

Borrego Water District Board of Directors
Regular Meeting
July 25, 2018 @ 9:00 a.m.
806 Palm Canyon Drive
Borrego Springs, CA 92004

REMOTE ACCESS: <https://zoom.us> CALL IN: 669 900 6833 MEETING ID: 249 662 4514

I. OPENING PROCEDURES

- A. Call to Order
- B. Pledge of Allegiance
- C. Roll Call
 - *Director Joe Tatusko will be calling in from a remote location*
- D. Approval of Agenda
- E. Approval of Minutes
 - 1. June 19, 2018 (04-07)
 - 2. June 27, 2018 (08-10)
- F. Comments from the Public & Requests for Future Agenda Items (may be limited to 3 min)
- G. Comments from Directors

II. ITEMS FOR BOARD CONSIDERATION AND POSSIBLE ACTION

- A. Borrego Water District
 - 1. Summary of Annual Fixed Charged Levies for Borrego Water District – Taussig and Assoc & K Pittman (11-13)
 - 2. Consideration and Resolution Approvals for Annual Levying Standby Charges - K Pittman (14-33)
 - a. **RESOLUTION NO. 2018-07-01**
RESOLUTION OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT RESTATING AND ADOPTING A STATEMENT OF INVESTMENT POLICY
 - b. **RESOLUTION NO. 2018-07-02**
RESOLUTION OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT, SAN DIEGO COUNTY, CALIFORNIA, LEVYING STANDBY CHARGES AND/OR ACREAGE ASSESSMENTS TO DEFRAY THE COST OF OPERATIONS AND MAINTENANCE OF THE DISTRICT AND REQUESTING THE LEVY AND COLLECTION OF SAID STANDBY CHARGES AND/OR ACREAGE ASSESSMENTS ON LAND WITHIN THE DISTRICT FOR THE FISCAL YEAR 2018-2019
 - c. **RESOLUTION NO. 2018-07-03**
RESOLUTION OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT, SAN DIEGO COUNTY, CALIFORNIA, LEVYING STANDBY CHARGES AND/OR ACREAGE ASSESSMENTS TO DEFRAY THE COSTS OF OPERATIONS AND MAINTENANCE FOR IMPORVEMENT DISTRICT NO.1 AND REQUESTING THE LEVY AND COLLECTION OF SAID STANDBY CHARGES AND OR ACREAGE ASSESSMENTS ON CERTAIN LAND IMPROVEMENT DISTRICT NO. 1 FOR THE FISCAL YEAR 2018-2019

AGENDA: July 25, 2018

All Documents for public review on file with the District's secretary located at 806 Palm Canyon Drive, Borrego Springs CA 92004

Any public record provided to a majority of the Board of Directors less than 72 hours prior to the meeting, regarding any item on the open session portion of this agenda, is available for public inspection during normal business hours at the Office of the Board Secretary, located at 806 Palm Canyon Drive, Borrego Springs CA 92004.

The Borrego Springs Water District complies with the Americans with Disabilities Act. Persons with special needs should call Geoff Poole – Board Secretary at (760) 767 – 5806 at least 48 hours in advance of the start of this meeting, in order to enable the District to make reasonable arrangements to ensure accessibility.

If you challenge any action of the Board of Directors in court, you may be limited to raising only those issues you or someone else raised at the public hearing, or in written correspondence delivered to the Board of Directors (c/o the Board Secretary) at, or prior to, the public hearing.

- d. **RESOLUTION NO. 2018-07-04**
RESOLUTION OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT, SAN DIEGO COUNTY, CALIFORNIA, LEVYING CHARGES AND/OR ACREAGE ASSESSMENTS TO DEFRAY THE COST OF PROVIDING PEST CONTROL SERVICES BY THE DISTRICT AND REQUESTING LEVY AND COLLECTION OF SAID CHARGES AND/OR ACREAGE ASSESSMENTS FOR THE FISCAL YEAR 2018-2019
 - e. **RESOLUTION NO. 2018-07-05**
RESOLUTION OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT, SAN DIEGO COUNTY, CALIFORNIA, LEVYING STANDBY CHARGES AND/OR ACREAGE ASSESSMENTS TO DEFRAY THE COST OF OPERATING AND MAINTAINING THE WATER FACILITIES WITHIN IMPROVEMENT DISTRICT NO. 3 OF THE DISTRICT AND REQUESTING THE LEVY AND COLLECTION OF SAID STANDBY CHARGES AND/OR ACREAGE ASSESSMENTS FOR THE FISCAL YEAR 2018-2019
 - f. **RESOLUTION NO. 2018-07-06**
RESOLUTION OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2017A OF THE BORREGO WATER DISTRICT AUTHORIZING THE LEVY OF SPECIAL TAXES WITHIN COMMUNITY FACILITIES DISTRICT NO. 2017-1 FOR THE FISCAL YEAR 2018-2019
 - g. **RESOLUTION NO. 2018-07-07**
RESOLUTION OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2017B OF THE BORREGO WATER DISTRICT AUTHORIZING THE LEVY OF SPECIAL TAXES WITHIN COMMUNITY FACILITIES DISTRICT NO. 2007-1 FOR THE FISCAL YEAR 2018-2019
- 3. BWD 2018-19 Staff Goals and Objectives – G Poole (34-36)
 - 4. Construction Management Consultant Selection – G Poole, G Halloway, R Delahay, L Brecht (37)
 - B. GSA: Borrego Springs Sub Basin (38-39)
 - 1. GSP Costs to Date and Reimbursables – G Poole

III. INFORMATIONAL ITEMS

- A. None

IV. STANDING AND AD-HOC BOARD COMMITTEE REPORTS

- A. STANDING:
 - 1. Operations and Infrastructure – Delahay & Tatusko
- B. AD-HOC:
 - 1. GSP Preparation – Hart & Brecht
 - 2. BWD Bond Financing – Brecht & Ehrlich
 - 3. Rams Hill Operating Agreement – Hart & Brecht
 - 4. 2018 Water Bond Proceeds – Hart & Tatusko
 - 5. Cyber Security – Ehrlich & Tatusko

V. STAFF REPORT

AGENDA: July 25, 2018

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- A. Financial Reports: (41-52)
 - 1. May 2018
- B. Water and Wastewater Operations Report: (53-55)
 - 1. May 2018
 - 2. June 2018
- C. Water Production/Use Records: (56-58)
 - 1. May 2018
 - 2. June 2018
- D. General Manager, VERBAL

VI. CLOSED SESSION:

Conference with Legal Counsel - Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: (two (2) potential cases)

VII. CLOSING PROCEDURE

- A. Suggested Items for Next/Future Agenda
- B. The next Meeting of the Board of Directors is scheduled for September 18, 2018 at the Borrego Water District

****TELECONFERENCE LOCATED AT:
7 Sound Breeze Ave Groton, CT 06340***

AGENDA: July 25, 2018

All Documents for public review on file with the District's secretary located at 806 Palm Canyon Drive, Borrego Springs CA 92004

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Borrego Water District Board of Directors
MINUTES
Special Meeting
June 19, 2018 @ 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: Directors: Present: President Hart, Vice-President Brecht, Secretary/Treasurer Tatusko, Delahay, Ehrlich

 Staff: Geoff Poole, General Manager
 Greg Holloway, Operations Manager
 Kim Pitman, Administration Manager
 Jeff Ballinger, Best Best & Krieger (via videoconference)
 Wendy Quinn, Recording Secretary

 Public: Rebecca Falk Susan Percival, Club Circle
 Diane Johnson, Stewardship East HOA
 Council Dave Duncan, GSP
 Warren Diven, Best Best Advisory Committee
 & Krieger Cathy Milkey, Rams Hill
 Paul Pender, Fieldman Jeff Land, Brandis/Stahlman
 Rolapp and Assoc.
- D. Approval of Agenda: *MSC: Brecht/Delahay approving the Agenda as written.*
- E. Comments from the Public and Requests for Future Agenda Items: None
- F. Comments from Directors: Director Brecht announced that both he and Director Ehrlich would be absent on July 17, the date of the next special meeting. The Board agreed to change the date to July 18, and Geoff Poole will work with Esmeralda Garcia to put out a notice.

II. ITEMS FOR BOARD CONSIDERATION AND POSSIBLE ACTION

A. Resolution No. 2018-06-02 Authorizing Execution and Delivery by the District of a Loan Agreement and Promissory Notes and Approving Certain Other Actions with Respect Thereto: Paul Pender of Fieldman/Rolapp explained that the consulting team had been working with Board members and staff for about a year to develop a bond issue for the District. They decided on a bond of \$5.5 million for a three-year term. In addition, an outstanding installment purchase loan from 2008 and a 2015 loan from Compass Bank could be refinanced to save money. Compass Bank agreed to refinance their loan and also the 2008 loan. This gives the District more financial flexibility and a stronger credit rating. The new loan will be for a 20-year term and should save approximately \$8,000 a year.

Warren Diven of Best Best & Krieger announced that the resolution presented to the Board today would approve the loan agreement with Compass Bank and an escrow agreement. *MSC: Brecht/Delahay adopting Resolution No. 2018-06-02 Authorizing Execution and Delivery by the District of a Loan Agreement and Promissory Notes and Approving Certain Other Actions with Respect Thereto. The motion was adopted unanimously by roll call vote.*

B. Resolution No. 2018-06-03 Authorizing Execution and Delivery by the District of an Installment Sale Agreement and an Assignment Agreement with Respect to the Financing of the Acquisition, Construction, and Installation of Certain Improvements to the District's Sewer Enterprise and Water Enterprise and Approving Certain Other Actions with Respect Thereto: Mr. Diven explained

that the next resolution would approve the installment purchase agreement. **MSC: Brecht/Delahay adopting Resolution No. 2018-06-03 Authorizing Execution and Delivery by the District of an Installment Sale Agreement and an Assignment Agreement with Respect to the Financing of the Acquisition, Construction, and Installation of Certain Improvements to the District's Sewer Enterprise and Water Enterprise and Approving Certain Other Actions with Respect Thereto. The motion was adopted unanimously by roll call vote.**

At 9:20 a.m., the BWD meeting was adjourned and the Borrego Water District Public Facilities Corporation Board of Directors meeting was convened.

- I.
 - A. Call to Order: President Hart called the meeting to order at 9:20 a.m.
 - B. Roll Call: Directors: Present: President Hart, Vice-President Brecht, Secretary/Treasurer Tatusko, Delahay, Ehrlich
 - C. Approval of Agenda: **MSC: Brecht/Ehrlich approving the Agenda as written.**
 - D. Comments from the Public & Requests for Future Agenda Items: None
 - E. Comments from Directors: None

II. ITEMS FOR BOARD CONSIDERATION AND POSSIBLE ACTION

A. Resolution No. 2018-06-04 Authorizing Execution and Delivery by the Corporation of an Escrow Deposit and Trust Agreement and Approving Certain Other Actions with Respect Thereto: Mr. Diven presented a resolution approving an escrow agreement necessary to prepay the 2008 installment purchase agreement. **MSC: Brecht/Tatusko adopting Resolution No. 2018-06-04 Authorizing Execution and Delivery by the Corporation of an Escrow Deposit and Trust Agreement and Approving Certain Other Actions with Respect Thereto. The motion passed unanimously by roll call vote.**

B. Resolution No. 2018-06-05 Authorizing Execution and Delivery by the Corporation of an Installment Sale Agreement and an Assignment Agreement and Approving certain other Actions with Respect Thereto: Mr. Diven explained that this resolution would approve an installment purchase agreement and assignment agreement. **MSC: Brecht/Delahay adopting Resolution No. 2018-06-05 Authorizing Execution and Delivery by the Corporation of an Installment Sale Agreement and an Assignment Agreement and Approving certain other Actions with Respect Thereto. The motion passed unanimously by roll call vote.**

There being no further business to come before the Public Facilities Corporation, the meeting was adjourned at 9:22 a.m., and the BWD meeting reconvened.

II. C. Fiscal Year 2018-19 Draft Budget and CIP: Kim Pitman distributed the budget documents. Director Brecht requested that approval be delayed due to policy issues, line item questions and issues on the narrative. He explained that the District is going from a fully cash-funded CIP to a mostly debt-funded CIP. There is also a question about reserves, which are being increased from \$4 million to \$5.3 million to cover debt funding, a rate stabilization reserve fund, and capital replacement reserves. Director Brecht further pointed out that a management consultant had been added to the budget for \$50,000. Mr. Poole agreed to add an analysis of the past budget to the narrative. Director Ehrlich pointed out that the sewer CIP was listed at \$200,000 in one place and \$150,000 in another. Mr. Poole said it should be \$150,000 and will make the change. **MSC: Ehrlich/Brecht approving the FY 2018-19 budget as outlined on Board package pages 153-155, subject to further discussion regarding the total budget package.**

D. CIP Contract Construction Management Budget Item: Director Brecht asked the Board if they wanted to hire a construction manager to oversee the CIP. Director Tatusko had prepared a job

description and thought this was an important position. He suggested that Brian Brady might have some contacts who would be interested. Director Ehrlich and Mr. Poole agreed to prepare an RFP with Mr. Brady's input, and include it in the next Agenda.

E. Transition Management Consulting Budget Item: Director Brecht invited the Board's attention to his written proposal in the Board package, suggesting that Mr. Brady be retained to help the District transition from a cash CIP to a debt CIP and to move from private water district management to public and from managing potable water to managing groundwater as well. ***MSC: Brecht/Delahay approving the retention of Mr. Brady for transition management consulting. Director Ehrlich abstained from the vote due to his relationship with Mr. Brady; all others voted aye.***

F. New CIP & Operations Reporting Requirements: Director Brecht requested progress reports on the CIP process at least monthly, in writing, and including financial issues. He agreed to work with Mr. Poole on the process and format.

