

Borrego Water District Board of Directors
Regular Meeting
October 22, 2019 @ 9:00 a.m.
806 Palm Canyon Drive
Borrego Springs, CA 92004

I. OPENING PROCEDURES

- A. Call to Order:
- B. Pledge of Allegiance
- C. Roll Call
- D. Approval of Agenda
- E. Approval of Minutes
 - 1. September 10, 2019 Special Board Meeting
 - 2. September 24, 2019 Regular Board Meeting
- F. Comments from the Public & Requests for Future Agenda Items (may be limited to 3 min)
- G. Comments from Directors
- H. Correspondence Received from the Public:

II. ITEMS FOR BOARD CONSIDERATION AND POSSIBLE ACTION

- A. Borrego Water District
 - 1. San Diego County Water Authority Regional Conveyance System Study: D Deadham – SDCWA
 - 2. Proposition One/68 Grant Opportunity for Water/Land Acquisition – G Poole/R Alexander
 - 3. Verbal Update - Integrated Planning Update & CWMP Grant - D. Dolan
- B. Borrego Spring Sub Basin
 - 1. County Board of Supervisors Meeting Report Regarding GSA Withdrawal – G Poole
 - 2. Borrego Springs Sub Basin Stipulation Schedule Update – G Poole
 - 3. Status Update on Well Abandonment Priority List – G Poole

III. STANDING AND AD-HOC BOARD COMMITTEE REPORTS –

- A. STANDING:
 - 1. Operations and Infrastructure – Delahay/Duncan
- B. AD-HOC:
 - 1. SGMA Compliance – Brecht/Duncan
 - 2. Risk – Brecht
 - 3. Grant Funding – Dice/Johnson
 - A. Verbal Update on Grant Opportunities - Rick Alexander
 - 4. Association of California Water Agencies/Joint Powers Authority – Dice/Johnson
 - 5. Organizational Staffing/Prop 218 Preparation: Dice/Duncan
 - 6. Air Quality Monitoring – K Dice

AGENDA: October 22, 2019

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.

IV. STAFF REPORT

- A. Financial Reports:
September 2019
- B. Water and Wastewater Operations Report:
September 2019
- C. Water Production/Use Records:
September 2019

V. CLOSED SESSION:

- A. Conference with Legal Counsel - Significant exposure to litigation pursuant to paragraph (3) of subdivision (d) of Section 54956.9: (Three (3) potential cases)
- B. Replacement Well Number Two Site - Conference with Real Property Negotiators (Gov. Code § Section 54956.8) Property APN: 199-011-01 Palm Canyon Dr and Digorgio Rd
BWD Negotiator: Geoff Poole
Negotiating Parties: Geoff Poole, General Manager and Owner: Dubay
Under Negotiation: Price and Terms of Payment

VI. CLOSING PROCEDURE

- A. Suggested Items for Next/Future Meeting Agenda
- B. The next Regular Meeting of the Board of Directors is scheduled for @ 9:00 and November 12, 2019

AGENDA: October 22, 2019

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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Company explained the history of the solar project and a resulting lawsuit which delayed implementation. He had obtained all the necessary permits. ***MSC: Brecht/Delahay authorizing staff to continue with preparation of a construction water agreement and bring it back to the Board for approval at the next meeting.***

2. Interpretive Host Training at Borrego Springs High School. Director Duncan requested Board approval for a grant of \$10,000 to help fund the Interpretive Host and Interpretive Guide program at Borrego Springs High School. He had worked with Steve Anderson on the proposal. The nexus between the program and BWD is SDAC outreach, and the connection between water and the economic health of the community. There is a need to mitigate the social and economic impacts of the GSP. The Borrego Valley Endowment Fund and the Borrego Village Association have offered \$10,000 each. Interpretive Host/Guide training will assist those who may lose employment in agriculture, for example, to transition into tourism-oriented jobs. Martha Deichler added that the School District is contributing \$10,000 to fund a teaching position for the course. ***MSC: Brecht/Delahay providing \$10,000 out of non-water-related revenue for this fiscal year for Interpretive Host and Guide training at Borrego Springs High School; requesting a report back upon completion of the course as to its success; and finding that funding this program has a public purpose regarding water use, conservation and related issues.***

3. Formation of Ad Hoc Grant Committee. Mr. Poole explained that Director Johnson had been working on grants and suggested forming a Grant Committee. President Dice added that because there are other grant opportunities besides Proposition 68, the Proposition 68 Funding Committee will be changed to the Grant Committee. President Dice and Director Johnson will serve on it.

4. BWD Signatory on Stewardship Council Grant from the Bureau of Reclamation for “Cooperative Watershed Management” planning. Director Johnson explained that it is not yet time for BWD to sign anything, but it will be requested in a few months. There is a grant available from the Bureau of Reclamation, which the Stewardship Council is pursuing. The District may be requested to provide a letter of support.

B. Borrego Springs Sub Basin:

1. Final Groundwater Sustainability Plan Release and Availability. President Dice announced that the final draft of the GSP has been released and is available for review. Mr. Poole will discuss it more at the September 12 Sponsor Group meeting and the October 4 Advisory Committee meeting.

C. Status Update and Discussion of:

1. Critical Overdraft Plan Development. See previous item.

2. BWD Bond Financed Projects. Kim Pitman has a detailed accounting and will report at the next meeting. Director Brecht requested a breakdown showing when the District needs to spend the money. Mr. Poole reported that the Phase 1 pipeline project is complete, and he was happy with A and R Construction. The drilling on Replacement Well No. 1 is complete, and Hidden Valley Pump will now install the remaining fixtures. Staff is now focusing on the design of the Phase 2 pipeline project, and Mr. Poole hoped to have it for the next meeting. The fire hydrant replacements are going out to bid individually.

3. Proposition 218 Study Progress. Mr. Poole reported that Ms. Pitman is putting together data for Raftelis, and everything is on schedule. He and Director Brecht will schedule a conference call with Raftelis in the next couple of weeks.

a. Discussion of Rates. Director Brecht invited the Board's attention to his presentation in the Board package. He explained that SGMA is changing the District's business model, and consequently costs are increasing. Many ratepayers don't understand that the District is providing *potable* water, which is a nondiscretionary cost. The District needs to maintain its credit rating and spend approximately \$1 million per year on repairs and replacement. If this is delayed too long, costs increase. President Dice hoped to present Director Brecht's outline to the public. Director Brecht explained that Proposition 218 requires the District to charge ratepayers according to their costs of service, which is what Raftelis is analyzing. Ratepayers have the right to protest the findings and recommendations. Ms. Falk suggested disseminating the information at more than one public meeting. President Dice requested that Mr. Panchal be included in the educational outreach presentations.

4. Water Quality Monitoring Plan Progress. Mr. Poole reported that the water quality monitoring is continuing, and there is consideration of expanding the program to add new sampling points. He and Jay Jones have been working with DWR on a grant application for a new monitoring well and possible retrofitting of abandoned wells. The County of assisting to identify the number of improperly abandoned wells. Director Brecht reported that Trey Driscoll had identified about 50, so he suggested Mr. Poole and Dr. Jones also work with him. Ms. Falk suggested that real estate agents may also provide information. Director Brecht asked whether there was anything in writing regarding the water quality monitoring plan, and requested information on details of the plan, proposed cost and how it will be paid for.

5. RH agreement for Spare capacity. Mr. Poole reported the District plans to begin water deliveries to Rams Hill soon. They paid approximately \$300,000.

6. BS Basin Groundwater Monitoring Program (including well abandonment). Included with Item II.C.4.

7. Status of Independent Cyber Security Evaluation. Mr. Poole reported that tests on the cyber security system are being run this week. Director Brecht requested a report to the Board in closed session, and inclusion of a statement in the audit that the evaluation had been done and recommendations provided.

8. Status of RH flood control facilities. Mr. Poole reported that he had asked Dudek for a proposal to have a registered engineer evaluate the Rams Hill flood control facilities.

9. Evaluating impacts of possible Negotiated Settlement on current and future State Grant funding, including current CIP Applications. Mr. Poole reported that a negotiated settlement would probably not impact the District's ability to receive grants, although each grant has its own requirements. The only time Leanne Crow found an adjudicated basin that was not qualified for a grant was for a grant to develop a GSP. Ms. Falk thought GSP implementation grants did not qualify either, and Director Duncan explained that this did not affect the District's ability to receive these grants. Mr. Poole explained that the District's pending grant applications would not be affected. President Dice added that Borrego is the first severely overdrafted basin to consider a stipulated judgment. Mr. Poole may visit Sacramento to let them know this is coming and remind them that the District should still be able to obtain grants. Director Brecht noted that the District, not the WaterMaster, may need to apply.

10. Status of GSP Development Costs Reimbursement. Mr. Poole reported that discussions are continuing re GSP development costs reimbursement, and referred to an outline on Board package page 64.

11. Return on invested capital for WWTP solar project. Mr. Poole had calculated the savings from the wastewater treatment plant solar project and will present details at the next meeting.

12. BWD Board Strategy FY 2020. A summary was included in the Board package.

13. September 2019 To Do List. Mr. Poole will present an updated list at the next meeting.

Shannon Smith asked whether water credits were necessary for delivery of construction water, and what would the impact be on water rates if there were more ratepayers. Director Brecht said the rates would probably go down if there were a really large increase. Director Delahay explained that requirements for construction water depend on how much is required. Some smaller projects do not require water credits.

III. CLOSED SESSION

A. Conference with Legal Counsel – Significant exposure to litigation pursuant to paragraph (3) of subdivision (d) of Government Code Section 54956.9 (Three (3) potential cases): The Board adjourned to closed session at 10:45 a.m., and the open session reconvened at 12:15 p.m. There was no reportable action.

IV. CLOSING PROCEDURE

A. Suggested Items for Next/Future Agenda: Items for the next Agenda were discussed earlier in the meeting.

B. The next Regular Meeting of the Board of Directors is scheduled for Tuesday, September 24th @ 9:00. There being no further business, the Board adjourned at 12:15 p.m.

Consequently, the market is not very attractive to power producers. In addition, there are start-up costs which could total \$75,000 to \$125,000 plus legal advice. The funds would have to come from somewhere other than District ratepayers. Costs of running the system could outweigh the savings. Mr. Brady thought the proposition was risky for Borrego, and there may be legal obstacles to overcome. Mr. Poole added that the District had a lot of other issues with which to deal at present. Director Delahay thought the money would be better spent on solar for Well 4-9. Mr. Poole recommended against pursuing the matter further, and the Board concurred. Michael Sadler brought up the fact that Borregans use a lot more electricity in the summer, and Mr. Brady explained that anyone selling power wants to sell it at the same rate all the time. The seasonal nature of our community is another reason bids would be higher.

B. Borrego Springs Sub Basin:

1. Groundwater Sustainability Plan UPDATE: Mr. Poole announced that the draft final GSP has been released and is on the District and County websites. On October 4 there will be a consensus vote by the Advisory Committee, and that will be the last AC meeting.

