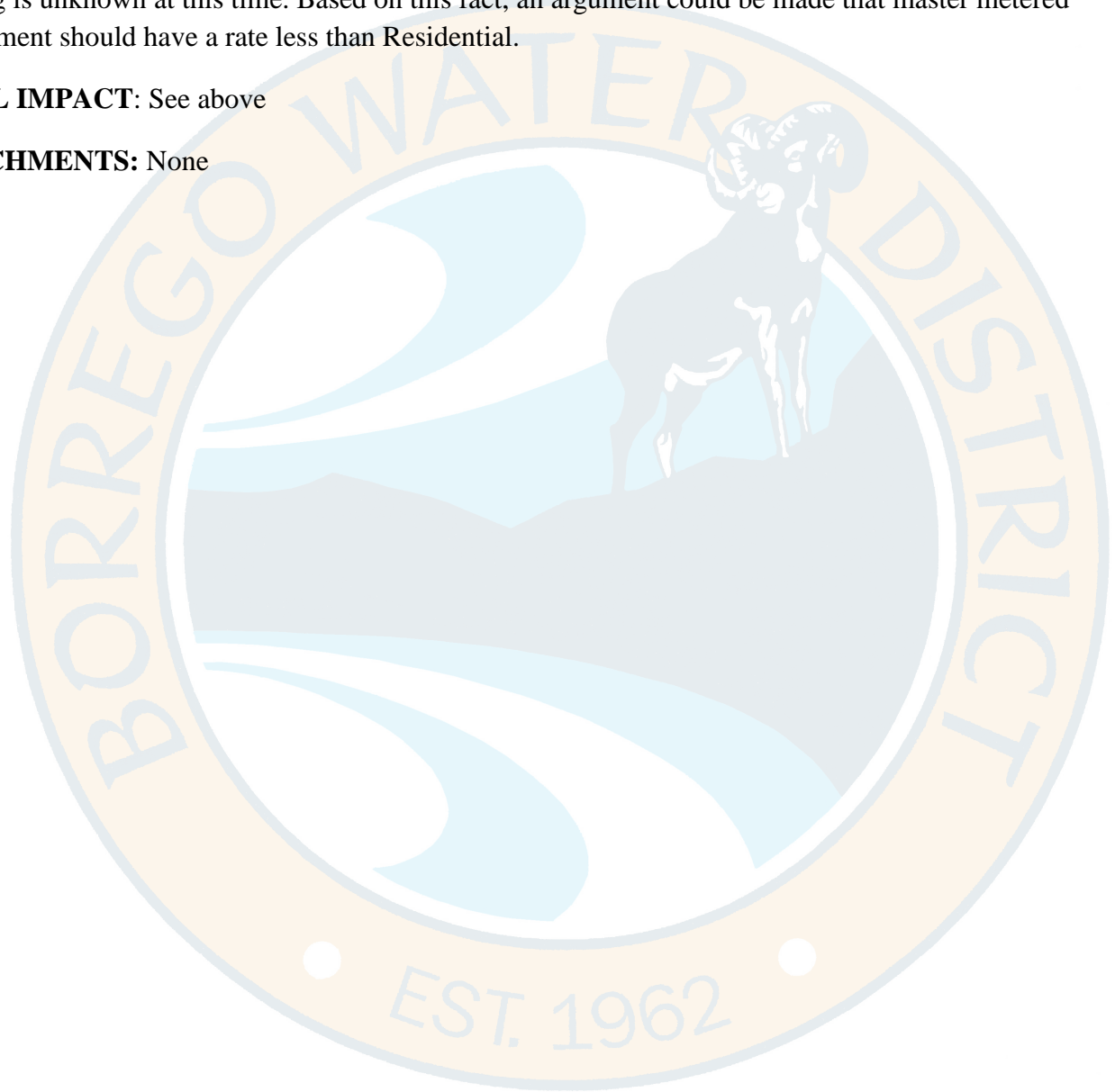
Residential Bill = # of Homes X 7 @ Tier 1 = \$3.16, Remainder @ Tier 2 = \$3.48

2. **How many developments are multi dwelling and master metered:** 7 - El Rancho, Desert Sands, Santiago Estates, Club Circle, Roadrunner/Springs, Villas Borrego
3. **How many have separate meters for irrigation?** Most do not have a separate irrigation meter.
4. **What do Kim and Greg think of this proposal?** In my discussions to date, in general they prefer to leave the rates as-is. Both will be in attendance at the Board Meeting and you can hear their opinions.
5. **What is Legal Counsel’s opinion on this issue?** I am waiting for a response from Legal Counsel

As we discussed at the meeting, the Tiered structure is not done for water conservation purposes (disincentives), but was created to reflect the cost of providing service. It is safe to say that the cost of providing service to a master metered development is less than traditional residential developments due to decreased operating and capital expenses for meter reading, system maintenance/repair/replacement. Exactly how much is saved by metering is unknown at this time. Based on this fact, an argument could be made that master metered development should have a rate less than Residential.

FISCAL IMPACT: See above

ATTACHMENTS: None



BORREGO WATER DISTRICT

BOARD OF DIRECTORS MEETING – OCTOBER 26, 2016

AGENDA BILL II.C

October 20, 2016

TO: Board of Directors

FROM: Geoff Poole, General Manager

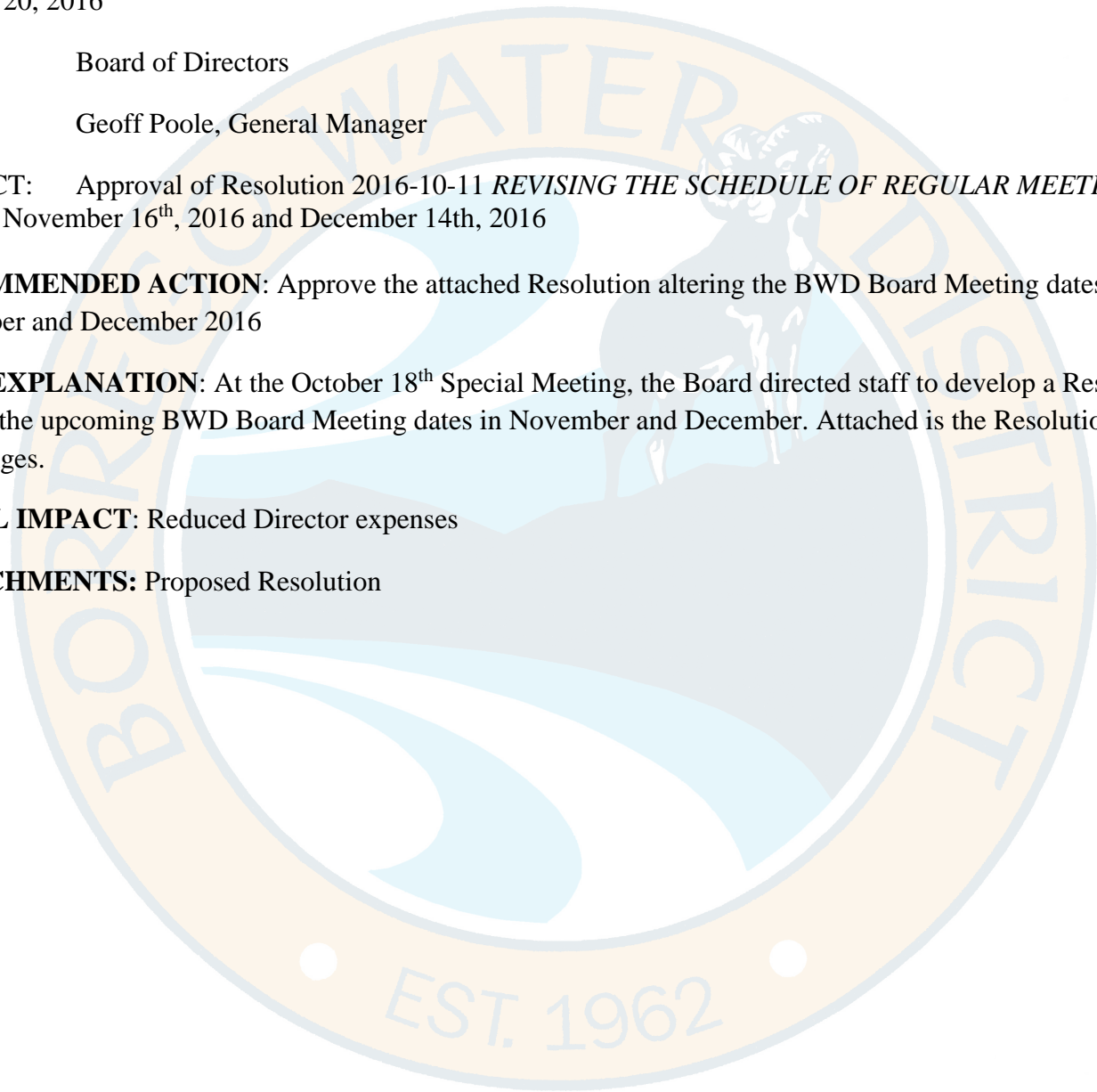
SUBJECT: Approval of Resolution 2016-10-11 *REVISING THE SCHEDULE OF REGULAR MEETINGS* to meet on November 16th, 2016 and December 14th, 2016

RECOMMENDED ACTION: Approve the attached Resolution altering the BWD Board Meeting dates for November and December 2016

ITEM EXPLANATION: At the October 18th Special Meeting, the Board directed staff to develop a Resolution altering the upcoming BWD Board Meeting dates in November and December. Attached is the Resolution to enact the changes.

FISCAL IMPACT: Reduced Director expenses

ATTACHMENTS: Proposed Resolution



RESOLUTION NO. 2016-10-11

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
BORREGO WATER DISTRICT REVISING THE SCHEDULE
OF REGULAR MEETINGS**

WHEREAS, on June 14, 1983, this Board of Directors adopted Ordinance No. 83-1 establishing the Administrative Code of the Borrego Water District (“Administrative Code”) pursuant to the specific and implied grants of authority in Division 13, commencing with Section 34000, of the Water Code of the State of California to serve in part as the Bylaws of the Borrego Water District as required by Section 35300 et seq. of the Water Code; and

WHEREAS, Section 4.1.1 of the Administrative Code as adopted by Ordinance No. 83-1 established a schedule of the regular meetings of the Board of Directors; and

WHEREAS, on February 28, 2007 the Board of Directors adopted Ordinance No. 07-1 amending Section 4.1.1 of the Administrative Code governing the date and time of regular meetings of the Board of Directors to read: “4.1.1 Regular Meetings. Regular meetings of the Board shall be held pursuant to such schedule as the Board may adopt by Resolution from time to time. In the event the regular meeting date falls on a holiday designated in Section 6700 of the Government Code, a regular meeting of the Board of the cancellation of a regular meeting or meetings may be made by a majority vote of the members of the Board at least fifteen (15) days prior to the change or cancellation. A determination to change or cancel a regular meeting must be made at a regular or special meeting of the Board;” and

WHEREAS, the Board of Directors adopted Resolution 2007-2-1 on February 28, 2007 setting its regular board meetings at 9:00 a.m. on the second and fourth Wednesday of each month.

WHEREAS, the Board of Directors Adopted Resolution 2008-9-03 on September 24, 2008 setting its regular board meetings at 9:15 a.m. on the fourth Wednesday of every month.

WHEREAS, the Board of Directors adopted Resolution 2011-02-01 on February 15, 2011 setting its regular meetings at 9:00 a.m. on the fourth Wednesday of the month.

WHEREAS, pursuant to Ordinance 07-1, the Board of Directors desires to revise the schedule for its regular meetings.

NOW, THEREFORE, the Board of Directors of the Borrego Water District does hereby resolve, determine and order as follows:

Section 1. The Board of Directors of the Borrego Water District shall hold its regular meetings at 9:00 a.m. on the fourth Wednesday of each month.

Section 2. Notwithstanding Section 1, above, the regular meetings of the Board of Directors of the Borrego Water District for the months of November and December 2016 shall be held on the third Wednesday for the Month of November (November 16th, 2016) and the Second Wednesday of December (December 14th, 2016).

ADOPTED, SIGNED AND APPROVED this 26th day of October, 2016.

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, Joseph Tatusko, Secretary of the Board of Directors of the Borrego Water District, do hereby certify that the foregoing resolution was duly adopted by the Board of Directors of said District at a regular meeting held on the 26th day of October, 2016, 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, Joseph Tatusko, 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 RESOLUTION NO. 2016-10-11, of said Board, and that the same has not been amended or repealed.