G. BWD Cyber Policy: Director Tatusko provided some written edits on the policy to Ms. Pitman. ***MSC: Ehrlich/Tatusko adopting the Cyber Policy with Director Tatusko's edits.***

H. BWD Comment Letter on County of San Diego Property Specific Requests process: Director Brecht reported that he and Steve Anderson had revised the proposed letter to the County on two upcoming Property Specific requests. Rebecca Falk suggested that someone read a March 25, 2016 letter on the same subject at the Planning Commission meeting, since it is more concise. Mr. Poole agreed to contact Mr. Anderson for permission and let Ms. Falk know. Director Brecht recommended that in addition to mailing the letter, someone hand deliver it at the meeting. ***MSC: Brecht/Delahay approving the BWD comment letter on County of San Diego Property Specific Requests process and authorizing its transmission to the County.***

I. Conditional Approval of USGS Drill Rig for BWD Replacement Well Investigation: Mr. Poole explained that as part of the ongoing project leading to the construction of a new well, Dudek has been seeking a recommended location to drill a test well. He requested Board approval to use a USGS drill rig. Diane Johnson asked whether the test well would include testing for agricultural contaminants. Mr. Poole called Dudek for a response, and was told the plans were to test only for the most common contaminants, but adding more was not a problem. They agreed to discuss it further. ***MSC: Brecht/Ehrlich approving the use of a USGS drill rig for the BWD replacement well investigation.***

J. Final Budgets for Water and Sewer Project Submitted for State Grant Funding: Mr. Poole reported that Carlos Beltran dropped off the last of the plans and specifications last week. It was determined that it would be preferable to replace, rather than repair, the Rams Hill #2 Tank. The final budget was included in the Board package. ***MSC: Tatusko/Ehrlich approving the infrastructure dollar figures as shown on Board package page 263.***

III. INFORMATIONAL ITEMS

A. AB 1668 & SB 606: Impacts on Future Rate Structure:

1. E-Correspondence from Rebecca Falk and H. Ehrlich Response. Director Ehrlich reported that Ms. Falk had referenced two new laws that might bear on GSP development, particularly as to whether water used in swamp coolers could be considered as part of the Human Right to Water law. Director Brecht reported that he sought legal advice, and was told they were not part of the Human Right to Water but could be considered in developing the rate structure.

B. BWD Groundwater Sustainability Plan Advisory Committee Representative Report: Dave Duncan reported that he had a recent phone call from an individual who had purchased property with a lot of planting and was upset by the water rates. He suggested the rates were punitive, and if he was forced to remove the planting it could be considered a "taking" by the District. He also suggested a lower tier for beautification of the community.

IV. STAFF REPORT

A. General Manager:

1. Contracting and Purchasing Policy. Mr. Poole announced that he would have a proposed policy for the next meeting.

2. Construction Management Plan and Schedule. Mr. Poole is working on this.

3. Club Circle Trash Contract Update. Mr. Poole is working with Susan Percival on the trash contract and CSD fee reimbursements.

4. Club Circle Reimbursements Update. See above.

5. AT&T Cell Tower at Rams Hill. Mr. Poole reported that counsel for AT&T submitted comments regarding BWD's proposed agreement. They agreed with most of the items but wanted one thing eliminated; BWD counsel disagreed. It was concluded that the District doesn't have legal access to the proposed site. (We can access it, but not for the cell tower purpose.) The item will be back on the next Agenda. Director Brecht suggested asking Rams Hill in writing for permission to access the site for cell tower purposes. Then when they say "no," the matter is finished.

6. Mesquite Ranch Request for Waiver of Sewer Stand By Fees. Mr. Poole reported that Doug Wilson of Mesquite Ranch requested that this matter be delayed until July.

7. Downstream Sewerline Repair/Maintenance Update. Mr. Poole reported that the project is underway. A low spot near La Casa Del Zorro can cause problems. It is estimated that the blowouts will last three to five years, and this is a critical item, so two are being replaced. The manholes are being relined and recoated. The odors have been significantly reduced. A sewer line which runs up hill is being replaced. Director Delahay announced that Roy Martinez got his Grade 3 rating.

8. Preparation for Prop 218 Rate Setting Cycle. Mr. Poole noted that we have a year to figure out the new rates for the next five years, so he is starting to think about the process. One issue is continued maintenance of the wastewater treatment plant versus package plants.

IV. CLOSED SESSION:

A. Conference with legal counsel –Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9: two (2) potential cases:

B. Conference with legal counsel for Public Employee Performance Evaluation – Title: General Manager Employee Performance Review – pursuant to subdivision (d)(4) of Government Code Section 54957:

The meeting adjourned to closed session at 11:50 a.m., and the open session resumed at 12:35 p.m. There was no reportable action.

V. CLOSING PROCEDURE

A. Suggested Items for Next/Future Agenda: These were suggested throughout the meeting.

B. The next Meeting of the Board of Directors is scheduled for June 27, 2018 at the Borrego Water District: There being no further business, the Board adjourned at 12:35 p.m.

**Borrego Water District Board of Directors
MINUTES
Regular Meeting
June 27, 2018 @ 9:00 a.m.
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: Directors: Present: President Hart, Vice-President Brecht, Secretary/Treasurer Tatusko, Delahay, Ehrlich

 Staff: Geoff Poole, General Manager
 Greg Holloway, Operations Manager
 Kim Pitman, Administration Manager
 Wendy Quinn, Recording Secretary

 Public: Michael Sadler, *Borrego Sun* Rebecca Falk
 Jim Engelke
- D. Approval of Agenda: *MSC: Brecht/Delahay approving the Agenda as written.*
- E. Approval of Minutes:

- 1. April 25, 2018 Corrected Regular Meeting Minutes

MSC: Brecht/Ehrlich approving the Corrected Minutes of the Regular Meeting of April 25, 2018 as amended (Item II.F, third line, change to “1986”; fourth and fifth lines, change to read, “The fees should have become a tax to replace the fee with a tax requiring a vote of the residents, and there is no record of a vote”).

- 2. May 15, 2018 Special Meeting Minutes

MSC: Brecht/Delahay approving the Minutes of the Special Meeting of May 15, 2018 as amended (Item II.D, change second paragraph, line four to read, “Director Tatusko asked Ms. Pitman to prepare written justifications for two new positions”).

- 3. May 23, 2018 Regular Board Meeting Minutes

MSC: Brecht/Delahay approving the Minutes of the Regular Board Meeting of May 23, 2018 as written.

F. Comments from the Public and Requests for Future Agenda Items: Michael Sadler requested a progress report on the GSP, including the expenditures and milestones, for the *Borrego Sun*, hopefully in September or October. Geoff Poole assured him he was working on it. Director Brecht suggested reviewing it at the second July Board meeting.

Jim Engelke asked whether there was anything more the Board needed to know about the Viking Ranch fallowing project. Director Brecht suggested he talk to Trey Driscoll, and Mr. Poole promised to keep Mr. Engelke informed.

G. Comments from Directors: Director Brecht reported on the Planning Commission hearing regarding two upzoning requests in Borrego Springs. As for DS8, the Commission voted unanimously in favor of the Planning staff recommendation to deny the request. As for DS24 (Rudyville), although staff had also recommended denial, the Commission voted to upzone the property to allow 34 total residents, rather than the current 16. The developer had requested 155. The Commission did not explain its reasoning. Director Brecht explained that in September the requests will go to the Board of Supervisors, which can overturn the Planning Commission recommendations. He recommended that the BWD Board approve a one-page letter to the

Board of Supervisors and attach BWD's letter to the Planning Commission. The proposed letter will be on a BWD Agenda in July.

Director Tatusko announced that he had decided not to run for another term.

II. ITEMS FOR BOARD CONSIDERATION AND POSSIBLE ACTION

A. Adoption of Contracting and Purchasing Policy: Mr. Poole reported that Director Ehrlich had made some changes in the proposed policy, and Best Best & Krieger is currently reviewing it. He suggested postponing it to the next meeting. Directors Ehrlich and Tatusko will meet with staff meanwhile. Director Tatusko summarized the recent changes. Change orders need Board approval if they exceed authorization limits. Requests for purchase need to be signed by a Board member. The General Manager has overall oversight. Director Brecht expressed concern about some basic assumptions, for example the RFP process. He pointed out it is difficult to find qualified contractors who are willing to come here. He suggested a "Request for Qualifications" (RFQ) process instead. President Hart noted that the policy says the RFP would be used whenever practicable and possible. Director Brecht gave Director Tatusko his notes, and suggested an option for either an RFP or RFQ.

B. Adoption of Board of Directors Meeting Schedule: *MSC: Brecht/Delahay adopting Resolution No. 2018-06-06, Resolution of the Board of Directors of the Borrego Water District Revising the Schedule of Regular Meetings.* The July Special Meeting was changed from the 17th to the 18th, and both August meetings were cancelled.

C. Narrative Changes to BWD FY 2018-19 Budget and CIP Package: Mr. Poole reported that he had worked on changes to the budget and CIP package with Director Brecht and still had some work to do, particularly on the GSP expenditures. Discussion followed regarding Item 2.ii of Mr. Poole's memo, concerning the \$300,000 expenditure for solar at the wastewater treatment plant. Directors Brecht and Tatusko will work with Mr. Poole to revise it, and it will be on a July Agenda.

D. Request for Proposal for Construction Management Services: Mr. Poole reported that he had worked with Directors Ehrlich and Tatusko on the RFP for construction management services, and Brian Brady had reviewed it. Mr. Brady also provided some suggested contractors who may want to submit proposals. Discussion followed regarding the RFP schedule, and it was agreed to delete steps 5, 6 and 7 (Board package page 103), and change step 8 to "sometime in August." President Hart suggested making the headings, spacing and fonts consistent.

III. INFORMATIONAL ITEMS

None

IV. STANDING AND AD-HOC BOARD COMMITTEE REPORTS

A. Standing:

1. Operations and Infrastructure. Director Tatusko reported that the Committee had been working primarily on the construction management RFP.

B. Ad-Hoc:

1. GSP Preparation. President Hart reported that the Committee had participated in conference calls, and an Advisory Committee meeting was held in late July. Director Brecht recommended that GSP reports be written, and that care be taken to separate them from other BWD activities. He suggested the General Manager's report be divided into two sections. He further pointed out that since President Hart and Director Tatusko were not running for reelection, Mr. Brady and other Board members attend future AC meetings.

2. BWD Bond Financing. Director Ehrlich reported that the bond issue should close July 10.

3. Rams Hill Operating Agreement. No report.

4. 2018 Water Bond Proceeds. This item was deferred to the General Manager's report.

5. Cyber Security. Director Tatusko suggested that cyber security and the contracting and purchasing policy be referred to Mr. Brady. Mr. Poole volunteered to handle them. Greg Holloway pointed out that the recommended cyber security measures for the well sites were not all feasible. The effort was generated by a \$178 theft, and the suggested mediation would cost over \$100,000. He agreed to provide a copy of the RFP, and the matter was referred to the Operations and Infrastructure Committee.

V. STAFF REPORTS

A. Financial Reports, April 2018: Ms. Pitman reported she had received the insurance rebate.

B. Water and Wastewater Operations Report, April 2018, May 2018: The Water and Wastewater Operations Report was included in the Board package.

C. Water Production/Use Records, April 2018, May 2018: The Water Production/Use Records were included in the Board package.

D. General Manager: Mr. Poole invited the Board's attention to his written report and offered to answer questions. He reported he was still waiting for detailed documents from the State to attach to the reimbursement agreement with the County for the Proposition 1 grant funds. Director Brecht asked how much the District will have spent on the grant funded projects before being reimbursed. Mr. Poole estimated \$125,000 to LeSar and a similar amount to Dr. Jones. Ms. Pitman reported that Raftelis had calculated the amount owed by Rams Hill to the District for spare capacity at approximately \$200,000. Mr. Poole reported the District should be receiving a rebate in solar installation soon. All documents for the tertiary treatment study grant have been completed, and the District is eligible for 50 percent reimbursement. Director Brecht suggested letting the grantor know that we are an SDAC. Mr. Poole suggested asking Rams Hill to identify areas in the flood control system in need of repair. He reported that the District's auditors, Sgar/Miller, are in the last year of their three-year contract. He recommended renewing it. Director Brecht recommended that the Audit Committee meet with the auditors before making a decision.

VI. CLOSED SESSION

A. Public Employee Performance Evaluation – Title: General Manager Employee Performance Review: The Board adjourned to closed session at 10:50 a.m., and the open session reconvened at 12:40 p.m. There was no reportable action.

VII. CLOSING PROCEDURE

A. Suggested Items for Next/Future Agenda: Items for the next Agenda were discussed previously.

B. The next Meeting of the Board of Directors is scheduled for July 18, 2018 at the Borrego Water District Office. There being no further business, the Board adjourned at 12:40 p.m.

BORREGO WATER DISTRICT
BOARD OF DIRECTORS MEETING – JULY 25, 2018
AGENDA BILL 2.A.1

July 19, 2018

TO: Board of Directors, Borrego Water District
FROM: Geoff Poole, GM
SUBJECT: Summary of Annual Fixed Charged Levies for Borrego Water District – Andrea Roess of David Taussig and Assoc. & K Pittman

RECOMMENDED ACTION: Information for the Board for adoption of proposed resolutions (items 2a-2g)

ITEM EXPLANATION: Each year the BWD Board approves a series of assessments and related levy fees and Andrea from Taussig and Associates will be back to present the information to the Board.

FISCAL IMPACT
See Attachments

ATTACHMENTS

1. Summary of the preliminary Fiscal Year (“FY”) 2018-2019 fixed charge levies for the Borrego Water District as well as the FY 2017-2018 levies for comparison

MEMORANDUM
July 18, 2018

TO: Geoff Poole, Borrego Water District
 Kim Pitman, Borrego Water District

FROM: Andrea Roess, David Taussig & Associates, Inc.