2. Stipulated Judgment Negotiations UPDATE: Mr. Poole reported that negotiations for a Stipulated Judgment are continuing. The County is not planning to submit the GSP to DWR but will submit it for grant funding. The District is coordinating its plans with the County and DWR. Tim Ross of DWR will attend the October 4 AC meeting. The negotiating team plans to submit the Stipulated Judgment to DWR by the January 31, 2020 deadline and hopes to submit it to the assigned judge 30 to 60 days ahead of that.

C. Status Update and Verbal Discussion of:

1. Critical Overdraft Plan Development. Director Brecht summarized a power point presentation in the Board package. He explained that a number of comments questioned whether the proposed Stipulated Judgment complied with SGMA, but SGMA does provide for two compliance options (a GSP or a Stipulated Judgment). The GSA will exist until the Stipulated Judgment is approved by the judge, at which time a WaterMaster Board is contemplated to replace it. The WaterMaster Board would be an arm of the Court, and thus exempt from some requirements for a GSA. The Stipulation would be an agreement among the pumpers, and the GSP would be attached as the "Physical Solution." Under a Stipulation, the Court could enforce the requirements of the Physical Solution, the Projects and Management Actions could be implemented more quickly and the District could save money. Director Johnson pointed out that the Stipulation contemplates mandatory well metering in March, and that should be publicized. Mr. Poole replied that Shannon Smith of Rams Hill is coordinating information for the recreational pumpers, and AAWARE is doing so for agriculture. He will follow up to make sure the information is disseminated.

2. Water Quality Monitoring Plan & Groundwater Monitoring Program.

Mr. Poole introduced his report, consolidating the water quality programs currently underway. Some are administered by the District, some by the County and Dudek as part of the GSP development process, and some are contemplated for the future.

Mandatory drinking water quality sampling of BWD wells is required by State and federal regulatory agencies. The results are compiled in the annual BWD Consumer Confidence Report. Greg Holloway and his crew collect the samples on a bi-weekly, monthly, annual and multi-year basis.

Increased frequency for BWD well sampling is a voluntary program initiated a year and a half ago to measure specific contaminants. The contractor, GeoSyntec, has quoted a price of \$18,300, not including the testing, for four days a year. Mr. Poole and Mr. Holloway agreed to continue the program in house.

Expanded analysis on BWD wells was generated by Jay Jones to identify impacts of the GSP and declining water levels. Dr. Jones recommends further expansion of the sampling using hand-held sampling and metering devices.

California Statewide Groundwater Elevation Monitoring (CASGEM) is a program created by the State covering BWD wells and others. Jerry Rolwing assists with the reading twice annually, and Mr. Poole recommended he continue. Director Delahay inquired about including water quality in the CASGEM testing, and Mr. Poole replied that it would be expansive and time consuming. However, he was working with Dr. Jones and John Peterson to expand the monitoring and sampling.

GSA/GSP-related monitoring and sampling of non-BWD wells in the sub basin costs \$110,000 annually and includes approximately 30 wells monitored and sampled twice a year. The pumpers have been made aware of this expense and plan to budget it moving forward. The current funding expires in March. Temporary funding will be available at such time as a WaterMaster takes over.

The District is currently applying for a State grant to expand the water quality monitoring network. Mr. Poole is working on it with Dr. Jones. One new well and ten rehabilitated, abandoned wells are contemplated. Reaction from the State has been positive, and a work plan is currently being prepared. Director Duncan asked what the District's obligation would be, and Mr. Poole agreed to add it to his recommendation.

Director Brecht recommended developing some standard operating procedures for sampling, gathering descriptions of procedures used by the labs the District uses and making them consistent. He further requested a one or two-page summary of how the monitoring results will be communicated. Director Duncan suggested getting an estimate from Dr. Jones for his assistance with this.

III. STANDING AND AD-HOC BOARD COMMITTEE REPORTS

A. STANDING:

1. Operations and Infrastructure. Director Delahay reported that Well 4-9 pumped over 2,000 gallons a minute, and the water quality is outstanding. ID 4 is on line. A and R Construction did an excellent job on the pipelines in Double O and Frying Pan. Director Duncan reported that the sewer inspection at Club Circle has not yet been done. Mr. Poole contacted Downstream, and they will be here on September 30.

B. AD-HOC:

1. GSP Preparation. Director Brecht requested that the Committee be changed to SGMA Compliance.

2. Risk. Director Brecht requested that the O & I Committee be changed to Operations, Infrastructure and Physical Risk; and the Risk Committee be changed to Cyber Security. Director Brecht will serve on the Cyber Security Committee.

3. Grant Funding. Director Johnson reported that the grant opportunity has been announced by the Bureau of Reclamation for a possible \$50,000 to help with planning. It would go through the Stewardship Council, and BWD will have input. The funds would be used for stakeholder engagement and to create a Watershed Alliance, a more formal organization than the Stewardship Council. This will help with grant applications. The Council is working with the Local Government Commission on the current application.

4. Association of California Water Agencies/Joint Powers Authority.

a. Appoint members to Committee. Mr. Poole explained the Joint Powers Insurance Authority, which maintains insurance coverage for any large losses by the District and offers training programs. Former Director Ehrlich had been the District's representative. The representative attends ACWA and JPIA meetings twice a year. President Dice volunteered to serve, and Director Johnson will be the alternate.

5. Organizational Staffing/Prop 218 Preparation.

a. Appoint members to Committee. Director Brecht requested that the Committee be divided into two Committees, and volunteered to serve on the Prop 218 Preparation Committee. Director Duncan volunteered to serve on the Organizational Staffing

Committee. Director Brecht requested the addition of an Audit Committee and volunteered to serve on it.

6. Air Quality Monitoring. No report.

IV. STAFF REPORTS

A. Financial Reports:

May 2019

June 2019

July 2019

August 2019

Kim Pitman offered to answer questions on the financial reports. She reported that at the fiscal year end in June, the total income variance was one percent, and the total expense variance was two percent. Director Brecht requested a cash flow report as to when the \$3 million in bond funds will be spent, and Mr. Poole agreed to compile it. Ms. Pitman further reported that she had transferred \$1 million into the Local Agency Investment Fund, because the interest is up to 2.5 percent. The audit is progressing well.

B. Water and Wastewater Operations Report:

May 2019

June 2019

July 2019

August 2019

Director Delahay reported that the water loss is continuing to drop, as the meter readings are becoming more accurate. Greg Holloway and Alan Asche have replaced approximately 100 residential meters. Pipeline work and hydrant work at De Anza are being combined.

C. Water Production/Use Records:

May 2019

June 2019

July 2019

August 2019

The Water Production/Use Records were included in the Board package.

V. CLOSED SESSION

A. Conference with Legal Counsel – Significant exposure to litigation pursuant to Government Code paragraph (3) of subdivision (d) of Section 54956.9 (Three (3) potential cases):

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

The Board adjourned to closed session at 11:10 a.m., and the open session reconvened at 12:30 p.m. There was no reportable action.

VI. 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 Tuesday, October 8th @ 9:00. There being no further business, the Board adjourned at 12:30 p.m.

BORREGO WATER DISTRICT
BOARD OF DIRECTORS MEETING
SEPTEMBER 24, 2019
AGENDA ITEM II.A.1

September 19, 2019

TO: Board of Directors
FROM: Geoffrey Poole, General Manager
SUBJECT: San Diego County Water Authority Regional Conveyance System Study: D Deadham – SDCWA

RECOMMENDED ACTION:

Receive Project Update from Dan Deadham, Assistant General Manager – San Diego County Water Authority

ITEM EXPLANATION:

Approximately two months ago, the BWD Board discussed a proposal from the San Diego County Water Authority to study three pipeline routes to transport water from the Salton Sea to San Diego. The northerly alignment is proposed to go through Borrego on the way to the Twin Oaks Water Treatment Plan in San Marcos.

During the BWD Board discussion, there was an interest to determine specifically what the SDCWA wanted and needed from BWD as part of this process. BWD staff made the request to SDCWA and the attached letter was received. In general, SDCWA would benefit from reviewing Basin hydrology/other issues and have requested access to various documents.

Dan Deadham, Assistant General Manager will be present at the meeting to present information on the evaluation of the pipeline alternatives and answer any questions from the BWD Board.

FISCAL IMPACT

TBD

ATTACHMENTS

1. Memo from Dan Deadham – SDCWA

October 11, 2019

Geoff Poole, General Manager
Borrego Water District
806 Palm Canyon Drive
Borrego Springs, CA 92004

MEMBER AGENCIES

Carlsbad
Municipal Water District

City of Del Mar

City of Escondido

City of National City

City of Oceanside

City of Poway

City of San Diego

Fallbrook
Public Utility District

Helix Water District

Lakeside Water District

Olivenhain
Municipal Water District

Otay Water District

Padre Dam
Municipal Water District

Camp Pendleton
Marine Corps Base

Rainbow
Municipal Water District

Ramona
Municipal Water District

Rincon del Diablo
Municipal Water District

San Dieguito Water District

Santa Fe Irrigation District

South Bay Irrigation District

Vallecitos Water District

Valley Center
Municipal Water District

Vista Irrigation District

Yuima
Municipal Water District

OTHER
REPRESENTATIVE

County of San Diego

RE: San Diego County Water Authority Regional Conveyance System Study

Dear Geoff:

Thank you for meeting with us to discuss the Water Authority's new study and the sustainability planning efforts for the Borrego Valley Groundwater Basin. As a follow up, I am sending this letter to summarize how this study differs from those completed in the past and also how Borrego Water District can potentially help facilitate our work regarding one of the alignments we are studying. The overarching goal of past and current studies to ensure the Water Authority is delivering its substantial, long-term independent Colorado River water supplies to our member agencies at the lowest possible cost. Through the 2003 Quantification Settlement Agreement, the Water Authority has rights to 280,000 acre-feet of Colorado River supplies each year from a conserved water transfer with the Imperial Irrigation District and the lining of the All-American and Coachella Canals. Since the Water Authority does not have a pipeline or aqueduct to the Colorado River to directly convey its QSA supplies to the San Diego region, we have an agreement with the Metropolitan Water District of Southern California where we pay MWD to deliver this water to the San Diego region through its system. As you know, over the past three decades, the Water Authority has studied development of an alternative transportation option that would deliver water directly from Imperial Valley to the San Diego region. Each of these studies had helped to advance and provide greater detail on the technical and financial feasibility of what we are now calling a "single use" concept. This new study differs from those conducted in the past as it takes a regional approach and expands upon these studies to evaluate a "multi-use" concept. This means that we are not only continuing to assess alternative delivery of the Water Authority's QSA supplies, but also look at ways to integrate partnerships along the proposed conveyance routes to meet multiple needs and provide multiple benefits to the region. Some examples of potential partnership projects for all three proposed conveyance routes under study include surface water and underground storage, solutions for the Salton Sea, renewable energy generation and use, and bi-national projects with Mexico.