Dated:

Secretary of the Board of Directors of Borrego Water District

BORREGO WATER DISTRICT

BOARD OF DIRECTORS MEETING – OCTOBER 26, 2016

AGENDA BILL II.D

October 20, 2016

TO: Board of Directors

FROM: Geoff Poole, General Manager

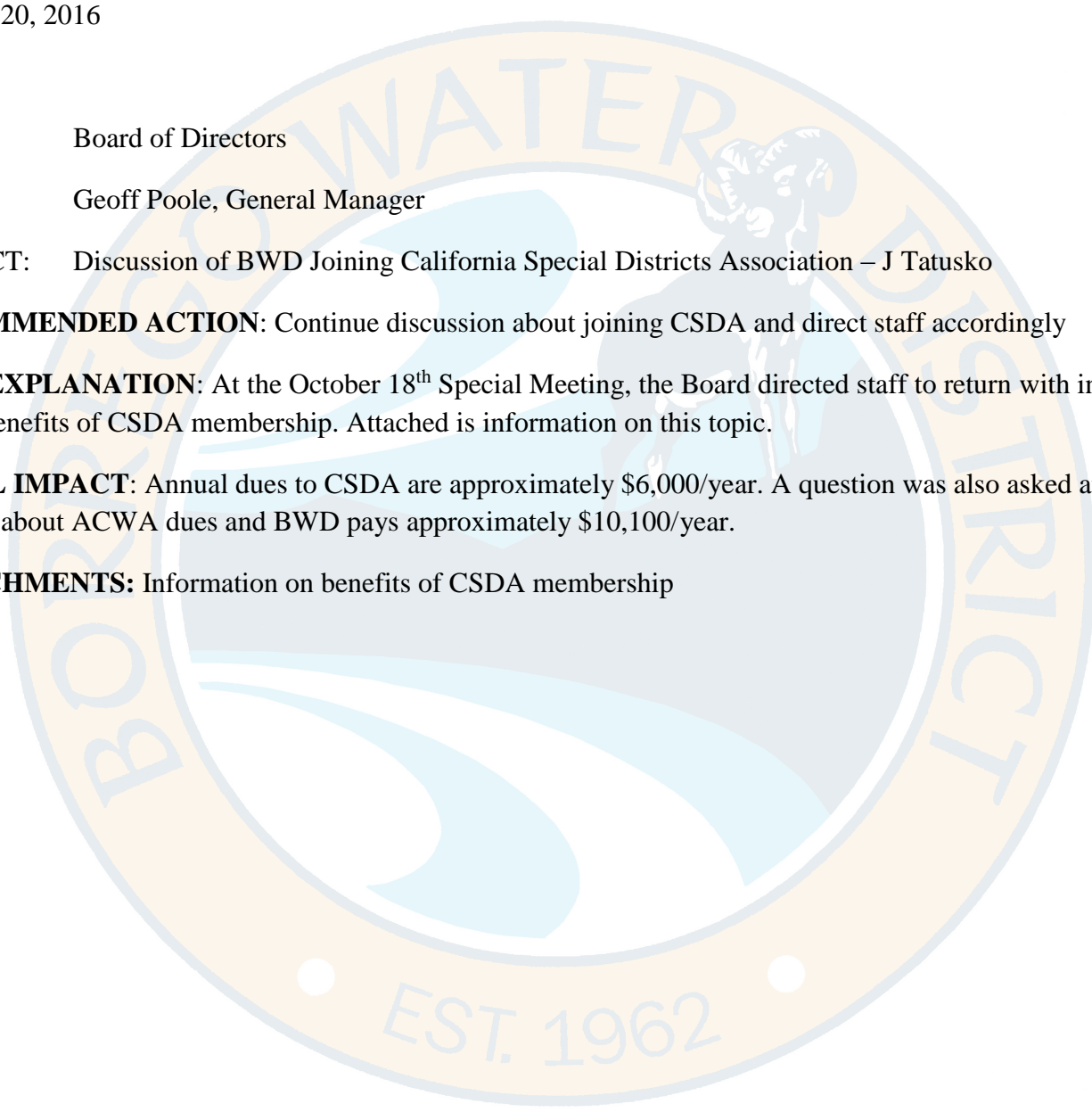
SUBJECT: Discussion of BWD Joining California Special Districts Association – J Tatusko

RECOMMENDED ACTION: Continue discussion about joining CSDA and direct staff accordingly

ITEM EXPLANATION: At the October 18th Special Meeting, the Board directed staff to return with information on the benefits of CSDA membership. Attached is information on this topic.

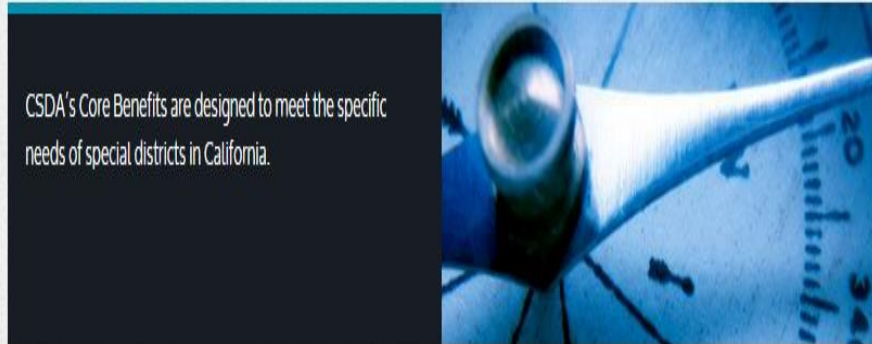
FISCAL IMPACT: Annual dues to CSDA are approximately \$6,000/year. A question was also asked at the last meeting about ACWA dues and BWD pays approximately \$10,100/year.

ATTACHMENTS: Information on benefits of CSDA membership



Core Benefits

Home » Membership » Core Benefits



CSDA's Core Benefits are designed to meet the specific needs of special districts in California.

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CSDA FINANCE CORPORATION

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Your Voice in the Capitol

CSDA is the one association that provides a strong voice for all independent special districts in California.

- **Legislative Advocacy** – CSDA is the only voice in the Capitol that represents and fights for all California special districts, regardless of services provided or affiliation with other organizations. CSDA's legislative advocate and in-house legislative staff review and monitor every bill introduced into legislation for its potential impact on California's special districts.
- **Influence** – CSDA participates in a number of coalitions and working groups to ensure that special districts have a strong voice in state and local government decision making.
- **Revenue Protection** – CSDA works hard each year to defeat attempts to raid special district revenues.
- **Weekly Legislative Updates** – CSDA keeps you informed by sending out crucial legislative updates on a weekly basis via the CSDA e-News.
- **Legislative Committee** – CSDA's Legislative Committee members represent a wide variety of district types and sizes.
- **Special Districts Legislative Days** – CSDA's annual Special Districts Legislative Days provides updated information on legislation and public policy as well as coordinates legislative visits for your board and staff.

Membership

- [Advertise With Us](#)
- [Career Center](#)
- [Join CSDA](#)
- [Core Benefits](#)
- [RFP Clearinghouse](#)
- [Buyers Guide](#)
 - [Buyers Guide Search](#)
- [Value Added Benefits](#)
- [District Purchasing Card](#)
- [Exchange](#)
- [Member News](#)
- [Sample Magazine](#)

Cost Saving Programs

- **CSDA Finance Corporation** – Tax-Exempt Municipal Financing
- **Special District Risk Management Authority** – Workers’ Compensation, Property & Liability and Health Coverages

Stay Connected & Informed

CSDA provides a myriad of benefits to help your special district stay apprised of the issues and changes affecting your district.

- **California Special District magazine** – CSDA’s bi-monthly magazine, *California Special District*, helps keep your district informed with the most current news from across the state. Feature articles in the magazine offer critical information regarding and affecting special districts.
- **CSDA e-News** – CSDA’s weekly email publication keeps your special district up-to-date with weekly legislative updates, current CSDA educational offerings, and other time sensitive material important to your district’s operations.
- **CSDA Website and Members Section** – CSDA’s Members Section website houses tools and information useful to any and every special district. Features include:
 - Daily updates of special district news from across the state, tailored to your district
 - Direct contact information for YOUR legislators
 - Comprehensive legislative information that affects your district
 - A customized system that allows Calls to Action on legislation to appear only if they apply to your district
 - Pending bills, legislation and CSDA’s current bill positions
 - Local contact information for media representatives in your region
 - Membership tools allowing you to register for events, order publications and update your district information
 - And much, much more!
 - **Listserv** – CSDA’s email Listserv provides a convenient, fast and easy way for CSDA members to discuss issues of importance to special districts, share relevant information, and get answers to questions from those most qualified to answer: people who have been through the same experiences.

BOARD OF DIRECTORS MEETING – OCTOBER 26, 2016

AGENDA BILL II.E

October 20, 2016

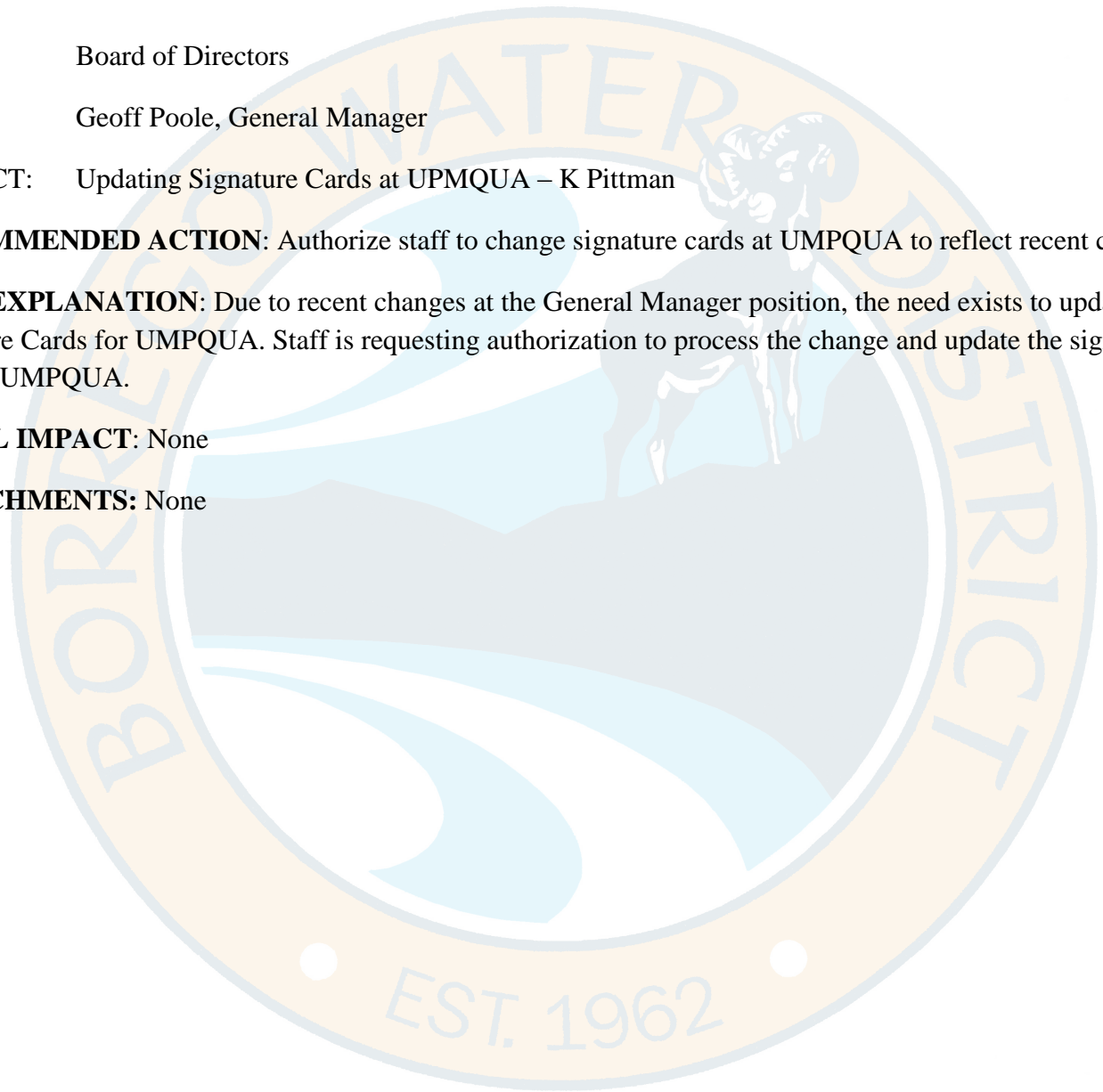
TO: Board of Directors
FROM: Geoff Poole, General Manager
SUBJECT: Updating Signature Cards at UPMQUA – K Pittman

RECOMMENDED ACTION: Authorize staff to change signature cards at UPMQUA to reflect recent changes.