SUBJECT: Borrego Water District Fiscal Year 2018-2019 Levy

Below is a summary of the preliminary Fiscal Year (“FY”) 2018-2019 fixed charge levies for Borrego Water District as well as the FY 2017-2018 levies for comparison.

Fixed Charge	FY 17-18 Parcels Taxed	FY 17-18 Tax per Parcel	FY 17-18 Levy	FY 18-19 Parcels Taxed	FY 18-19 Tax per Parcel	FY 18-19 Levy
Water Availability Standby Charge	3,613	\$22.80	\$82,376.40	3,611 [4]	\$22.80	\$82,330.80
ID No. 1 – Water, Sewer, and Flood Control	706	\$66.00 [1]	\$106,211.55	706	\$66.00 [1]	\$106,211.55
Pest Control Standby Charge	4,713	\$2.50 [2]	\$17,870.00	4,711 [4]	\$2.50 [2]	\$17,865.00
ID No. 3 – Water Standby Charge	359	\$37.70 [3]	\$33,646.60	359	\$37.70 [3]	\$33,646.60
Total	NA	NA	\$240,104.55	NA	NA	\$240,053.95

[1] Twenty-seven parcels are taxed at varying rates. Remaining parcels are taxed at \$66.00/parcel. Based on rates indicated in memorandum provided by Raftelis Financial Consultants.

[2] Three golf course parcels taxed at a total \$6,095.00. Remaining parcels taxed at \$2.50/parcel.

[3] Two parcels owned by “LCDZ Investors, LLC” taxed at a total \$20,150.00. Remaining parcels taxed at \$37.70/parcel.

[4] Total number of parcels went down from last year due to nine parcel changes resulting in a net loss of two parcels.

Please see below for a brief explanation for each of the charges shown in the table above. For each charge, the same rates and methodology that were applied in Fiscal Year 2017-2018 were used this year to determine the FY 2018-2019 charges. In addition, please refer to the annual administration reports for information regarding the FY 2018-2019 levy for Borrego Water District CFD Nos. 2007-1 and 2017-1.

Please see Exhibits A through D enclosed, which lists the assessor’s parcel numbers and levy amounts for each of the charges shown in the table above.

WATER AVAILABILITY STANDBY CHARGE (FUND 6415-01)

The funds raised by the Water Availability Standby Charge are used to pay for a share of the general administrative costs of the Borrego Water District. The levy is a per parcel charge applied to each parcel within the District except parcels within ID No. 1 (Ram’s Hill) and ID No. 3 (Deep Well and La Casa del Zorro). The ID No. 1 share of administrative costs is collected through the ID No. 1 charge (Fund No. 6415-02) while ID No. 3 has a separate standby charge (Fund 6415-04).

The amount to be levied for the Water Availability Standby charge this year is calculated as follows: 3,611 parcels all of which are charged at \$22.80 per parcel for a total of \$82,330.80.

ID NO. 1 - WATER, SEWER AND FLOOD CONTROL (FUND 6415-02)

The funds raised by the ID No. 1 Water, Sewer, and Flood Control charge are used to pay for administration costs and water, sewer, and flood control services.

The amount to be levied for the ID No. 1 Water, Sewer, and Flood Control charge this year is calculated as follows: 679 parcels all of which are charged at \$66.00 per parcel for a total of \$44,814.00 and 27 other parcels charged at varying rates based on a study prepared by Raftelis Financial Consultants (“RFC”) dated May 2, 2014 for a total of \$61,397.55.

The study describes the rationale for reducing the amount charged to certain non-residential parcels, golf course parcels, and other undeveloped parcels based on the current land use classifications of the parcels versus what was originally anticipated at the point of time that the availability charge was created.

As indicated in the study, RFC concluded that based on benefit, the amount charged to the parcels being charged \$66.00 per parcel should be increased and that the amount charged to the remaining 27 parcels should be decreased. However, since the District cannot increase a parcel’s charge without going through a Proposition 218 ballot proceeding, the District has kept the \$66.00 per parcel charge unchanged from prior years and decreased the charge for the remaining 27 parcels beginning in FY 2015-2016.

PEST CONTROL STANDBY CHARGE (FUND 6415-03)

The funds raised by the Pest Control Standby charge are used to pay for eye gnat control services (not the biting gnat).

The amount to be levied for the Pest Control Standby charge this year is calculated as follows: 4,708 parcels all of which are charged at \$2.50 per parcel for a total of \$11,770.00 and three golf course parcels charged varying rates for a total of \$6,095.00.

ID NO. 3 WATER STANDBY CHARGE (FUND 6415-04)

The funds raised by the ID No. 3 Water Standby charge are used to establish reserves for system improvements related to the water wells and system storage. The amount to be levied for the ID No. 3 Water Standby charge this year is calculated as follows: 358 parcels all of which are charged at \$37.70 per parcel for a total of \$13,496.60 and one parcel owned by “LCDZ Investors” (formerly owned by “Copley Press”) charged for a total of \$20,150.00.

If you have any questions regarding these charges, please do not hesitate to contact me at (949) 955-1500.

BORREGO WATER DISTRICT
BOARD OF DIRECTORS MEETING – JULY 25, 2018
AGENDA BILL 2.A.2

July 19, 2018

TO: Board of Directors, Borrego Water District
FROM: Geoff Poole, GM
SUBJECT: Annual Fixed Charged Levies for Borrego Water District – Kim Pitman

RECOMMENDED ACTION:
Approve Proposed Resolutions

ITEM EXPLANATION:

Each FY year the BWD Board approves the presented resolutions for the assessments and related levy fees in addition to the resolutions for the Borrego Water District to act as the Legislative Body of the Community Facilities District No. 2017A and Community Facilities No. 2017B

FISCAL IMPACT

See Attachments

ATTACHMENTS

1. Resolution 2018-07-01
2. Resolution 2018-07-02
3. Resolution 2018-07-03
4. Resolution 2018-07-04
5. Resolution 2018-07-05
6. Resolution 2018-07-06 w/ Final Draft
7. Resolution 2018-07-07 w/ Final Draft

**BORREGO WATER DISTRICT
POLICY STATEMENT**

SUBJECT: STATEMENT OF INVESTMENT POLICY

NO: 1994-03-01

ADOPTED: March 16, 1994	AMENDED: February 25, 2009
AMENDED: December 20, 1995	AMENDED: July 22, 2009
AMENDED: January 22, 1997	AMENDED: July 28, 2010
AMENDED: September 23, 1998	AMENDED: July 27, 2011
AMENDED: January 27, 1999	AMENDED: June 27, 2012
AMENDED: March 29, 2000	AMENDED: June 26, 2013
AMENDED: January 29, 2003	AMENDED: June 25, 2014
AMENDED: February 26, 2004	AMENDED: June 24, 2015
AMENDED: February 23, 2005	AMENDED: July 19, 2016
AMENDED: February 22, 2006	AMENDED: July 26, 2017
AMENDED: February 28, 2007	AMENDED: July 19, 2018
AMENDED: February 27, 2008	

RESOLUTION NO. 2018-07-01

***RESOLUTION OF THE BOARD OF DIRECTORS OF THE
BORREGO WATER DISTRICT RESTATING AND
ADOPTING A STATEMENT OF INVESTMENT POLICY***

WHEREAS, the Board of Directors (“Board”) of the Borrego Water District (the “District”) desires to rescind Resolution No. 2012-6-3 dated June 27, 2012 and adopt an Annual Statement of Investment Policy;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Borrego Water District that the following is the investment policy of the Borrego Water District:

INVESTMENT POLICY:

1. Annual Statement of Investment Policy:

In accordance with the California Government Code, the District Treasurer will render an annual statement of investment policy to the Board of Directors. The Board will review and affirm or amend the policy at that time.

2. Investment Objectives:

a. Safety: It is the primary duty and responsibility of the Treasurer to protect, preserve and maintain the cash and investments placed in his trust on behalf of the citizens of the community.

- b. **Liquidity:** an adequate percentage of the portfolio should be maintained in liquid short-term securities, which can be converted to cash if necessary to meet disbursement requirements.
- c. **Yield:** Yield should become a consideration only after the basic requirements of safety and liquidity have been met.

3. **Investment Policy:**

- a. **Collateralization:** The District requires banks or savings and loans to collateralize investments in excess of FDIC amounts, currently insured up to \$250,000, with government securities valued at 110% of the amount of deposit with said bank or savings and loan. Said collateral is to be held in an independent safekeeping account in the District's name.

b. **Authorized Investments and Portfolio Limits:**

- 1) Local Agency Investment Fund: District money may be invested in the Local Agency Investment Fund (LAIF) in accordance with Section 16429.1 of the Government Code. Such deposits shall not exceed 98% of the District's total available investment capital. Total investment capital is defined to be all bank accounts plus the District's Direct Investments with the Local Agency Investment Fund.
 - 2) FDIC Insured Institutions' Certificates of Deposit and Savings Accounts: District investments shall not exceed 95% of the District's total investment capital or more than 75% in a single FDIC-insured financial institution unless provision 4), below is used.
 - 3) U.S. Government Bills, Notes, Bonds and Overnight Money Market Funds which invest entirely in U.S. Government Bills, Notes and Bonds: The limit in the amount of the investment portfolio in these instruments is 20%, maturity will be limited to a maximum of five years.
 - 4) Certificates of Deposit, Account Registry Services (CDARS): The Board may divert 95% of its' investments to a financial institution which provides CDARS. All of the CDARS investments shall be FDIC insured.
- c. **Treasurer's Reports:** The Treasurer shall provide a quarterly report showing the type of investment, issuer, maturity, par and dollar amount, market value of portfolio and source of the valuation. The Quarterly Report may list Money Market Funds and funds in the State of California Local Agency Investment Fund (LAIF) as cash. The Quarterly Report shall state the compliance of the portfolio with the Statement of Investment Policy and the Borrego Water District's ability to meet its expenditure requirement for the next six months.

ADOPTED, SIGNED AND APPROVED by the Board of Directors of the Borrego Water District this 25th day of July, 2018.

Beth Hart, President Board of Directors of Borrego Water District

ATTEST:

Joe Tatusko, Secretary Board of Directors of Borrego Water District

STATE OF CALIFORNIA)

)

COUNTY OF SAN DIEGO)

I, Joe Tatusko, Secretary of the Board of Directors of the Borrego Water District, do hereby certify that the foregoing Resolution No. 2018-07-01 was duly adopted by the Board of Directors of said District at the Regular Meeting of the Board of Directors held on July 25, 2018 and that it was so adopted by the following vote:

AYES: DIRECTORS:

NOES: DIRECTORS:

ABSENT: DIRECTORS:

ABSTAIN: DIRECTORS:

Joe Tatusko, Secretary
Board of Directors Borrego Water District

(SEAL)

STATE OF CALIFORNIA)

) ss.

COUNTY OF SAN DIEGO)

I, Joe Tatuskp, 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. 2018-07-01 of said Board, and that the same has not been amended or repealed.

Dated: July 25, 2018

Joe Tatusko, Secretary
Board of Directors Borrego Water District

(SEAL)

RESOLUTION NO. 2018-07-02

RESOLUTION OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT, SAN DIEGO COUNTY, CALIFORNIA, LEVYING STANDBY CHARGES AND/OR ACREAGE ASSESSMENTS TO DEFRAY THE COST OF OPERATIONS AND MAINTENANCE OF THE DISTRICT AND REQUESTING THE LEVY AND COLLECTION OF SAID STANDBY CHARGES AND/OR ACREAGE ASSESSMENTS ON LAND WITHIN THE DISTRICT FOR THE FISCAL YEAR 2018-2019

WHEREAS, *Section 35470* of the Water Code of the State of California provides that a California Water District may in lieu, in whole, or in part, of raising funds for District purposes by ad valorem assessments, levy standby charges and/or acreage assessments on land to defray the cost of operations and maintenance and for any lawful district purpose; and

WHEREAS, the Board of Directors has determined that it is deemed advisable and necessary to fix and levy standby charges and/or acreage assessments for the purpose of defraying certain operations and maintenance costs for the Fiscal Year 2018-2019;

NOW, THEREFORE, the Board of Directors of Borrego Water District **DOES HEREBY RESOLVE, DETERMINE AND ORDER** as follows:

SECTION 1. There is hereby fixed standby charges and/or acreage assessments in the amounts on land within the District as shown on Exhibit A attached hereto and made a part hereof to defray the cost of operations and maintenance for the Fiscal Year 2018-2019. This Board of Directors hereby determines that said standby charges and/or acreage assessments in an amount not exceeding the assessments set forth in Exhibit A was existing prior to July 1, 1997 and that said assessments are exempt from the provisions of Article XIID of the Constitution of the State of California. After adoption of this Resolution, the General Manager, or designee, may make any necessary modifications to these charges to correct any errors, omissions or inconsistencies in the listing or in the amount to be charged based on changes from the final 2018 County of San Diego Assessor's Roll.

SECTION 2. Pursuant to *Section 35479* of the Water Code, the Board of Supervisors of the County of San Diego is hereby requested at the time and manner of levying other County taxes to make levies in the amounts on land within the District, as shown on Exhibit A, and cause to be collected the amounts specified therein.

SECTION 3. The Secretary of the District is hereby directed to submit to the Board of Supervisors and the Auditor/Controller of the County of San Diego a certified copy of this Resolution along with other documents as may be required.