The three proposed conveyance routes shown in Attachment 1, are sized to convey the QSA supplies, range from 85 to 90 miles in lengths, and include to varying degrees of tunneling construction. The two southern alignments, 5A and 5C, both begin at the west end of the All-American Canal, extend north along IID's Westside Main Canal, travel west, and end at San Vicente Reservoir. The northernmost Alignment 3A begins at the west end of the All-American Canal, also extends north along the Westside Main Canal and travels west but terminates at the Water Authority's Twin Oaks Valley Water Treatment Plant (TOVWTP). This northern route was last assessed in 1996 and did not advance as a preferred alignment to be studied further.

Mr. Geoff Poole
October 11, 2019
Page 2

Since then, certain conditions have changed, such as the construction of TOVWTP, which merits taking another look at this option. Additionally, this route travels proximate to the Borrego Valley Groundwater Basin. Given BWD and the County of San Diego's efforts on the Groundwater Sustainability plan, and the importance of water storage to the region, as part of the Water Authority's study, we hope to explore potential opportunities for collaboration between our agencies.

A key component of this study entails bringing the northern route up to the same level of detail as the two southern routes to facilitate comparison and screening of alternatives. To assist with this effort, help evaluate potential partnership projects that could support the GSP objectives, and provide outside funding opportunities, we would appreciate BWD/BWD consultants sharing any existing information. Such information includes relevant reports and electronic files such as those pertaining to the groundwater basin, GSP, alternative water supplies, and any other previous studies you believe would be helpful.

We would be pleased to present the study and discuss these issues in greater detail at your regular BWD Board of Directors meeting on October 22, 2019, if the Board desires. As study work progresses, we look forward to maintaining an open dialogue with you regarding the study's focus to support a long-term water management strategy for our region. Please feel free to contact me with any questions at (858) 522-6788.

Sincerely,

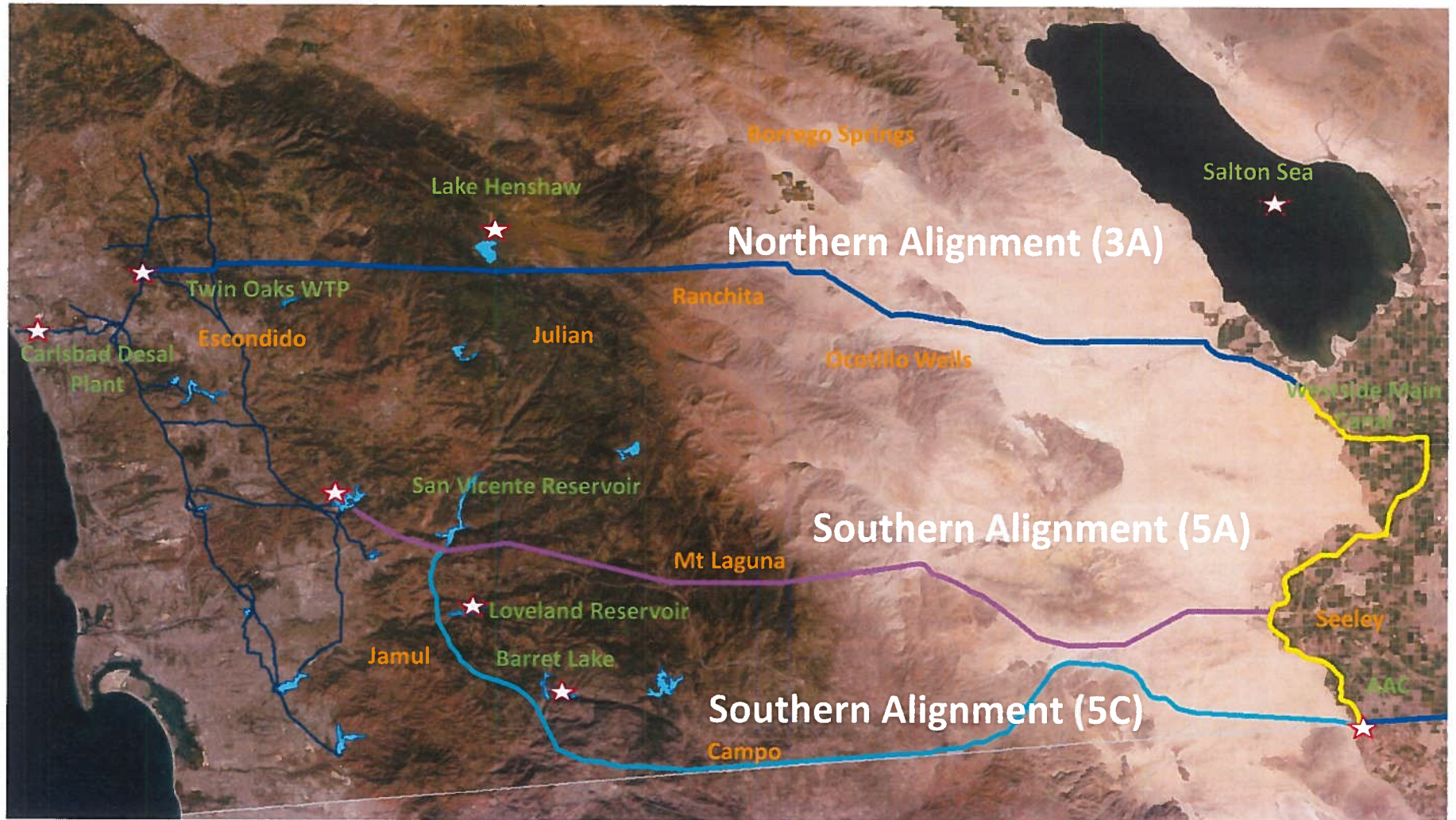


Dan Denham
Assistant General Manager

Attachment 1 – Regional Conveyance System Study - Proposed Alignment Options

Attachment 1

Regional Conveyance System Study - Proposed Alignment Options



BORREGO WATER DISTRICT
BOARD OF DIRECTORS MEETING
SEPTEMBER 24, 2019
AGENDA ITEM II.A.2

September 19, 2019

TO: Board of Directors
FROM: Geoffrey Poole, General Manager
SUBJECT: Proposition One/68 Grant Opportunity for Water/Land Acquisition – G Poole/R Alexander

RECOMMENDED ACTION:

Receive Grant update from Rick Alexander, BWD Consultant

ITEM EXPLANATION:

The Calif Dept of Fish and Wildlife is accepting grant applications for Props 1 & 68 funding. **Proposals due November 20, 2019.**

One of their categories is for acquisition projects, including acquisition grants fund purchases of real property interests (fee title or conservation easements) or water rights. Acquisitions must be from willing sellers and not exceed fair market value, as confirmed by an appraisal approved by the Department of General Services (DGS) Real Property Services Section.

FISCAL IMPACT

TBD

ATTACHMENTS

1. None. Staff to provide additional info at the meeting.

BORREGO WATER DISTRICT
BOARD OF DIRECTORS MEETING
SEPTEMBER 24, 2019
AGENDA ITEM II.B.1-3

September 19, 2019

TO: Board of Directors

FROM: Geoffrey Poole, General Manager

SUBJECT: 1. County Board of Supervisors Meeting Report Regarding GSA Withdrawl – G Poole
2. Borrego Springs Sub Basin Stipulation Schedule Update – G Poole
3. Status Update on Well Abandonment Priority List – G Poole

RECOMMENDED ACTION:

Receive Staff Report

ITEM EXPLANATION:

1. On October 15, 2019, the County of San Diego Board of Supervisors voted to approve withdrawal from the Borrego Springs Groundwater Sustainability Agency effective 12-31-19 or after signature of the Stipulation between pumpers, whichever comes first. The Board also authorized County Staff to work with BWD and DWR to transfer the \$500,000 grant the County received for ompletion of an EIR of the GSP which will no longer be needed with a successful Stipulation negotiations.
2. The detailed Stipulation documents are still under development and the expected release date is around October 24th (subject to change). Staff and Legal Counsel will have an update to share with the Board next Tuesday.
3. Dudek has provided additional information on their recommendations for future well abandonment, see attachment

The Borrego Valley GSA conducted an initial well reconnaissance in the spring of 2017. Table 4 of *Draft Technical Memorandum Borrego Valley Groundwater Basin Spring 2017 Groundwater Level Monitoring* dated July 31, 2017 Table 4 lists Non-potential Wells for inclusion into the monitoring network.

All seven of the dry wells listed in Table 4 should likely be consider for proper well abandonment (also provide din Table below). In addition the three (3) additional wells listed in the table may present a potential nuisance by polluting or contaminating groundwater, or constitutes a safety hazard:

State Well ID	Local Well Name	Latitude	Longitude	Well Ownership	Number of Historical Groundwater Level Measurements	Date last monitored	Notes	Date Visited During Well Reconnaissance	Comments From Well Reconnaissance
Dry Wells									
011S006E05P001S	Bending Elbow	33.24311228	-116.3787588	Private	42	2009	Abandoned, Dry.	5/3/2017	Not visited due to private property access. Not visible from road.
010S007E19M001S	Silo - 19M1	33.2897985	-116.2943099	Private	39	2009	Well dry at depth of 76.80. ^b	4/20/2017	Confirmed dry. Shallow well. Located out of BVGB.
011S007E07N001S	Sink - 7N1	33.23298976	-116.2912795	Private	26	2009	Site was dry	5/3/2017	Observed. Confirmed dry.
011S006E15E002S	Levie Well	33.22382143	-116.3438388	Private	92	2009	Dry to total depth of 112.1. dry	5/3/2017	Not visited due to private property access. Not visible from road. Assumed domestic based on observed land use
011S006E12G001S	Unknown	33.23666496	-116.3027244	Private	10	2009	Well almost dry. 1.2 feet of water in March 2009. ^b	5/3/2017	Not visited due to private property access. Not visible from road. Assumed domestic based on observed land use.
011S006E17R001S ^e	Unknown	33.21393	-116.36695	Private	Unknown	Unknown	Test Well, No Water?	5/3/2017	Observed from road. Well has access to water level measurements. No pump or motor. Did not confirm dry due to no private property access
011S006E18R001S	Unknown	33.21444	-116.3864	Private	Unknown	Unknown	Obstruction at 111.56, dry.	5/3/2017	Not visited due to private property access. Not visible from road. Assumed domestic based on observed land use.
Wells Presenting a potential nuisance by polluting or contaminating groundwater, or constitutes a safety hazard									
010S006E36Q001S	Hawkins	33.25849203	-116.3003208	Private	99	2009	Yes	4/20/2017	Visited. Has metal can over well with BWD lock. BWD and USGS noted well may have contamination (sewage dumped into the well as per J Rolwing).
011S006E10N004S	Abandoned Motel-2	33.23048074	-116.3468914	Private	1	2018	Unknown	2018	Visited and located two wells on Bates Motel property. Recommend either properly securing or abandoning one of the wells. Second well is secured.
TBO	Center Pivot #2	33.266987	-116.332765	Private	Unknown	NA	Obstruction	4/19/2017	Located on land with groundwater restrictive easement. Likely no potential for use as monitoring well. Center Pivot #1 should be converted to monitoring well as per previous recommendation

As indicated in the draft Final Groundwater Sustainability Plan for the Borrego Springs Groundwater Subbasin: Well abandonment and well destruction program. San Diego County Code Section 67.421 adopts standards from DWR Bulletin 74-90 for destruction of wells. Section 67.430 through 67.431 provide for investigation and abatement if an abandoned or other well is causing a nuisance by polluting or contaminating groundwater, or constitutes a safety hazard. Well owners and/or well drilling contractors are required to follow DWR well standards, as described in Section 2.1.2, New and/or Replacement Well Permitting, when abandoning or destroying a well, and update the County to list the permit status as inactive or abandoned (page 2-34).