ITEM EXPLANATION: Due to recent changes at the General Manager position, the need exists to update the Signature Cards for UPMQUA. Staff is requesting authorization to process the change and update the signature cards at UPMQUA.

FISCAL IMPACT: None

ATTACHMENTS: None



BORREGO WATER DISTRICT
BOARD OF DIRECTORS MEETING –OCTOBER 26, 2016
AGENDA BILL II.F

October 20, 2016

TO: Board of Directors, Borrego Water District
FROM: Geoff Poole, General Manager
SUBJECT: Consideration of Proposal from Dudek and Associates: Support for Sustainable Yield Analysis

RECOMMENDED ACTION: Receive written and verbal report from Trey Driscoll and direct staff accordingly

ITEM DESCRIPTION: Directors Brecht and Tatusko have been discussing the initiation of an assessment of a significant SGMA related issue: Is 5,700 AFY sustainable yield calculated by USGS the most reasonable sustainable yield target for the Borrego Basin?

For example, does this amount of AFY for average annual inflows serve as a reasonable amount to divvy up among pumpers of the Borrego Basin given irrigation application rates, non-stationarity due to abrupt anthropogenic climate change, any change in ET rates due to changes of variability in precipitation, soil temperature, and/or soil salinity, etc.? Attached is the Proposal from Dudek.

FISCAL IMPACT: The cost of the Analysis is \$4,800.

ATTACHMENTS: 1. Dudek Proposal
2. Benchmarking under SGMA for the Borrego Valley Basin – L BRECHT

October 21, 2016

9299

Geoff Poole
Borrego Water District
806 Palm Canyon Road
PO Box 1870
Borrego Springs, CA 92004
(Submitted via e-mail: geoff@borregowd.org)

Subject: DRAFT Proposal – Support for Sustainable Yield Analysis

Dear Mr. Poole:

Dudek has developed the following scope to assist the Borrego Water District (BWD) in providing a defensible review of the sustainable yield developed by the U.S. Geological Survey (USGS) in Scientific Investigation Report 2015-5150 for the Borrego Valley Groundwater Basin (BVGB) and discussion of benchmarking required to implement the Groundwater Sustainability Plan (GSP).¹ The Borrego Springs Subbasin of the BVGB has been determined to be in “overdraft”.² In the 2015 USGS report, irrigated agricultural, residential, and commercial users, as well as the Anza-Borrego Desert State Park, use approximately four times more water than is replenished through annual average natural recharge of the BVGB underlying the Valley (Faunt 2015). The report focused on water data from 1945 to 2010. The USGS determined that over the 66-year study period, on average, the natural recharge that reached the saturated groundwater system was approximately 5,700 acre-feet per year (AFY). During 2000–10, the BWD reported an average groundwater use of about 4,000 AFY for residential and commercial uses; groundwater pumping for agricultural and recreational uses was estimated to be about 16,000 AFY. Today, the present annual groundwater withdrawals from the BVGB are approximately 19,000 AFY or an overdraft of approximately 13,300 AFY compared to the average annual recharge of 5,700 AFY.

¹ USGS Scientific Investigation Report 2015-5150, Hydrogeology, hydrologic effects of development, and simulation of groundwater flow in the Borrego Valley, San Diego County, California, available at: <https://pubs.er.usgs.gov/publication/sir20155150>

² The overdraft of the BVGB was definitely established by the U.S. Geological Survey (USGS) work conducted in 1982 for San Diego County. Since 1982, the overdraft has more than doubled. See http://www.borregowd.org/uploads/BWD_Report_USGS_1982.pdf.

The USGS report included a description of the development, calibration and use of an integrated hydrologic numerical model using the USGS code, MODFLOW-OVHM. This code was developed in 2014 and was designed to simulate the relationship between surface water and groundwater for conjunctive use purposes. Dudek obtained copies of the input files to create the model and to date has run simulations of sustainable yield for the Southern Management Area. Dudek will conduct additional review of the model and provide a bulleted summary of the parameters used to establish the sustainable yield including a determination of the percentage of irrigation return flow estimated in the numerical model "Farm Package". Included will be a discussion of uncertainty and reasonableness of the model. Dudek will also evaluate the model in respect to using it for GSP requirements such as addressing potential water availability considering climate change and additional recommend improvement to further inform basin management. Dudek will provide response to benchmarking questions raised in Borrego Water Coalition document, Draft 1.5 Benchmarking under the Sustainable Groundwater Management Act for BVGB. Finally, Dudek will present a conclusion as to whether the proposed benchmarking of 5,700 AFY as the sustainable yield for the Borrego Springs Subbasin is appropriate.

TOTAL COST.....\$4,800.00

Sincerely,

Trey Driscoll, PG No. 8511, CHG No. 936
Principal Hydrogeologist

Cc: Lyle Brecht, BWD Board

Accepted By:

Borrego Water District

Date

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BENCHMARKING UNDER THE SUSTAINABLE GROUNDWATER MANAGEMENT ACT FOR THE BORREGO VALLEY GROUNDWATER BASIN

Background. The Borrego Water Coalition, whose members are pumpers and groundwater users representing approximately 80% of annual withdrawals from the Borrego Valley Groundwater Basin (Borrego Basin) have agreed on Sustainable Groundwater Management Act (SGMA)-compliant policies to bring the Borrego Basin into sustainable use by no later than 2040.¹ The year 2040 is the SGMA-mandated date by which a critically overdrafted basin, the California Department of Water Quality (DWR) designation for the Borrego Basin, to be managed for sustainable use.²

These policies recommend a shared approximately seventy percent (70%) reduction in annual use by each of three sector pumpers: municipal, recreation, and agriculture from a baseline, assuming the sustainable yield calculated by the US Geological Survey (USGS) study is approximately 5,700 AFY.³ The implementation of reduction from the baseline would entail significant water use efficiency investments by the municipal, recreational, and agricultural sectors, as well as fallowing of irrigated land (agricultural, recreational or significant commercial/residential landscaping) from baseline using fair and moral market mechanisms to purchase presently irrigated land for fallowing.

Thus, establishing an analytically fair baseline and transfer mechanism to achieve annual reductions required by SGMA is foundational to a successful effort to bring the Borrego Basin to sustainable use. Due to business imperatives shared by all sectors, benchmarking and transfer mechanisms must be addressed as soon as possible and not wait for the completion and approval of a SGMA-mandated Groundwater Management Plan (GSP) that must be approved by the Borrego Water District and San Diego County, as co-Groundwater Sustainability Agency (GSA) for the Borrego Basin no later than 2020.

For example, agriculture must make planting decisions today that have 40-year financial consequences; recreation must make business decisions today that will impact their revenues for many years out, and the Borrego Water District (District) must plan today for the financing necessary to purchase agricultural lands to meet its reduction requirements under SGMA while continuing to serve its customer base demand. Delay in addressing benchmarking and water transfer issues could potentially bankrupt individual pumpers.

¹ These policy recommendations are located at: <http://www.borregospringschamber.com/bwc/documents/2014/BWC%20Policy%20Recs%20FINAL%2011-06-14.pdf>.

² See <http://www.water.ca.gov/groundwater/sgm/cod.cfm>.

³ "Hydrogeology, Hydrologic Effects of Development, and Simulation of Groundwater Flow in the Borrego Valley, San Diego County, California: Scientific Investigations Report 2015-5150, US Geological Survey (2015) located at <http://dx.doi.org/10.3133/sir20155150>.

**BENCHMARKING UNDER THE SUSTAINABLE GROUNDWATER MANAGEMENT ACT
FOR THE BORREGO VALLEY GROUNDWATER BASIN**

Benchmarking Questions Requiring Additional Analytical Work.

1. Is 5,700 AFY sustainable yield calculated by USGS the most reasonable sustainable yield target for the Borrego Basin? For example, does this amount of AFY for average annual inflows serve as a reasonable amount to divvy up among pumpers of the Borrego Basin given irrigation application rates, non-stationarity due to abrupt anthropogenic climate change, any change in ET rates due to changes of variability in precipitation, soil temperature, and/or soil salinity, etc.?
2. What is the best means to establish a starting baseline for each of the sectors (e.g. historical [i.e. 5 year historical, most recent year meters, other]; efficiency [evapotranspiration rates per crop; other metered benchmarks/best practices]; third party data (USGS, County, independent experts, other)?
3. What is the best means to establish baselines within sectors for each pumper?
4. How best to establish accountabilities at individual level, where the water usage decisions are being made?
5. What is the best means to transition all pumpers to metering, as required by SGMA?
6. What protocols must be in place to assure metering, once in place, produces valid results?
7. If metering indicates material differences in original baseline assumptions for sectors and/or individual pumpers, what is the best means for making adjustments after the fact?
8. What are the policy changes necessary to effectuate fair trades in water use among sectors and to preserve water rights of individual pumpers?⁴

Discussion. Coalition members are concerned about:

- Free riders and gaming of the system. If my farm has invested significant capital to reduce water use, am I required to make the same 70% reduction as my neighbor who has not spent a penny to reduce his water use and is presently using more per acre for his crops than I am? (Additionally, it will be much easier to catch up with efficient users than to be a first mover; proving new technologies or techniques).
- ET rates. As a farmer, I am not convinced that the ET rates by crop assumed by the County's Groundwater Ordinance are applicable for the Borrego Valley. For example, it is likely they

⁴ The present transfer mechanism is the use of *water credits*. This policy is located at: http://www.borregowd.org/uploads/Water_Credit_policy_revision_05.19.2015.pdf and http://www.borregowd.org/uploads/2016.02.24_BWD_Board_Package.pdf.

**BENCHMARKING UNDER THE SUSTAINABLE GROUNDWATER MANAGEMENT ACT
FOR THE BORREGO VALLEY GROUNDWATER BASIN**

may not apply to crops that are planted next to rows of Tamarisk trees, a huge water user. For example, if I have removed 2 miles of Tamarisk trees, but my neighbor none of his Tamarisks, how can I be subject to the same ET rate as my neighbor if we are both growing the same crop? (Tamarisks can impact crops in a ~400' radius horizontally, and one farmer could be impacted by the tamarisks of another farmer who has not removed his trees).

- If I am a recreational pumper and I have invested hundreds of thousands of dollars to reduce water use on my golf course, must I reduce my water use 70% when my neighbor recreational user has spent nothing to reduce his use and he uses significantly more water per acre on his golf course than I do at present? (This is the same issue as with first movers in agriculture who have invested in end-use efficiency measures). Also, if a recreational irrigator has voluntarily reduced turf, how might this voluntary reduction be made permanent so a new operator does not add additional turf obviating savings that were once in place by the previous owner?
- If I am a developer who has thoughtful landscaping regulations for my development and require the latest water saving technology for the new houses built that should reduce water use to 0.20 AFY, should I be subject to the same requirement for water credits than other residential development that does not use best practices? If historical use indicates my development is actually using 0.45 AFY, not 0.20 AFY, what are the consequences and who pays?
- The District has steadily decreased its annual pumping, primarily by encouraging investments in end use efficiency and conservation on the part of its customers by raising rates. Thus collectively, customers have invested hundreds of thousands of dollars in reducing water use. The District has also invested ~\$1.2 million to fallow irrigated farmland saving about more than 600 AFY. Does the District get credit for these investments in determining its baseline? (This ties back to the timing of when baselines are established, reasonable ranges of supply that may be allocated annually to different uses, and addresses the issue of *retroactive credits* from the time of water saving with respect to the baseline time period [many of the operators, specifically within the Borrego Basin started making changes as soon as they were made aware of the pending changes anticipated by the SGMA legislation, which may/may not line up exactly to the legal timeframes mandated by SGMA]).



