

**Borrego Water District Board of Directors
Regular Meeting
January 24, 2018 @ 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 (3-6)
 - 1. December 20, 2017 Board Meeting Minutes
- F. Comments from the Public & Requests for Future Agenda Items (may be limited to 3 min)
- G. Comments from Directors (7-9)
 - 1. GSP Introductory Document – Tatusko
 - 2. Desert Land Reclamation Standards - Tatusko

II. ITEMS FOR BOARD CONSIDERATION AND POSSIBLE ACTION

- A. New Development Policy Update – Brecht/Anderson (10-33)
- B. Discount Cash Flow Analysis Required for Establishing Economic Value for Water Transfers - Brecht (34-35)
- C. Letter of Initial Determination – Burnand Following Proposal - Poole (36)
- D. Sustainable Population Analysis - Poole (37)

III. STAFF REPORTS

- A. Financial Reports (38-50)
November 2017
- B. Water and Wastewater Operations Report (51-52)
November 2017
- C. Water Production/Use Records (53-54)
November 2017
- D. General Manager - VERBAL (55-57)
 - 1. 2017-18 Capital Improvement Plan Status Report
 - 2. 900 Tank
 - 3. Flood Control Study
 - 4. ATT Cell Phone Site
 - 5. FOG Policy

6. Updated Board Calendar

IV. COMMITTEE REPORTS (58-60)

A. Standing

1. Operations and Infrastructure – Tatusko & Delahay

B. Ad-Hoc

1. GSP Preparation – Hart & Brecht
2. BWD Bond Financing – Brecht & Ehrlich
 - A. Updated Proposed Schedule for the anticipated financing.
3. Rams Hill Operating Agreement – Hart & Brecht
4. 2018 Water Bond Proceeds – Brecht and Ehrlich

- v. **CLOSED SESSION:** Conference with legal counsel-anticipated litigation: Initiation of litigation pursuant to subdivision (d) (4) of Government Code Section 54956.9: three (3) cases

VI. **CLOSING PROCEDURE**

- A. Suggested Items for Next/Future Agenda
- B. The next Meeting of the Board of Directors is scheduled for February 13, 2018 at the Borrego Water District

II. ITEMS FOR BOARD DISCUSSION, CONSIDERATION AND POSSIBLE ACTION

A. FY 2017 BWD Audit by Chris Thibodeau from Squar Milner LLP: Mr. Thibodeau summarized his written audit report, included in the Board package. It included an assessment of how the District is working overall and an independent audit report. He reported that it was a clean audit, with no issues, and the District had a good year. The report showed an increase of \$742,601 in total assets and a decrease in long-term debt. Operating revenue increased by \$123,803, and the District's total net position increased by \$1,024,974. Mr. Thibodeau invited the Board's attention to details of the net position and cash flow in his written report.

Director Ehrlich inquired about an analysis of unfunded pension liability. Mr. Thibodeau explained that as the auditor, it would not be appropriate for him to conduct an analysis. He recommended a third party consultant.

MSC: Brecht/Delahay accepting the FY 2017 BWD audit report.

B. Capital Improvement Plan Update for Pending BWD Bond Financing: Geoff Poole reported that staff had been working with the Operations and Infrastructure Committee to reevaluate the Capital Improvement Plan and make sure all is in order before the upcoming bond issue. The CIP includes \$107,000 for sewer improvements, an unbudgeted line item. The estimate for development of a new well has increased from \$1 million to \$1.5 million, and well rehabilitation is now \$100,000 each (up from \$80,000). Director Tatusko reported that the Committee is comfortable with today's proposal. He added that at the last Committee meeting, they authorized a \$5,000 expenditure to assist with grant projects. Director Brecht asked whether David Dale's addendum was included in the budget document on the BWD website, and Mr. Poole agreed to check. He will also provide copies of the CIP to the municipal advisors (Fieldman/Rolapp) and bond counsel (Warren Diven, Best Best & Krieger). ***MSC: Ehrlich/Tatusko accepting the updated CIP and authorizing staff to proceed with implementation as appropriate.***

C. Introduce DRAFT POLICY FOR WATER AND SEWER SERVICE TO NEW DEVELOPMENTS to bring into compliance with SGMA: Steve Anderson summarized the draft policy for water and sewer service to new developments, which was included in the Board package. It had been clarified and updated to comply with SGMA and other changes in the law. It is intended to be read with Board resolutions and ordinances. Mr. Anderson contemplated that the policy would be adopted by resolution in January, but agreed to check to see how it was done last time. President Hart suggested putting it on the Agenda for the January workshop so the development community can provide input. Mr. Poole noted that J.C. Bambach had requested the opportunity to comment on behalf of the Borrego Springs Resort.

D. DRAFT ORDINANCE NO. 12-17-01 OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT RELATING TO WATER SHORTAGES AND WATER SHORTAGE EMERGENCIES: Mr. Anderson explained that it is standard practice among public agencies in California to adopt a water shortage ordinance in light of the recent drought. The State Water Resources Control Board encourages conservation, and the State Legislature is likely to adopt a water conservation plan mandating related ordinances by local agencies. These ordinances would also be advantageous in grant applications. Mr. Anderson pointed out that the draft ordinance sets forth water conservation requirements for each of three stages of water emergency. Director Brecht brought up the need to coordinate District and County policies.

Director Ehrlich asked why only single-family residential properties were covered by the draft ordinance, and President Hart asked Mr. Anderson to look into it. She further recommended that adoption of the ordinance be postponed until after the water and sewer service policy for new developments has been finalized, perhaps until March.

E. DRAFT ORDINANCE NO. 12-17-02 OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT DECLARING A WATER SHORTAGE EMERGENCY: Mr. Anderson explained that this proposed ordinance would enable the Board to declare a water shortage emergency and invoke the provisions of draft Ordinance No. 12-17-01, discussed previously. Such a declaration is authorized by Water Code section 350 et seq. He suggested the Board consider it in March or April, and pointed out that decisions need to be made regarding development contemplated between now and implementation of the GSP. Ray Burnand brought up his pending citrus fallowing and request for water credits. President Hart asked Mr. Poole to arrange a conversation between Mr. Burnand and Mr. Anderson.

F. BWD Fats, Oils and Grease Program, Sewer System Management Plan and Sewer Use: Mr. Poole presented a draft Fats, Oils and Grease Program and Sewer System Management Plan. He suggested it be considered for approval by resolution in January. The most significant change was the requirement that food service establishments have their grease traps professionally cleaned. President Hart asked Mr. Poole to ensure that the food service establishments were notified of the proposed new requirements and given an opportunity to comment.

G. Town Center Sewer Collection System Maintenance/Repairs: Mr. Poole explained that the Town Center Sewer Collection System was designed for build-out capacity, which hasn't occurred and is causing problems. Greg Holloway had a sewer contractor, Downstream, come out and work with Roy Martinez to address collection system shortfalls. We need to clean the sewer line, repair several manholes and video and clean the gravity force main. Downstream's cost estimate is \$178,000, and Mr. Poole requested approval to consider this as a not-to-exceed price and perhaps investigate other contractors. Mr. Anderson agreed to check with Kevin Wang on competitive bidding requirements. ***MSC: Ehrlich/Tatusko approving the Town Center Sewer Collection System Maintenance and Repairs, not to exceed \$180,000, and authorize the General Manager and Legal Counsel to determine the process for awarding the contract.***

H. Plans and Specifications for Wastewater Treatment Plant Repairs (Prop One) with Holt Engineering: Mr. Poole referred to the Board's prior approval of the development of plans and specifications for wastewater treatment plant repairs which are included in the Proposition 1 grant application. Holt Engineering's estimate is \$29,500. The Operations and Infrastructure Committee has reviewed the proposal and recommends approval. ***MSC: Brecht/Ehrlich approving plans and specifications for wastewater treatment plant repairs (Prop One) with Holt Engineering.***

I. District Engineering and Related Services: Mr. Poole recommended that Dynamic Engineering be selected as the District Engineer. A rate sheet from Carlos Beltran was included in the Board package. ***MSC: Brecht/Tatusko approving the rate sheet and authorizing staff to draw up a contract with Dynamic Engineering.*** Mr. Poole will inform Warren Diven, Bond Counsel, of the Board's action.