RESOLUTION NO. 2018-07-03

RESOLUTION OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT, SAN DIEGO COUNTY, CALIFORNIA, LEVYING STANDBY CHARGES AND/OR ACREAGE ASSESSMENTS TO DEFRAY THE COSTS OF OPERATIONS AND MAINTENANCE OF THE DISTRICT, AND TO PAY COSTS OF OPERATIONS AND MAINTENANCE FOR IMPROVEMENT DISTRICT NO. 1 AND REQUESTING THE LEVY AND COLLECTION OF SAID STANDBY CHARGES AND/OR ACREAGE ASSESSMENTS ON CERTAIN LAND IN IMPROVEMENT DISTRICT NO. 1 FOR THE FISCAL YEAR 2018-2019

WHEREAS, Improvement District No. 1 of the Borrego Water District was formed for the purpose of providing water, sewer and flood control service to the lands and inhabitants of the Improvement District and for said purpose water, sewer and flood control systems have been constructed for the benefit of said Improvement District; and

WHEREAS, by reason of the construction of said water, sewer and flood control systems, water, sewer and flood control service is now and will be available to lands therein and said water, sewer and flood control systems are a benefit to the lands lying within said Improvement District; and

WHEREAS, *Section 35470* of the Water Code of the State of California provides that a California Water District may in lieu, in whole, or in part, of raising funds for District purposes by ad valorem assessments, levy standby charges and/or acreage assessments on land, to defray the cost of operations and maintenance and for any lawful district purpose; and

WHEREAS, matters have been presented to and considered by the Board of Directors relating to the financial requirements of said Improvement District; and

WHEREAS, the Board of Directors has determined that it is deemed advisable and necessary to fix and levy standby charges and/or acreage assessments within Improvement District No. 1 for the purpose of paying certain operations and maintenance costs and the payment of a portion of the debt service on bonds of Improvement District No. 1 for the Fiscal Year 2018-2019;

NOW, THEREFORE, the Board of Directors of the Borrego Water District hereby **RESOLVE, DETERMINE AND ORDER** as follows:

SECTION 1. There is hereby fixed standby charges and/or acreage assessments in the amounts on land within Improvement District No. 1 as shown on Exhibit A attached hereto and made a part hereof for the payment of the cost of operation and maintenance for said Improvement District No. 1 for the Fiscal Year 2018-2019. This Board of Directors hereby determines that said standby charges and/or acreage assessments in an amount not exceeding the assessments set forth in Exhibit A was existing prior to July 1, 1997 and that said assessments are exempt from the provisions of Article XIID of the Constitution of the State of California. After adoption of this Resolution, the

General Manager, or designee, may make any necessary modifications to these charges to correct any errors, omissions or inconsistencies in the listing or in the amount to be charged based on changes from the final 2016 County of San Diego Assessor's Roll.

SECTION 2. Pursuant to *Section 35479* of the Water Code, the Board of Supervisors is requested at the time and manner of levying other County taxes to make levies in the amounts on said lots within Improvement District No. 1 as shown on Exhibit A and cause to be collected the amounts specified therein.

SECTION 3. The Secretary of the District is hereby directed to submit to the County Board of Supervisors and the County Auditor/Controller a certified copy of this Resolution along with other documents as may be required.

ADOPTED, SIGNED AND APPROVED this 25th day of July, 2018.

President of the Board of Directors of
Borrego Water District

ATTEST:

Secretary of the Board of Directors of
Borrego Water District

RESOLUTION 2018-07-04

RESOLUTION OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT, SAN DIEGO COUNTY, CALIFORNIA, LEVYING CHARGES AND/OR ACREAGE ASSESSMENTS TO DEFRAY THE COST OF PROVIDING PEST CONTROL SERVICES BY THE DISTRICT AND REQUESTING LEVY AND COLLECTION OF SAID CHARGES AND/OR ACREAGE ASSESSMENTS FOR THE FISCAL YEAR 2018-2019

WHEREAS, *Section 35565.5* of the Water Code of the State of California provides that a California Water District may, in the manner as provided in Section 35470 of the Water Code, in lieu, in whole or in part, of raising funds for District purposes by ad valorem assessments, levy charges and/or acreage assessments on land within the District to defray the cost of mosquito abatement and vector control services; and

WHEREAS, the Board of Directors has determined that it is deemed advisable and necessary to fix and levy charges and/or acreage assessments for the purpose of defraying the cost of providing mosquito abatement and vector control services for the Fiscal Year 2018-2019.

NOW, THEREFORE, the Board of Directors of Borrego Water District **DOES HEREBY RESOLVE, DETERMINE AND ORDER** as follows:

SECTION 1. There is hereby fixed charges and/or acreage assessments in the amounts on land within the District as shown on Exhibit A attached hereto and made a part hereof to provide pest control services for the Fiscal Year 2018-2019. This Board of Directors hereby determines that said standby charges and/or acreage assessments in an amount not exceeding the assessments set forth in Exhibit A was existing prior to July 1, 1997 and that said assessments are exempt from the provisions of Article XIID of the Constitution of the State of California. After adoption of this Resolution, the General Manager, or designee, may make any necessary modifications to these charges to correct any errors, omissions or inconsistencies in the listing or in the amount to be charged based on changes from the final 2018 County of San Diego Assessor's Roll.

SECTION 2. Pursuant to Section 35479 of the Water Code, the Board of Supervisors of the County of San Diego is hereby requested at the time and manner of levying other County taxes to make levies in the amounts on land within the District, as shown on Exhibit A, and cause to be collected the amounts specified therein.

SECTION 3. The Secretary of the District is hereby directed to submit to the Board of Supervisors and the Auditor/Controller of the County of San Diego a certified copy of this Resolution.

ADOPTED, SIGNED AND APPROVED this 25th day of July, 2018.

President of the Board of Directors
of Borrego Water District

RESOLUTION NO. 2018-07-05

RESOLUTION OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT, SAN DIEGO COUNTY, CALIFORNIA, LEVYING STANDBY CHARGES AND/OR ACREAGE ASSESSMENTS TO DEFRAY THE COST OF OPERATING AND MAINTAINING THE WATER FACILITIES WITHIN IMPROVEMENT DISTRICT NO. 3 OF THE DISTRICT AND REQUESTING THE LEVY AND COLLECTION OF SAID STANDBY CHARGES AND/OR ACREAGE ASSESSMENTS FOR THE FISCAL YEAR 2018-2019

WHEREAS, Improvement District No. 3 of the Borrego Water District was formed for the purpose of providing water service to the lands and inhabitants of the Improvement District; and

WHEREAS, by reason of the acquisition of the water system, water service is now and will be available to lands therein and said water system is a benefit to the lands lying within said Improvement District; and

WHEREAS, *Section 35470* of the Water Code of the State of California, provides that a California Water District may in lieu, in whole, or in part, of raising funds for District purposes by ad valorem assessments, levy standby charges and/or acreage assessments to defray the cost of operations and maintenance and for any lawful district purpose; and

WHEREAS, matters have been presented to and considered by the Board of Directors relating to the financial requirements of said Improvement District; and

WHEREAS, the Board of Directors has determined that it is deemed advisable and necessary to fix and levy standby charges and/or acreage assessments within Improvement District No. 3 of the District to defray the cost of operations and maintenance of the water facilities within Improvement District No. 3 for the Fiscal Year 2018-2019.

NOW, THEREFORE, the Board of Directors of Borrego Water District **DOES HEREBY RESOLVE, DETERMINE AND ORDER** as follows:

SECTION 1. There is hereby fixed standby charges and/or acreage assessments in the amounts on land within Improvement District No. 3 as more fully described in Exhibit A attached hereto and made a part hereof to defray the cost of operations and maintenance for Improvement District No. 3 for the Fiscal Year 2018-2019. This Board of Directors hereby determines that said standby charges and/or acreage assessments in an amount not exceeding the assessments set forth in Exhibit A was existing prior to July 1, 1997 and that said assessments are exempt from the provisions of Article XIII D of the Constitution of the State of California. After adoption of this Resolution, the General Manager, or designee, may make any necessary modifications to these charges to correct any errors, omissions or inconsistencies in the listing or in the amount to be charged based on changes from the final 2018 County of San Diego Assessor's Roll.

SECTION 2. Pursuant to *Section 35479* of the Water Code, the Board of Supervisors of the County of San Diego is hereby requested at the time and manner of levying other County taxes to

make levies in the amounts on land within Improvement District No. 3, shown on Exhibit A, and cause to be collected the amounts specified therein.

SECTION 3. The Secretary of the District is hereby directed to submit to the Board of Supervisors and the Auditor/Controller of the County of San Diego a certified copy of this Resolution along with other documents as may be required.

ADOPTED, SIGNED AND APPROVED this 25th day of July, 2018.

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, Joe 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 25th day of July, 2018, 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, Joe 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. 2018-07-05 of said Board, and that the same has not been amended or repealed.

Dated: July 25, 2018

Secretary of the Board of Directors
Of Borrego Water District

RESOLUTION NO. 2018-07-06

RESOLUTION OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2017-1 OF THE BORREGO WATER DISTRICT AUTHORIZING THE LEVY OF SPECIAL TAXES WITHIN COMMUNITY FACILITIES DISTRICT NO. 2017-1 FOR THE FISCAL YEAR 2018-2019

WHEREAS, the Borrego Water District (the “District”) previously established Community Facilities District No. 2017-1 of the Borrego Water District (“CFD No. 2017-1”) pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended; and

WHEREAS, the Board of Directors of the District acting as the legislative body of CFD No. 2017-1 is authorized pursuant to Resolution No. 2017-04-08 adopted April 18, 2017 (the “Resolution of Formation”) and Ordinance No. 17-01 adopted by the Board of Directors of the District on 17-01 (the “Ordinance”), to levy a special tax sufficient to pay principal, interest, other periodic costs and administrative expenses with respect to bonds of CFD 2017-1 and any bonds and/or certificates of participation proposed to be issued to finance the Facilities (the “Bonds”) and to pay certain costs of the Facilities (as defined in the Resolutions of Formation); and

WHEREAS, it is now necessary and appropriate that this Board levy and collect the special taxes for the Fiscal Year 2018-2019 for the purpose specified in the Ordinance, by the adoption of a resolution as specified by the Act and the Ordinance; and

WHEREAS, the special taxes being levied hereunder are at the same rate or at a lower rate than provided by the Ordinance;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT, ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2017-1, DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The above recitals are true and correct. After adoption of this Resolution, the General Manager, or designee, may make any necessary modifications to these charges to correct any errors, omissions or inconsistencies in the listing or in the amount to be charged based on changes from the final 2018 County of San Diego Assessor’s Roll.

SECTION 2. The special tax (“Special Tax”) is imposed without regard to property valuation and is levied in compliance with the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Government Code Section 53311 (the “Act”) and the Ordinance.

SECTION 3. In accordance with the Act and the Ordinance, there is hereby levied upon the parcels within the District which are not otherwise exempt from taxation under the Act or the Ordinance the special taxes for the Fiscal Year 2018-2019 at the tax rates set forth in the report prepared by David Taussig and Associates for CFD No. 2017-1 entitled “Administration Report

Fiscal Year 2018-2019” (the “Report”) submitted herewith, which rates do not exceed the maximum rates set forth in the Ordinance. After adoption of this Resolution, the General Manager of the District, or his designee, may make any necessary modifications to these special taxes to correct any errors, omissions or inconsistencies in the listing or categorization of parcels to be taxed or in the amount to be charged to any category of parcels; provided, however, that any such modifications shall not result in an increase in the tax applicable to any category of parcels and can only be made prior to the submission of the tax rolls to the San Diego County Auditor or prior to delivery of direct billings, as applicable.

SECTION 4. All of the collections of the special tax shall be used only as provided for in the Act and the Resolutions of Formation. The special tax shall be levied only so long as needed to accomplish the purposes described in the Resolutions of Formation.

SECTION 5. The special tax shall be collected in the same manner as ordinary ad valorem taxes are collected, provided, however, that CFD No. 2017-1 may directly bill the special tax, may collect special taxes at a different time or in different manner if necessary to meet its financial obligations, and the special tax shall be subject to the same penalties and the same procedure and sale in cases of delinquency as provided for ad valorem taxes as such procedure may be modified by law or this Board from time to time.

SECTION 6. As a cumulative remedy, if any amount levied as a special tax for payment of bond interest or principal, together with any penalties and other charges accruing under this Resolution, are not paid when due, the Board of Directors may, not later than four years after the due date of the last installment of principal on the Bonds, order that the same be collected by an action brought in the superior court to foreclose the lien of such special tax.

SECTION 7. The General Manager is hereby authorized and directed to transmit a certified copy of this Resolution and the Report to the San Diego County Auditor, together with other supporting documentation as may be required to place said special taxes on the secured property tax roll for the Fiscal Year 2018-2019, and/or arrange for the direct billing of the special taxes, and to perform all other acts which are required by the Act, the Ordinance, or by law in order to accomplish the purpose of this Resolution.

ADOPTED, SIGNED AND APPROVED this 25th day of July, 2018.

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, Joe 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 25th day of July, 2018, 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, Joe 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. 2018-07-06 of said Board, and that the same has not been amended or repealed.