There are likely potentially over 50 wells in the Subbasin that will eventually require proper abandonment. Many of the wells being monitored for the Borrego Valley GSA are rather old (greater than 50 years) and have a limited remaining useful life. Selection of wells for abandonment will require an iterative process over many years. It should be noted that properties with active agriculture have generally not be inspected to determine well condition due to property access limitations. Based on the well age of many irrigation wells in the Subbasin, they will likely require abandonment in the next 5 to 20 years.

We will note well condition for all wells monitored this fall for the upcoming semi-annual monitoring event.

My recommendation would be to include in a grant application, cost to properly abandon 10 to 20 wells at this time.

As indicated in the draft Final Groundwater Sustainability Plan for the Borrego Springs Groundwater Subbasin:

Preliminary Estimation for Costs to Properly Destroy Wells (page 4-29)

Well Destruction Permit: For each following transaction, the GSA may request the property owner to obtain a Well Destruction Permit from the County of San Diego Department of Environmental Health (DEH) for any wells that will no longer be used after the land is fallowed. Alternatively, the GSA may consider utilizing wells for groundwater monitoring. As of July 1, 2018, the fee for a Well Destruction Permit for a single water well is \$334. DEH updates the fees on an annual basis and should be contacted to determine the current fee required to be collected for the permit. The Well Destruction Permit must be obtained by a California C57 Licensed Contractor who is listed on the DEH approved Well Driller's List. The DEH water wells webpage can be found at:

https://www.sandiegocounty.gov/content/sdc/deh/lwqd/lu_water_wells.html

Costs to Properly Destroy Wells

An Engineers Estimate was obtained to properly abandon a 16-inch diameter, 500 feet deep well in 2018 dollars. It is \$33,500 assuming the well needs to be pressure grouted with cement, and prevailing wage applies. For each additional foot of well depth an additional \$41 should be added to the cost. Costs for narrower diameter wells would be less expensive. The Engineers Estimate to pull a turbine pump installed to a depth up to 500 feet is \$6,800 assuming prevailing wage applies.

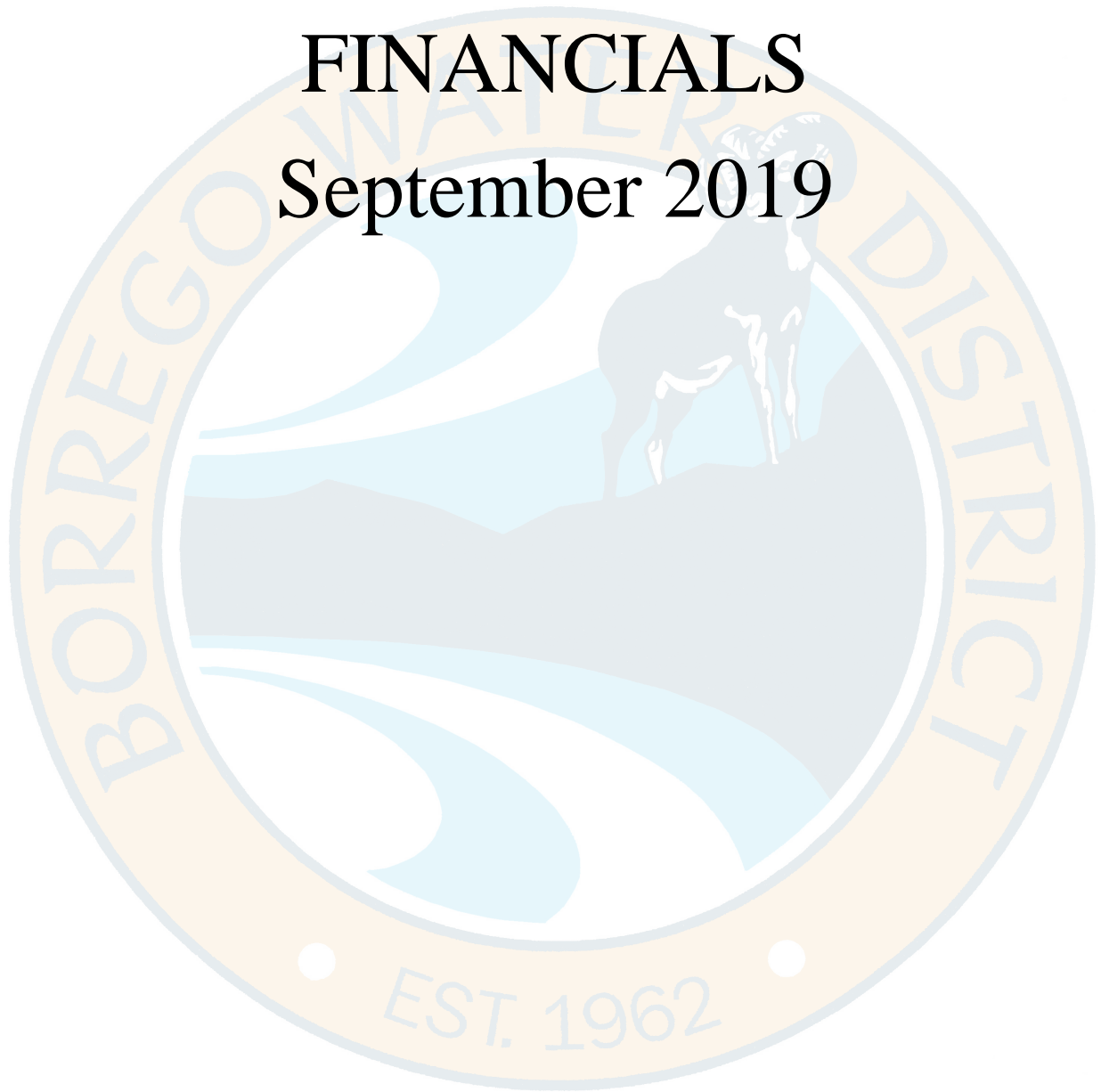
Thus, the Engineers Estimate to properly destroy wells is \$40,300 per well assuming prevailing wage applies. Non-prevailing wage well destructions could be initiated by private landowners.

Let me know if you have any questions or require additional information.

IV.A

FINANCIALS

September 2019



	C	AB	AC	AD	AE	AF	AG
1							
2	BWD	6/11/2019					
3	CASH FLOW	ADOPTED	Actual	Projected		Actual	Actual YTD
4	2019-2020	BUDGET	September	September	Difference	YTD	and Projected
5		2019-2020	2019	2019	Explanations	2019-2020	2019-2020
6							
7	REVENUE	>3%					
8	WATER REVENUE						
9	Residential Water Sales	866,507	98,024	100,412		272,554	843,809
10	Commercial Water Sales	445,791	50,508	43,450		141,692	457,917
11	Irrigation Water Sales	203,358	28,144	24,448		71,804	204,714
12	GWM Surcharge	173,911	19,560	18,754		54,044	172,359
13	Water Sales Power Portion	465,462	53,523	51,521		148,527	460,997
14	TOTAL WATER COMMODITY REVENUE:	2,155,031	249,759	238,585		688,621	2,139,795
15		>5%					
16	Readiness Water Charge	1,210,230	100,977	101,280		297,346	1,208,866
17	Meter Install/Connect/Reconnect Fees	1,725	-	-		340	1,725
18	Backflow Testing/Installation	5,100	50	-		100	5,200
19	Bulk Water Sales	2,440	156	200		1,317	3,157
20	Penalty & Interest Water Collection	48,000	4,934	4,000		20,220	56,220
21	TOTAL WATER REVENUE:	3,422,526	355,876	344,065		1,007,944	3,414,962
22							
23	PROPERTY ASSESSMENTS/AVAILABILITY CHARGES						
24	641500 1% Property Assessments	62,300	405	362		1,367	62,376
25	641502 Property Assess wtr/swr/flid	106,212	339	191		376	106,396
26	641501 Water avail Standby	82,330	547	295		724	82,557
27	641504 ID 3 Water Standby (La Casa)	33,647	84	43		105	33,709
28	641503 Pest standby	17,865	78	42		100	17,900
29	TOTAL PROPERTY ASSES/AVAIL CHARGES:	302,353	1,452	933		2,672	302,938
30							
31	SEWER SERVICE CHARGES	>4%					
32	Town Center Sewer Holder fees	246,640	20,275	20,275		60,045	242,519
33	Town Center Sewer User Fees	97,194	7,962	8,100		23,585	95,243
34	Sewer user Fees	288,288	24,379	24,024		73,218	289,434
35	Penalty Interest-Sewer	-	25	-		25	25
36	Sewer Capacity Fees	-	-	-		-	-
37	TOTAL SEWER SERVICE CHARGES:	632,122	52,641	52,398		156,874	627,221
38							
39	OTHER INCOME						
43	Interest Income	96,000	5,264	8,000		16,578	71,578
44	TOTAL OTHER INCOME:	96,000	5,264	8,000		16,578	71,578
45							
46	TOTAL INCOME:	4,453,000	415,234	405,396		1,184,068	4,416,700
47							
48	CASH BASIS ADJUSTMENTS						
49	Decrease (Increase) in Accounts Receivable		(20,450)			(37,523)	(37,523)
50	Deposits-refund					-	-
51	Other Cash Basis Adjustments-Grant proceeds posted below		(43,788)			(43,788)	(43,788)
52	TOTAL CASH BASIS ADJUSTMENTS:		(64,238)			(81,311)	(81,311)
53							
54	TOTAL OPERATING INCOME RECEIVED:	4,453,000	350,996	405,396		1,102,757	4,335,389