III. INFORMATIONAL ITEMS

A. Proposal to Assess the Economic Value and Potential Outdoor Recreation & Sustainable Tourism: Sustainable Destination Management Plan submitted by Jim Dion, Vice President, Solimar International: Director Brecht asked that this item be moved to January 16.

B. Draft 2018 Town Hall presentation regarding 2018 rates and past, present and projected cash flow: Director Brecht invited the Board's attention to the draft presentation, included in the Board package.

IV. BOARD COMMITTEE REPORTS

A. Standing:

1. Operations and Infrastructure. The Committee's report was covered earlier in the meeting.

B. Ad Hoc:

1. GSP Preparation Ad Hoc. President Hart reported that the Advisory Committee met on November 27 and would meet again on January 25.

2. Rams Hill Long Term Operating Agreement. President Hart announced that the membership on the Committee has changed to Director Brecht and her due to legal issues that have arisen.

3. Bond Financing Ad Hoc Committee. Director Ehrlich reported that he had a conference call with Mr. Diven.

C. ACWA/JPIA Fall Conference Report: Director Ehrlich reported that JPIA is looking at "captive insurance organization," where they would manage and own their own insurance company. They will probably make a presentation to the BWD Board early next year.

V. STAFF REPORTS

A. Financial Reports, October 2017:

Kim Pitman reported that residential water sales were slightly lower due to a couple of adjustments. Commercial water sales were up due to reseeding. Two water meters were sold. One of the holders of Town Center Sewer EDUs gave them back to the District.

B. Water and Wastewater Operations Report, October 2017: The Water and Wastewater Operations Report was included in the Board package.

C. Water Production/Use Records, October 2017: The Water Production/Use Records were included in the Board package.

D. General Manager:

1. Website Update. Mr. Poole showed recent changes to the BWD website on a screen and invited requests for additions or changes.

2. 900 Tank. Mr. Poole reported that the 900 Tank was virtually complete and passed recent testing. Additional samples are being collected. Director Tatusko suggested getting Mr. Beltran involved in the project.

3. 2018 Calendar of Events. Mr. Poole announced he would have a new calendar of events in January.

4. Burnand Fallowing Request. Mr. Poole reported that the County has agreed that the water credit program will continue, but they are trying to work out the existing policy under SGMA.

VI. CLOSED SESSION: Conference with legal counsel –anticipated litigation: Initiation of litigation pursuant to subdivision (d)(4) of Government Code Section 54956.9: six (6) cases

The Board adjourned to closed session at 12:15 p.m., and the open session reconvened at 1:30 a.m. There was no reportable action.

VII. CLOSING PROCEDURE

A. Suggested Items for Next/Future Agenda: Director Brecht gave Mr. Poole a list of proposed items for the January 16 Agenda.

B. The next Meeting of the Board of Directors is scheduled for January 16, 2018 at the Borrego Water District. There being no further business, the Board adjourned at 1:30 p.m.



IG COMMENTS FROM DIRECTORS

1. GSP Introductory Document – Tatusko
2. Desert Land Reclamation Standards - Tatusko

BWD INFORMATION SHEET

The Borrego Valley Basin is about 110 square miles consisting of 3 vertical aquifers - upper, middle and lower. (USGS Report 2015-5150 pg. 28-29 & 31.) BWD's sole source of water is the aquifer. Average precipitation is 5.83 in/yr. BWD water use equals: 141 meters with 0 use, 838 meters with less than .33 acre feet year (AFY), 275 meters with less than .55 AFY, 350 meters with less than .55 to 1.0 AFY, and 251 meters with greater than 1.0 AFY. Total BWD consumption is about 1,600 AFY. BWD has about 800 sewer connections and one Waste Water Treatment Plant (WWTP). The Sustainable Groundwater Management Act (SGMA) of 2014 requires the basin to be in sustainability with the extractions equaling the estimated 5,600 AFY of recharge and by 2040. A Ground Water Sustainable Plan (GSP) is being discussed and will be completed in 2019. It will define required reductions in 5 year increments for all users. Well water quality is sampled twice a year and does not require treatment.

Web sites and reports: Borrego Water District (BWD), Borrego Water Coalition (BWC) U.S. Geological Survey Report 2015-5150, U.S. Bureau of Reclamation report of September 2015. Various Dudek technical memorandum reports on the BWD website. San Diego County GSA website

Borrego Water District Informational Item

Desert Land Reclamation

On October 30th I took a tour of the United States Gypsum (US Gypsum) Company mine site. One aspect of the tour was desert native land restoration after mining the gypsum used for construction wall product. They follow strict environmental standards meeting local, state and federal regulations. John Bowsher Quarry Manager provided the contact information for Melanie Dicus and her husband's company who have assisted with planting and growth monitoring since 2007. They work through the Lilbum Corporation specializing in engineering/permitting. If the BWD Board recommends I can pursue an overview of steps to native desert reclamation to the point of no cost to BWD.

Some Question:

Seeding method and depth? Seeding density, i.e. bags per acre, seeding product cost and source? Seeding mix determination. Any related research papers? Fall Following mulch/product best practices. 5" rain in the desert success rate? Recommendations for 3000 to 4000 acres to State Park standards. SD County (or similar governmental agency) and State Park approval time for approvals?

Joe Tatusko 1/18/18

BORREGO WATER DISTRICT

BOARD OF DIRECTORS MEETING – JANUARY 24, 2018

AGENDA BILL 2.A

January 9, 2018

TO: Board of Directors, Borrego Water District

FROM: Geoff Poole, General Manager

SUBJECT: New Development Policy - Poole

RECOMMENDED ACTION:

Discuss and direct staff as deemed appropriate

ITEM EXPLANATION:

At the December Board Meeting, the topic of updating BWD's New Developers Policy to reflect current conditions (SGMA compliant) was introduced. The Board provided the public one month to provide their comments and staff expects representatives from T2 and Borrego Springs Resort to present their comments in person to the Board.

ATTACHMENTS

1. DRAFT Proposed Policy and Resolution (Including red-line copy)

BORREGO WATER DISTRICT

POLICY STATEMENT

SUBJECT: Policy on New Development

NO. 2005-6-1
ADOPTED: June 22, 2005
AMENDED: December 27, 2006
AMENDED: February 20, 2013
AMENDED: March 23, 2016
AMENDED: March 14, 2017
AMENDED: January ____, 2018

Background: The Borrego Water District (“District”) requires new development to pay its own way, so that current ratepayers are not asked to subsidize development projects. Sometimes, however, District desires to extend a water or sewer line at its own cost whenever the result will be an improvement to the system that benefits current and future ratepayers. Because these are differing directions, the differences can sometimes become blurred. District therefore has attempted to resolve the issues with its developer policy. This policy will need to be reviewed from time to time to determine its applicability. What is needed for effective strategic planning is a statement of policy on the subject affirming the general direction.

Policy: It is the policy of the District to encourage responsible growth by requiring developers to install water and sewer transmission, distribution and collection lines at the developer’s expense, in addition to the assessment of capacity charges and connection fees for each new connection to pay for any improvements required to connect to the existing District system and the use of existing system capacity and any necessary expansion of available capacity, consistent with the most current District rate setting ordinance and rate study.

POLICY FOR WATER AND SEWER INFRASTRUCTURE FOR NEW DEVELOPMENTS

_____ (date)

This Policy outlines the procedures and obligations for any developer, contractor, property owner, and others (hereinafter “developers”) proposing “new development” to meet the infrastructure requirements attendant to obtaining water and sewer service from the Borrego Water District (hereinafter “District”). The term “new development” includes: (i) any existing property currently connected to the District’s water or sewer system that increases its demand on the District’s water supply and/or distribution system and/or its sewer collection and treatment system whether by increasing the intensity of use or by altering the use of land; and (ii) development requesting to connect to the District’s water or sewer system), whether or not approved by the County of San Diego (the “County”) under its land use authority.