Dated: July 25, 2018

Secretary of the Board of Directors of Borrego Water District

RESOLUTION NO. 2018-07-07

RESOLUTION OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2007-1 OF THE BORREGO WATER DISTRICT AUTHORIZING THE LEVY OF SPECIAL TAXES WITHIN COMMUNITY FACILITIES DISTRICT NO. 2007-1 FOR THE FISCAL YEAR 2018-2019

WHEREAS, the Borrego Water District (the “District”) previously established Community Facilities District No. 2007-1 of the Borrego Water District (“CFD No. 2007-1”) pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended; and

WHEREAS, the Board of Directors of the District acting as the legislative body of CFD No. 2007-1 is authorized pursuant to Resolutions Nos. 2007-3-1 and 2007-3-2 adopted March 14, 2007 (the “Resolutions of Formation”) and Ordinance No. O2007-2 adopted by the Board of Directors of the District on May 9, 2007 (the “Ordinance”), to levy a special tax sufficient to pay principal, interest, other periodic costs and administrative expenses with respect to bonds of CFD 2007-1 and any bonds and/or certificates of participation proposed to be issued to finance the Facilities (the “Bonds”) and to pay certain costs of the Facilities (as defined in the Resolutions of Formation); and

WHEREAS, it is now necessary and appropriate that this Board levy and collect the special taxes for the Fiscal Year 2018-2019 for the purpose specified in the Ordinance, by the adoption of a resolution as specified by the Act and the Ordinance; and

WHEREAS, the special taxes being levied hereunder are at the same rate or at a lower rate than provided by the Ordinance;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT, ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2007-1, DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The above recitals are true and correct. After adoption of this Resolution, the General Manager, or designee, may make any necessary modifications to these charges to correct any errors, omissions or inconsistencies in the listing or in the amount to be charged based on changes from the final 2018 County of San Diego Assessor’s Roll.

SECTION 2. The special tax (“Special Tax”) is imposed without regard to property valuation and is levied in compliance with the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Government Code Section 53311 (the “Act”) and the Ordinance.

SECTION 3. In accordance with the Act and the Ordinance, there is hereby levied upon the parcels within the District which are not otherwise exempt from taxation under the Act or the

Ordinance the special taxes for the Fiscal Year 2018-2019 at the tax rates set forth in the report prepared by David Taussig and Associates for CFD No. 2007-1 entitled “Administration Report Fiscal Year 2018-2019” (the “Report”) submitted herewith, which rates do not exceed the maximum rates set forth in the Ordinance. After adoption of this Resolution, the General Manager of the District, or his designee, may make any necessary modifications to these special taxes to correct any errors, omissions or inconsistencies in the listing or categorization of parcels to be taxed or in the amount to be charged to any category of parcels; provided, however, that any such modifications shall not result in an increase in the tax applicable to any category of parcels and can only be made prior to the submission of the tax rolls to the San Diego County Auditor or prior to delivery of direct billings, as applicable.

SECTION 4. All of the collections of the special tax shall be used only as provided for in the Act and the Resolutions of Formation. The special tax shall be levied only so long as needed to accomplish the purposes described in the Resolutions of Formation.

SECTION 5. The special tax shall be collected in the same manner as ordinary ad valorem taxes are collected, provided, however, that CFD No. 2007-1 may directly bill the special tax, may collect special taxes at a different time or in different manner if necessary to meet its financial obligations, and the special tax shall be subject to the same penalties and the same procedure and sale in cases of delinquency as provided for ad valorem taxes as such procedure may be modified by law or this Board from time to time.

SECTION 6. As a cumulative remedy, if any amount levied as a special tax for payment of bond interest or principal, together with any penalties and other charges accruing under this Resolution, are not paid when due, the Board of Directors may, not later than four years after the due date of the last installment of principal on the Bonds, order that the same be collected by an action brought in the superior court to foreclose the lien of such special tax.

SECTION 7. The General Manager is hereby authorized and directed to transmit a certified copy of this Resolution and the Report to the San Diego County Auditor, together with other supporting documentation as may be required to place said special taxes on the secured property tax roll for the Fiscal Year 2018-2019, and/or arrange for the direct billing of the special taxes, and to perform all other acts which are required by the Act, the Ordinance, or by law in order to accomplish the purpose of this Resolution.

ADOPTED, SIGNED AND APPROVED this 25th day of July, 2018.

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, Joe 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 25th day of July, 2018, 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, Joe 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. 2018-07-07 of said Board, and that the same has not been amended or repealed.

Dated: July 25, 2018

Secretary of the Board of Directors of Borrego Water District

BORREGO WATER DISTRICT
BOARD OF DIRECTORS MEETING – JULY 25, 2018
AGENDA BILL 2.A.3

July 19, 2018

TO: Board of Directors, Borrego Water District
FROM: Geoff Poole, GM
SUBJECT: BWD 2018-19 Staff Goals and Objectives – G Poole

RECOMMENDED ACTION:

Receive Report from General Manager and Legal Counsel and direct staff as deemed appropriate

ITEM EXPLANATION:

I have worked with Kim, Greg and Brian Brady on the content, format and future reporting methods during the year for 2018-19 Goals and Objectives. The proposed Goals and Objectives are attached.

Step One is for the Board to review the attachment, comment and revise as needed. The new reporting methods will be unveiled at the September meeting.

FISCAL IMPACT

N/A

ATTACHMENTS –

1. Draft Goals and Objectives for 2018-19

Borrego Water District
General Managers Organizational Goals and Objectives
Fiscal Year 2018-19

1. OPERATIONS: Provide the oversight, as needed, and support management of the water and wastewater systems to meet or exceed all State and Federal standards in a safe environment for BWD employees.
 - A. Create structure for BWD Operations staff to be coordinated with CIP projects. Aug 2018
 - B. Develop new Budget and CIP Review Process
 - a. Evaluate existing Budget Format/Process – Revise as needed: Jan - Jun 2019
 - C. Test Emergency Preparedness Plan with local groups (school, fire, businesses, County etc...)
 - D. Provide improved security for BWD facilities including physical improvements and video cameras
 - E. Repair Flood Control Facility
 - F. Receive SWRCB Discharge Permit for WasteWater Treatment Plant
 - G. Resolve Wastewater Treatment Plant odors in collection system
 - H. Implement BWDs new Fats Oils and Grease Policy including Elementary School
 - I. Evaluate feasibility of well field solar power conversion
 - J. Miscellaneous Projects: Lorch easement, Sunset sewer acceptance and future extension, time card review, monthly staff meetings

2. BUDGET/FINANCE: Manage the financial assets of the District to provide the funds necessary for BWD Operations, Capital, Reserve Funds and Debt Service needs in a transparent manner.
 - A. 2017-18 Audit – Interface with auditor, present documents to Board of Directors: Jul - Oct 2018
 - B. Develop new Budget and CIP Review Process
 - a. Evaluate existing Budget Format/Process – Revise as needed: Jan - Jun 2019
 - C. 2018 BWD Bond Financing – Work with Consultants on finalizing \$5.5 M Bond Issue: Jul 2019
 - D. Miscellaneous Projects: Club Circle Golf Course Reimbursements, Club Circle Trash, New Rams Hill Long Term Cooperation Agreement Negotiations, Mesquite Ranch Fee Waiver, Time Card Review, Accept Credit Card Payments, Online Billing Access/E Billing, Monthly Staff Meetings

3. GROUNDWATER SUSTAINABILITY PLAN: Work in conjunction with the County of San Diego, State of California, Borrego Basin GSP Advisory Committee and other stakeholder groups to prepare an implementable GSP within the proposed timeline.
 - A. Organize/Participate in Core Team and Advisory Committee activities: Jul. 2018 – Jun. 2019
 - a. Support AC Constituent Groups and outside organizations, as needed

- b. Expand Water Quality Monitoring Network
 - i. Contact well owners and request participation
 - c. Provide input into GSP Following Plan
 - i. Viking Ranch Assessment
 - ii. Air Quality Monitoring System
 - d. Participate in Baseline Pumping Allocation meetings
 - e. Manage SDAC Contracts (See Grants Section)
 - f. Determine most beneficial EIR approval strategy and support County
 - g. Monitor County of SD PSR Process
 - h. Miscellaneous Projects: GSA Expense Description, DCF Model
4. GRANTS/BONDS/PUBLIC INITIATIVES: Maximize the use of alternative funding sources as an alternative to BWD Ratepayer revenues.
- A. Grants Received: SDAC grant from DWR - Manage Contracts: Jun. 2018 – Jul. 2019
 - a. Le Sar Development Consultants: Public Outreach
 - i. Develop Materials, Survey/Data Acquisition, Business Survey Distribution
 - ii. Participate in Outreach efforts including AC Ad hoc Committee meeting and public workshops etc...
 - b. Dr Jay Jones: Socioeconomic Modeling
 - i. Submit info from surveys, provide data and other advice/input into model design
 - c. Dudek/USGS: Investigative Well Drilling
 - i. Provide advice on well alternatives and coordinate with BWD Operations Staff
 - d. Dudek: Meter Installation Financial Assistance
 - i. Assist consultant in working with local participants in the program
 - e. Receive approvals from BWD Board on Reimbursement Agreement with County of SD for SDAC Grant proceeds – Aug. 2018
 - f. Center for Collaborative Policy = GSP AC and CT Facilitation
 - i. Liaison with Facilitator for meeting preparation, organization and other related activities
 - B. Manage Grant Applications for DWR water and SWRCB wastewater Grants
 - a. Applications submitted: Monitor comments from staff with questions/info request
 - b. Resolve Twin Tanks lot discrepancy with the State of CA
 - c. Provide periodic updates to SD Air Pollution Control Staff re Diesel Motor Replacement
 - C. Pursue other Grant Opportunities
 - i. SDAC Round #2, USDA, DWR Monitoring Well, EPA, Others
 - D. BWD Bond - Capital Improvement Plan
 - E. Public Initiative: Scenario Planning for 2018 California Water Bond – Develop planning scenarios for both positive & negative election results
 - a. Provide support for BWD Board Bond Proceeds Ad Hoc Committee
 - b. If successful, create structure and organization needed for expenditure of funds.
 - c. If unsuccessful, take steps necessary to obtain future BWD supplies including land acquisition in the short term, “wait and see strategy” or others.

BORREGO WATER DISTRICT
BOARD OF DIRECTORS MEETING – JULY 25, 2018
AGENDA BILL 2.A.4

July 19, 2018

TO: Board of Directors, Borrego Water District
FROM: Geoff Poole, GM
SUBJECT: Construction Management Consultant Selection – G Poole, G Halloway, R Delahay, L Brecht

RECOMMENDED ACTION:

Review recommendations and select Construction Management Consultant for BWD CIP projects funded by the recent BWD Bond issuance.

ITEM EXPLANATION:

Three qualified firms submitted Proposals on July 19th to provide Construction Management Services: Dudek Engineering, Dynamic Engineering and IEC. Staff (Poole/Halloway) and Directors Brecht and Delahay will review the Proposals over the weekend, meet on Monday and present its recommendation to the Board at the Meeting.

ATTACHMENTS:

None

BORREGO WATER DISTRICT
 BOARD OF DIRECTORS MEETING – JULY 25, 2018
 AGENDA BILL 2.B.1

July 19, 2018

TO: Board of Directors, Borrego Water District
 FROM: Geoff Poole, GM
 SUBJECT: GSP Costs to Date and Reimbursables – G Poole

RECOMMENDED ACTION:

Review list of GSP related expenses and BWD reimbursables, approve and forward to County of SD Core Team for inclusion in GSP Financing Plan.

ITEM EXPLANATION:

Following is a list of expenses:

Expense	Cost	Funding Source
Basin Studies – PRE 2015	\$2,000,000	Grants
Basin Studies – PRE 2015	1,000,000	BWD
BWC – PRE 2015	150,000	Grants
BWC – PRE 2015	80,000	BWD
BWC – PRE 2015	50,000	Pumpers
GSP CEQA	500,000	Grant
SDAC Outreach, Model, Well Drilling	500,000	Grant
GSP Development – County of SD	1,200,000	Grants/County
CCP – Facilitation	120,000	Grants
GSA Formation	60,000	Grants
BWD – Legal POST 2015 (Thru Jun 18)	178,190	BWD
BWD -Engineering/Finance “	127,305	BWD
BWD – Staff POST 2015		
Includes AC Support (Meals/Minutes etc..)	70,875	BWD
2018 Water Bond Legal Research/Short Poll	28,000	BWD
Air Quality Monitoring	30,000	BWD
Future GSP Costs	??	??

TOTAL \$6,036,370

The **BOLD** printed items are eligible for reimbursement and the total is \$376,370 so far. In some of the previous estimates the amount for BWD reimbursables was higher but over \$50,000 in

Grant Research expenses was classified at GSP which is not technically correct and was removed.