ITEM III A
FINANCIALS

	C	D	BZ	CA	CB	CC	CG	CH
1	BWD		06/09/16					
2	CASH FLOW		ADOPTED	Actual	Projected	Actual	Actual YTD	PROJECTED
3	2016-2017		BUDGET	September	September	YTD	and Projected	CASH FLOW
4			2016-2017	2016	2016	2016-2017		2016-2017
5	REVENUE							
6	WATER REVENUE							
7	Residential Water Sales		1,149,431	134,665	115,893	348,005	1,181,827	833,822
8	Commercial Water Sales		160,956	13,100	15,718	37,718	155,317	117,599
9	Irrigation Water Sales		176,219	27,761	16,674	65,203	190,296	125,093
10	GWM Surcharge		145,959	19,090	14,351	48,194	154,622	106,428
11	Water Sales Power Portion		463,059	53,947	46,430	141,272	476,261	334,989
12	TOTAL WATER COMMODITY REVENUE:		2,095,624	248,564	209,067	639,711	2,157,642	1,517,931
13								
14	Readiness Water Charge		997,818	86,830	84,287	280,744	1,043,968	763,224
15	RH Golf Course surplus capacity lease		0	0	0	-	-	0
16	Meter Installation		0	0	0	-	-	0
18	Reconnect Fees		2,380	0	340	340	2,040	1,700
19	Backflow Testing/installation		6,500	0	0	-	6,500	6,500
20	Bulk Water Sales		0	0	0	24	24	0
21	Penalty & Interest Water Collection		10,000	1,666	840	6,313	13,803	7,490
22	TOTAL WATER REVENUE:		3,112,323	337,059	294,534	927,132	3,223,977	2,296,845
23								
24	PROPERTY ASSESSMENTS/AVAILABILITY CHARGES	Receivables						
		as of 10/04/16						
25	641500 1% Property Assessments		67,086	65,000	354	354	1,410	64,506
26	641502 Property Assess wtr/swr/flid		107,306	106,212	0	0	-	105,127
28	641501 Water avail Standby		101,972	82,467	263	263	314	81,549
30	641504 ID 3 Water Standby (La Casa)		35,655	33,722	133	133	133	33,748
31	641503 Pest standby		20,245	17,885	37	37	43	17,746
32	TOTAL PROPERTY ASSES/AVAIL CHARGES:		332,265	305,286	787	787	1,900	302,677
33								
34	SEWER SERVICE CHARGES							
35	Town Center Sewer Holder fees		393,398	18,199	18,199	50,734	214,521	163,787
36	Town Center Sewer User Fees		103,158	6,773	6,773	25,122	86,081	60,959
37	Sewer user Fees		256,294	22,238	20,000	69,058	249,058	180,000
39	Penalty Interest-Sewer			1,208	0	1,226	1,226	0
41	TOTAL SEWER SERVICE CHARGES:		752,850	48,418	44,972	146,139	550,885	404,746
42								
43	OTHER INCOME							
47	Miscellaneous Income (net csd fee)			74	0	5,117	5,117	0
48	Water Credits income/Gain on Asset Sold			0	0	500	500	0
52	Interest Income		49	0	0	-	49	49
53	TOTAL OTHER INCOME:		49	74	0	5,617	5,667	49
54								
55	TOTAL INCOME:		4,170,507	386,337	340,293	1,080,787	4,083,205	3,002,418
56								
57	CASH BASIS ADJUSTMENTS							
58	Decrease (Increase) in Accounts Receivable			(10,525)		(83,433)	(83,433)	
60	Deposits					(7,860)	(7,860)	
61	Other Cash Basis Adjustments					-	-	
62	TOTAL CASH BASIS ADJUSTMENTS:			(10,525)		(91,293)	(91,293)	
63								
64	TOTAL INCOME RECEIVED:		4,170,507	375,813	340,293	990,175	3,992,593	3,002,418

	CI	CJ	CK	CL	CM	CN	CO	CP	CQ
1									
2	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
3	October	November	December	January	February	March	April	May	June
4	2016	2016	2016	2017	2017	2017	2017	2017	2017
5									
6									
7	102,999	100,800	87,998	65,824	77,413	73,935	110,297	88,194	126,362
8	14,443	13,024	12,272	10,643	11,788	12,111	16,772	13,421	13,125
9	21,810	15,872	11,698	6,674	8,685	9,876	16,557	15,174	18,746
10	13,464	12,510	10,828	8,006	9,625	9,549	14,139	14,155	14,155
11	43,559	40,474	35,033	25,900	31,139	30,893	43,667	41,265	43,058
12	196,275	182,680	157,829	117,047	138,650	136,364	201,431	172,208	215,446
13									
14	84,149	84,682	84,492	84,087	85,163	85,163	85,163	85,163	85,163
15	0	0	0	0	0	0	0	0	0
16	0	0	0	0	0	0	0	0	0
18	0	340	680	0	0	340	0	340	0
19	0	0	0	0	6,500	0	0	0	0
20	0	0	0	0	0	0	0	0	0
21	830	840	830	840	830	830	830	830	830
22	281,254	268,542	243,831	201,974	231,143	222,697	287,424	258,541	301,439
23									
24									
25	862	2,124	21,205	10,235	1,107	2,102	15,638	9,622	200
26	0	1,617	5,115	49,490	594	693	1,056	46,262	300
28	777	5,063	22,571	26,716	2,542	3,015	3,732	14,821	2,000
30	21	756	3,922	14,464	151	889	396	12,527	490
31	86	239	2,936	7,044	311	416	651	5,498	523
32	1,747	9,799	55,749	107,949	4,705	7,114	21,472	88,729	3,513
33									
34									
35	18,199	18,199	18,199	18,199	18,199	18,199	18,199	18,199	18,199
36	6,773	6,773	6,773	6,773	6,773	6,773	6,773	6,773	6,773
37	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
39	0	0	0	0	0	0	0	0	0
41	44,972	44,972	44,972	44,972	44,972	44,972	44,972	44,972	44,972
42									
43									
47	0	0	0	0	0	0	0	0	0
48	0	0	0	0	0	0	0	0	0
52	17	0	0	0	0	0	16	0	16
53	17	0	0	0	0	0	16	0	16
54									
55	327,990	323,313	344,552	354,895	280,820	274,783	353,884	392,242	349,939
56									
57									
58									
60									
61									
62									
63									
64	327,990	323,313	344,552	354,895	280,820	274,783	353,884	392,242	349,939

	C	D	BZ	CA	CB	CC	CG	CH
1	BWD		06/09/16					
2	CASH FLOW		ADOPTED	Actual	Projected	Actual	Actual YTD	PROJECTED
3	2016-2017		BUDGET	September	September	YTD	and Projected	CASH FLOW
4			2016-2017	2016	2016	2016-2017		2016-2017
65	EXPENSES							
66								
67	MAINTENANCE EXPENSE							
68	R & M Buildings & Equipment		185,000	14,841	15,500	35,612	175,112	139,500
69	R & M - WWTP		150,000	6,954	12,500	12,517	125,017	112,500
70	Telemetry		10,000	1,581	840	1,581	9,141	7,560
71	Trash Removal		4,000	298	310	895	3,975	3,080
72	Vehicle Expense		18,000	1,215	1,500	11,036	24,536	13,500
73	Fuel & Oil		25,000	2,183	2,100	3,782	22,682	18,900
74	TOTAL MAINTENANCE EXPENSE:		392,000	27,072	32,750	65,424	360,464	295,040
75								
76	PROFESSIONAL SERVICES EXPENSE							
77	Tax Accounting (Taussig)		3,000	1,946	2,000	2,596	3,596	1,000
78	Administrative Services (ADP/Bank Fees)		3,500	197	250	626	3,376	2,750
79	Audit Fees		14,995	0	4,998	9,626	14,624	4,998
80	Computer billing		12,000	0	0	2,359	14,359	12,000
81	Consulting/Technical/Contract Labor		1,200	0	100	-	900	900
82	Engineering		35,000	(41,429)	3,000	(35,929)	(9,429)	26,500
83	District Legal Services		30,000	908	2,500	1,238	23,738	22,500
84	Testing/lab work		12,000	670	1,000	1,248	10,248	9,000
85	Regulatory Permit Fees		46,000	0	300	2,239	42,939	40,700
86	TOTAL PROFESSIONAL SERVICES EXPENSE:		157,695	(37,709)	14,148	(15,997)	104,351	120,348
87								
88	INSURANCE/DEBT EXPENSE							
89	ACWA Insurance		60,000	0	24,670	-	60,576	60,576
90	Workers Comp		16,800	3,993	4,200	3,993	16,593	12,600
91	COP 2008 Installment		253,113	200,688	200,688	200,688	253,113	52,425
92	Viking Ranch Debt Payment		143,312	0		35,909	143,394	107,484
93	TOTAL INSURANCE/DEBT EXPENSE:		473,225	204,681	229,558	240,590	473,675	233,085
94								
95	PERSONNEL EXPENSE							
96	Board Meeting Expense (board stipend/board secretary)		18,500	870	1,680	2,185	17,325	15,140
97	Salaries & Wages (gross)		791,000	64,100	65,856	243,397	838,365	594,968
98	Taxes on Payroll		21,300	1,533	1,000	5,930	24,430	18,500
99	Medical Insurance Benefits		210,400	17,525	17,200	71,623	213,223	141,600
100	Calpers Retirement Benefits		171,000	6,844	8,100	91,958	164,858	72,900
101	Salaries & Wages contra account		(18,500)	(495)	(1,680)	(1,535)	(16,675)	(15,140)
102	Conference/Conventions/Training/Seminars		7,000	1,942	1,100	2,715	6,796	4,081
103	TOTAL PERSONNEL EXPENSE:		1,200,700	92,318	93,256	416,273	1,248,322	832,049
104								
105	OFFICE EXPENSE							
106	Office Supplies		18,000	1,047	1,658	10,994	25,413	14,419
107	Office Equipment/ Rental/Maintenance Agreements		40,000	3,664	1,040	10,741	35,261	24,520
108	Postage & Freight		15,000	124	1,000	2,128	13,028	10,900
109	Taxes on Property		2,400	51	0	51	2,451	2,400
110	Telephone/Answering Service		8,600	1,485	716	3,775	10,227	6,452
111	Dues & Subscriptions		3,600	767	50	767	4,156	3,389
112	Printing, Publications & Notices		3,000	36	550	51	1,851	1,800
113	Uniforms		5,400	438	450	1,174	5,224	4,050
114	OSHA Requirements/Emergency preparedness		4,000	421	350	828	3,828	3,000
115	TOTAL OFFICE EXPENSE:		100,000	8,033	5,814	30,509	101,439	70,930
116								
117	UTILITIES EXPENSE							
118	Pumping-Electricity		350,000	30,915	31,892	83,234	340,630	257,397
119	Office/Shop Utilities		25,000	2,530	2,100	7,349	26,149	18,800
120	Cellular Phone		7,500	0	625	114	5,739	5,625
121	TOTAL UTILITIES EXPENSE:		382,500	33,445	34,617	90,696	372,518	281,822
122								
123	TOTAL EXPENSES:		2,706,119	327,839	410,143	827,495	2,660,768	1,833,274
124								
125	CASH BASIS ADJUSTMENTS							
126	Decrease (Increase) in Accounts Payable			(846)		14,552	14,552	
127	Increase (Decrease) in Inventory			8,481		11,838	11,838	
128	Other Cash Basis Adjustments					-	-	
129	TOTAL CASH BASIS ADJUSTMENTS:			7,635		26,389	26,389	
130								
131	TOTAL EXPENSES PAID:		2,706,119	335,475	410,143	853,884	2,687,158	1,833,274
132								
133	NET CASH FLOW (O&M)		1,464,388	40,338	(69,850)	136,291	1,305,435	1,169,144