This Policy governs issues related to connection fees, capacity charges, exactions, and other District charges for new development. However, developers should primarily review the District’s most current rate-setting resolution / ordinance and rate study for the most up to date information on fees.

The District has or will establish a separate policy or policies related to the review of requests for will serve letters for proposed new development as well as related issues regarding ensuring water supply sufficiency for new development.

1. Application of Policy

This Policy provides information and general guidelines regarding the procedures for the District to process requests for a commitment for water and sewer service for new developments as such requests relate to infrastructure needed to serve new development. However, any such request may be subject to review on a case-by-case basis, in the sole discretion of the District. When a developer requests a commitment for water and sewer service for a “major subdivision,” as defined in the San Diego County Code of Regulatory Ordinances at section 81.102(y) as “a subdivision creating five or more lots or units”, or any other residential, commercial or other project that may substantially impact the District’s existing water supply capacity and/or sewer treatment capacity, or that may require major improvements to the District’s water production, treatment, collection or distribution systems and/or to the District’s sewer treatment plant or collection system, such requests shall be considered on a case-by-case basis. The District may modify or add to the provisions of this Policy in reviewing an application from any new development project.

2. Application for Water and Sewer Service

(a) The developer must obtain an Application for Water and Sewer Service (the “Application”) from the District. With the Application the developer shall submit a preliminary plat of the new development which shall include the number of lots to be served, the type of units to be built within the new development, the size of the lots in the new development, the estimated build-

out of the new development and any other information that will assist the District in determining the water and sewer needs of the new development.

(b) The developer must return the completed Application to the District. The developer shall provide any other information requested by the District that the District deems necessary to determine the District facilities needed for or impacted by the new development.

(c) When the Application requests water and sewer service for a major subdivision or larger new development, the developer shall pay a deposit (the "Deposit") based upon a fee schedule set by the Board of Directors. The District General Manager shall have discretion to modify the amount of the deposit, depending upon the size, nature, and any other circumstances affecting the proposed new development project. The Deposit shall cover the anticipated cost to the District of reviewing the new development project, obtaining any engineering report on the feasibility of the water and sewer service requested for the new development project and making a preliminary determination of the on-site and off-site system improvements necessary to provide the water and sewer service requested. The Deposit shall be replenished by the developer in the event it is fully utilized by the District. The District may refuse to continue processing the Application until the Deposit is replenished. Any unused Deposit shall be refunded to the developer within 60 days after the developer gives written notice to the District that the subject new development has been completed or is no longer going forward. The Deposit will be utilized to offset all District expenses related to the Application, including, but not limited to, staff, consultant, and legal costs.

(d) The developer must timely notify the District of any changes in the information submitted with the Application.

(e) When the Application is complete and the Deposit is paid, the District will determine, with the assistance of the District's engineer as necessary, whether any off-site water and sewer system improvements must be made to the District's water and sewer system to properly serve the new development and maintain the current level of water and sewer service to the District's existing customers.

(f) When the District has completed its review, the developer will be notified of the preliminary conclusions of the District as to the feasibility of serving the developer's new development and the infrastructure required to provide water and sewer service to the new development. Further information about the process for the District to accept developer improvements into the District water and/or sewer system is described in Sections 4 and 5, below.

3. Conditions on Availability of Water and Sewer Service

(a) The District, in its sole discretion, has the right to issue, or not issue, a Water and/or Sewer Availability Letter (aka "Will Serve Letter") to any new development. If issued, such a letters shall be valid for a maximum of 2 (two) years. A Water and Sewer Availability Letter may be revoked unless the developer enters into all applicable contracts with the District and timely pays all applicable District fees and charges related to the new development.

(b) The District's consideration of a request for a Water and Sewer Availability Letter shall be subject to actual availability of groundwater supply to serve the new development, the developer's commitments to enter into needed agreements with the District, the developer and the District agreeing as to the infrastructure needed to serve the proposed new development, any other District policies or ordinances in place at the time the application / request for Water and Sewer Availability Letter is submitted, and any other matter deemed applicable by the District, including the existence of a water shortage or water shortage emergency being declared within the District, including any related regulations, policies or guidelines adopted by the District Board of Directors.

(c) Under no circumstances will a County of San Diego Planning and Development Services PROJECT FACILITY AVAILABILITY – WATER form or comparable form or forms, whether or not signed by the District, constitute a Water and Sewer Availability Letter that is binding upon the District. Only a Water and Sewer Availability Letter issued by the District under the process guidelines described herein be honored by the District.

(d) In determining whether water and sewer service is available for a particular proposed new development, the District may require that the developer provide an accurate projection of the water demand and sewer demand and treatment needs, by a registered engineer, for the entire new development or any phase thereof requested to be served by the District within the Application.

(e) The District may issue any Water and Sewer Availability Letter with limitations or conditions on the maximum amount of water that may be provided to the new development and the maximum amount of (estimated) wastewater that can be collected and treated for the new development. Any maximum limits on water and sewer service for the new development shall be included in the water service contract with the developer under Section 4.

4. Water and Sewer Service Contract

(a) Before water and sewer system improvements are installed for any new development, the District, with the assistance of the District's legal counsel if necessary, will prepare a contract regarding developer-funded improvements needed to serve the new development.

(b) The District may incorporate in the water and sewer service contract the maximum amount of water that can be furnished and the maximum amount of wastewater that can be collected and treated by the District. In the event the developer's demand for water and sewer service exceeds the developer's projected demand during the build out of the new development, the District shall have no obligation to furnish water or provide wastewater collection and treatment services in excess of the amounts set forth in the water and sewer service contract. Any request for water and sewer service in excess of the amounts projected by the developer and included in the Water and Sewer Service Contract shall be treated as a new request for water and sewer service under this Policy.

(c) A Water and Sewer Service Contract cannot be assigned to any successor in interest of the developer without the express written consent of the District.

5. Installation of Improvements

(a) Cost of Installation. At its own expense and at no cost and expense to the District, the developer shall furnish, install, lay and construct all on-site and off-site water and sewer system improvements, including all labor and material, as required by the District to be installed to serve the development, to maintain the current level of water and sewer service to existing customers and to meet the District's plan for the level of service to be made available in the general area of the development. The construction and installation of the water and sewer system improvements shall be in strict accordance with the plans, specifications and requirements approved by the District. All construction and installation work shall be performed by qualified contractors licensed in the State of California. The developer shall execute an agreement with the District establishing its obligations related to the water and/or sewer system improvements, as described herein. In addition, the developer shall indemnify and hold the District free and harmless from any claims, demands, losses, damages, or expenses that may directly or indirectly result from the developer's construction, maintenance, use, or repair of water and sewer system improvements, including any loss, damage or expense arising out of (1) loss of or damage to property; and (2) injury to or death of persons, except for any loss, damage, or expense resulting from the sole negligence or willful misconduct of the District, its directors, officers, agents, or employees.

(b) Notification of Construction. The District shall be notified at least forty-eight (48) hours before construction is to begin regarding developer installation of water or sewer improvements sought to be later dedicated to the District. Thereafter, the developer shall notify the District of every day during which construction will be in progress in order for the District's inspector to be on the job site during construction. District review of plans and inspection of such facilities during instruction shall, as with all other costs absorbed by the District in acting upon an Application, be reimbursable to the District through the deposit arrangement described above.

(c) Inspections. All water and sewer system improvement projects shall be subject to inspection during construction and upon completion of the construction by an authorized representative of the District. Inspection may consist of full-time resident inspection or part-time inspection at the sole discretion of the District. The presence or absence of an inspector during construction does not relieve the developer from adherence to approved plans and specifications. Materials and workmanship found not meeting the requirements of approved plans and specifications shall be immediately brought into conformity with said plans and specifications at the developer's expense.