FISCAL IMPACT

N/A

ATTACHMENTS

1. None



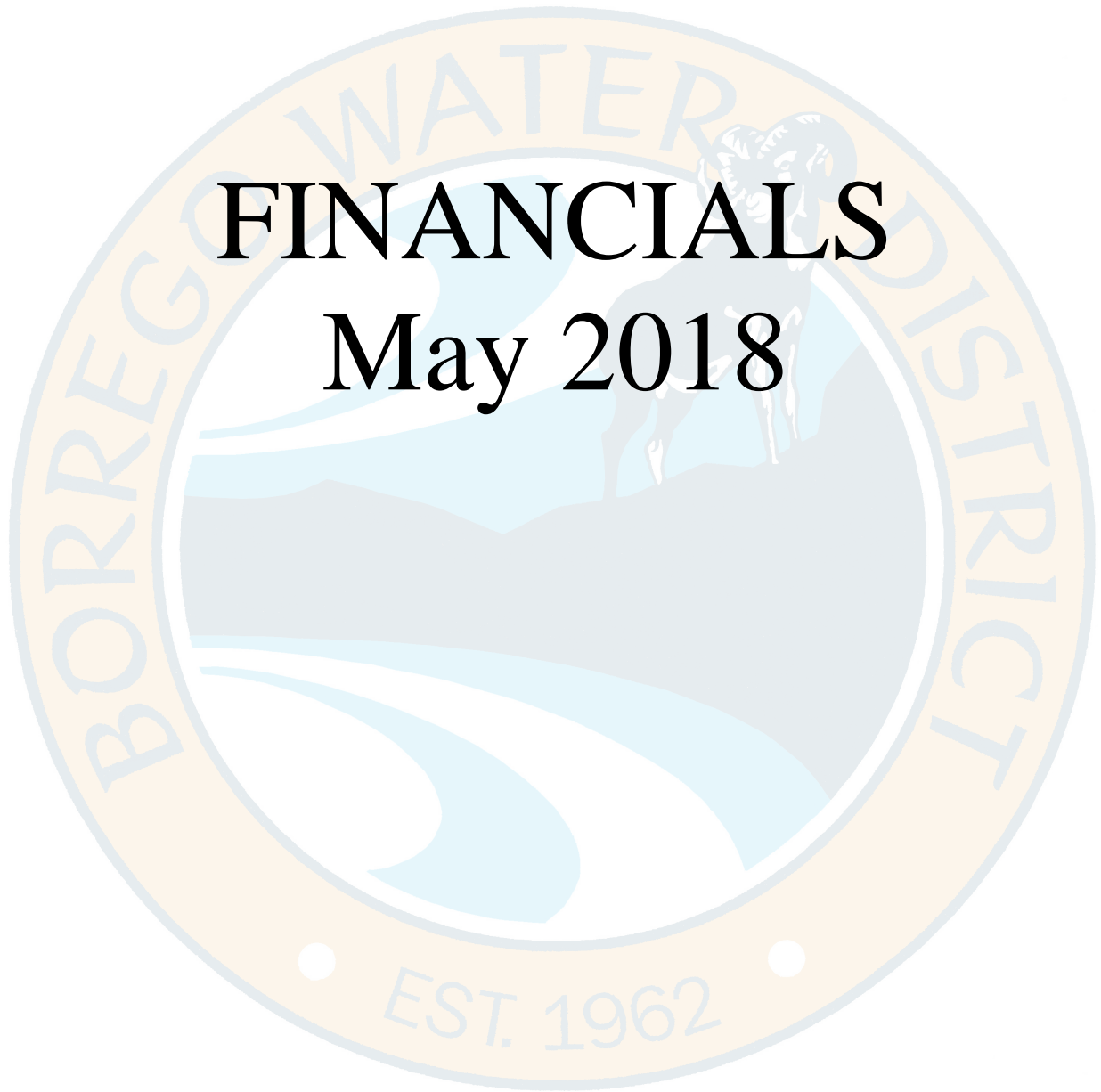
ITEM V STAFF REPORTS



Item V.A

FINANCIALS

May 2018



	C	U	V	W	X	Y	AA
1	BWD	5/23/2017					
2	CASH FLOW	ADOPTED	Actual	Projected	Actual	Actual YTD	Projected
3	2017-2018	BUDGET	May	May	YTD	and Projected	June
4		FY 2018	2018	2018	2017-2018	2017-2018	2018
5							
6	REVENUE						
7	WATER REVENUE						
8	Residential Water Sales	949,885	78,451	73,000	841,934	919,934	78,000
9	Commercial Water Sales	302,856	38,486	29,000	390,459	420,459	30,000
10	Irrigation Water Sales	210,597	17,033	16,000	212,064	231,560	19,496
11	GWM Surcharge	160,274	14,761	14,721	158,312	173,033	14,721
12	Water Sales Power Portion	457,206	40,786	42,916	438,321	483,101	44,780
13	TOTAL WATER COMMODITY REVENUE:	2,080,818	189,517	175,637	2,041,089	2,228,087	186,997
14							
15	Readiness Water Charge	1,114,240	90,874	90,273	992,841	1,083,841	91,000
18	Meter Install/Reconnect Fees	1,360	0	340	51,085	51,085	0
19	Backflow Testing/installation	7,000	0	-	400	7,400	7,000
20	Bulk Water Sales	600	938	-	23,085	23,085	0
21	Penalty & Interest Water Collection	19,000	(44,163)	830	2,925	3,755	830
22	TOTAL WATER REVENUE:	3,223,018	237,166	267,080	3,141,345	3,427,172	285,827
23							
24	PROPERTY ASSESSMENTS/AVAILABILITY CHARGES						
25	641500 1% Property Assessments	62,303	(45,045)	7,848	7,848	8,048	200
26	641502 Property Assess wtr/swr/fld	106,212	(14,001)	45,903	45,903	46,203	300
28	641501 Water avail Standby	82,445	14,165	14,165	83,571	85,571	2,000
30	641504 ID 3 Water Standby (La Casa)	33,722	12,345	12,345	33,791	34,281	490
31	641503 Pest standby	17,882	5,403	5,403	16,017	16,539	523
32	TOTAL PROPERTY ASSES/AVAIL CHARGES:	302,563	(27,133)	85,665	187,130	190,643	3,513
33							
34	SEWER SERVICE CHARGES						
35	Town Center Sewer Holder fees	226,391	18,798	18,772	202,277	221,049	18,772
36	Town Center Sewer User Fees	85,015	7,106	7,085	77,083	84,168	7,085
37	Sewer user Fees	267,460	22,968	22,482	249,209	271,691	22,482
39	Penalty Interest-Sewer	3,000	(6,169)	-	(5,599)	(5,599)	-
41	TOTAL SEWER SERVICE CHARGES:	581,866	42,704	48,339	522,970	571,309	48,339
42							
43	OTHER INCOME						
46	Fire Hydrant Installation		0	-	6,000	6,000	0
47	Miscellaneous Income -Insurance rebate		(27,665)	-	-	-	-
48	Water Credits income			-	69,250	69,250	0
49	Interest Income	6,600	1,836	1,700	18,155	19,855	1,700
50	TOTAL OTHER INCOME:	6,600	(25,829)	1,700	93,405	95,105	1,700
51							
52	TOTAL INCOME:	4,114,047	226,908	402,783	3,944,850	4,284,229	339,379
61							
62	CASH BASIS ADJUSTMENTS						
63	Decrease (Increase) in Accounts Receivable		(37,082)		(10,006)	(10,006)	
65	Deposits		0		19,625	19,625	
66	Other Cash Basis Adjustments				16,755	16,755	
67	TOTAL CASH BASIS ADJUSTMENTS:		(37,082)		26,374	26,374	
68							
69	TOTAL INCOME RECEIVED:	4,114,047	189,827	402,783	3,971,223	4,310,602	339,379

	C	U	V	W	X	Y	AA
1	BWD	5/23/2017					
2	CASH FLOW	ADOPTED	Actual	Projected	Actual	Actual YTD	Projected
3	2017-2018	BUDGET	May	May	YTD	and Projected	June
4		FY 2018	2018	2018	2017-2018	2017-2018	2018
71	EXPENSES						
72							
73	MAINTENANCE EXPENSE						
74	R & M Buildings & Equipment	185,000	13,411	15,000	163,196	178,196	15,000
75	R & M - WWTP	185,000	7,138	60,000	78,796	328,796	250,000
76	Telemetry	8,000	1,485	1,094	12,370	12,370	0
77	Trash Removal	4,200	418	420	7,921	8,341	420
78	Vehicle Expense	18,000	284	1,500	13,086	14,586	1,500
79	Fuel & Oil	23,000	5,217	2,000	29,123	33,123	4,000
80	TOTAL MAINTENANCE EXPENSE:	423,200	27,953	80,014	304,493	575,413	270,920
81							
82	PROFESSIONAL SERVICES EXPENSE						
83	Tax Accounting (Taussig)	3,000	0	-	2,115	3,000	885
84	Administrative Services (ADP)	3,000	217	218	2,770	2,989	219
85	Audit Fees (Squamliner)	15,995	0	-	15,996	15,996	0
86	Computer billing (Accela/Parker)	13,500	0	200	16,130	16,130	-
87	Financial/Technical Consulting (Raftelis) (Fieldman) (Holt Group)	41,000	5,000	2,502	53,044	55,546	2,502
88	Engineering (Dynamic/Dudek)	50,000	11,500	4,000	68,919	72,919	4,000
89	District Legal Services (Downey Brand/BBK)	20,000	9,498	5,000	105,945	110,945	5,000
90	Testing/lab work (Babcock Lab)	8,400	1,250	1,000	10,710	11,710	1,000
91	Regulatory Permit Fees (SWRB/DEH/Dig alerts/APCD)	27,160	143	800	20,590	21,090	500
92	TOTAL PROFESSIONAL SERVICES EXPENSE:	182,055	27,608	13,720	296,219	310,325	14,106
93							
94	INSURANCE EXPENSE						
95	ACWA/JPIA Program Insurance	57,000	0	-	54,682	54,682	0
96	ACWA/JPIA Workers Comp	16,000	0	-	11,679	15,679	4,000
97	TOTAL INSURANCE EXPENSE:	73,000	0	-	66,361	70,361	4,000
98							
99	DEBT EXPENSE						
100	Citizens Bank-COP 2008 Debt Payment	251,475	0	-	251,475	251,475	0
101	BBVA-Viking Ranch Debt Payment	143,312	35,834	35,828	143,280	143,280	
104	TOTAL DEBT EXPENSE:	394,787	35,834	35,828	394,755	394,755	-
105	EXPENSES						
106	PERSONNEL EXPENSE						
107	Board Meeting Expense (board stipend/board secretary)	22,000	1,863	2,853	18,629	20,449	1,820
108	Salaries & Wages (gross)	826,000	72,176	70,734	740,682	808,157	67,475
109	Salaries & Wages offset account (board stipends/staff project sal	(55,000)	(7,189)	(5,000)	(83,722)	(88,722)	(5,000)
110	Consulting services/Contract Labor	24,000	7,500	-	17,839	17,839	-
111	Taxes on Payroll	22,000	1,220	2,134	19,765	21,499	1,734
112	Medical Insurance Benefits	220,100	18,494	18,863	218,133	218,133	
113	Calpers Retirement Benefits	179,200	6,694	6,500	147,127	153,627	6,500
114	Conference/Conventions/Training/Seminars	8,000	326	500	18,215	18,574	359
115	TOTAL PERSONNEL EXPENSE:	1,246,300	101,084	96,584	1,096,669	1,169,556	72,888
116							
117	OFFICE EXPENSE						
118	Office Supplies	18,000	1,503	500	18,653	19,153	500
119	Office Equipment/ Rental/Maintenance Agreements	35,000	2,248	500	43,296	43,446	150
120	Postage & Freight	15,000	1,633	2,063	10,743	12,843	2,100
121	Taxes on Property	2,331	0	-	2,334	2,334	0
122	Telephone/Answering Service/Cell	19,000	1,486	1,629	17,289	18,917	1,628
123	Dues & Subscriptions (ACWA/CSDA)	21,526	76	-	19,221	19,366	145
124	Printing, Publications & Notices	3,000	0	582	1,253	1,835	582
125	Uniforms	5,400	645	508	5,526	6,036	510
126	OSHA Requirements/Emergency preparedness	4,000	1,725	600	3,945	4,524	579
127	TOTAL OFFICE EXPENSE:	123,257	9,315	6,382	122,260	128,454	6,194
128							
129	UTILITIES EXPENSE						
130	Pumping-Electricity	300,000	38,577	23,000	297,398	321,898	24,500
131	Office/Shop Utilities	20,000	170	500	6,793	7,293	500
133	TOTAL UTILITIES EXPENSE:	320,000	38,748	23,500	304,191	329,191	25,000
134							
135	GROUNDWATER MANAGEMENT EXPENSE						
136	GWM -GSP Development Expense	120,000	17,402	10,000	208,441	218,441	10,000
137	GSP Project Management	120,000					
138	Prop 1 Grant Expense	30,000	31,076	-	31,076	31,076	-
139							
140	TOTAL GWM EXPENSE:	270,000	48,478	10,000	239,516	249,516	10,000
141							
142	TOTAL EXPENSES:	3,032,600	289,019	266,028	2,824,464	3,227,572	403,108
143	CASH BASIS ADJUSTMENTS						
144	Decrease (Increase) in Accounts Payable		(17,419)		49,850	49,850	
145	Increase (Decrease) in Inventory		(7,857)		(6,090)	(6,090)	
146	Decrease (Increase) in CSD refund payable		(185,350)		(185,350)		
147	Other Cash Basis Adjustments						
148	TOTAL CASH BASIS ADJUSTMENTS:		(210,626)		(141,590)	(141,590)	
149							
150	TOTAL EXPENSES PAID:	3,032,600	78,393	266,028	2,682,874	3,085,982	403,108
151							
156	NET CASH FLOW (O&M)	1,081,447	111,434	136,755	1,288,349	1,224,621	(63,729)