	CI	CJ	CK	CL	CM	CN	CO	CP	CQ
1									
2	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
3	October	November	December	January	February	March	April	May	June
4	2016	2016	2016	2017	2017	2017	2017	2017	2017
65									
66									
67									
68	15,500	15,500	15,500	15,500	15,500	15,500	15,500	15,500	15,500
69	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500
70	840	840	840	840	840	840	840	840	840
71	310	310	300	360	360	360	360	360	360
72	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
73	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100
74	32,750	32,750	32,740	32,800	32,800	32,800	32,800	32,800	32,800
75									
76									
77	0	0	0	0	0	0	0	0	1,000
78	250	500	250	500	250	250	250	250	250
79	0	4,998	0	0	0	0	0	0	0
80	0	0	0	0	0	0	0	0	12,000
81	100	100	100	100	100	100	100	100	100
82	2,500	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
83	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
84	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
85	21,500	500	1,900	4,300	1,600	8,500	1,000	900	500
86	27,850	12,598	8,750	11,400	8,450	15,350	7,850	7,750	20,350
87									
88									
89	25,246	0	0	0	0	35,330	0	0	0
90	0	0	4,200	0	0	4,200	0	0	4,200
91					0	52,425	0	0	0
92		35,828			35,828			35,828	
93	25,246	35,828	4,200	0	35,828	91,955	0	35,828	4,200
94									
95									
96	1,680	1,690	1,680	1,680	1,690	1,680	1,680	1,680	1,680
97	64,237	71,356	65,856	65,856	64,237	67,476	62,618	67,476	65,856
98	1,000	1,000	1,000	5,000	2,400	1,600	1,800	2,200	2,500
99	17,200	17,200	17,200	18,000	18,000	18,000	18,000	18,000	0
100	8,100	8,100	8,100	8,100	8,100	8,100	8,100	8,100	8,100
101	(1,680)	(1,690)	(1,680)	(1,680)	(1,690)	(1,680)	(1,680)	(1,680)	(1,680)
102	100	400	1,000	600	555	400	300	600	126
103	90,637	98,056	93,156	97,556	93,292	95,576	90,818	96,376	76,582
104									
105									
106	2,667	1,703	1,299	1,250	1,500	1,500	1,500	1,500	1,500
107	1,040	1,815	4,300	1,810	4,055	1,500	4,000	1,500	4,500
108	2,100	181	2,100	69	2,100	75	2,100	75	2,100
109	2,253	147	0	0	0	0	0	0	0
110	716	717	717	717	717	717	717	717	717
111	100	100	100	200	134	200	2,360	50	145
112	475	150	150	150	150	116	150	150	309
113	450	450	450	450	450	450	450	450	450
114	350	350	350	300	350	300	350	300	350
115	10,151	5,613	9,466	4,946	9,456	4,858	11,627	4,742	10,071
116									
117									
118	32,350	30,311	26,986	23,849	25,554	25,633	29,714	31,000	32,000
119	2,050	2,100	2,050	2,100	2,100	2,100	2,050	2,200	2,050
120	625	625	625	625	625	625	625	625	625
121	35,025	33,036	29,661	26,574	28,279	28,358	32,389	33,825	34,675
122									
123	<u>221,659</u>	<u>217,881</u>	<u>177,973</u>	<u>173,276</u>	<u>208,105</u>	<u>268,897</u>	<u>175,484</u>	<u>211,321</u>	<u>178,678</u>
124									
125									
126									
127									
128									
129									
130									
131	221,659	217,881	177,973	173,276	208,105	268,897	175,484	211,321	178,678
132									
133	<u>106,332</u>	<u>105,432</u>	<u>166,579</u>	<u>181,619</u>	<u>72,715</u>	<u>5,886</u>	<u>178,400</u>	<u>180,921</u>	<u>171,261</u>

	C	D	BZ	CA	CB	CC	CG	CH
1	BWD		06/09/16					
2	CASH FLOW		ADOPTED	Actual	Projected	Actual	Actual YTD	PROJECTED
3	2016-2017		BUDGET	September	September	YTD	and Projected	CASH FLOW
4			2016-2017	2016	2016	2016-2017		2016-2017
134	NON O & M EXPENSES							
135	Water							
136	Twin Tanks, 1970's-inside coating		125,000			-	125,000	125,000
137	Pickup		35,000			42,607	42,607	0
140	Pipeline replacements		30,000	1,869	0	1,869	31,869	30,000
142	Pump and Cleaning Well ID4-4-Wells-ID1-12/ID4-4		150,000		0	-	150,000	150,000
143	Booster Station 1 Rehab		40,000			-	40,000	40,000
147	New 800 Reservoir		500,000		0	-	500,000	500,000
148	Transmission mains for new 800 Reservoir		100,000			-	100,000	100,000
149	Environmental review for water storage infrastructure		50,000		10,000	-	40,000	40,000
150	Engineering analysis for water storage infrastructure		75,000		9,300	743	65,700	64,957
151								
152	TOTAL WATER NON O&M		1,105,000			45,218	1,095,175	1,049,957
153	Sewer							
155	WWTP-Back up Generator/Portable engine driven trash pump		26,000		0	29,773	29,773	0
165	Transfer Switch		20,000	10,037		10,037	30,037	20,000
166	Return Pump		8,500		8,500	-	-	0
167	Fence at ponds WWTP		15,000			-	15,000	15,000
168								
169	TOTAL SEWER NON O&M		69,500			39,810	74,810	35,000
170	NON-CIP							
172	GWM -legal/Misc.-prop 1 grant/USGS		60,000		5,000	190	50,190	50,000
173	District portion of GSP/Interium General Manager support		204,000		24,000	39,584	184,584	145,000
185	TOTAL GWM NON O&M		264,000			39,774	234,774	195,000
186	OTHER							
201	Air Photo Imagery		10,000			-	10,000	10,000
202	42,634		10,000			-	10,000	10,000
203	TOTAL NON O&M EXPENSES		1,448,500	11,906	56,800	124,802	1,414,759	1,289,957
204								
205	CASH RECAP							
206	Cash beginning of period		3,257,872	3,240,929	3,240,929	3,257,872	3,114,279	3,269,361
207	Net Cash Flow (O&M)		1,464,388	40,338	(69,850)	136,291	1,305,435	1,169,144
208	Total Non O&M Expenses		(1,448,500)	(11,906)	(56,800)	(124,802)	(1,414,759)	(1,289,957)
209	CASH AT END OF PERIOD		3,273,759	3,269,361	3,114,279	3,269,361	3,004,955	3,148,548
210								
211	RESERVES							
212	Debt Reserves		(400,000)	(400,000)	(400,000)	(400,000)	(400,000)	(400,000)
213	Working Capital-Water (4 months)		(600,000)	(900,000)	(600,000)	(900,000)	(600,000)	(600,000)
217	Contingency Reserves (10% O&M)		(270,000)	(270,000)	(270,000)	(270,000)	(270,000)	(270,000)
218	Rate Stabilization Reserves		(480,000)	(480,000)	(480,000)	(480,000)	(480,000)	(480,000)
219	Available for Emergency Reserves		928,759	1,219,361	769,279	1,219,361	659,955	803,548
220	Target Emergency Reserves		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
221	Emergency Reserves Deficit		(1,071,241)	(780,639)	(1,230,721)	(780,639)	(1,340,045)	(1,196,452)
222								
223	SIGNIFICANT ITEMS			ACTUAL	PROJECTED			
224								
225	Engineering			(41,429)	3,000	(44,429)	Check received for reimb no bill received	
226	ACWA Insurance			0	24,670	(24,670)	Paid in October	
227								

	CI	CJ	CK	CL	CM	CN	CO	CP	CQ
1									
2	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
3	October	November	December	January	February	March	April	May	June
4	2016	2016	2016	2017	2017	2017	2017	2017	2017
134									
135									
136						125,000			
137									
140		30,000							
142	35,000		25,000		30,000		30,000		30,000
143		0		40,000					
147	250,000		250,000						
148		50,000			50,000				
149	10,000		10,000		10,000		10,000		
150	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300	6,557
151									
152									
153									
155									
165							20,000		
166									
167		15,000							
168									
169									
170									
172	5,000	5,000	5,000	5,000	6,000	6,000	6,000	6,000	6,000
173	24,000	24,000	24,000	12,000	12,000	12,000	12,000	12,000	13,000
185									
186									
201						10,000			
202									
203	331,300	131,300	321,300	64,300	115,300	160,300	85,300	25,300	55,557
204									
205									
206	3,269,361	3,044,393	3,018,525	2,863,803	2,981,122	2,938,537	2,784,124	2,877,224	3,032,844
207	106,332	105,432	166,579	181,619	72,715	5,886	178,400	180,921	171,261
208	(331,300)	(131,300)	(321,300)	(64,300)	(115,300)	(160,300)	(85,300)	(25,300)	(55,557)
209	3,044,393	3,018,525	2,863,803	2,981,122	2,938,537	2,784,124	2,877,224	3,032,844	3,148,548
210									
211									
212	(400,000)	(400,000)	(400,000)	(400,000)	(400,000)	(400,000)	(400,000)	(400,000)	(400,000)
213	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)
217	(270,000)	(270,000)	(270,000)	(270,000)	(270,000)	(270,000)	(270,000)	(270,000)	(270,000)
218	(480,000)	(480,000)	(480,000)	(480,000)	(480,000)	(480,000)	(480,000)	(480,000)	(480,000)
219	699,393	673,525	518,803	636,122	593,537	439,124	532,224	687,844	803,548
220	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
221	(1,300,607)	(1,326,475)	(1,481,197)	(1,363,878)	(1,406,463)	(1,560,876)	(1,467,776)	(1,312,156)	(1,196,452)
222									
223									
224									
225									
226									
227									



BORREGO WATER DISTRICT

	H	I	J	K	L	M
114						
115				BALANCE SHEET	BALANCE SHEET	MONTHLY
116				September 30, 2016	August 31, 2016	CHANGE
117				(unaudited)	(unaudited)	(unaudited)
118			ASSETS:			
119						
120				CURRENT ASSETS		
121				\$ 3,269,361.28	\$ 3,240,928.75	\$ 28,432.53
122				\$ 466,272.68	\$ 455,748.18	\$ 10,524.50
123				\$ -	\$ -	\$ -
124				\$ 126,603.50	\$ 135,084.81	\$ (8,481.31)
125				\$ -	\$ -	\$ -
126				\$ -	\$ -	\$ -
127				\$ -	\$ -	\$ -
128				\$ 58,369.89	\$ 58,369.89	\$ -
129				\$ -	\$ -	\$ -
130						
131				\$ 3,920,607.35	\$ 3,890,131.63	\$ 30,475.72
132						
133				RESTRICTED ASSETS		
134				Debt Service:		
135				\$ 112,546.17	\$ 112,546.17	\$ -
136				\$ 79,477.75	\$ 79,477.75	\$ -
137				\$ 49,669.00	\$ 49,669.00	\$ -
138				\$ 138,759.00	\$ 138,759.00	\$ -
139				\$ 380,451.92	\$ 380,451.92	\$ -
140						
141				Trust fund:		
142				\$ 119,534.50	\$ 124,646.59	\$ (5,112.09)
143				\$ 119,534.50	\$ 124,646.59	\$ (5,112.09)
144						
145				\$ 499,986.42	\$ 505,098.51	
146						
147				UTILITY PLANT IN SERVICE		
148				\$ 2,321,191.65	\$ 2,321,191.65	\$ -
149				\$ 4,319,603.58	\$ 4,319,603.58	\$ -
150				\$ 262,519.98	\$ 257,748.39	\$ 4,771.59
151				\$ 5,887,919.81	\$ 5,877,882.57	\$ 10,037.24
152				\$ 10,800,433.71	\$ 10,800,433.71	\$ -
153				\$ -	\$ -	\$ -
154				\$ 1,006,881.13	\$ 1,006,881.13	\$ -
155				\$ 433,383.77	\$ 433,383.77	\$ -
156				\$ 582,802.28	\$ 582,802.28	\$ -
157				\$ (12,141,280.70)	\$ (12,141,280.70)	\$ -
158						\$ -
159				\$ 13,473,455.21	\$ 13,458,646.38	\$ 14,808.83
160						
161				OTHER ASSETS		
162				\$ 185,000.00	\$ 185,000.00	\$ -
163						
164				\$ 185,000.00	\$ 185,000.00	
165						
166				\$ 18,079,048.98	\$ 18,038,876.52	\$ 40,172.46
167						
168						
169						
170						
171						
172						
173						
174						
175						

	H	I	J	K	L	M
176						
177	Balance sheet continued					
178				BALANCE SHEET	BALANCE SHEET	MONTHLY
179				September 30, 2016	August 31, 2016	CHANGE
180				(unaudited)	(unaudited)	(unaudited)
181				LIABILITIES:		
182						
183						
184	CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS					
185	Accounts Payable			\$ 34,243.61	\$ 33,397.70	\$ 845.91
186	Accrued expenses			\$ 146,789.17	\$ 146,789.17	\$ -
187	Deferred Revenue			\$ -	\$ -	\$ -
188	Deposits			\$ 1,200.00	\$ 1,200.00	\$ -
189						
190		TOTAL CURRENT LIABILITIES PAYABLE				
191		FROM CURRENT ASSETS		\$ 182,232.78	\$ 181,386.87	\$ 845.91
192						
193	CURRENT LIABILITIES PAYABLE FOM RESTRICTED ASSETS					
194	Debt Service:					
195	Accounts Payable to CFD 2007-1			\$ 119,534.50	\$ 124,646.59	\$ (5,112.09)
196	Tier 2 Rate Refund Payable			\$ -	\$ -	\$ -
197						
198		TOTAL CURRENT LIABILITIES PAYABLE				
199		FROM RESTRICTED ASSETS		\$ 119,534.50	\$ 124,646.59	\$ (5,112.09)
200						
201	LONG TERM LIABILITIES					
202	2008 Certificates of participation			\$ 2,330,000.00	\$ 2,475,000.00	\$ (145,000.00)
203	BBVA Compass Bank Loan			\$ 1,013,962.32	\$ 1,013,962.32	\$ -
204	Net Pension Liability-calPERS			\$ 699,055.00	\$ 699,055.00	\$ -
205	Deferred Inflow of Resources-calPERS			\$ 160,113.00	\$ 160,113.00	\$ -
206						
207		TOTAL LONG TERM LIABILITIES		\$ 4,203,130.32	\$ 4,348,130.32	\$ (145,000.00)
208						
209		TOTAL LIABILITIES		\$ 4,504,897.60	\$ 4,654,163.78	\$ (149,266.18)
210						
211	FUND EQUITY					
212	Contributed equity			\$ 9,611,814.35	\$ 9,611,814.35	\$ -
213						
214	Retained Earnings:					
215	Unrestricted Reserves/Retained Earnings			\$ 3,962,337.03	\$ 3,772,898.39	\$ 189,438.64
216						
217	Total retained earnings			\$ 3,962,337.03	\$ 3,772,898.39	\$ 189,438.64
218						
219		TOTAL FUND EQUITY		\$ 13,574,151.38	\$ 13,384,712.74	\$ 189,438.64
220						
221		TOTAL LIABILITIES AND FUND EQUITY		\$ 18,079,048.98	\$ 18,038,876.52	\$ 40,172.46
222						
223						
224						