(d) Final Inspection. An authorized representative of the District shall make a final inspection of the water and sewer system improvements for the development after completion to determine acceptability of the work. Before this final inspection can be made, the owner, developer or engineer responsible for the project shall notify the District's Manager in writing that the work has been completed in accordance with approved plans and specifications.

(e) Final Acceptance. When the water and sewer system improvements pass the District's final inspection, the District will ordinarily accept dedication of the completed improvements, subject to the developer completing all necessary legal documentation to transfer ownership of such facilities as well as any attendant easements or access rights. Permanent

monuments previously installed which are removed, altered, or destroyed during construction of the improvements shall be properly reinstalled by the developer prior to the District's acceptance of the improvements. The developer shall be responsible for seeing that the person paying the cost of constructing such improvements shall furnish "as-built" drawings to the District at the end of each phase of water and sewer system construction and prior to final acceptance of water and sewer system improvements by the District. The date of final acceptance shall be that date on which the developer has fulfilled all conditions necessary for final acceptance, including passing a final inspection, submitting "as-built" drawings, payment of all fees due, and the placing of all water and sewer system improvements into service by the District. The District will not accept any facilities that are subject to any liens or other legal or financial constraints. The District will notify the developer in writing of the date of its acceptance of the completed facilities.

(f) "As-Built" Plans. The developer shall provide the District "as-built" plans, prepared by a registered engineer, which shall be drawn at a scale of one inch equals 50 feet and which shall indicate the location and size of all water and sewer system improvements installed for the development. The location of all water and sewer system improvements must be referenced off of two (2) permanent points such as power poles, right-of-way markers, concrete monuments, iron pins at property corners, drainage culverts, and building corners. The water and sewer system improvements shall also be shown in relationship to the edge of all paved surfaces and all other utilities located with 15 feet of either side of the improvements. All utility easements shall be shown in relationship to the improvements. In the event the actual construction differs from the recorded plat of the development, the developer will prepare and record in the Register's Office of San Diego County a revised plat showing the actual construction with the design features stated above clearly shown. The District may delay acceptance of such facilities, and any separately approved water and sewer service, until this requirement has been met.

(g) Warranty. The developer shall guarantee all work on the water and sewer system improvements it installs for a period of at least one (1) year from the date of final acceptance and shall immediately correct any deficiencies in the work due to material or workmanship that occurs during the one-year period. The warranty shall be insured by a maintenance bond in the amount specified by the District secured by an irrevocable bank letter of credit or such similar collateral as approved by the District. When a defect is discovered in any water or sewer system improvement under warranty by the developer, the cost of repairing the defect when performed by the District and the damages caused by the defect will be billed to the developer. Notwithstanding the foregoing, the developer's warranty obligations shall not be construed to limit the rights and remedies available to the District at law or in equity, including but not limited to those prescribed by Code of Civil Procedure section 337.15.

(h) Conveyance of Water and Sewer System Improvements. Upon completion of the construction of the water and sewer improvements, upon final approval by the District, and upon the water and sewer system improvements being placed into service, the water and sewer system improvements shall immediately become the property of the District regardless of whether or not a formal written conveyance has been made. The developer and any other persons paying the cost of constructing such improvements shall execute all written instruments requested by the District necessary to provide evidence of the District's title to such improvements, including obtaining any lien releases from the material suppliers and subcontractors of the developer and/or its contractor.

The water and sewer system improvements shall become the property of the District free and clear of the claims of any persons, firms, or corporations.

6. Assessments and Collection of Fees and Charges

New development shall be responsible for paying all applicable District fees and charges before water or sewer service will commence. These fees and charges are set out in the most current District resolution or ordinance establishing fees, including but not limited to sewer and water connection and capacity fees, meter fees, and impact fees for sewer and wastewater treatment infrastructure.

7. Approval of Final Plat

The District will not sign a “Final Plat” of the development for submission to the County Planning Commission until the water and sewer system improvements for the development have been constructed, inspected and accepted for use by the District or until a performance bond secured by an irrevocable bank letter of credit issued by a bank with offices in San Diego County, California, or secured by other security specifically approved by the Board of Directors has been posted equal to the estimated cost of all necessary improvements and in favor of the District, any District-required Water and Sewer Service Contract has been fully executed, and all applicable fees have been paid. If the development is not a subdivision, the applicable fees must be paid at the time the contract for water and sewer service is signed.

8. Easements

(a) A minimum exclusive easement twenty (20) feet in width must be conveyed to the District for water and sewer main construction and exclusive easements for other water and sewer system improvements must be conveyed to the District as required by the District. All water and sewer lines that are to become the property of the District are to be located off the public right-of-way and within these exclusive easements on private property. All exceptions are to be specifically approved by the Board of Directors or its delegatee. In all such cases where the Board of Directors or its delegatee approves water or sewer line construction within public rights-of-way, the developer shall obtain consent from the political entity having authority over such rights-of-way for such construction.

(b) The expenses of obtaining, preparing and recording easements needed for water and sewer system improvements for the new development will be paid by the developer, including but without limitation, the consideration paid to the landowner.

(c) The easement grant must be on such terms and in such form and content as approved by the District.

(d) The developer is responsible for acquiring all such easements for both on-site and off-site water and sewer system improvement construction prior to the commencement of water and sewer system improvement construction.

9. Real Property Acquisition

In the event real property must be acquired for the installation of a water storage tank, a sewer treatment system, a pumping station or other water or sewer system improvement for the development, the expenses of obtaining, preparing, grading, constructing on and recording the acquisition documents for the real property will be paid by the developer, including, but without limitation, the consideration paid to the land owner.

10. Meters

(a) The developer shall pay for all water meters in the development, and the District shall install all residential water meters. The developer or lot owner at their expense shall install commercial water meters, defined herein as any meter greater than one (1) inch.

(b) Each family residence or each duplex or other property shall be served with a separate water meter not smaller than $\frac{3}{4}$ inch in size, except where prior arrangements have been made with the District for apartment complexes, other types of multi-family dwellings, or businesses.

(c) Consistent with Senate Bill 7 (2016), as a condition of new water service, each newly constructed multi-unit residential structure or newly constructed mixed-use residential and commercial structure for which an application for one or more water service connections is submitted after January 1, 2018, shall measure the quantity of water supplied to each individual residential dwelling unit, unless exempt under applicable law. The measurement may be by individual water meters or submeters. The owner of the structure shall install individual meters or submeters that comply with all laws and regulations governing the approval of meter types or the installation, maintenance, reading, billing, and testing of meters, including, but not limited to, the California Plumbing Code and California Water Code. Except as otherwise provided by law or District policy, the owner shall read submeters.

11. Permits

Before beginning construction, the developer or its contractor shall obtain all necessary permits as required by law. Such permits include, but are not limited to, those from State of California and the county highway department for San Diego County.

12. Bonds

Before beginning construction, the developer or its contractor shall furnish the District with a performance bond in an amount equal to the cost of construction and, if the project is more than \$25,000, a labor and material payment bond in an amount equal to one hundred percent (100%) of the performance bond. The bonds shall be on forms provided by the District and secured from an admitted surety company as defined in Code of Civil Procedure section 995.120, authorized to do business in the State of California and acceptable to the District. To the extent permitted by law, the District, in its sole discretion, at any time may reject any bond or require the developer or its contractor to replace any bond or surety at the developer's or its contractor's own cost if the surety

fails to meet the requirements of Code of Civil Procedure section 995.660. The bonds shall remain in effect throughout the duration of the work and expire by operation of law in accordance with California law.

13. Resolution of Disputes

Any controversy or claim arising out of or relating to this Policy or the Water and Sewer Service Contract, or the breach thereof, not resolvable informally shall be governed by the developer's agreement with the District and submitted to the Board of Directors, which may appoint a subcommittee of the board to negotiate the controversy or claim.