	C	U	V	W	X	Y	AA
1	BWD	5/23/2017					
2	CASH FLOW	ADOPTED	Actual	Projected	Actual	Actual YTD	Projected
3	2017-2018	BUDGET	May	May	YTD	and Projected	June
4		FY 2018	2018	2018	2017-2018	2017-2018	2018
158	CIP PROJECTS-OPERATIONS						
159	Water						
160	Pickup	50,000			39,555	39,555	
161	Well rehabilitation	80,000			-	-	
162	10" Bypass at ID 1 Booster Station 2	15,000			16,140	16,140	
163	Emergency water pipeline repairs	25,000			-	10,000	10,000
167	Emergency Generator Mobile Trailer	12,000			-	12,000	12,000
172	New 900 Reservoir	525,000	29,798		584,579	584,579	
173	Replace Twin Tanks-(prop 1 grant)	579,000			-	-	
175	Replace Wilcox Diesel Motor-(Prop 1 grant)	59,000			-	-	
176	Replace Indianhead Reservoir-(Prop 1 grant)	294,000			-	-	0
177	Rams Hill #2, 1980 balv. 0.44 MG recoating-(Prop 1 grant)	161,000		0	-	-	
179	Transmission line to convey Well 5 water to C.C. Reservoir (pipe	83,000			18,844	18,844	
180	T Anchor Dr., Frying Pan Rd. to Double O Rd. (Pipeline 6)	34,000	7,009	8,000	7,009	17,009	10,000
181	Weathervane Dr., Frying Pan Road to Double O Road (Pipeline	34,000	7,009	8,000	7,009	17,009	10,000
182	Well 12 pump and casing cleaning	50,000			90,849	90,849	
183	Mail machine inserter				10,548	10,548	
184	TOTAL WATER CIP:	2,001,000	43,815	16,000	799,750	841,750	42,000
185	Sewer						
195	Plant-Grit removal at the headworks-(Prop 1 grant)	100,000			-	-	
196	WTF-Rehab Clarifier (Prop 1 grant)	118,500			-	-	0
197	TOTAL SEWER CIP:	218,500	0	-	-	-	-
198							
199	TOTAL CIP OPERATION EXPENSES:	2,219,500	43,815	16,000	799,750	841,750	42,000
200							
201	CASH RECAP						
202	Cash beginning of period	4,589,663	4,570,636	4,678,461	4,149,656	4,149,656	4,638,255
203	Net Cash Flow (O&M)	1,081,447	111,434	136,755	1,288,349	1,224,621	(63,729)
204	Total Non O&M Expenses	(2,219,500)	(43,815)	(16,000)	(799,750)	(841,750)	(42,000)
205	CASH AT END OF PERIOD	3,451,611	4,638,255	4,799,216	4,638,255	4,532,527	4,532,527
206							
207	RESERVES						
208	Working Capital-Water (4 months)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
209	R & R Reserves	(532,000)	(532,000)	(532,000)	(532,000)	(532,000)	(532,000)
210	Contingency Reserves (8 % O&M)	(240,000)	(240,000)	(240,000)	(240,000)	(240,000)	(240,000)
211	Rate Stabilization Reserves	(800,000)	(800,000)	(800,000)	(800,000)	(800,000)	(800,000)
212	Available for Emergency Reserves	1,411,611	2,066,255	2,227,216	2,066,255	1,960,527	1,960,527
213	Target Emergency Reserves	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
214	Emergency Reserves Deficit	(588,389)	66,255	227,216	66,255	(39,474)	(39,474)
215							
216	EXPLANATION						
217				Actual	Projected		
218	Penalty & Interest Water Collection-Transferred balance to CSD refund payable account			(44,163)	830		
219	641500 1% Property Assessments-Transferred balance to CSD refund payable account			(45,045)	7,848		
220	641502 Property Assess w/risw/rlid-Transferred balance to CSD refund payable account			(14,001)	45,903		
221	Penalty Interest Sewer-Transferred balance to CSD refund payable account			(6,169)	0		
222	Miscellaneous Income -Insurance rebate-Transferred balance to CD refund payable account			(27,665)	0		
223	R & M - WWTP-Expected partial payment for manhole rehab-total paid in June			7,138	60,000		
224	Fuel & Oil- Extra delivery of Red Diesel Fuel (5/31/18) also up 45 gal			5,217	2,000		
225	Engineering (Dynamic/Dudek)-The Holt Group Rehab design WTF			11,500	4,000		



TREASURER'S REPORT May, 2018

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	\$ 2,452,945	\$ 2,411,868	\$ 2,411,868	52.00%	0.00%	N/A	UB
Payroll Account	\$ 85,265	\$ 85,265	\$ 85,265	1.84%	0.00%	N/A	UB
MMA	\$ 2,119,692	\$ 2,119,692	\$ 2,119,692	45.70%	1.00%	N/A	UB
LAIF	\$ 21,430	\$ 21,430	\$ 21,430	0.46%	1.20%	N/A	LAIF

Total Cash and Cash Equivalents	\$ 4,679,332	\$ 4,638,255	\$ 4,638,255	100.00%			
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Facilities District No. 2017-1A-B

Special Tax Bond- Rams Hill -US BANK	\$ 41,342	\$ 41,342	\$ 41,342				
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Total Cash, Cash Equivalents & Investments	\$ 4,720,674	\$ 4,679,597	\$ 4,679,597				
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Cash and investments conform to the District's Investment Policy statement filed with the Board of Directors on July 26, 2017

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

Kim Pitman, Administration Manager



To: BWD Board of Directors
 From: Kim Pitman
 Subject: Consideration of the Disbursements and Claims Paid
 Month Ending May, 2018

Vendor disbursements paid during this period: **\$ 286,098.96**

Significant items:

San Diego Gas & Electric	\$	38,688.34
Medical Health Benefits	\$	19,933.37
CalPERS	\$	4,725.72
BBVA Compass Bank Debt Payment	\$	35,834.34

Capital Projects/Fixed Asset Outlays:

Big J Fencing-Fence around 900 Tank	\$	19,557.00
Pacific Pipeline-T-Anchor/Weathervane pipeline supplies	\$	14,018.00

Total Professional Services for this Period:

Best Best & Krieger	Legal-general	\$	9,497.89
	GWM	\$	11,171.00
LeSar Development	GWM-SDAC	\$	27,500.00
The Holt Group-RHWTF Rehab design		\$	11,500.00
Raftelis Financial Consultants-RH Surplus Water Calculation		\$	5,000.00
Brian J. Brady & Associates-Analysis of BWD Staffing and operations		\$	7,500.00

Payroll for this Period:

Gross Payroll	\$	72,176.00
Employer Payroll Taxes and ADP Fee	\$	1,420.00
Total	\$	73,596.00

Accounts Payable

Board Report, May 2018



Check	Vendor	Vendor	Check Date	Check Amount
32061	1032	A-1 IRRIGATION, INC.	06/06/2018	137.90
32062	1109	ABILITY ANSWERING/PAGING SER	06/06/2018	260.56
32049	1266	AFLAC	05/23/2018	1,551.62
32063	1001	AMERICAN LINEN INC.	06/06/2018	499.60
32090	1001	AMERICAN LINEN INC.	06/19/2018	58.97
32064	61	AT&T MOBILITY	06/06/2018	729.83
32065	9529	AT&T-CALNET 3	06/06/2018	377.61
32099	9255	BABCOCK LABRATORIES	06/20/2018	1,190.00
32040	91	BBVA COMPASS	05/15/2018	35,834.34
32100	10884	BEST BEST & KRIEGER ATTORNEYS AT	06/20/2018	20,668.89
32041	9679	BIG J FENCING, INC.	05/15/2018	19,557.00
32066	88	BORREGO AUTO PARTS, INC.	06/06/2018	162.50
32042	1003	BORREGO SPRINGS BOTTLED WATER	05/15/2018	57.59
32054	10903	BRIAN J. BRADY & ASSOCIATES	05/30/2018	7,500.00
32043	10902	BUSINESS RADIO LICENSING	05/15/2018	95.00
32055	56	CMS BUSINESS FORMS, INC.	05/30/2018	657.02
32092	48	COUNTY OF SAN DIEGO DEPT OF PUBLI	06/19/2018	143.00
32047	1222	DEBBIE MORETTI	05/15/2018	122.00
32044	96	DISH	05/15/2018	75.72
32050	9535	DOWNEY BRAND	05/23/2018	218.09
32045	1094	EMPIRE SOUTHWEST	05/15/2018	237.10
32056	1094	EMPIRE SOUTHWEST	05/30/2018	146.10
32070	9012	ESCONDIDO METAL SUPPLY	06/06/2018	40.87
32046	9544	FIREFORCE INC.	05/15/2018	1,126.50
32084	1048	GRAINGER	06/12/2018	536.13
32071	9579	GREEN DESERT LANDSCAPE	06/06/2018	4,770.00
32085	10888	HIGHWAY SAFTEY	06/12/2018	779.95
32072	1136	HOME DEPOT CREDIT SERVICES	06/06/2018	857.40
32068	1022	JAMES HORMUTH DE ANZA TRUE VALL	06/06/2018	48.49
32073	65	JC LABS & MONITORING SERVICE	06/06/2018	1,500.00
32074	10873	KESSLINGS KITCHEN	06/06/2018	321.20
32051	10889	LESAR DEVELOPMENT CONSULTANTS	05/23/2018	14,500.00
32093	10889	LESAR DEVELOPMENT CONSULTANTS	06/19/2018	13,000.00
32053	10899	LOUIS ALEXANDER THE RICK ALEXANI	05/23/2018	3,575.75
32067	1066	MANUEL RODRIGUEZ DE ANZA READY	06/06/2018	636.11
32038	1000	MEDICAL ACWA-JPIA	05/15/2018	19,933.37
32075	1016	NAPA AUTO PARTS INC	06/06/2018	82.74
32076	10891	NEOPOST USA INC	06/06/2018	1,633.23
32057	1208	PACIFIC PIPELINE SUPPLY INC	05/30/2018	530.21
32077	1208	PACIFIC PIPELINE SUPPLY INC	06/06/2018	23,575.43
32094	1208	PACIFIC PIPELINE SUPPLY INC	06/19/2018	1,898.75
32096	9546	RAFTELIS FINANCIAL CONSULTANTS, II	06/19/2018	5,000.00
32078	9633	RAMONA DISPOSAL SERVICE	06/06/2018	3,431.51
32097	9633	RAMONA DISPOSAL SERVICE	06/19/2018	3,727.20

32052	1065	SAN DIEGO GAS & ELECTRIC	05/23/2018	12,819.57
32058	1065	SAN DIEGO GAS & ELECTRIC	05/30/2018	25,868.77
32079	1065	SAN DIEGO GAS & ELECTRIC	06/06/2018	59.18
32086	1059	STAPLES CREDIT PLAN	06/12/2018	986.17
32069	9046	STATE WATER RESOURCE CONTROL DF	06/06/2018	85.00
32098	10901	THE HOLT GROUP	06/19/2018	11,500.00
32048	10885	THE SOCO GROUP, INC.	05/15/2018	2,636.81
32059	10885	THE SOCO GROUP, INC.	05/30/2018	997.75
32080	10885	THE SOCO GROUP, INC.	06/06/2018	1,581.96
32087	3000	U.S.BANK CORPORATE PAYMENT SYS	06/12/2018	1,387.35
32081	1023	UNDERGROUND SERVICE ALERT	06/06/2018	18.25
32088	1086	UNIVAR USA INC.	06/12/2018	1,142.08
32082	10847	USA COMMUNICATIONS	06/06/2018	240.94
32060	9439	USABUEBOOK	05/30/2018	1,424.28
32089	1100	VERIZON WIRELESS	06/12/2018	117.73
32091	1027	VICTOR VALENTI CONTRON SCADA SY:	06/19/2018	1,484.84
32095	1623	WENDY QUINN	06/19/2018	475.00
32083	92	XEROX FINANCIAL SERVICES	06/06/2018	377.00

Report Total (88 checks): 286,098.96




	G	H	I	J	K	L
112						
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120						
121						
122						
123				BALANCE SHEET	BALANCE SHEET	MONTHLY
124				May 31, 2018	April 30, 2018	CHANGE
125				(unaudited)	(unaudited)	(unaudited)
126		ASSETS				
127						
128						
129		CURRENT ASSETS				
130		Cash and cash equivalents	\$	4,638,255.02	\$ 4,570,636.37	\$ 67,618.65
131		Accounts receivable from water sales and sewer charges	\$	435,360.05	\$ 398,278.16	\$ 37,081.89
133		Inventory	\$	119,030.08	\$ 126,886.73	\$ (7,856.65)
137		Prepaid expenses	\$	30,655.73	\$ 30,655.73	\$ -
139						
140		TOTAL CURRENT ASSETS	\$	5,223,300.88	\$ 5,126,456.99	\$ 96,843.89
141						
142		RESTRICTED ASSETS				
143		Debt Service:				
144		Deferred amount of COP Refunding	\$	102,542.17	\$ 102,542.17	\$ -
147		Deferred Outflow of Resources-CalPERS	\$	356,748.00	\$ 356,748.00	\$ -
148		Total Debt service	\$	459,290.17	\$ 459,290.17	\$ -
149						
150		Trust fund:				
151		Investments with fiscal agent -CFD 2017-1	\$	41,342.23	\$ 41,342.23	\$ -
152		Total Trust fund	\$	41,342.23	\$ 41,342.23	\$ -
153						
154		TOTAL RESTRICTED ASSETS	\$	500,632.40	\$ 500,632.40	
155						
156		UTILITY PLANT IN SERVICE				
157		Land	\$	2,251,663.65	\$ 2,251,663.65	\$ -
158		Flood Control Facilities	\$	4,287,340.00	\$ 4,287,340.00	\$ -
159		Capital Improvement Projects	\$	959,731.46	\$ 909,098.71	\$ 50,632.75
160		Sewer Facilities	\$	5,992,778.56	\$ 5,992,778.56	\$ -
161		Water facilities	\$	11,010,716.48	\$ 11,010,716.48	\$ -
162		General facilities	\$	1,016,229.37	\$ 1,016,229.37	\$ -
163		Equipment and furniture	\$	574,974.27	\$ 574,974.27	\$ -
164		Vehicles	\$	622,357.41	\$ 622,357.41	\$ -
165		Accumulated depreciation	\$	(12,760,530.47)	\$ (12,760,530.47)	\$ -
166						\$ -
167		NET UTILITY PLANT IN SERVICE	\$	13,955,260.73	\$ 13,904,627.98	\$ 50,632.75
168						
169		OTHER ASSETS				
170		Water rights -ID4	\$	185,000.00	\$ 185,000.00	\$ -
171						
172		TOTAL OTHER ASSETS	\$	185,000.00	\$ 185,000.00	
173						
174		TOTAL ASSETS	\$	19,864,194.01	\$ 19,716,717.37	\$ 147,476.64