BORREGO WATER DISTRICT

TREASURER'S REPORT SEPTEMBER, 2016

Bank Balance	Carrying Value	Fair Value	% of Portfolio				Valuation Source
			Current Actual	Rate of Interest	Maturity		

Cash and Cash Equivalents:

Demand Accounts at UB/LAIF

General Account/Petty Cash	\$ 3,253,629	\$ 3,194,314	\$ 3,194,314	95.84%	0.00%	N/A	UB
Payroll Account	\$ 55,699	\$ 53,976	\$ 53,976	3.51%	0.00%	N/A	UB
LAIF	\$ 21,071	\$ 21,071	\$ 21,071	0.65%	0.55%	N/A	LAIF

Total Cash and Cash Equivalents	\$ 3,330,400	\$ 3,269,361	\$ 3,269,361	100.00%			
--	---------------------	---------------------	---------------------	----------------	--	--	--

Facilities District No. 2007-1

First American Treas Obligation -US BANK	\$ 119,535	\$ 119,535	\$ 119,535				
--	------------	------------	------------	--	--	--	--

Total Cash, Cash Equivalents & Investments	\$ 3,372,263	\$ 3,365,575	\$ 3,365,575				
---	---------------------	---------------------	---------------------	--	--	--	--

Cash and investments conform to the District's Investment Policy statement filed with the Board of Directors on July 19, 2016

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, 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 September, 2016

Vendor disbursements paid during this period: **\$ 336,406.62**

Significant items:

San Diego Gas & Electric	\$	32,389.46
CalPERS Payments	\$	9,969.53
Medical Health Benefits	\$	22,432.67
Citizens Bank-Debt Payment ID4 COP	\$	200,687.50

Capital Projects/Fixed Asset Outlays:

Hidden Valley Pump-Transfer Switch WWTP	\$	10,037.24
---	----	-----------

Total Professional Services for this Period:

McDougal, Love, Eckis, Attorneys	Legal-general	\$	907.50
North Gardens Mgmt.-David Dale	Engineering	\$	9,382.50

Payroll for this Period:

Gross Payroll	\$	64,100.24
Employer Payroll Taxes and ADP Fee	\$	1,733.09
Total	\$	65,833.33

Accounts Payable

Checks by Date - Summary by Vendor Number

User: ezmeralda
Printed: 10/20/2016 9:20 AM



BORREGO WATER DISTRICT

Vendor No	Vendor Name	Check Amount
1001	AMERICAN LINEN INC.	438.43
1003	BORREGO SPRINGS BOTTLED WATER	119.52
1012	HIDDEN VALLEY PUMP SYSTEMS INC	10,037.24
1016	NAPA AUTO PARTS INC	552.01
1022	JAMES HORMUTH	644.20
1023	UNDERGROUND SERVICE ALERT	4.50
1027	VICTOR VALENTI	1,581.41
1033	QUILL CORPORATION	493.38
1037	BORREGO SUN	36.00
1059	STAPLES CREDIT PLAN	152.25
1065	SAN DIEGO GAS & ELECTRIC	32,389.46
1067	KENNY STRICKLAND, INC.	2,050.45
10847	USA COMMUNICATIONS	269.01
10848	ACCO BRANDS DIRECT	234.04
1094	EMPIRE SOUTHWEST	2,431.00
1100	VERIZON WIRELESS	228.50
1109	ABILITY ANSWERING/PAGING SER	231.85
1136	HOME DEPOT CREDIT SERVICES	526.60
1208	PACIFIC PIPELINE SUPPLY INC	4,881.38
1222	DEBBIE MORETTI	122.00
1233	SUNSET ELECTRIC POWER	1,370.68
1266	AFLAC	1,834.90
1489	NORTH COUNTY LAWNMOWER	952.52
1623	WENDY QUINN	375.00
3000	U.S.BANK CORPORATE PAYMENT SYS	2,387.32
3007	SAN DIEGO COUNTY TREASURER	51.36
3011	PUBLIC EMP'S RETIREMENT SYSTEM	9,969.53
3015	PITNEY BOWES INC	274.98
3024	FED EX	123.72
3035	ACWA/JPIA	22,432.67
39	DAVID TAUSSIG & ASSOCIATES,INC	1,945.76
65	JC LABS & MONITORING SERVICE	1,500.00
74	WESTERN PUMP, INC	1,755.04
78	SOUTHLAND WATER TECHNOLOGIES	330.92
84	NORTH GARDENS MANAGEMENT, LLC	9,382.50
88	BORREGO AUTO PARTS, INC.	662.50
92	XEROX FINANCIAL SERVICES	377.88
9255	BABCOCK LABRATORIES	655.00
9272	AMERICAN WATER WORKS	420.00
9338	AMERICAN BACKFLOW SPECIALTIES	320.10
9339	CEB	167.71
94	WILLOW INDUSTRIES, LLC	2,849.50
9418	CITIZENS BUSINESS BANK	200,687.50
9452	JIMMY'S EQUIPMENT & TURF SUPP.	171.47
9521	AdvizeX Technologies,LLC	1,617.36
9529	AT&T-CALNET 2	1,024.37
9549	McDOUGAL LOVE ECKIS	907.50

Vendor No	Vendor Name	Check Amount
9579	GREEN DESERT LANDSCAPE	9,540.00
96	DISH	80.74
9601	SYNECO SYSTEMS,INC	561.08
9627	LIDLAW PLUMBING	541.90
9633	RAMONA DISPOSAL SERVICE	3,311.88
9788	RODRIGO RODRIGUEZ	400.00

Report Total (71 checks):

336,406.62



ITEM III C
WATER AND WASTE
WATER OPERATIONS
REPORT

September 2016

WATER OPERATIONS REPORT

WELL	TYPE	FLOW RATE	STATUS	COMMENT
ID1-8	Production	350	In Use	
ID1-10	Production	300	In Use	
ID1-12	Production	900	In Use	
ID1-16	Production	750	In Use	
Wilcox	Production	80	In Use	Diesel backup well for ID-4
ID4-4	Production	400	In Use	
ID4-11	Production	900	In Use	Diesel engine drive exercised monthly
ID4-18	Production	150	In Use	
ID5-5	Production	850	In Use	

System Problems: All Production Wells and reservoirs are in operating condition. Planning has begun on the new 900 tank.

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: 54,400 (gallons per day)

Peak flow: 71,243 gpd Tuesday September 20, 2016

The logo of the Borrego Water District is a circular emblem. It features a central figure of a Native American man in traditional dress, holding a bow and arrow. The background of the emblem shows a landscape with a mountain range and a winding river. The text "BORREGO WATER DISTRICT" is written around the perimeter of the circle, and "EST. 1962" is at the bottom. The logo is rendered in a light, semi-transparent blue and tan color.

ITEM III D
WATER PRODUCTION
/USE RECORDS



BORREGO WATER DISTRICT

WATER PRODUCTION SUMMARY SEPTEMBER 2016

DATE	ID-1	ID-3	ID-4	DISTRICT-WIDE TOTALS
Sep-14	89.33	10.49	142.82	242.64
Oct-14	99.66	9.71	130.38	239.75
Nov-14	71.94	10.32	123.00	205.26
Dec-14	38.95	6.96	95.47	141.38
Jan-15	32.95	6.38	85.84	125.17
Feb-15	22.13	6.15	86.06	114.34
Mar-15	16.78	5.94	86.54	109.26
Apr-15	32.79	8.30	129.76	170.85
May-15	29.25	7.28	104.29	140.82
Jun-15	32.44	9.02	116.67	158.13
Jul-15	29.94	10.04	108.89	148.87
Aug-15	28.19	8.51	113.56	150.26
Sep-15	29.17	9.63	132.98	171.78
Oct-15	32.88	9.23	117.32	159.43
Nov-15	25.27	8.24	113.84	147.35
Dec-15	17.25	7.39	99.01	123.65
Jan-16	13.70	7.25	72.07	93.02
Feb-16	12.96	7.04	91.40	111.40
Mar-16	13.87	6.51	86.66	107.04
Apr-16	17.04	7.99	94.32	119.35
May-16	15.29	7.70	92.56	115.55
Jun-16	23.28	10.06	114.11	147.45
Jul-16	26.11	9.63	115.08	150.82
Aug-16	31.79	11.76	141.89	185.44
Sep-16	36.37	10.22	118.51	165.10
12 Mo. TOTAL	265.81	103.02	1256.77	1625.60

Totals reflect individual improvement district usage. Interties from ID-3 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 (%)

PROGRAM DID NOT CALCULATE WATER LOSS FOR JANUARY IN TIME FOR THIS REPORT

DATE	ID-1	ID-3	ID-4	ID-5	DISTRICT-WIDE AVERAGE
Sep-16	5.46	2.74	-1.19	N/A	2.34
12 Mo. Average	5.61	3.73	14.75	N/A	8.03

BORREGO WATER DISTRICT
Water Production / Use Records

ID # 1

Month of September 2016

----- Water Production (Acre Feet) -----									
Date	Well 1	Well 2	Well 8	Well 10	Well 12	Well 16	-Wells1&2	=TotProdn	LessID3&4
=====	=====	=====	=====	=====	=====	=====	=====	=====	=====
SEP'15	26.32	0.00	17.31	8.03	8.96	4.50	26.32	38.80	29.17

OCT'15	22.39	0.00	0.03	3.93	24.16	13.99	22.39	42.11	32.88
NOV'15	10.12	12.75	0.05	10.48	21.01	1.97	22.87	33.51	25.27
DEC'15	9.77	10.22	0.02	7.65	16.96	0.01	19.99	24.64	17.25
JAN'16	1.88	1.37	1.36	6.34	12.20	1.05	3.25	20.95	13.70
FEB'16	0.02	0.53	7.60	3.73	8.44	0.23	0.55	20.00	12.96
MAR'16	0.00	4.45	17.78	0.09	1.91	0.60	4.45	20.38	13.87
APR'16	0.50	10.87	19.92	0.06	5.03	0.02	11.37	25.03	17.04
MAY'16	9.10	10.31	11.15	0.00	11.84	0.00	19.41	22.99	15.29
JUN'16	7.89	9.98	3.55	0.00	29.79	0.00	17.87	33.34	23.28
JUL'16	0.01	6.10	1.30	0.00	34.44	0.00	6.11	35.74	26.11
AUG'16	0.00	11.63	0.01	0.00	43.54	0.00	11.63	43.55	31.79
SEP'16	0.00	9.98	1.47	0.00	45.12	0.00	9.98	46.59	36.37

TOTALS	61.68	88.19	64.24	32.28	254.44	17.87	149.87	368.83	265.81
=====	=====	=====	=====	=====	=====	=====	=====	=====	=====

----- Water Use (Acre Feet) -----										
Date	Domestic	Irrigat'n	Constrt'n	Golf Course	Golf Spare Cap	ID 3	ID 4	Total	Water Loss	% Loss
=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====
SEP'15	10.22	13.04	0.00	0.00	2.57	9.63	0.00	35.46	3.34	8.61%