	C	AB	AC	AD	AE	AF	AG
2	BWD	6/11/2019					
3	CASH FLOW	ADOPTED	Actual	Projected		Actual	Actual YTD
4	2019-2020	BUDGET	September	September	Difference	YTD	and Projected
5		<u>2019-2020</u>	<u>2019</u>	<u>2019</u>	<u>Explanations</u>	<u>2019-2020</u>	<u>2019-2020</u>
56	EXPENSES						
57							
58	MAINTENANCE EXPENSE						
59	R & M Buildings & Equipment	180,000	4,549	15,000		37,286	180,000
60	R & M - WTF	180,000	2,095	15,000		13,772	180,000
61	Telemetry	10,000	-	-		1,377	10,000
62	Trash Removal	5,220	419	420		1,257	5,220
63	Vehicle Expense	18,000	1,633	1,500		3,789	18,000
64	Fuel & Oil	30,000	2,709	2,500		9,157	30,000
65	TOTAL MAINTENANCE EXPENSE:	423,220	11,405	34,420		86,638	423,220
66							
67	PROFESSIONAL SERVICES EXPENSE						
68	Tax Accounting (Tausig)	3,000	-	-		1,008	3,000
69	Administrative Services (ADP)	3,000	232	235		688	3,000
70	Audit Fees (Leaf & Cole)	17,000	750	-		12,350	17,000
71	Computer billing (Accela/Parker)/Cyber Security	31,000	36	1,000		9,021	31,000
72	Financial/Technical Consulting (Raftelis rate study \$52,000)	80,000	5,401	7,000		5,401	80,000
73	Engineering (Dynamic/Dudek)	24,000	-	2,000		10,800	24,000
74	District Legal Services (Downey Brand/BBK)	60,000	1,823	5,000		5,928	60,000
75	Grant Acquisitions (TRAC)	48,000	-	4,000		-	48,000
76	Testing/lab work (Babcock Lab/Water Quality Monitoring)	24,000	2,008	2,000		4,316	24,000
77	Regulatory Permit Fees (SWRB/DEH/Dig alerts/APCD)	28,000	90	-		2,528	28,000
78	TOTAL PROFESSIONAL SERVICES EXPENSE:	318,000	10,340	21,235		52,039	318,001
79							
80	INSURANCE EXPENSE						
81	ACWA/JPIA Program Insurance	80,000	-	24,000	Paid in October	36,479	62,248
82	ACWA/JPIA Workers Comp	18,000	4,301	4,500		4,301	17,801
83	TOTAL INSURANCE EXPENSE:	78,000	4,301	28,500		40,781	80,049
84							
85	DEBT EXPENSE						
86	Compass Bank Note 2018A	248,184	216,108	216,108		216,108	248,184
87	Compass Bank Note 2018B	140,755	127,423	127,423		127,423	140,755
88	Pacific Western Bank 2018 IPA	499,406	406,801	405,119		406,801	501,088
89	TOTAL DEBT EXPENSE:	888,345	750,332	748,650		750,332	890,027
90							
91	PERSONNEL EXPENSE						
92	Board Meeting Expense (board stipend/board secretary)	28,500	1,025	2,300		3,128	28,500
93	Salaries & Wages (gross)	930,000	77,935	76,151		226,027	924,506
94	Salaries & Wages offset account (board stipends/staff project salaries)	(80,000)	(7,690)	(6,700)		(37,397)	(97,297)
95	Consulting services/Contract Labor	10,000	2,250	800		3,500	11,100
96	Taxes on Payroll	23,700	681	1,188		3,411	22,833
97	Medical Insurance Benefits	212,700	17,769	17,363		86,202	209,451
98	Calpers Retirement Benefits	200,000	13,963	16,600		48,663	198,063
99	Conference/Conventions/Training/Seminars	18,000	1,442	1,500		2,530	18,000
100	TOTAL PERSONNEL EXPENSE:	1,342,899	107,374	109,201		316,063	1,315,155
101							
102	OFFICE EXPENSE						
103	Office Supplies	24,000	2,137	2,000		7,313	24,000
104	Office Equipment/ Rental/Maintenance Agreements	35,000	2,926	3,000		7,118	35,000
105	Postage & Freight	15,000	2,683	2,000		4,277	15,000
106	Taxes on Property	2,383	-	-		-	2,383
107	Telephone/Answering Service/Cell	20,000	2,044	1,650		4,913	20,000
108	Dues & Subscriptions (ACWA/CSDA)	23,000	273	857		1,372	23,000
109	Printing, Publications & Notices	2,500	-	-		56	2,500
110	Uniforms	6,500	443	456		2,278	6,500
111	OSHA Requirements/Emergency preparedness	4,000	-	-		2,321	4,000
112	TOTAL OFFICE EXPENSE:	132,383	10,505	9,963		29,648	132,384
113							
114	UTILITIES EXPENSE						
115	Pumping-Electricity	306,000	30,523	30,724		86,266	302,816
116	Office/Shop Utilities	1,500	1,035	125	don't know ??	3,063	4,188
118	TOTAL UTILITIES EXPENSE:	307,500	31,558	30,849		89,328	307,004
119							
120	GROUNDWATER MANAGEMENT EXPENSE						
121	Net SGMA GSP & Stipulation Costs	130,000	27,029	11,000		62,807	161,807
122	Community Support		10,000	-		10,000	10,000
123	Prop 1 Grant Expense/Prop 86		3,895	-		6,840	6,840
124	TOTAL GWM EXPENSE:	130,000	40,924	11,000		79,647	178,647
125							
126	TOTAL EXPENSES:	3,620,347	966,740	993,818		1,424,477	3,644,487
127	CASH BASIS ADJUSTMENTS						
128	Decrease (Increase) in Accounts Payable		-	-		703,795	703,795
129	Increase (Decrease) in Inventory		(878)	-		342	342
130							
131	TOTAL CASH BASIS ADJUSTMENTS:		(878)			704,137	704,137
132							
133	TOTAL OPERATING EXPENSES PAID:	3,620,347	965,863	993,818		2,128,614	4,348,624
134							
135	NET OPERATING INCOME:	832,654	(614,866)	(588,422)		(303,769)	(13,235)

	C	AB	AC	AD	AE	AF	AG
2	BWD	6/11/2019					
3	CASH FLOW	ADOPTED	Actual	Projected		Actual	Actual YTD
4	2019-2020	BUDGET	September	September	Difference	YTD	and Projected
5		<u>2019-2020</u>	<u>2019</u>	<u>2019</u>	<u>Explanations</u>	<u>2019-2020</u>	<u>2019-2020</u>
137	CIP PROJECTS						
138							
139	WATER-Operating Cash Funded						
141							
142	Emergency System Repairs	60,000	-	5,000		-	45,000
143	Emergency Generator Mobile trailer	25,000				-	-
144	Reservoir cleaning	15,000				-	15,000
147							
148	TOTAL WATER CASH CIP EXPENSES:	100,000	-	5,000		-	60,000
155							
156	TOTAL CASH CIP EXPENSES:	100,000	-	5,000		-	60,000
157							
158	CASH RECAP						
159	Cash beginning of period	5,312,216	5,465,194	5,465,194		5,154,097	5,154,097
160	Operating Income	832,654	(614,866)	(588,422)		(303,769)	(13,235)
161	Total Non O&M Cash Funded Expenses	(100,000)	-	(5,000)		-	(60,000)
162	CASH RESERVES AT END OF PERIOD	6,044,870	4,850,328	4,871,772		4,850,328	5,080,862
163	FY Reserves Target	5,610,000	5,610,000	5,610,000		5,610,000	5,610,000
164	Reserves Surplus/(Shortfall)	434,870	(759,673)	(738,228)		(759,673)	(529,138)
165							
166	DEBT & GRANT ACCOUNTING						
167							
168	WATER-Bond Funded CIP Expenses						
169							
170	Phase 1 Pipeline Project - 17120	415,000	465,170	414,464		465,705	465,705
171	Production Well #1 ID4-Well #9-17110	1,200,000	65,446	75,000		114,088	1,114,088
172	Production Well #2-17130	550,000	1,860	5,000		2,335	546,860
173	Replace 5 well discharge manifolds and electric panel upgrades-17140	150,000	5,553	74,308		6,246	81,246
174	Replace 30 fire hydrants	168,750	-	6,000		21,826	168,750
175	Management Consulting water (Bond CIP)	30,000	33,147	2,500		81,140	103,640
177	TOTAL WATER BOND FUNDED CIP:	2,513,750	571,176	577,272		691,340	2,480,289
178							
179	SEWER-Bond Funded CIP Expenses						
180							
181	Clean & Video Sewer Lines-Club Circle, Foursome and Backnine	350,000					350,000
182	Sewer Forcemain Replacement & American Legion Lateral	150,000	-	75,000		-	150,000
183	Management Consulting Sewer (Bond CIP)	20,000		1,000		-	19,000
184	TOTAL SEWER BOND FUNDED CIP:	520,000	-	76,000		-	519,000
189							
190	TOTAL DEBT FUNDED CIP EXPENSES:	3,033,750	571,176	653,272		691,340	2,999,289
191							
192	UNEXPENDED DEBT PROCEEDS:	1,718,109	3,751,945	3,019,968		3,751,945	3,751,945
193	TOTAL EXPENSES AND UNEXPENDED DEBT PROCEEDS	5,338,456	3,180,769	2,366,696		3,060,605	752,656
194							
195	GRANT PROCEEDS						
196	Grant Sewer Proceeds	214,000	-	-		-	414,000
197	Prop 1 CIP Grant (SDAC reimbursement 2020)	278,000	43,788	43,788		265,853	278,000
198	TOTAL GRANT PROCEEDS:	692,000	43,788	43,788		265,853	692,000
202							
203	GRANT EXPENSES						
204	Plant-Grit removal at the headworks	214,000	-	-		-	214,000
205	Clarifier Rehab	200,000					200,000
206	TOTAL GRANT FUNDED EXPENSES:	414,000	-	-		-	414,000
207							
208	TOTAL INCOME, GRANT & DEBT PROCEEDS BALANCE	5,145,000	2,609,690	1,822,061		3,022,689	1,017,421



TREASURER'S REPORT September, 2019

	Bank Balance	Carrying Value	Fair Value	% of Portfolio		Maturity	Valuation Source
				Current Actual	Rate of Interest		
Cash and Cash Equivalents:							
Demand Accounts at CVB/LAIF							
General Account/Petty Cash	\$ 3,928,455	\$ 3,868,464	\$ 3,868,464	47.05%	0.00%	N/A	CVB
Payroll Account	\$ 113,153	\$ 150,402	\$ 150,402	1.83%	0.00%	N/A	CVB
MMA (Bond Funds)	\$ 2,508,713	\$ 2,508,713	\$ 2,508,713	30.51%	2.22%	N/A	CVB
CIP Bond Funds Checking	\$ 673,593	\$ 672,055	\$ 672,055	8.17%	0.00%	N/A	CVB
LAIF	\$ 1,022,056	\$ 1,022,056	\$ 1,022,056	12.43%	2.57%	N/A	LAIF
Total Cash and Cash Equivalents	\$ 8,245,971	\$ 8,221,690	\$ 8,221,690	100.00%			
Facilities District No. 2017-1A-B							
Special Tax Bond- Rams Hill -US BANK	\$ 44,583	\$ 44,583	\$ 44,583				
Total Cash,Cash Equivalents & Investments	\$ 8,290,554	\$ 8,266,273	\$ 8,266,273				

Cash and investments conform to the District's Investment Policy statement filed with the Board of Directors on June 24, 2019

Cash, investments and future cash flows are sufficient to meet the needs of the District for the next six months.