	G	H	J	K	L
175					
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186					
187	Balance sheet continued				
188			BALANCE SHEET	BALANCE SHEET	MONTHLY
189			May 31, 2018	April 30, 2018	CHANGE
190			(unaudited)	(unaudited)	(unaudited)
191		LIABILITIES			
192					
193					
194		CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS			
195		Accounts Payable	\$ 133,597.81	\$ 116,178.62	\$ 17,419.19
196		Accrued expenses	\$ 123,110.45	\$ 123,110.45	\$ -
198		CSD Refund Payable	\$ 185,350.46		
199		Deposits	\$ 19,703.26	\$ 19,703.26	\$ -
200					
201		TOTAL CURRENT LIABILITIES PAYABLE			
202		FROM CURRENT ASSETS	\$ 461,761.98	\$ 258,992.33	\$ 202,769.65
203					
204		CURRENT LIABILITIES PAYABLE FOM RESTRICTED ASSETS			
205		Debt Service:			
206		Accounts Payable to CFD 2017-1	\$ 41,342.23	\$ 41,342.23	\$ -
208					
209		TOTAL CURRENT LIABILITIES PAYABLE			
210		FROM RESTRICTED ASSETS	\$ 41,342.23	\$ 41,342.23	\$ -
211					
212		LONG TERM LIABILITIES			
213		2008 Certificates of participation	\$ 2,180,000.00	\$ 2,180,000.00	\$ -
214		BBVA Compass Bank Loan	\$ 844,505.85	\$ 869,616.21	\$ (25,110.36)
215		Net Pension Liability-CalPERS	\$ 819,059.00	\$ 819,059.00	\$ -
216		Deferred Inflow of Resources-CalPERS	\$ 163,076.00	\$ 163,076.00	
217					
218		TOTAL LONG TERM LIABILITIES	\$ 4,006,640.85	\$ 4,031,751.21	\$ (25,110.36)
219					
220		TOTAL LIABILITIES	\$ 4,509,745.06	\$ 4,332,085.77	\$ 177,659.29
221					
222		FUND EQUITY			
223		Contributed equity	\$ 9,611,814.35	\$ 9,611,814.35	\$ -
224					
225		Retained Earnings:			
226		Unrestricted Reserves/Retained Earnings	\$ 5,742,634.60	\$ 5,772,817.25	\$ (30,182.65)
227					
228		Total retained earnings	\$ 5,742,634.60	\$ 5,772,817.25	\$ (30,182.65)
229					
230		TOTAL FUND EQUITY	\$ 15,354,448.95	\$ 15,384,631.60	\$ (30,182.65)
231					
232		TOTAL LIABILITIES AND FUND EQUITY	\$ 19,864,194.01	\$ 19,716,717.37	\$ 147,476.64

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
3																
4																
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11																
12																
13																
14																
15		Downey			Wendy Quinn	Town Hall/	One Eleven	TRAC			Water Advisory	Babcock Lab	Equipment		Monthly	FYE 2018
16	Month	Brand	BBK	DUDEK	Minutes	Advertising/Postage	Water Services		Staff Allocation	Ellen Wehr	Committee-Lunches	Water Testing		CSU-GSP	Total	Total
17																
18	Jul-17								3,415.68	9,645.00	480.88				13,541.56	13,541.56
19	Aug-17						1,710.00		4,002.75		9.99				5,722.74	19,264.30
20	Sep-17	1,115.25			262.50	100.90	760.00		3,202.20		345.20				5,786.05	25,050.36
21	Oct-17	2,691.00	7,892.50		212.50				4,500.60		353.32			6,948.62	22,598.54	47,648.89
22	Nov-17		13,209.25		250.00		3,805.00		4,345.20		360.25				21,959.70	69,608.59
23	Dec-17								4,846.80		3,017.38	3,230.00			11,094.18	80,702.77
24	Jan-18	858.00	19,162.97						5,077.60		324.44	350.00			25,773.01	106,475.78
25	Feb-18		5,395.19		262.51		1,615.00		4,246.64						11,520.34	117,996.12
26	Mar-18		14,833.23	1,490.00			4,280.00	5,355.00	5,164.40		408.14		10,465.34		41,996.11	159,992.23
27	Apr-18		12,786.02	2,606.25	437.50				4,846.80		9.99				20,686.56	180,678.79
28	May-18	218.09	11,171.00		262.50				5,539.20		211.20				17,401.99	198,080.78
29	Jun-18															
30																
31	Total	4,882.34	84,451.16	4,096.25	1,687.51	100.90	12,170.00	5,355.00	49,187.87	9,645.00	5,510.79	3,580.00	10,465.34	6,948.62	198,080.78	198,080.78
32																

	A	B	C	D	E	F	G	H	I
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15			North Gardens					Monthly	FYE 2018
16	Month		Manageent	DUDEK	COUNTY	LE SAR	Rick Alexander	Total	Total
17									
18	9/15/2015		1,552.50					1,552.50	1,552.50
19	9/30/2015			95.00				95.00	1,647.50
20	10/31/2015	Notice of Exemption			50.00			50.00	1,697.50
21	12/16/2015			760.00				760.00	2,457.50
22	12/16/2015			380.00				380.00	2,837.50
23	12/29/2015			2,438.75				2,438.75	5,276.25
24	3/1/2016	Notice of Exemption			200.00			200.00	5,476.25
25	3/31/2016			53.75				53.75	5,530.00
26	4/29/2016			2,980.00				2,980.00	8,510.00
27	5/27/2016			1,260.00				1,260.00	9,770.00
28	12/30/2016			1,330.00				1,330.00	11,100.00
29	6/24/2017			385.00				385.00	11,485.00
30	9/27/2017					20,000.00		20,000.00	31,485.00
31	10/31/2017					17,269.80		17,269.80	48,754.80
32	12/31/2017					7,730.20		7,730.20	56,485.00
33	5/31/2018					27,500.00	3,575.75	31,075.75	87,560.75
34								-	
35								-	
36									
37	Total		1,552.50	9,682.50	250.00	72,500.00	3,575.75	87,560.75	87,560.75

Item V.B



WATER & WASTE WATER OPERATIONS REPORT

May 2018

June 2018

May 2018

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 are in service. All reservoirs are in operating condition.

WASTEWATER OPERATIONS REPORT

Rams Hill Wastewater Treatment Facility serving ID-1, ID-2 and ID-5 Total Cap. 0.25 MGD (million gallons per day):

Average flow: 65,565 (gallons per day)

Peak flow: 104,000 gpd Sunday May 27, 2018

June 2018

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 are in service. All reservoirs are in operating condition.

WASTEWATER OPERATIONS REPORT

Rams Hill Wastewater Treatment Facility serving ID-1, ID-2 and ID-5 Total Cap. 0.25 MGD (million gallons per day):

Average flow: 56,433 (gallons per day)

Peak flow: 141,400 gpd Thursday June 3, 2018

Item V.C

The logo for Borrego Water District is a circular seal. It features a central figure of a Native American man in traditional dress, holding a bow and arrow. The text "BORREGO WATER DISTRICT" is written around the perimeter of the seal, and "EST. 1962" is at the bottom. The seal is light blue and yellow.

WATER PRODUCTION/USE RECORDS

May 2018

June 2018



BORREGO WATER DISTRICT

WATER PRODUCTION SUMMARY

MAY 2018

DATE	WATER USE	WATER PROD	WATER %NRW	ID4 USE	ID4 PROD	ID4 %NRW	TOTAL USE	TOTAL PROD
May-16	22.54	22.99	1.96	78.02	92.54	15.69	100.56	115.53
Jun-16	30.90	33.34	7.31	96.77	114.10	15.19	127.67	147.44
Jul-16	35.02	35.74	2.01	97.17	115.18	15.63	132.19	150.91
Aug-16	41.77	43.61	4.21	115.77	141.88	18.40	157.54	185.48
Sep-16	43.67	46.58	6.25	119.76	118.50	-1.06	163.43	165.09
Oct-16	34.51	37.64	8.31	102.51	122.73	16.48	137.02	160.37
Nov-16	31.55	31.58	0.10	102.59	112.11	8.50	134.14	143.70
Dec-16	27.15	27.95	2.87	73.25	82.85	11.59	100.40	110.81
Jan-17	17.49	16.18	-8.10	51.59	59.32	13.02	69.08	75.50
Feb-17	11.72	14.64	19.93	63.23	73.40	13.85	74.95	88.04
Mar-17	17.15	18.48	7.17	63.65	68.34	6.86	80.81	86.82
Apr-17	25.02	26.02	3.83	90.17	99.02	8.94	115.18	125.03
May-17	28.18	29.45	4.30	98.06	113.48	13.58	126.25	142.93
Jun-17	29.25	33.42	12.48	96.28	106.02	9.19	125.52	139.44
Jul-17	32.84	34.17	3.90	107.37	122.38	12.26	140.21	156.55
Aug-17	35.64	40.65	12.32	127.56	141.43	9.81	163.19	182.07
Sep-17	40.98	43.11	4.93	102.46	114.72	10.69	143.44	157.83
Oct-17	29.35	31.05	5.48	108.42	119.22	9.06	137.77	150.28
Nov-17	26.03	27.67	5.92	107.09	120.15	10.87	133.12	147.82
Dec-17	23.23	26.28	11.60	80.91	89.46	9.55	104.14	115.73
Jan-18	19.40	19.95	2.74	86.60	95.01	8.85	106.01	114.96
Feb-18	19.77	21.14	6.49	78.55	87.58	10.31	98.32	108.72
Mar-18	19.90	20.26	1.77	73.56	80.32	8.42	93.46	100.58
Apr-18	22.01	22.72	3.11	88.49	99.08	10.69	110.50	121.80
May-18	25.10	25.46	1.40	98.95	108.29	8.62	124.05	133.75
12 Mo. TOTAL	351.69	375.33	5.88	1254.29	1397.14	10.15	1605.99	1772.46

Totals reflect Water (ID1 & ID3) and ID4 (ID4 & ID5) . Interties to SA3 are no longer needed to be separated. ID4 and SA5 are combined because all water production is pumped from ID4. All figures are in Acre Feet of water pumped.

NON-REVENUE WATER SUMMARY (%)

DATE	WATER	ID-4	ID-5	DISTRICT-WIDE AVERAGE
May-18	1.40	8.62	N/A	5.01
12 Mo. Average	5.88	10.15	N/A	8.01



BORREGO WATER DISTRICT

WATER PRODUCTION SUMMARY

JUNE 2018

DATE	WATER USE	WATER PROD	WATER %NRW	ID4 USE	ID4 PROD	ID4 %NRW	TOTAL USE	TOTAL PROD
Jun-16	30.90	33.34	7.31	96.77	114.10	15.19	127.67	147.44
Jul-16	35.02	35.74	2.01	97.17	115.18	15.63	132.19	150.91
Aug-16	41.77	43.61	4.21	115.77	141.88	18.40	157.54	185.48
Sep-16	43.67	46.58	6.25	119.76	118.50	-1.06	163.43	165.09
Oct-16	34.51	37.64	8.31	102.51	122.73	16.48	137.02	160.37
Nov-16	31.55	31.58	0.10	102.59	112.11	8.50	134.14	143.70
Dec-16	27.15	27.95	2.87	73.25	82.85	11.59	100.40	110.81
Jan-17	17.49	16.18	-8.10	51.59	59.32	13.02	69.08	75.50
Feb-17	11.72	14.64	19.93	63.23	73.40	13.85	74.95	88.04
Mar-17	17.15	18.48	7.17	63.65	68.34	6.86	80.81	86.82
Apr-17	25.02	26.02	3.83	90.17	99.02	8.94	115.18	125.03
May-17	28.18	29.45	4.30	98.06	113.48	13.58	126.25	142.93
Jun-17	29.25	33.42	12.48	96.28	106.02	9.19	125.52	139.44
Jul-17	32.84	34.17	3.90	107.37	122.38	12.26	140.21	156.55
Aug-17	35.64	40.65	12.32	127.56	141.43	9.81	163.19	182.07
Sep-17	40.98	43.11	4.93	102.46	114.72	10.69	143.44	157.83
Oct-17	29.35	31.05	5.48	108.42	119.22	9.06	137.77	150.28
Nov-17	26.03	27.67	5.92	107.09	120.15	10.87	133.12	147.82
Dec-17	23.23	26.28	11.60	80.91	89.46	9.55	104.14	115.73
Jan-18	19.40	19.95	2.74	86.60	95.01	8.85	106.01	114.96
Feb-18	19.77	21.14	6.49	78.55	87.58	10.31	98.32	108.72
Mar-18	19.90	20.26	1.77	73.56	80.32	8.42	93.46	100.58
Apr-18	22.01	22.72	3.11	88.49	99.08	10.69	110.50	121.80
May-18	25.10	25.46	1.40	98.95	108.29	8.62	124.05	133.75
Jun-18	29.06	29.87	2.72	100.42	108.40	7.36	129.48	138.28
12 Mo. TOTAL	352.57	375.75	5.76	1256.65	1392.06	9.67	1609.22	1767.81

Totals reflect Water (ID1 & ID3) and ID4 (ID4 & ID5) . Interties to SA3 are no longer needed to be separated. ID4 and SA5 are combined because all water production is pumped from ID4. All figures are in Acre Feet of water pumped.

NON-REVENUE WATER SUMMARY (%)

DATE	WATER	ID-4	ID-5	DISTRICT-WIDE AVERAGE
Jun-18	2.72	7.36	N/A	5.04
12 Mo. Average	5.76	9.67	N/A	7.71

Item V.D

The logo of Borrego Water District is a circular seal. It features a central figure of a person riding a horse, set against a background of stylized waves. The text "BORREGO WATER DISTRICT" is written around the top inner edge of the seal, and "EST. 1962" is at the bottom. The seal is rendered in a light, semi-transparent blue and tan color.

GENERAL MANAGERS REPORT

Verbal Report