BORREGO WATER DISTRICT

POLICY STATEMENT

SUBJECT: Policy on New Development

NO. 2005-6-1

ADOPTED: June 22, 2005
AMENDED: December 27, 2006
AMENDED: February 20, 2013
AMENDED: March 23, 2016
AMENDED: March 14, 2017
AMENDED: [January ____, 2018](#)

Background: ~~There are always discussions about responsibility for costs when a developer seeks to add an area of water and sewer service to a new development. As a general rule, The Borrego Water District (BWD "District") requires the new development to pay its own way, desiring not to ask so that current ratepayers are not asked to subsidize a developer's benefits from his/her project. This is only fair to existing customers development projects.~~ Sometimes, however, ~~BWD District~~ desires to extend a water or sewer line at its own cost whenever the result will be an improvement to the system that benefits ~~all~~ current and future ratepayers. Because these are differing directions, the differences can sometimes become blurred. ~~BWD District therefore~~ has attempted to resolve the issues with its developer policy. This policy will need to be reviewed from time to time to determine its applicability. What is needed for effective strategic planning is a statement of policy on the subject affirming the general direction.

Policy: It is the policy of the ~~Borrego Water~~ District (BWD) to encourage responsible growth by requiring developers to install water and sewer ~~connector~~ transmission, distribution and collection lines at the developer's expense, in addition to the assessment of ~~developer capacity~~ charges and connection fees for each new connection to pay for any improvements required to connect to the existing ~~BWD District~~ system and the use of existing system capacity: ~~Participation in costs by BWD will occur only when BWD is convinced such connector lines will add further benefit to the District's current and future ratepayers. and any necessary expansion of available capacity, consistent with the most current District rate setting ordinance and rate study.~~

POLICY FOR WATER AND SEWER ~~SERVICE TO~~ INFRASTRUCTURE FOR NEW DEVELOPMENTS

_____ (date)

This Policy outlines the procedures and obligations for ~~developers, contractors, and owners~~ any developer, contractor, property owner, and others (hereinafter “developers”) ~~to obtain~~ proposing “new development” to meet the infrastructure requirements attendant to obtaining water and sewer service from the Borrego Water District (hereinafter “District”) ~~to serve a new development and establishes the fees, exactions, and charges for the new development. The Policy also applies to new construction of residential homes on existing platted lots within the District and new commercial water uses. The term “new development” is defined as any residential or commercial development or service requirement. The term “new development” includes: (i) any existing property currently connected to the District’s water or sewer system that increases~~ theits demand on the District’s District’s water supply and/or distribution system and/or its sewer collection and treatment system whether by increasing the intensity of use or by altering the use of land; and (ii) development requesting to connect to the District’s water or sewer system), ~~whether or not approved by the County of San Diego (the “County”) under its land use authority.~~

This Policy governs issues related to connection fees, capacity charges, exactions, and other District charges for new development. However, developers should primarily review the District’s most current rate-setting resolution / ordinance and rate study for the most up to date information on fees.

The District has or will establish a separate policy or policies related to the review of requests for will serve letters for proposed new development as well as related issues regarding ensuring water supply sufficiency for new development.

1. Application of Policy

This Policy ~~governs~~ provides information and general guidelines regarding the procedures for the District to ~~handle~~ process requests for a commitment for water and sewer service for new developments ~~and sets forth the obligations of the developer to obtain a commitment for water and sewer service~~ as such requests relate to infrastructure needed to serve new development. However, any such request may be subject to review on a case-by-case basis, in the sole discretion of the District. When a developer requests a commitment for water and sewer service for a ~~larger new development, for example, a~~ “major subdivision,” as defined in the San Diego County Code of Regulatory Ordinances at section 81.102(y) as “a subdivision creating five or more lots or units”, or any other residential, commercial or other project that may substantially impact the District’s existing water supply capacity and/or sewer treatment capacity, or that may require major improvements to the District’s water production, treatment, collection or distribution systems ~~systems~~ and/or to the District’s sewer treatment plant or collection system, such requests shall be considered on a case-by-case basis. ~~This Policy shall serve as a guideline for the consideration of the request for water and sewer service for a larger new development, but~~ The

District may modify or add to the provisions of this Policy in ~~making its commitment for water and sewer service for a larger~~reviewing an application from any new development project.

2. Application for Water and Sewer Service

(a) The developer must obtain an Application for Water and Sewer Service (the “Application”) from the District. With the Application the developer shall submit a preliminary plat of the new development which shall include the number of lots to be served, the type of units to be built within the new development, the size of the lots in the new development, the estimated build-out of the new development and any other information that will assist the District in determining the water and sewer needs of the new development.

(b) The developer must return the completed Application to the District ~~with the information requested in subsection (a)~~. The developer shall provide any other information requested by the District that the District deems necessary to determine the ~~availability of water and sewer service for the~~District facilities needed for or impacted by the new development.

(c) When the Application requests water and sewer service for a major subdivision or larger new development, the developer shall pay ~~an Application Fee as set by the District’s Manager at the time the Application is submitted. The Application Fee~~a deposit (the “Deposit”) based upon a fee schedule set by the Board of Directors. The District General Manager shall have discretion to modify the amount of the deposit, depending upon the size, nature, and any other circumstances affecting the proposed new development project. The Deposit shall cover the anticipated cost to the District of reviewing the new development project, obtaining any engineering report on the feasibility of the water and sewer service requested for the new development project and making a preliminary determination of the on-site and off-site system improvements necessary to provide the water and sewer service requested. The Application Fee is non-refundable. The Application Fee shall be credited against the Administrative Fee set forth in Section 6(a) of this Policy. Deposit shall be replenished by the developer in the event it is fully utilized by the District. The District may refuse to continue processing the Application until the Deposit is replenished. Any unused Deposit shall be refunded to the developer within 60 days after the developer gives written notice to the District that the subject new development has been completed or is no longer going forward. The Deposit will be utilized to offset all District expenses related to the Application, including, but not limited to, staff, consultant, and legal costs.

(d) The developer must timely notify the District of any changes in the information submitted with the Application.

(e) When the Application is complete and the ~~Application Fee, if applicable,~~Deposit is paid, the District will determine, with the assistance of the ~~District’s~~District’s engineer ~~if as~~ necessary, ~~whether the water and sewer service requested is available and~~ whether any off-site water and sewer system improvements must be made to the District’s water and sewer system to properly serve the new development and maintain the current level of water and sewer service to the District’s existing customers.

(f) When the District has completed its review, the developer will be notified of the preliminary conclusions of the District as to the feasibility of ~~the~~servicing the developer's new development and the infrastructure required to provide water and sewer service ~~requested to the new development~~. Further information about the process for the District ~~may then~~ to accept developer improvements into the District water and/or sewer system is described in Sections 4 and 5, below.

3. Conditions on Availability of Water and Sewer Service

~~issue~~(a) The District, in its sole discretion, has the right to issue, or not issue, a Water and/or Sewer Availability Letter (aka "Will Serve Letter") to any new development. If issued, such a letters shall be valid for a maximum of 2 (two) years. A Water and Sewer Availability Letter ~~to the developer. The Water and Sewer Availability Letter~~ may be revoked unless the developer enters into ~~a contract~~all applicable contracts with the District and timely pays all ~~fees assessed by the District within three hundred sixty (360) days of the date of the Water and Sewer Availability Letter~~applicable District fees and charges related to the new development.

(b) The District's consideration of a request for a Water and Sewer Availability Letter shall be subject to actual availability of groundwater supply to serve the new development, the developer's commitments to enter into needed agreements with the District, the developer and the District agreeing as to the infrastructure needed to serve the proposed new development, any other District policies or ordinances in place at the time the application / request for Water and Sewer Availability Letter is submitted, and any other matter deemed applicable by the District, including the existence of a water shortage or water shortage emergency being declared within the District, including any related regulations, policies or guidelines adopted by the District Board of Directors.

(gc) ~~Note that~~Under no circumstances will a County of San Diego Planning and Development Services PROJECT FACILITY ~~AVAILABILITY~~AVAILABILITY – WATER form or comparable form or forms do not, whether or not signed by the District, constitute a ~~legally binding Will Serve letter from the District. Only~~ Water and Sewer Availability ~~Letters~~ Letter that is binding upon the District. Only a Water and Sewer Availability Letter issued by the District under the ~~above~~ process guidelines described herein ~~will~~ be honored by the District.