Sources of valuations are Umpqua Bank, LAIF and US Trust Bank.

Kim Pitman, Administration Manager



To: BWD Board of Directors
 From: Kim Pitman
 Subject: Consideration of the Disbursements and Claims Paid
 Month Ending September, 2019

Vendor disbursements paid during this period: **\$ 1,492,032.81**

Significant items:

San Diego Gas & Electric	\$ 31,558.05
Medical Health Benefits	\$ 17,588.34
CalPERS (includes unfunded liability)	\$ 10,477.89
ACWAJPIA-Workers Comp	\$ 6,406.04
Geosyntec Consultants-Additional groundwater sampling	\$ 3,800.00
Debt payment-Pacific Western Bank-Bond	\$ 406,801.33
Debt payment-BBVA (Viking/ID4 refi)	\$ 343,530.71
Borrego Village Association	\$ 10,000.00

Capital Projects/Fixed Asset Outlays:

Pacific Pipeline Supply-Double O Pipeline Project-BOND	\$ 5,553.49
Southwest Pump & Drilling-Well ID4-9-BOND	\$ 44,548.38
Terry Robertson-A&R Construction-Double O Pipeline Project-BOND	\$ 491,504.35

Total Professional Services for this Period:

Best Best & Krieger	Legal-general	\$ 1,823.00
	GWM	\$ 3,447.60
	Stipulated	\$ 9,504.04
	Bond	\$ 204.00
		<u>\$ 14,978.64</u>
Leaf & Cole, LLP	Auditor	\$ 750.00
Raftelis-Cost of Service Study		\$ 10,737.50
LeSar Development Consultants	Prop 1 grant	\$ 1,750.00
Dudek	Bond	\$ 55,830.61
Discount cash flow for ag water sales	GWM	\$ 2,996.25
Brian Brady	Org Develop	\$ 2,250.00

Payroll for this Period:

Gross Payroll	\$ 77,934.78
Employer Payroll Taxes and ADP Fee	\$ 1,799.00
Total	<u>\$ 79,733.78</u>

BOARD REPORT

SEPTEMBER 2019



33443	1109	ABILITY ANSWERING/PAGING SER	09/23/2019	289.61
33458	3035	ACWA / JPIA Finance Dept.	10/08/2019	6,406.04
33434	1266	AFLAC	09/17/2019	1,423.60
33444	9338	AMERICAN BACKFLOW SPECIALTIES	09/23/2019	130.32
33474	9338	AMERICAN BACKFLOW SPECIALTIES	10/11/2019	332.64
33459	1001	AMERICAN LINEN INC.	10/08/2019	442.60
33453	61	AT&T MOBILITY	09/30/2019	437.33
33460	61	AT&T MOBILITY	10/08/2019	719.92
33461	9529	AT&T-CALNET 3	10/08/2019	437.33
33435	11069	ATEL COMMUNICATIONS	09/17/2019	3,419.81
33487	9255	BABCOCK LABORATORIES	10/16/2019	1,948.00
33445	91	BBVA COMPASS	09/23/2019	343,530.71
1060	10884	BEST BEST & KRIEGER ATTORNEYS A	09/30/2019	204.00
33454	10884	BEST BEST & KRIEGER ATTORNEYS A	09/30/2019	14,774.64
33475	10900	BORREGO AUTO PARTS & SUPPLY CC	10/11/2019	178.07
33462	1003	BORREGO SPRINGS BOTTLED WATER	10/08/2019	87.82
33436	1037	BORREGO SUN	09/17/2019	70.00
33446	1037	BORREGO SUN	09/23/2019	70.00
33437	11059	BORREGO VILLAGE ASSOCIATION	09/17/2019	10,000.00
33476	10903	BRIAN J BRADY & ASSOCIATES	10/11/2019	2,250.00
33477	10893	CALIFORNIA STATE UNIVERSITY SACF	10/11/2019	2,541.63
33455	9339	CEB	09/30/2019	192.12
33441	1222	DEBBIE MORETTI	09/17/2019	122.00
33478	96	DISH	10/11/2019	80.73
1057	9640	DUDEK	09/23/2019	31,886.86
1061	9640	DUDEK	09/30/2019	1,260.00
1062	9640	DUDEK	10/08/2019	4,305.00
33464	9640	DUDEK	10/08/2019	2,996.25
1064	9640	DUDEK	10/16/2019	18,378.75
33438	1094	EMPIRE SOUTHWEST	09/17/2019	170.21
33479	10907	ENVIRONMENTAL NAVIGATION SERVI	10/11/2019	2,145.00
33466	11071	ESMERALDA LOPEZ-GARCIA	10/08/2019	138.62
33447	3024	FED EX	09/23/2019	218.64
33488	3024	FED EX	10/16/2019	30.39
33448	11070	GEOSYNTEC CONSULTANTS, INC.	09/23/2019	3,800.00
33489	1136	HOME DEPOT CREDIT SERVICES	10/16/2019	700.41
1058	9177	IN-SITU INC.	09/23/2019	74.35
33439	11021	J & T Tire and Auto	09/17/2019	1,455.03
33463	1022	JAMES HORMUTH DE ANZA TRUE VAL	10/08/2019	94.74
33465	65	JC LABS & MONITORING SERVICE	10/08/2019	750.00
33440	11063	LEAF & COLE LLP	09/17/2019	750.00
33480	10889	LESAR DEVELOPMENT CONSULTANT	10/11/2019	1,750.00
33433	1000	MEDICAL ACWA-JPIA	09/17/2019	17,588.34
33467	10891	NEOFUNDS	10/08/2019	2,000.00
33468	11017	NEOPOST USA INC	10/08/2019	405.75
33481	11073	NYHART	10/11/2019	1,500.00
1059	1208	PACIFIC PIPELINE SUPPLY INC	09/23/2019	4,582.64
33449	1208	PACIFIC PIPELINE SUPPLY INC	09/23/2019	1,884.28
1065	1208	PACIFIC PIPELINE SUPPLY INC	10/16/2019	5,553.49
33450	11016	PACIFIC WESTERN BANK PAYMENTS	09/23/2019	406,801.33
33456	1031	PHONE SYSTEMS PLUS, INC.	09/30/2019	598.00
33451	9546	RAFTELIS FINANCIAL CONSULTANTS,	09/23/2019	7,907.50
33490	9546	RAFTELIS FINANCIAL CONSULTANTS,	10/16/2019	2,830.00
33471	9633	RAMONA DISPOSAL SERVICE	10/08/2019	3,604.51
33482	9633	RAMONA DISPOSAL SERVICE	10/11/2019	782.00
33457	1065	SAN DIEGO GAS & ELECTRIC	09/30/2019	31,558.05
33442	11067	SC FUELS	09/17/2019	1,276.95
33472	11067	SC FUELS	10/08/2019	1,432.16
1063	11057	SOUTH WEST PUMP & DRILLING, INC.	10/08/2019	44,548.38
33483	1059	STAPLES CREDIT PLAN	10/11/2019	236.66
33469	9046	STATE WATER RESOURCE CONTROL	10/08/2019	90.00
1056	79	TERRY ROBERTSON	09/16/2019	491,504.35
33491	3000	U S BANK CORPORATE PAYMENT SYS	10/16/2019	2,222.60
33473	1023	UNDERGROUND SERVICE ALERT	10/08/2019	8.25
33452	9439	USABLUEBOOK	09/23/2019	189.68
33484	9439	USABLUEBOOK	10/11/2019	907.70
33492	1100	VERIZON WIRELESS	10/16/2019	159.40
33470	1623	WENDY QUINN	10/08/2019	250.00
33485	92	XEROX FINANCIAL SERVICES	10/11/2019	377.00
33486	11050	ZITO MEDIA	10/11/2019	240.62
Report Total (70 checks)				1,492,032.81



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124						
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132				BALANCE SHEET	BALANCE SHEET	MONTHLY
133				September 30, 2019	August 31, 2019	CHANGE
134				(unaudited)	(unaudited)	(unaudited)
135		ASSETS				
136						
137						
138		CURRENT ASSETS				
139		Cash and cash equivalents		\$ 5,040,921.35	\$ 5,553,931.64	\$ (513,010.29)
140		Accounts receivable from water sales and sewer charges		\$ 611,084.98	\$ 590,635.41	\$ 20,449.57
142		Inventory		\$ 112,644.13	\$ 113,521.68	\$ (877.55)
146		Prepaid expenses		\$ 39,386.47	\$ 39,386.47	\$ -
148						
149		TOTAL CURRENT ASSETS		\$ 5,804,036.93	\$ 6,297,475.20	\$ (493,438.27)
150						
151		RESTRICTED ASSETS				
152		Debt Service:				
153		Deferred amount of COP Refunding		\$ 92,538.01	\$ 92,538.01	\$ -
156		Deferred Outflow of Resources-CalPERS		\$ 400,720.00	\$ 400,720.00	\$ -
157		Total Debt service		\$ 493,258.01	\$ 493,258.01	\$ -
158						
159		Trust/Bond funds				
160		Investments with fiscal agent -CFD 2017-1		\$ 44,583.25	\$ 44,512.82	\$ 70.43
161		2018 Certificates of Participation to fund CIP Projects		\$ 3,180,768.53	\$ 3,793,402.80	\$ (612,634.27)
162		Total Trust/Bond funds		\$ 3,225,351.78	\$ 3,837,915.62	\$ (612,563.84)
163						
164		TOTAL RESTRICTED ASSETS		\$ 3,718,609.79	\$ 4,331,173.63	
165						
166		UTILITY PLANT IN SERVICE				
167		Land		\$ 2,251,663.65	\$ 2,251,663.65	\$ -
168		Flood Control Facilities		\$ 4,287,340.00	\$ 4,287,340.00	\$ -
169		Capital Improvement Projects		\$ 373,569.64	\$ 413,462.14	\$ (39,892.50)
170		Bond funded CIP Expenses		\$ 2,218,110.77	\$ 1,613,787.57	\$ 604,323.20
171		Sewer Facilities		\$ 6,175,596.99	\$ 6,175,596.99	\$ -
172		Water facilities		\$ 11,621,513.88	\$ 11,621,513.88	\$ -
173		General facilities		\$ 1,006,881.07	\$ 1,006,881.07	\$ -
174		Equipment and furniture		\$ 597,312.57	\$ 597,312.57	\$ -
175		Vehicles		\$ 715,321.23	\$ 715,321.23	\$ -
176		Accumulated depreciation		\$ (13,846,729.58)	\$ (13,846,729.58)	\$ -
177						\$ -
178		NET UTILITY PLANT IN SERVICE		\$ 15,400,580.22	\$ 14,836,149.52	\$ 564,430.70
179						
180		OTHER ASSETS				
181		Water rights -ID4		\$ 185,000.00	\$ 185,000.00	\$ -
182						
183		TOTAL OTHER ASSETS		\$ 185,000.00	\$ 185,000.00	
184						
185		TOTAL ASSETS		\$ 25,108,226.94	\$ 25,649,798.35	\$ (541,571.41)