OCT'15	10.67	11.10	0.00	0.00	8.19	9.23	0.00	39.19	2.92	6.94%
NOV'15	10.12	8.67	0.00	0.00	4.22	8.24	0.00	31.25	2.26	6.74%
DEC'15	8.03	6.95	0.00	0.00	0.00	7.39	0.00	22.37	2.27	9.24%
JAN'16	7.26	4.29	0.00	0.00	0.00	7.25	0.00	18.80	2.15	10.31%
FEB'16	7.19	5.38	0.00	0.00	0.00	7.04	0.00	19.61	0.39	1.95%
MAR'16	6.68	5.79	0.00	0.00	0.00	6.51	0.00	18.98	1.40	6.88%
APR'16	8.08	7.46	0.00	0.00	0.00	7.99	0.00	23.53	1.50	5.96%
MAY'16	7.05	7.79	0.00	0.00	0.00	7.70	0.00	22.54	0.45	1.98%
JUN'16	9.74	11.10	0.00	0.00	0.00	10.06	0.00	30.90	2.44	7.34%
JUL'16	10.39	15.00	0.00	0.00	0.00	9.63	0.00	35.02	0.72	2.02%
AUG'16	11.15	18.86	0.17	0.00	0.00	11.76	0.00	41.94	1.61	3.69%
SEP'16	11.49	21.96	0.38	0.00	0.00	10.22	0.00	44.05	2.54	5.46%

TOTALS	107.85	124.35	0.55	0.00	12.41	103.02	0.00	348.18	20.65	5.61%
=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====

BORREGO WATER DISTRICT
 Water Production / Use Records
 ID # 3
 Month of September 2016

Date	La Casa del Zorro Total Acre Feet		Deep Well Trail / Others Acre Feet			Total Irrigat'n	Total Domestic	Total Acre Feet
	Irrigat'n	Domestic	Irrigat'n	Domestic	Total			
SEP'15	0.00	3.33	0.14	6.03	6.17	0.14	9.36	9.50
OCT'15	0.00	3.36	0.22	5.49	5.71	0.22	8.85	9.07
NOV'15	0.00	3.10	0.08	4.97	5.05	0.08	8.07	8.15
DEC'15	0.00	2.91	0.07	4.23	4.30	0.07	7.14	7.21
JAN'16	0.00	2.86	0.09	4.06	4.15	0.09	6.92	7.01
FEB'16	0.00	2.54	0.12	4.58	4.70	0.12	7.12	7.24
MAR'16	0.00	2.37	0.10	3.82	3.92	0.10	6.19	6.29
APR'16	0.00	3.14	0.09	4.31	4.40	0.09	7.45	7.54
MAY'16	0.00	3.01	0.08	4.48	4.56	0.08	7.49	7.57
JUN'16	0.00	4.13	0.09	5.26	5.35	0.09	9.39	9.48
JUL'16	0.00	3.76	0.12	5.74	5.86	0.12	9.50	9.62
AUG'16	0.00	4.13	0.10	5.83	5.93	0.10	9.96	10.06
SEP'16	0.00	3.82	0.16	5.96	6.12	0.16	9.78	9.94
TOTALS	0.00	39.13	1.32	58.73	60.05	1.32	97.86	99.18

Date	Water Produced Acre Feet	Water Delivered Acre Feet	Wtr Loss	% Loss
SEP'15	9.63	9.50	0.13	1.35%
OCT'15	9.23	9.07	0.16	1.73%
NOV'15	8.24	8.15	0.09	1.09%
DEC'15	7.39	7.21	0.18	2.44%
JAN'16	7.25	7.01	0.24	3.31%
FEB'16	7.04	7.24	- .20	-2.84%
MAR'16	6.51	6.29	0.22	3.38%
APR'16	7.99	7.54	0.45	5.63%
MAY'16	7.70	7.57	0.13	1.69%
JUN'16	10.06	9.48	0.58	5.77%
JUL'16	9.63	9.62	0.01	0.10%
AUG'16	11.76	10.06	1.70	14.46%
SEP'16	10.22	9.94	0.28	2.74%
TOTALS	103.02	99.18	3.84	3.73%

BORREGO WATER DISTRICT
 Water Production / Use Records
 ID # 4
 Month of September 2016

----- 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
=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====
SEP'15	0.00	0.00	47.84	22.20	0.00	59.16	3.74	0.04	0.00	132.98	132.98
OCT'15	0.00	0.00	41.80	20.80	0.00	51.34	3.38	0.00	0.00	117.32	117.32
NOV'15	0.00	0.00	42.96	18.46	0.00	49.35	3.07	0.00	0.00	113.84	113.84
DEC'15	0.00	0.00	44.32	16.53	0.00	35.72	2.44	0.00	0.00	99.01	99.01
JAN'16	0.00	0.00	43.27	12.26	0.00	15.00	1.54	0.00	0.00	72.07	72.07
FEB'16	0.00	0.00	46.93	16.74	0.00	25.44	2.25	0.04	0.00	91.40	91.40
MAR'16	0.00	0.00	38.74	15.50	0.00	30.20	2.14	0.08	0.00	86.66	86.66
APR'16	0.00	0.00	40.13	16.85	0.00	34.93	2.41	0.00	0.00	94.32	94.32
MAY'16	0.00	0.00	38.11	15.97	0.00	36.10	2.38	0.00	0.00	92.56	92.56
JUN'16	0.00	0.00	45.59	18.55	0.00	46.88	3.09	0.00	0.00	114.11	114.11
JUL'16	0.00	0.00	39.11	19.20	0.00	53.78	2.99	0.00	0.00	115.08	115.08
AUG'16	0.00	0.00	43.40	22.94	0.00	66.98	4.06	4.51	0.00	141.89	141.89
SEP'16	0.00	0.00	37.80	20.73	0.00	56.61	3.37	0.00	0.00	118.51	118.51
TOTALS	0.00	0.00	502.16	214.53	0.00	502.33	33.12	4.63	0.00	1256.77	1256.77
=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====

Date	Water Produced Acre Feet	Water Use Acre Feet	Wtr Loss	% Loss	ID 5 Acre Feet
=====	=====	=====	=====	=====	=====
SEP'15	132.98	108.92	24.06	18.09%	0.00
OCT'15	117.32	100.23	17.09	14.57%	0.00
NOV'15	113.84	94.66	19.18	16.85%	0.00
DEC'15	99.01	83.23	15.78	15.94%	0.00
JAN'16	72.07	58.73	13.34	18.51%	0.00
FEB'16	91.40	74.06	17.34	18.97%	0.00
MAR'16	86.66	73.79	12.87	14.85%	0.00
APR'16	94.32	78.79	15.53	16.47%	0.00
MAY'16	92.56	78.02	14.54	15.71%	0.00
JUN'16	114.11	96.77	17.34	15.20%	0.00
JUL'16	115.08	97.17	17.91	15.56%	0.00
AUG'16	141.89	116.08	25.81	18.19%	0.00
SEP'16	118.51	119.92	-1.41	-1.19%	0.00
TOTALS	1256.77	1071.45	185.32	14.75%	0.00
=====	=====	=====	=====	=====	=====

BOARD OF DIRECTORS MEETING – OCTOBER 26, 2016

AGENDA BILL V

October 20, 2016

TO: Board of Directors
FROM: Geoff Poole, General Manager
SUBJECT: Information Items Summary – G Poole

RECOMMENDED ACTION: Receive and review written summary of the Informational Items on the Agenda

ITEM EXPLANATION: Following is a summary of the Informational Items on the Agenda.

- A. Discussion of Potential Water Bond Measure – G. Poole (72-73)**
 - i. BWD staff has been contacted by the Author of a planned 2018 Statewide Water Bond measure, in which a portion of the proceeds would be dedicated to BWD. Written information received from the Author is attached.
- B. Borrego Water District Website update – G. Poole**
 - i. BWD is working on the transfer of information from the previous server and software to the new system currently being installed at BWD. The plan is for BWD staff to input and maintain the information once the website is created. Some outside assistance would be greatly beneficial for website design efforts. In discussing this issue with Director Tatusko, he mentioned the possibility of using local high school students for the activity. I contacted Martha and a student has been selected for this project. We are currently working on a budget and other project specifics.
- C. Discussion of Contract Review and Process - J Tatusko (74)**
 - i. Director Tatusko asked for item to be placed on the Agenda.
- D. Salton Sea Article – J. Tatusko (75)**
- E. Union Tribune Article on Borrego Groundwater Sustainability Plan - J Tatusko (76)**
 - i. Director Tatusko also requested that these two articles be provided to the Board
- F. Future Events Calendar – G. Poole (77-80)**
 - i. The new and updated Future Events Calendar will be provided in the Final Board Packet distributed later this week.

FISCAL IMPACT: N/A

ATTACHMENTS: Page numbers on the items with Attachments are shown above in **Bold Print**.

86113.

(a) For purposes of this Section, "District" means the Borrego Water District.

(b) Of the amount appropriated in Section 86110, twenty million dollars (\$20,000,000) shall be awarded as a grant to the District) for acquisition of land (including acquisition of the right to pump groundwater) from willing sellers to reduce groundwater pumping in order to bring groundwater pumping within the boundaries of the district to a level which is sustainable on a long term basis. The district may award grants to nonprofit organizations in order to carry out all or part of this program.

(c) Lands acquired may be transferred to the California Department of Parks and Recreation or another public agency for future management.

(d) No cost sharing is required to implement this section. This is justified because the community of Borrego Springs is a disadvantaged community, and because excessive groundwater pumping can impact important resources in Anza-Borrego Desert State Park whose 500,000 annual visitors contribute an estimated \$40 million annually to the region, as well as support 600 jobs.

(e) As a condition of this grant, the District must implement measures which assure that lands not presently being irrigated will not come into irrigation, or that presently irrigated lands will not become more intensively irrigated, if such new or increased irrigation would reduce the sustainability of groundwater pumping within the boundaries of the District.

(f) (1) The District or a nonprofit organization that receives funding under this chapter to acquire an interest in land may use up to twenty percent (20%) of those funds to establish a trust fund that is exclusively used to help pay for the maintenance, monitoring and restoration of that interest in land.

(2) The District or a nonprofit organization that acquires an interest in land with money from this chapter and transfers the interest in land to another public agency or nonprofit organization shall also transfer the ownership of the trust fund that was established to maintain that interest in land.

(3) This section does not apply to state agencies.

(4) If the District or nonprofit organization does not establish a trust fund pursuant to subdivision (a), the agency or organization shall certify to the department that it can maintain the land to be acquired from funds otherwise available to the agency or organization.

(5) If the interest in land is condemned or if the District or nonprofit organization determines that the interest in land is unable to fulfill the purposes for which money from this chapter was expended, the trust fund and any unexpended interest are appropriated to the department. The funds returned to the agency may be utilized only for projects pursuant to this chapter.

(g) Any funds not needed by the District to implement the program described in this section may be granted by the District to a nonprofit organization or the California Department of Parks and Recreation to acquire lands adjacent or in the immediate proximity of Anza-Borrego Desert State Park to prevent development or irrigation of that land which might impact groundwater resources in the Park. These

lands may be inside or outside the boundaries of the District, but within the boundaries of the Borrego Valley Groundwater Basin, the source of all potable water for the Borrego Springs community and visitors to the Park, and for habitat within the basin

BORREGO WATER DISTRICT (BWD)

CONTRACT REVIEW PROCESS

The project review process ensures a through vetting of contractors, products and bid detail to ensure value to the BWD rate payers.

Please review the project specific documentation and attach comments with recommendations sign, and date when all parties agree at a BWD Board meeting.

BWD Legal review _____

BWD GM review _____

BWD Engineer review _____

O&M ad hoc committee review

BWD accounting review _____

AVERTING LOOMING CRISIS FROM A SHRINKING SALTON SEA

BY ALLISON HARVEY
TURNER & BARRY GOLD

Until recently, most people weren't familiar with the Salton Sea. But as California's largest lake has rapidly receded over the last several years, it has begun to grab national headlines as the site of several doomsday scenarios for public health, the environment and the economy.

As the water level drops, miles of lake bed are exposed. The parched earth gets kicked up into hazardous dust storms that contribute to the highest asthma-hospitalization rate in the state. Left unabated, the Salton Sea lake bed could become the largest source of particulate air pollution in North America, threatening the health of hundreds of thousands of people in California and the Mexican state of Baja.

The increasing concentration of salt and decreasing oxygen in the water has killed off most fish in the sea and imperiled hundreds of bird species that rely on the area for critical habitat. If current trends continue, a vastly shrunken, fetid lake will remain that is of no use to birds, fish, or people. Its demise risks regional property values, recreational value and agricultural production.