~~3. Conditions on Availability of Water and Sewer Service~~

(ad) In determining whether water and sewer service is available for a particular proposed new development, the District may require that the developer provide an accurate projection of the water demand and sewer demand and treatment needs, by a registered engineer, for the entire new development ~~upon~~ or any phase thereof requested to be served by the District within the Application ~~for the first section or phase of the development~~.

(be) The District may issue ~~its~~any Water and Sewer Availability Letter with limitations or conditions on the maximum amount of water that ~~can~~may be provided to the new development and the maximum amount of (estimated) wastewater that can be collected and treated for the new

development. Any maximum limits on water and sewer service for the new development shall be included in the water service contract with the developer under Section 4.

4. Water and Sewer Service Contract

(a) Before water and sewer system improvements are installed for ~~the~~any new development, the District, with the assistance of the District's ~~attorney~~legal counsel if necessary, will ~~then~~ prepare a contract ~~under which water and sewer service will be provided to the~~regarding developer-funded improvements needed to serve the new development.

(b) The District may incorporate in the water and sewer service contract the maximum amount of water that can be furnished and the maximum amount of wastewater that can be collected and treated by the District. In the event the developer's demand for water and sewer service exceeds the developer's ~~projection of~~projected demand during the build out of the new development, the District shall have no obligation to furnish water or provide wastewater collection and treatment services in excess of the amounts set forth in the water and sewer service contract. Any request for water and sewer service in excess of the amounts projected by the developer and included in the Water and Sewer Service Contract shall be treated as a new request for water and sewer service under this Policy.

(c) A Water and Sewer Service Contract cannot be assigned to any successor in interest of the developer without the express written consent of the District.

5. Installation of Improvements

(a) Cost of Installation. At its own expense and at no cost and expense to the District, the developer shall furnish, install, lay and construct all on-site and off-site water and sewer system improvements, including all labor and material, as required by the District to be installed to serve the development, to maintain the current level of water and sewer service to existing customers and to meet the District's plan for the level of service to be made available in the general area of the development. The construction and installation of the water and sewer system improvements shall be in strict accordance with the plans, specifications and requirements approved by the District. All construction and installation work shall be performed by qualified contractors licensed in the State of California. The developer shall execute an agreement with the District establishing its obligations related to the water and/or sewer system improvements, as described herein. In addition, the developer shall indemnify and hold the District free and harmless from any ~~loss or damage~~claims, demands, losses, damages, or expenses that may directly or indirectly result from the ~~installation~~developer's construction, maintenance, use, or repair of water and sewer system improvements~~by the developer.~~ including any loss, damage or expense arising out of (1) loss of or damage to property; and (2) injury to or death of persons, except for any loss, damage, or expense resulting from the sole negligence or willful misconduct of the District, its directors, officers, agents, or employees.

(b) Notification of Construction. The District shall be notified at least forty-eight (48) hours before construction is to begin ~~on~~regarding developer installation of water or sewer improvements sought to be later dedicated to the District. Thereafter, the developer shall notify the District of every day during which construction will be in progress in order for the District's inspector to be on the job site during construction. District review of plans and inspection of such facilities during instruction shall, as with all other costs absorbed by the District in acting upon an Application, be reimbursable to the District through the deposit arrangement described above.

(c) Inspections. All water and sewer system improvement projects shall be subject to inspection during construction and upon completion of the construction by an authorized representative of the District. Inspection may consist of full-time resident inspection or part-time inspection at the sole discretion of the District. The presence or absence of an inspector during construction does not relieve the developer from adherence to approved plans and specifications. Materials and workmanship found not meeting the requirements of approved plans and specifications shall be immediately brought into conformity with said plans and specifications at the developer's expense.

(d) Final Inspection. An authorized representative of the District shall make a final inspection of the water and sewer system improvements for the development after completion to determine acceptability of the work. Before this final inspection can be made, the owner, developer or engineer responsible for the project shall notify the District's Manager in writing that the work has been completed in accordance with approved plans and specifications.

(e) Final Acceptance. When the water and sewer system improvements pass the District's final inspection, the District will ordinarily accept ~~ownership~~dedication of the completed improvements, subject to the developer completing all necessary legal documentation to transfer ownership of such facilities as well as any attendant easements or access rights. Permanent monuments previously installed which are removed, altered, or destroyed during construction of the improvements shall be properly reinstalled by the developer prior to the District's acceptance of the improvements. The developer shall be responsible for seeing that the person paying the cost of constructing such improvements shall furnish "as-built" drawings to the District at the end of each phase of water and sewer system construction and prior to final acceptance of water and sewer system improvements by the District. The date of final acceptance shall be that date on which the developer has fulfilled all conditions necessary for final acceptance, including passing a final inspection, submitting "as-built" drawings, payment of all fees due, and the placing of all water and sewer system improvements into service by the District. The District will not accept any facilities that are subject to any liens or other legal or financial constraints. The District will notify the developer in writing of the date of its acceptance of the completed facilities.

(f) "As-Built" Plans. The developer shall provide the District "as-built" plans, prepared by a registered engineer, which shall be drawn at a scale of one inch equals 50 feet and which shall indicate the location and size of all water and sewer system improvements installed for the development. The location of all water and sewer system improvements must be

referenced off of two (2) permanent points such as power poles, right-of-way markers, concrete monuments, iron pins at property corners, drainage culverts, and building corners. The water and sewer system improvements shall also be shown in relationship to the edge of all paved surfaces and all other utilities located with 15 feet of either side of the improvements. All utility easements shall be shown in relationship to the improvements. In the event the actual construction differs from the recorded plat of the development, the developer will prepare and record in the Register's Office of San Diego County a revised plat showing the actual construction with the design features stated above clearly shown. The District may delay acceptance of such facilities, and any separately approved water and sewer service, until this requirement has been met.

(g) Warranty. The developer shall guarantee all work on the water and sewer system improvements it installs for a period of at least one (1) year from the date of final acceptance and shall immediately correct any deficiencies in the work due to material or workmanship that occurs during the one-year period. The warranty shall be insured by a maintenance bond in the amount specified by the District secured by an irrevocable bank letter of credit or such similar collateral as approved by the District. When a defect is discovered in any water or sewer system improvement under warranty by the developer, the cost of repairing the defect when performed by the District and the damages caused by the defect will be billed to the developer. Notwithstanding the foregoing, the developer's warranty obligations shall not be construed to limit the rights and remedies available to the District at law or in equity, including but not limited those prescribed by Code of Civil Procedure section 337.15.

(h) Conveyance of Water and Sewer System Improvements. Upon completion of the construction of the water and sewer improvements, upon final approval by the District, and upon the water and sewer system improvements being placed into service, the water and sewer system improvements shall immediately become the property of the District regardless of whether or not a formal written conveyance has been made. The developer and any other persons paying the cost of constructing such improvements shall execute all written instruments requested by the District necessary to provide evidence of the District's title to such improvements, including obtaining any lien releases from the material suppliers and subcontractors of the developer and/or its contractor. The water and sewer system improvements shall become the property of the District free and clear of the claims of any persons, firms, or corporations.