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203	Balance sheet continued				
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			BALANCE SHEET	BALANCE SHEET	MONTHLY
			September 30, 2019	August 31, 2019	CHANGE
			(unaudited)	(unaudited)	(unaudited)
		LIABILITIES			
		CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS			
		Accounts Payable	\$ 113,862.43	\$ 131,241.64	\$ (17,379.21)
		Accrued expenses	\$ 86,052.79	\$ 86,052.79	\$ -
		Deposits	\$ 13,700.00	\$ 13,700.00	\$ -
		TOTAL CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS	\$ 213,615.22	\$ 230,994.43	\$ (17,379.21)
		CURRENT LIABILITIES PAYABLE FOM RESTRICTED ASSETS			
		Debt Service			
		Accounts Payable to CFD 2017-1	\$ 44,583.25	\$ 44,512.82	\$ 70.43
		TOTAL CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS	\$ 44,583.25	\$ 44,512.82	\$ 70.43
		LONG TERM LIABILITIES			
		2018A & 2018B Refinance ID4/Viking Ranch	\$ 1,982,000.00	\$ 1,982,000.00	\$ -
		2018 Certificates of Participation to fund CIP Projects	\$ 4,930,000.00	\$ 5,235,000.00	\$ (305,000.00)
		BBVA Compass Bank Loan	\$ 727,590.17	\$ 727,590.17	\$ -
		Net Pension Liability-CalPERS	\$ 911,898.00	\$ 911,898.00	\$ -
		Deferred Inflow of Resources-CalPERS	\$ 104,328.00	\$ 104,328.00	\$ -
		TOTAL LONG TERM LIABILITIES	\$ 8,655,816.17	\$ 8,960,816.17	\$ (305,000.00)
		TOTAL LIABILITIES	\$ 8,914,014.64	\$ 9,236,323.42	\$ (322,308.78)
		FUND EQUITY			
		Contributed equity	\$ 9,611,814.35	\$ 9,611,814.35	\$ -
		Retained Earnings:			
		Unrestricted Reserves/Retained Earnings	\$ 6,582,397.95	\$ 6,801,660.58	\$ (219,262.63)
		Total retained earnings	\$ 6,582,397.95	\$ 6,801,660.58	\$ (219,262.63)
		TOTAL FUND EQUITY	\$ 16,194,212.30	\$ 16,413,474.93	\$ (219,262.63)
		TOTAL LIABILITIES AND FUND EQUITY	\$ 25,108,226.94	\$ 25,649,798.35	\$ (541,571.41)

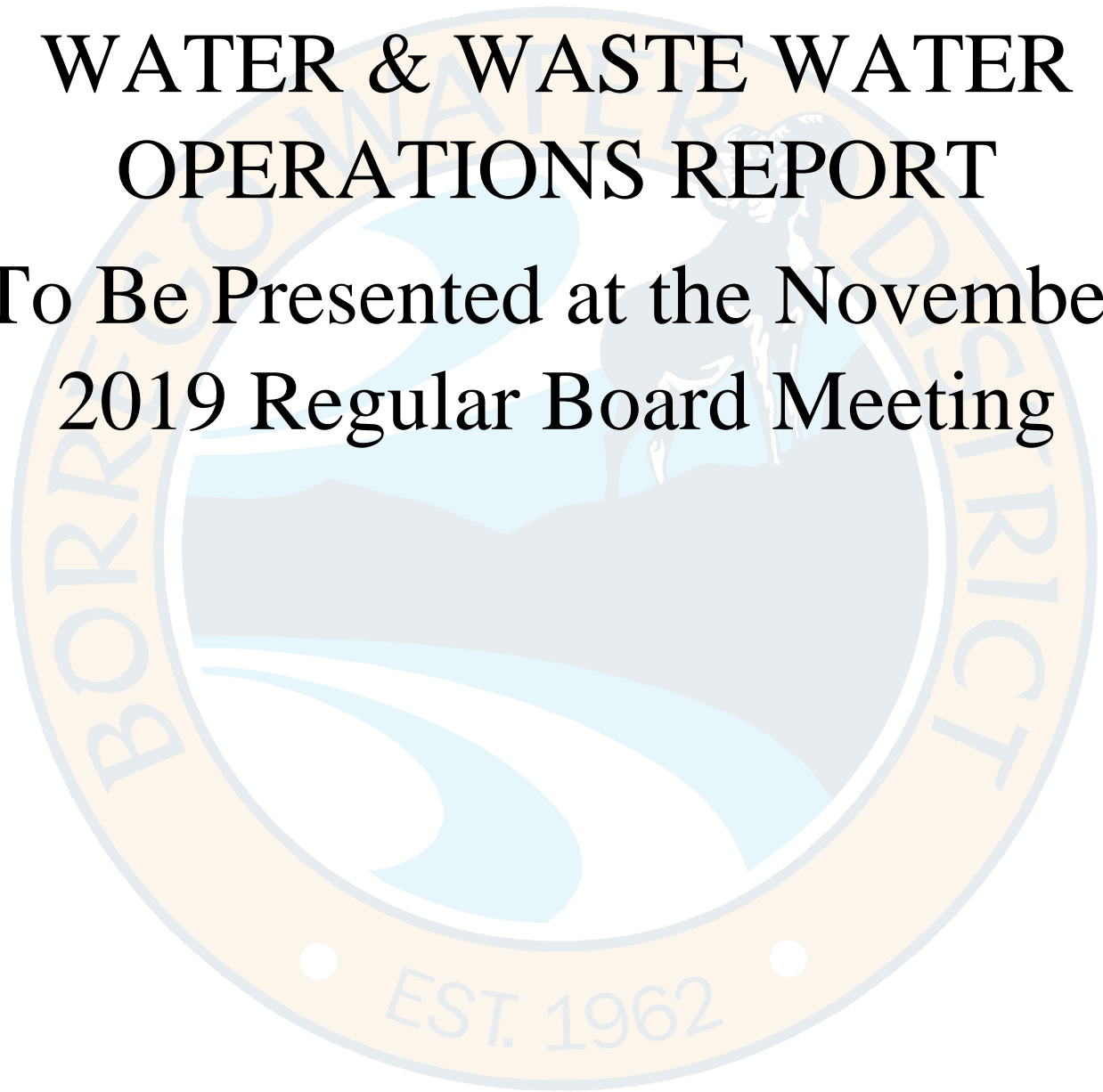
	B	C	D	E	F	G	H	I	J	K	L
1											
2		BOND CIP FUNDS									
3		RECONCILIATION-FY 2019/2021									
4						Well 12-17100/ 4-5 Well upgrades	Prod Well #1 ID4-9	Pipeline Project Phase 1/2	Prod Well #2	Firehydrants	
5			Bond Proceeds	Interest paid	Cost of Issuance	10117140	10117110	10117120	10117130	10117160	
6											Totals
7											
8	07/10/18	Pacific Western Bank-Loan Proceeds	\$ 5,586,000.00								\$ 5,586,000.00
9	07/10/18	Cost of Issuance	\$ 68,707.13								\$ 68,707.13
10	07/17/18	US Bank Interest Fee			\$ 1,700.00						\$ (1,700.00)
11	07/17/18	Nixon Peabody-Cost of issuance			\$ 10,000.00						\$ (10,000.00)
12	07/17/18	Kutok Rock-Cost of Issuance			\$ 10,000.00						\$ (10,000.00)
13	07/20/18	MMA Interest paid		\$ 2,282.99							\$ 2,282.99
14	07/31/18	MMA Interest paid		\$ 693.25							\$ 693.25
15	08/01/18	Grant Thornton-Cost of Issuance			\$ 1,500.00						\$ (1,500.00)
16	08/01/18	Brandis Tallman-Cost of Issuance			\$ 17,500.00						\$ (17,500.00)
17	08/01/18	Fieldman, Rolapp & Assoc.-Cost of Issuance			\$ 50,231.67						\$ (50,231.67)
18	08/01/18	Best Best & Krieger-Cost of Issuance			\$ 55,000.00						\$ (55,000.00)
19	08/31/18	MMA Interest paid		\$ 4,683.02							\$ 4,683.02
20	09/31/18	MMA Interest paid		\$ 4,535.86							\$ 4,535.86
21	10/31/18	MMA Interest paid		\$ 4,690.98							\$ 4,690.98
22	11/30/18	MMA Interest paid		\$ 6,498.24							\$ 6,498.24
23	12/31/18	MMA Interest paid		\$ 8,125.10							\$ 8,125.10
24	12/31/18	Fed-x Bond issuance costs			\$ 62.02						\$ (62.02)
25	01/31/19	Dudek-Construction Mgmt Prod well #2							\$ 8,295.00		\$ (8,295.00)
26	01/31/19	BBK-Review Bid documents					\$ 855.50	\$ 3,635.00			\$ (4,490.50)
27	01/31/19	Harland Check order-partial charge					\$ 70.12	\$ 70.13	\$ 70.13		\$ (210.38)
28	01/31/19	MMA Interest paid		\$ 9,878.83							\$ 9,878.83
29	02/28/19	BBK-Review final specs Pipeline #1						\$ 306.00			\$ (306.00)
30	02/28/19	BBK-Finalize Bid documents					\$ 2,657.00	\$ 1,976.50	\$ 1,453.50		\$ (6,087.00)
31	02/28/19	Dudek-Construction Mgmt Prod well #1					\$ 11,535.00		\$ 8,422.50		\$ (19,957.50)
32	02/28/19	MMA Interest paid		\$ 8,529.85							\$ 8,529.85
33	03/31/19	Dudek-Construction Mgmt					\$ 5,467.50		\$ 7,232.50		\$ (12,700.00)
34	03/31/19	Dudek-Construction Mgmt					\$ 7,683.43		\$ 2,587.50		\$ (10,270.93)
35	03/31/19	BBK-Review Bid documents					\$ 1,243.25		\$ 1,243.25		\$ (2,486.50)
36	03/31/19	MMA Interest paid		\$ 9,460.57							\$ 9,460.57
37		Reallocate interest to Admin 7122		\$ (59,378.69)							\$ (59,378.69)
38		Well 12 repairs from O&M to Bond funds-check #32867				\$ 13,537.82					\$ (13,537.82)
39		Well 12 repairs from O&M to Bond funds-check #32970				\$ 82,640.56					\$ (82,640.56)
40	04/04/19	Big J Fencing-Fencing for Well ID4 Well 9					\$ 16,975.00				\$ (16,975.00)
41	04/08/19	BBK				\$ 561.00	\$ 1,377.00	\$ 535.50			\$ (2,473.50)
42	04/08/19	Hidden Valley Pump-Well 12/Well 5/Well 16 Transfer switch				\$ 36,033.00					\$ (36,033.00)
43	04/08/19	Hidden Valley Pump-Well 12/Well 5/Well 16/11 Transfer switch				\$ 253,731.68					\$ (253,731.68)
44	04/23/19	Dudek-Construction Management					\$ 3,690.00		\$ 1,927.50		\$ (5,617.50)
45	04/23/19	Fed-x -Mailing of NOE to County New Well #1					\$ 30.53				\$ (30.53)
46	04/23/19	Pacific Pipe-well 12				\$ 1,337.83					\$ (1,337.83)
47	05/20/19	Well 12 repairs transferred from Admin				\$ 83,223.56					\$ (83,223.56)
48	05/29/19	Hidden Valley Pump-Electric panel well 12				\$ 2,503.88					\$ (2,503.88)
49	05/29/19	DeAnza Ready Mix-Road base well 12				\$ 1,547.09					\$ (1,547.09)
50	05/29/19	Dynamic Consulting-Phase 1 & 2 Pipeline						\$ 71,010.00			\$ (71,010.00)
51	05/29/19	Bobs Trailer-Office trailer Well 1 ID4-9 and well 2					\$ 4,500.00		\$ 4,500.00		\$ (9,000.00)
52	05/29/19	Pacific Pipe-well 12				\$ 12,635.88					\$ (12,635.88)
53	05/29/19	BBK-bid review					\$ 765.00				\$ (765.00)
54	05/29/19	Big J Fencing-Fencing for Well ID4 Well 9					\$ 16,975.00				\$ (16,975.00)
55	05/29/19	De Anza Ready Mix				\$ 700.38	\$ 40,057.36				\$ (40,757.74)
56	05/29/19	Dudek-investigation of second production well							\$ 2,672.50		\$ (2,672.50)
57	05/29/19	Hidden Valley Pump-ID1 well 8 repairs				\$ 3,086.18					\$ (3,086.18)
58	05/29/19	Pacific Pipe-construction supply line				\$ 498.23					\$ (498.23)
59	05/29/19	Southwest Pump-construction of well 4-9					\$ 104,500.00				\$ (104,500.00)
60	05/29/19	State of California-Fee for Bond cost			\$ 1,396.50						\$ (1,396.50)