Fortunately, a more hopeful story is emerging about the Salton Sea. The Obama administration and the state of California re-



MARK BOSTER LOS ANGELES TIMES
Dead trees, debris and dead fish dot the shoreline of the Salton Sea. The state and federal government are trying to reverse the degradation of the sea.

cently announced an agreement to stop the Salton Sea's looming collapse. Building on California's \$80 million commitment in its 2016-2017 budget and the groundwork laid by the Imperial Irrigation District, President Obama committed \$30 million to accelerating habitat and dust suppression projects across 25,000 acres, improving air and water quality, and restoring fish and wildlife habitat.

In support of this agreement, the Walton Family Foundation, the S.D. Bech-

tel Jr. Foundation, The Rockefeller Foundation, and several other philanthropic organizations that make up the Water Funder Initiative's Lower Colorado working group are proud to have set a goal of providing \$10 million over five years to support implementation of a comprehensive plan to protect public health and the environment, promote drought resilience and encourage renewable energy and restoration efforts at the Salton Sea. We view this potential funding as key to conservation efforts and as

an incentive to develop the kind of comprehensive, far-reaching and collaborative plan it will take to solve the Salton Sea crisis.

The stakes are high — and extend beyond southern California. Failure to address the sea's problems will hinder California's efforts to work with Arizona, Nevada and the federal government to stave off a water shortage in the Southwest. In August, the Bureau of Reclamation forecast a more than 50 percent likelihood that shortage would occur in

2018, based on Lake Mead elevations. Lake Mead is the reservoir on the Colorado River that provides water to Arizona, Nevada and California — including farmers in the Imperial and Coachella valleys and urban residents in Los Angeles and San Diego. The three states have been negotiating a plan to stabilize Lake Mead and respond to the drought for months, but a long-term plan depends on California solving the Salton Sea crisis.

This agreement is a critical first step. Now, California and the federal government must create and enact a plan that protects public health, promotes environmental and social justice for local communities, and provides habitat for the more than 400 bird species that rely on a healthy Salton Sea. California has long recognized the need to address the

sea's mounting problems. In 2003, the state committed to developing and funding a Salton Sea management plan. Last October, the state committed to constructing 18,000 to 25,000 acres of habitat and dust control projects in the next decade. This federal-state agreement must spur immediate on-the-ground action on these commitments.

In addition, management of the Salton Sea must be coordinated with California's participation in drought contingency plan-

ning with Arizona and Nevada. The Salton Sea's problems are symptomatic of problems across the Colorado River basin. If we treat the two as separate, solving one set of problems at the expense of the other will create a larger crisis that could reverberate across the West.

Next, there should be a parallel, coordinated effort to develop the Imperial Valley's clean, renewable energy resources. The untapped energy potential in the area could help the state meet its mandate of 50 percent renewable energy by 2030, save energy consumers hundreds of millions of dollars annually, and jump-start the local economy.

Finally, California and the federal government must provide sufficient funding to fulfill the objectives of the Salton Sea management plan.

This new federal-state partnership paves the way for a comprehensive package of multi-benefit solutions. We can solve the Salton Sea crisis, and if we do it right, we'll not only protect public health, the environment and the economy of southeastern California — we'll ensure the long-term sustainability of the Colorado River, the lifeblood of the West.

Turner is the environment program director at the S.D. Bechtel Jr. Foundation. Gold is the environment program director at the Walton Family Foundation.

Wed
October 19, 2016

Plan to solve Borrego's water crisis beginning

BORREGO SPRINGS

San Diego County is expected this week to enter into an agreement with the Borrego Water District to begin joint preparation of a Groundwater Sustainability Plan aimed at solving the depletion of the underground water table that feeds the Borrego Valley, including Borrego Springs.

The county will commit an initial \$500,000 to the agreement and \$700,000 later as work proceeds on the plan, which is needed to avoid state intervention.

For decades, residents of Borrego Springs have been sucking more water out of the underground lake beneath the town than is replenished each year. If that trend isn't reversed, eventually the water level in the aquifer will get so low that the cost of pumping it out of the ground could become prohibitive. The quality of the water could also diminish as pumps go deeper, officials have said.

The problem is that Borrego Springs has no feasible way to import water. It relies completely on the underground aquifer that on average is replenished by nature each year to the tune of about 1.8 billion gallons. The amount of water pumped out of the aquifer each year is far greater — most recently, 6.1 billion gallons annually.

In 2014, Gov. Jerry Brown signed legislation that provides a framework to regulate groundwater for the first time in California history.

Borrego's plan will focus on reducing agriculture in the northern part of the valley where citrus and palm farms consume 70 to 80 percent of underground water. No matter what conservation measures are taken elsewhere, unless half or even more of the farms stop production, it's unlikely the aquifer will ever reach stability, experts say.

The new Memorandum of Understanding expected to be authorized Wednesday by the San Diego County Board of Supervisors will establish the terms under which the county and the water district will work to prepare a plan that must be completed by 2020.

The plan must then be implemented and progress has to be shown until 2040, by which time the amount of water being pumped out of the ground can be no greater than what is naturally replenished.

Contract / Project	October	November	December
PAYMENTS			
T2 Borrego			12/31/14: T2 to purchase land to fallow 12/31/18 lease expires Send invoice for Spare Capacity
P & I Payment for ID4 COP's			
Compass Bank	Payment due December 1st.		
CONTRACTS			
<small>American Red Cross-can cancel any time</small>			
Club Circle (Cameron)			
Green Desert Landscape			
Xerox			
Pitney Bowes - postage machine			
San Diego Mailing Solutions (Annual maintenance - postage and stuffer machine)			
Ramona Disposal - Club Circle			rate valid until 12/2016
Ramona Disposal - BWD Dumpsters			rate valid until 12/2016
REPORTS			
CASGEM		Submit CASGEM water level data	
CCR	10/1/15 Mail CCR Certification form		
Cameron Bros. Water Usage Report (golf course) to county	Send to County DPLU by 10/31		
Santago Estate			
Annual EAR Report (CDHS)			
Check fallow property for water usage			
Report Conservation efforts to State		Report Due	
Surplus Water Activity			
ADMINISTRATIVE			
Audit			
Budget			
Business Plan			
Utility Rate Study Schedule			
Groundwater Sustainability Plan (GSP)			Agree on GSP funding mechanism; start GSP development
BVG GSP Consultant Selection Process and GSP Development Scheduling		2016: Advertise and Issue RFP	
Investment Policy			
Special Assessments / tax bill resolutions- Taussig			
Town Hall Meeting			
Borrego Water Advisory Committee (BWAC) Formation			2016: BWAC Member Nominations
Water Credit Policy			
Storage/blending infrastructure project			

Contract / Project	January	February	March
PAYMENTS			
T2 Borrego	1/1/15: Pay spare cost in advance		
P & I Payment for ID4 COP's			1st half of payments due
Compass Bank		2016 - payment due March 1st.	
CONTRACTS			
<small>American Red Cross-can cancel any time</small>			
Club Circle (Cameron)		option to renew lease by 2/28/2017	
Green Desert Landscape		discuss w/ Bob the option of continuing with contract 2/28/2017	
Xerox			
Pitney Bowes - postage machine			
San Diego Mailing Solutions (Annual maintenance - postage and stuffer machine)			
Ramona Disposal - Club Circle			
Ramona Disposal - BWD Dumpsters			
REPORTS			
CASGEM			
CCR			
Cameron Bros. Water Usage Report (golf course) to county			
Santago Estate			
Annual EAR Report (CDHS)			Due 3/31 for previous year
Check fallow property for water usage			
Report Conservation efforts to State			
Surplus Water Activity			
ADMINISTRATIVE			
Audit			
Budget			Pump check
Business Plan	Raftelis begins rate analysis	February 2016 -Update Development Fees (water credits & infrastructure buy-in costs for new connections)	Prop 218 rate for FY 2017 - Fy 2021 public hearing
Utility Rate Study Schedule	Preliminary Rates Disseminated by 1/29/2016	Rates Finalized 2/19/2016 Initial Draft Report Disseminated 2/24/2016 Prop 218 Notice Mailed 2/26/2016	Receive edits and finalize report
Groundwater Sustainability Plan (GSP)	District Meeting Jan. 20 to discuss policy recommendations, DRAFT MOU between County & District. Submit boundary adjustment to DWR	District Meeting February 17th to discuss policy recommendations, Draft MOU of County and District with Coalition; proposal for mechanism(s) to pay for GSP development	
BVG GSP Consultant Selection Process and GSP Development Scheduling			2017: Consultant Notice to Proceed; 2017-2019: GSP Development
Investment Policy			
Special Assessments / tax bill resolutions-Taussig			
Town Hall Meeting			March 2017'
Borrego Water Advisory Committee (BWAC)Formation			
Water Credit Policy			2015- Check if pricing needs to be adjusted (moved to due diligence)
Storage/blending infrastructure project			

Contract / Project	April	May	June
PAYMENTS			
T2 Borrego	Raftelis spare capacity cost analysis	5/1/15 Notice of 2015/2016 spare capacity due.	
P & I Payment for ID4 COP's			
Compass Bank		2016-payment due June 1st.	
CONTRACTS			
<small>American Red Cross-can cancel any time</small>			
Club Circle (Cameron)			Lease expires 6/30/2017
Green Desert Landscape			Agreement expires 6/30/2017
Xerox			
Pitney Bowes - postage machine	4/1/2017 send letter of cancellation if desired		
San Diego Mailing Solutions (Annual maintenance - postage and stuffer machine)			
Ramona Disposal - Club Circle			
Ramona Disposal - BWD Dumpsters			
REPORTS			
CASGEM	Submit CASGEM water level data		
CCR			
Cameron Bros. Water Usage Report (golf course) to county			
Santago Estate			Occupancy report due
Annual EAR Report (CDHS)			
Check fallow property for water usage			
Report Conservation efforts to State			
Surplus Water Activity	4/1/17: Calculate Surplus Water Activity	05/01/17: Notify Rams Hill of Surplus Water Availability	
ADMINISTRATIVE			
Audit			
Budget	CIP meeting, draft budget document	Final Budget document / FY Rate Resolution	Approval of Budget June 9th
Business Plan		FY Budget and new rates approved	
Utility Rate Study Schedule			Public Hearing 6/9/2016
Groundwater Sustainability Plan (GSP)	<small>District Meeting March 17th to discuss policy recommendations, Draft MOU between County and District; DRAFT MOU of County and District with Coalition; proposal for mechanism(s) to pay for GSP development</small>		
BVG GSP Consultant Selection Process and GSP Development Scheduling			
Investment Policy			Investment polices restated
Special Assessments / tax bill resolutions- Taussig			Special Assessments resolutions due
Town Hall Meeting			
Borrego Water Advisory Committee (BWAC) Formation	2017: BWD/County approval of Nominations	2017: BWD/County approval of Nominations, Prepare By-Laws and Orientation	
Water Credit Policy			
Storage/blending infrastructure project			

Contract / Project	July	August	September
PAYMENTS			
T2 Borrego	7/1/17: establish water budget		
P & I Payment for ID4 COP's			2nd half of payments due
Compass Bank	1st payment due September 1st		
CONTRACTS			
<small>American Red Cross-can cancel any time</small>			
Club Circle (Cameron)			
Green Desert Landscape	Cost of Water Adjustment each July 1st. With Cameron		
Xerox	Lease contract expires 7/2020		
Pitney Bowes - postage machine	lease expires 7/2017		
San Diego Mailing Solutions (Annual maintenance - postage and stuffer machine)		Annual maintenance contract expires 10/6/16	
Ramona Disposal - Club Circle		contact RDS re: contract renewal	
Ramona Disposal - BWD Dumpsters		contact RDS re: contract renewal	
REPORTS			
CASGEM			
CCR	CCR to be distributed July 1st		
Cameron Bros. Water Usage Report (golf course) to county			
Santago Estate			
Annual EAR Report (CDHS)			
Check fallow property for water usage			Annual fallow property check
Report Conservation efforts to State			
Surplus Water Activity			
ADMINISTRATIVE			
Audit		Begin audit	Review of draft audit report
Budget			
Business Plan	New rates go into effect		March 2015-Identify & Implement Mechanism to pay for GSP costs. March 2016- Update rate structure & water, sewer & WWT rates
Utility Rate Study Schedule			
Groundwater Sustainability Plan (GSP)			DRAFT MOU of County and District with Coalition; proposal for mechanism(s) to pay for GSP development
BVG GSP Consultant Selection Process and GSP Development Scheduling			
Investment Policy			
Special Assessments / tax bill resolutions- Taussig			
Town Hall Meeting			
Borrego Water Advisory Committee (BWAC) Formation			
Water Credit Policy			
Storage/blending infrastructure project			