6. Assessments and Collection of Fees and Charges:

~~(a) New Development Administrative Fee. The developer shall pay the District an Administrative Fee to cover the administrative, inspection, engineering, legal and other expenses incurred by the District related to making water and sewer service available to the development. The Administrative Fee shall be paid on or before the execution of the Water Service Agreement and Sewer Service Agreement. For developments which request water and sewer service for a larger new development, the application fee paid under Section 2(c) shall be credited against the Administrative Fee.~~

~~(b) New Development Water Supply Charge. A water supply charge shall be submitted to the District for every new connection to the District's water supply system and also~~

~~by customers who change their meter size to a larger meter, which shall be considered a new connection. A New Development Water Supply Charge is a one-time charge paid by the developer to the District to compensate the District for the additional groundwater supply from the Borrego Springs Subbasin (Borrego Basin) of the Borrego Valley Groundwater Basin required to supply the new connection(s) with potable water for the life of the new development. This New Development Water Supply Charge may be provided to the District by the developer as described in the Schedule of Fees and Charges to this Policy for Water and Sewer Service to New Developments, as amended.~~

~~(e) New development shall be responsible for paying all applicable District fees and charges before water or sewer service will commence. These fees and charges are set out in the most current District resolution or ordinance establishing fees, including but not limited to sewer and water connection and capacity fees, meter fees, and impact ~~Fee~~ fees for sewer and wastewater treatment infrastructure. ~~(Sewer Capacity Fee). A Sewer Capacity Fee shall be paid on all new connections to the District's sewer system. Sewer Capacity Fees are one-time charges assessed for new sewer customers to recover a proportional share of the capital costs incurred to provide service capacity to new customers. These charges shall be imposed to fund sewer system infrastructure improvement costs reasonably related to new development. The Sewer Capacity Fee shall be paid on or before the execution of the Sewer Service Agreement.~~~~

~~(d) New Development Connection Fee (Connection Fee). The Connection Fee is based on the actual cost of the materials required for a new meter service. The Connection Fee shall be paid prior to the time actual water and sewer service is established to each new connection. Residential connections using 3/4" or 1" meters shall pay a standard Connection Fee that includes allocated, per connection, direct labor costs, materials, supplies, and equipment expenses and an allowance for indirect costs. All other connections using larger size meters will pay a custom Connection Fee based on the direct and indirect costs and expenses particular to that connection. If a customer changes to a smaller meter, no credit for any Connection Fee previously paid will be provided for a smaller meter~~

~~(e) No refunds. The developer shall have no right to recover any fees or charges paid to the District or any right to recover any part of the costs and expenses incurred in installing water system improvements or sewer system improvements for the development.~~

~~(f) Schedule of Fees and Charges. A current published schedule of fees and charges, as amended from time to time by the District, shall be used to determine the fee amounts assessed for each new development.~~

7. Approval of Final Plat

The District will not sign a "Final Plat" of the development for submission to the appropriate County Planning Commission until the water and sewer system improvements for the development have been constructed, inspected and accepted for use by the District or until a performance bond secured by an irrevocable bank letter of credit issued by a bank with offices in San Diego County, California, or secured by other security specifically approved by the Board of Directors has been posted equal to the estimated cost of all necessary improvements and in favor of the District, ~~the~~ any District-required Water and Sewer Service Contract has been fully

executed, and all applicable fees have been paid. If the development is not a subdivision, the applicable fees must be paid at the time the contract for water and sewer service is signed.

8. Easements

(a) A minimum exclusive easement twenty (20) feet in width must be conveyed to the District for water and sewer main construction and exclusive easements for other water and sewer system improvements must be conveyed to the District as required by the District. All water and sewer lines that are to become the property of the District are to be located off the public right-of-way and within these exclusive easements on private property. All exceptions are to be specifically approved by the Board of Directors or its delegatee. In all such cases where the Board of Directors or its delegatee approves water or sewer line construction within public rights-of-way, the developer shall obtain consent from the political entity having authority over such rights-of-way for such construction.

(b) The expenses of obtaining, preparing and recording easements needed for water and sewer system improvements for the new development will be paid by the developer, including but without limitation, the consideration paid to the landowner. ~~In the event the District must exercise its power of eminent domain to acquire any such easement, the developer will pay all costs, expenses, appraisal fees, expert fees and damage awards for which the District becomes liable, on demand, including its attorney's fees.~~

(c) The easement grant must be on such terms and in such form and content as approved by the District.

(d) The developer is responsible for acquiring all such easements for both on-site and off-site water and sewer system improvement construction prior to the commencement of water and sewer system improvement construction.

9. Real Property Acquisition

In the event real property must be acquired for the installation of a water storage tank, a sewer treatment system, a pumping station or other water or sewer system improvement for the development, the expenses of obtaining, preparing, grading, constructing on and recording the acquisition documents for the real property will be paid by the developer, including, but without limitation, the consideration paid to the land owner. ~~In the event the District must exercise its power of eminent domain to acquire any such real property, the developer will pay all costs, expenses, appraisal fees, expert fees and damage awards for which the District becomes liable, on demand, including its attorney's fees.~~

10. Meters

(a) The developer shall pay for all water meters in the development, and the District shall install all residential water meters. The developer or lot owner at their expense shall install commercial water meters, defined herein as any meter greater than one (1) inch.

(b) Each family residence or each duplex or other property shall be served with a separate water meter not smaller than ¾ inch in size, except where prior arrangements have been made with the District for apartment complexes, other types of multi-family dwellings, or businesses. ~~In the event an existing water meter serves an apartment complex and/or other business property with units owned and/or occupied by more than one individual, firm, or corporation, the same shall be separated so as to have a meter for each ownership or occupant.~~

(c) Consistent with Senate Bill 7 (2016), as a condition of new water service, each newly constructed multi-unit residential structure or newly constructed mixed-use residential and commercial structure for which an application for one or more water service connections is submitted after January 1, 2018, shall measure the quantity of water supplied to each individual residential dwelling unit, unless exempt under applicable law. The measurement may be by individual water meters or submeters. The owner of the structure shall install individual meters or submeters that comply with all laws and regulations governing the approval of meter types or the installation, maintenance, reading, billing, and testing of meters, including, but not limited to, the California Plumbing Code and California Water Code. Except as otherwise provided by law or District policy, the owner shall read submeters.

11. Permits

Before beginning construction, the developer or its contractor shall obtain all necessary permits as required by law. Such permits include, but are not limited to, those from State of California and the county highway department ~~in which the development is located~~ for San Diego County.

12. Bonds

Before beginning construction, the developer or its contractor shall furnish the District with a performance bond in an amount equal to the cost of construction and, if the project is more than \$25,000, a labor and material payment bond in an amount equal to one hundred percent (100%) of the performance bond. The bonds shall be on forms provided by the District and secured from an admitted surety company as defined in Code of Civil Procedure section 995.120, authorized to do business in the State of California and acceptable to the District. To the extent permitted by law, the District, in its sole discretion, at any time may reject any bond or require the developer or its contractor to replace any bond or surety at the developer's or its contractor's own cost if the surety fails to meet the requirements of Code of Civil Procedure section 995.660. The bonds shall remain in effect throughout the duration of the work and expire by operation of law in accordance with California law.

~~12~~13. Resolution of Disputes

Any controversy or claim arising out of or relating to this Policy or the Water and Sewer Service Contract, or the breach thereof, ~~shall be not resolvable informally~~ shall be governed by the developer's agreement with the District and submitted to the Board of Directors, which may

appoint a subcommittee of the board to negotiate the controversy or claim. ~~If the Board is unable to resolve the dispute by negotiation, the dispute shall be submitted to a mutually acceptable mediator. Mediation shall be required before either party may proceed to any other method of dispute resolution. Costs for mediation shall be shared equally between the parties. The decision of the mediator shall not be final or binding unless agreed to in writing by the parties. All mediation proceedings, results and documentation, shall be non-binding and inadmissible for any purpose in any legal proceeding (pursuant to California Evidence Code sections 1115 through 1128) unless such admission is otherwise agreed to in writing by both parties. If the parties are unable to resolve the dispute by mediation, the dispute shall next be submitted to arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. All water and sewer service contracts shall contain a dispute resolution clause which requires that any controversy or claim arising out of or relating to the Water and Sewer Service Contract, or the breach thereof, shall be settled using the process set forth in this Section12.~~

DRAFT

Summary report:	
Litéra® Change-Pro 7.5.0.135 Document comparison done on 12/18/2017 10:38:19 AM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original filename: Borrego Water District Developer Policy March 14 2017 FINAL_labred_v1_30301217_1.DOCX	
Modified filename: 30301217_5.docx	
Changes:	
Add	129
Delete	98
Move From	3
Move To	3
Table Insert	0
Table Delete	0
Table moves to	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	233

RESOLUTION NO. 2018-__ - __

RESOLUTION OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT ADOPTING THE UPDATED POLICY ON NEW DEVELOPMENT

WHEREAS, Borrego Water District (“District”) regularly updates its Policy on New Development (the “Policy”);

WHEREAS, further changes to the Policy are needed to provide direction on the procedures for review of applications for water and sewer service and for infrastructure to be conveyed to the District to serve such new development; and

WHEREAS, changes to the Policy are also needed to ensure construction and installation of water and sewer system improvements is undertaken by qualified contractors, to protect the District from liability associated with such improvements, to more specifically address performance bond standards, and to provide more complete information about the District’s standards for acceptance of such improvements.