	B	C	D	E	F	G	H	I	J	K	L
1											
2		BOND CIP FUNDS									
3		RECONCILIATION-FY 2019/2021									
4						Well 12-17100/ 4-5 Well upgrades	Prod Well #1 ID4-9	Pipeline Project Phase 1/2	Prod Well #2	Firehydrants	
5			Bond Proceeds	Interest paid	Cost of Issuance	10117140	10117110	10117120	10117130	10117160	
61	06/04/19	Pacific Pipe-Parts for well 4-9					\$ 38.45				\$ (38.45)
62	06/10/19	Deanza Ready Mix-Road base well 4-9					\$ 2,116.53				\$ (2,116.53)
63	06/10/19	Hidden Valley Pump-Step down transformer well 4-9					\$ 8,292.37				\$ (8,292.37)
64	06/10/19	US Bank-Remote office supplies well 4-9					\$ 1,701.07				\$ (1,701.07)
65	06/18/19	BBK-Correspondence to A&R						\$ 127.50			\$ (127.50)
66	06/18/19	Dudek-Construction management well 4-9					\$ 20,697.01				\$ (20,697.01)
67	06/18/19	One Eleven Services-Construction Mgmnt well 4-9					\$ 4,500.00				\$ (4,500.00)
68	07/01/19	Southwest Pump-construction of well 4-9					\$ 543,866.73				\$ (543,866.73)
69	07/03/19	Hidden Valley Pump-Well 5 Manual Transfer Switch			\$ 399.00						\$ (399.00)
70	07/03/19	Pacific Pipe-Fire hydrant extensions							\$ 1,377.80		\$ (1,377.80)
71	07/08/19	De Anza Ready Mix-Concrete well 12			\$ 658.01						\$ (658.01)
72	07/08/19	De Anza Ready Mix-Concrete well 5			\$ 344.21						\$ (344.21)
73	07/08/19	Hidden Valley Pump-Well 5 pull pump replace bowls/video			\$ 141,472.45						\$ (141,472.45)
74	07/25/19	BBK-Review A&R contract						\$ 765.00			\$ (765.00)
75	07/25/19	Dudek-Construction Management Well 4-9					\$ 45,827.52				\$ (45,827.52)
76	07/25/19	Pacific Pipe-Fire hydrants							\$ 21,825.77		\$ (21,825.77)
77	07/25/19	One Eleven Services-Construction Mgmnt well 4-9					\$ 2,165.00				\$ (2,165.00)
78	07/25/19	Southwest Pump-construction of well 4-9					\$ 67,022.50				\$ (67,022.50)
79	08/12/19	Hack-Chlorine well 4-9					\$ 849.62				\$ (849.62)
80	08/19/19	Dudek-Construction Management Well 4-9					\$ 22,521.09				\$ (22,521.09)
81	08/20/19	Insitu-Transducer rental well 4-9					\$ 454.72				\$ (454.72)
82	08/27/19	BBK-Review A&R Bond						\$ 535.50			\$ (535.50)
83	09/04/19	Insitu-Transducer rental well 4-9					\$ 429.93				\$ (429.93)
84	09/04/19	SDGE-Electrict well 4-9					\$ 1,060.00				\$ (1,060.00)
85	09/04/19	Southwest Pump-construction of well 4-9					\$ 55,029.85				\$ (55,029.85)
86	09/04/19	US Bank Charge card-chlorine well 4-9					\$ 125.93				\$ (125.93)
87	09/09/19	Pacific Pipe-Supplies Double O Pipeline project						\$ 26,476.36			\$ (26,476.36)
88	09/16/19	Terry Robertson-Double O Pipeline replacement						\$ 491,504.35			\$ (491,504.35)
89	09/23/19	Dudek-Construction Management well 4-9					\$ 31,886.86				\$ (31,886.86)
90	09/23/19	Insitu-Transducer rental well 4-9					\$ 74.35				\$ (74.35)
91	09/23/19	Pacific Pipe-Meter boxes lids-Double O project						\$ 4,582.64			\$ (4,582.64)
92	09/30/19	BBK-Review change order A&R						\$ 204.00			\$ (204.00)
93	09/30/19	Dudek-Construction Management Well 4-9					\$ 1,260.00				\$ (1,260.00)
94											
95		BOND FUND BALANCE	\$ 5,654,707.13	\$ -	\$ 147,390.19	\$ 634,910.76	\$ 1,028,301.22	\$ 601,728.48	\$ 38,404.38	\$ 23,203.57	\$ 3,180,768.53
96											
97								8/31/2019	MMA		\$ 2,508,713.44
98								8/31/2019	Checking		\$ 672,055.09
99								8/31/2019	Total Bond funds		\$ 3,180,768.53

IV.B

WATER & WASTE WATER OPERATIONS REPORT

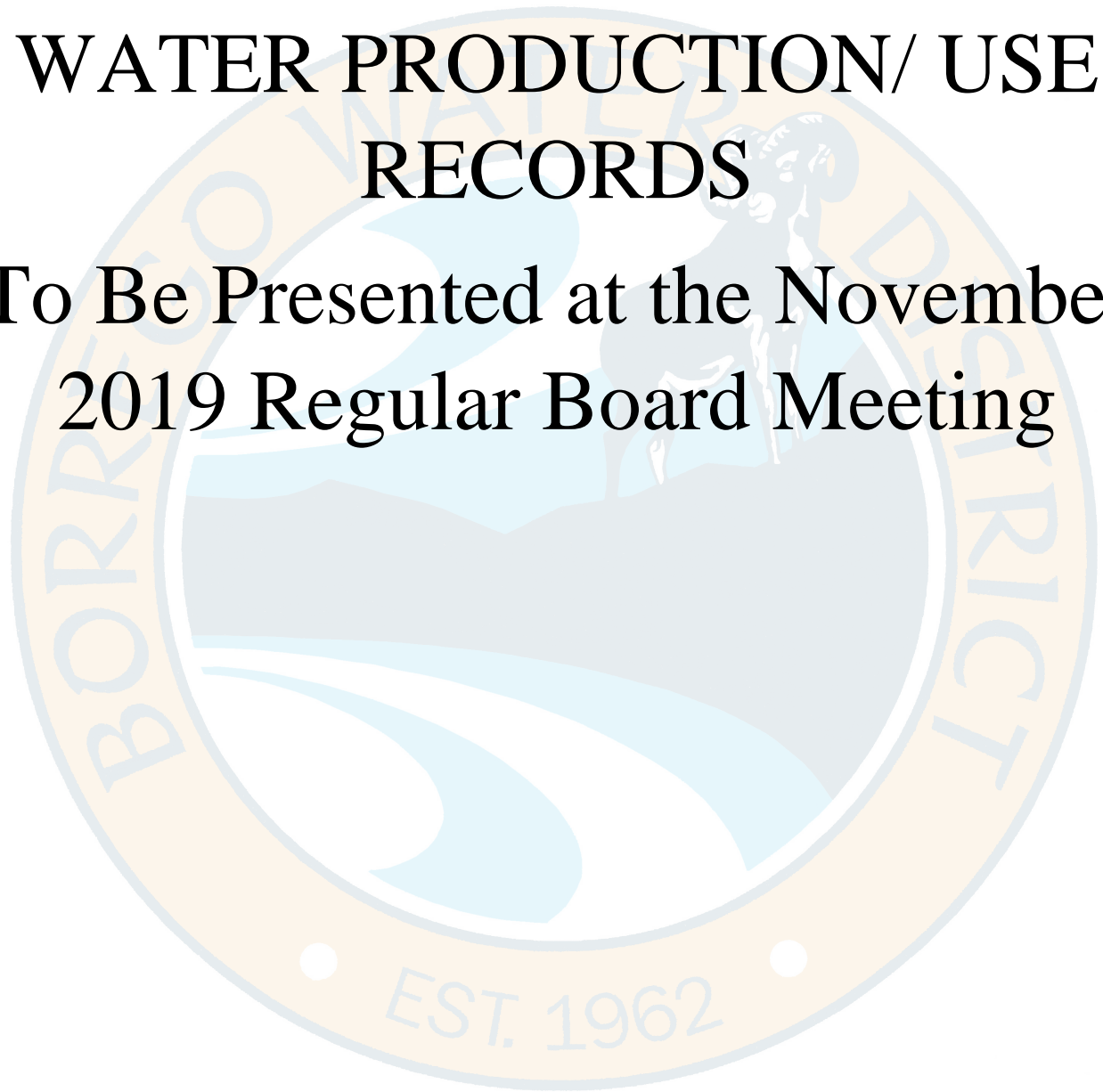
To Be Presented at the November
2019 Regular Board Meeting



IV.C

WATER PRODUCTION/ USE RECORDS

To Be Presented at the November
2019 Regular Board Meeting



IV.D

GENERAL MANAGER REPORT

Verbal Presentation