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

1. The Board of Directors hereby adopts the Updated Policy on New Development attached hereto as Exhibit “A”.

ADOPTED, SIGNED AND APPROVED this 24th day of January 2018

President
Board of Directors

ATTEST

Secretary of the Board of Directors

EXHIBIT A

BORREGO WATER DISTRICT UPDATED POLICY ON NEW DEVELOPMENT

[ATTACHED]

BORREGO WATER DISTRICT

BOARD OF DIRECTORS MEETING – JANUARY 16, 2018

AGENDA BILL 2.B

January 9, 2018

TO: Board of Directors, Borrego Water District

FROM: Geoff Poole, General Manager

SUBJECT: Discount Cash Flow Analysis Required for Establishing Economic Value for Water Transfers

RECOMMENDED ACTION:

Discuss and direct staff as deemed appropriate

ITEM EXPLANATION:

The attached memo has been prepared by Director Brecht

FISCAL IMPACT

See Attached

ATTACHMENTS

1. Director Brecht Memo

memo

Borrego Water District

To: Board of Directors

From: Lyle Brecht

CC: Geoff Poole

Date: January 24, 2018

Re: DCF Analysis Required for Water Transfer Transactions

Comments: see below

Motion: Authorize the Board's General Manager to engage an independent, qualified analyst to develop a Discounted Cash Flow (DCF) model for establishing a defensible economic value for water transfers from presently irrigated farmlands to other water users in the Borrego Valley. The proposed budget line item for this modeling work is not to exceed \$40,000.

Rationale:

The state will require this standard DCF analysis to justify project selection criteria for transfer pricing should the public initiative bond be approved. Foundations who may wish to provide funds may require this type of analysis. This type of analysis will also facilitate more timely transactions between private parties. This analysis serves as an important means to facilitate water market transfers to achieve the objectives of the Groundwater Sustainability Plan (GSP)

Process:

The objective is to gather recreational (potential buyers) and farming (potential sellers) interests to introduce the idea for this work and to agree on a potential consultant to perform this work. This study will be made public as an internal part of the GSP development process.

BORREGO WATER DISTRICT

BOARD OF DIRECTORS MEETING – JANUARY 16, 2018

AGENDA BILL 2.C

January 9, 2018

TO: Board of Directors, Borrego Water District
FROM: Geoff Poole, General Manager
SUBJECT: Letter of Initial Determination – Burnand Following Proposal - Poole

RECOMMENDED ACTION:

Authorize Staff to Prepare a Letter of Determination for the Burnand Properties

ITEM EXPLANATION:

Ray Burnand wishes to fallow his farmland and sell the Water Credits. Based on acreage calculations, the Water Credits for the property total 901, as shown below:

1. Main Parcel: 114 Acres of Citrus (AG-1) = 558 Credits
2. Adjacent Parcel: 70 Acres of Citrus (AG-2) = 343 Credits

Staff had the opportunity to speak to Jerry Rolwing about this issue and he concurs with the calculation. Staff is requesting authorization to prepare a Letter of Initial Determination based

FISCAL IMPACT

N/A

ATTACHMENTS

1. None

BORREGO WATER DISTRICT

BOARD OF DIRECTORS MEETING – JANUARY 24, 2018

AGENDA BILL 2.D

January 9, 2018

TO: Board of Directors, Borrego Water District

FROM: Geoff Poole, General Manager

SUBJECT: Sustainable Population of Borrego – Poole

RECOMMENDED ACTION:

Discuss and direct staff as deemed appropriate

ITEM EXPLANATION:

At the January 18th Board Meeting, the topic of a Sustainable Population was discussed, and the basic question asked: Does the Borrego Sub Basin have enough water to support 8,000 full time residents. Staff is requesting authorization from the Board to obtain a quote from Dudek to complete the analysis. Recent work completed by Dudek on build out water demands provides the vast majority of the work needed to complete the requested analysis.

FISCAL IMPACT

TBD

ATTACHMENTS

None

III A

FINANACIALS

REPORT



	C	CQ	CR	CS	CT
1	BWD	5/23/2017			
2	CASH FLOW	ADOPTED	Actual	Projected	Actual
3	2017-2018	BUDGET	November	November	YTD
4		FY 2018	2017	2017	2017-2018
5					
6	REVENUE				
7	WATER REVENUE				
8	Residential Water Sales	949,885	79,513	82,000	447,254
9	Commercial Water Sales	302,856	41,112	29,000	194,312
10	Irrigation Water Sales	210,597	19,108	21,000	119,957
11	GWM Surcharge	160,274	15,473	15,478	83,691
12	Water Sales Power Portion	457,206	42,740	43,675	232,272
13	TOTAL WATER COMMODITY REVENUE:	2,080,818	197,947	191,153	1,077,486
14					
15	Readiness Water Charge	1,114,240	90,332	91,959	447,425
18	Meter Install/Reconnect Fees	1,360	8,820	-	30,085
19	Backflow Testing/installation	7,000	200	-	300
20	Bulk Water Sales	600	2,806	287	5,115
21	Penalty & Interest Water Collection	19,000	0	2,725	26,189
22	TOTAL WATER REVENUE:	3,223,018	300,105	286,123	1,586,600
23					
24	PROPERTY ASSESSMENTS/AVAILABILITY CHARGES				
25	641500 1% Property Assessments	62,303	3,264	3,264	5,691
26	641502 Property Assess wtr/swr/flid	106,212	3,064	3,064	3,213
28	641501 Water avail Standby	82,445	7,507	7,507	12,502
30	641504 ID 3 Water Standby (La Casa)	33,722	1,491	1,491	2,236
31	641503 Pest standby	17,882	611	611	1,213
32	TOTAL PROPERTY ASSES/AVAIL CHARGES:	302,563	15,938	15,938	24,856
33					
34	SEWER SERVICE CHARGES				
35	Town Center Sewer Holder fees	226,391	19,992	18,798	90,366
36	Town Center Sewer User Fees	85,015	6,356	7,107	34,465
37	Sewer user Fees	267,460	22,934	22,360	113,451
39	Penalty Interest-Sewer	3,000	0	250	-
40	Sewer Capacity Fees	0	0	-	-
41					
42	TOTAL SEWER SERVICE CHARGES:	581,866	49,282	48,515	238,282
43					
44	OTHER INCOME				
48	Miscellaneous Income -Solar application fee rebate	0	0	-	2,500
49	Water Credits income	0	11,500	-	33,500
53	Interest Income	6,600	1,525	1,600	7,902
54	TOTAL OTHER INCOME:	6,600	13,025	1,600	43,902
55					
56	TOTAL INCOME:	4,114,047	378,349	352,176	1,893,640
57					
58	CASH BASIS ADJUSTMENTS				
59	Decrease (Increase) in Accounts Receivable		6,708		(3,609)
61	Deposits		1,200		11,025
62	Other Cash Basis Adjustments				-
63	TOTAL CASH BASIS ADJUSTMENTS:		7,908		7,416
64					
65	TOTAL INCOME RECEIVED:	4,114,047	386,257	352,176	1,901,056

	C	CU	CW	CX	CY	CZ	DA
1	BWD						
2	CASH FLOW	Actual YTD	Projected	Projected	Projected	Projected	Projected
3	2017-2018	and Projected	December	January	February	March	April
4		2017-2018	2017	2018	2018	2018	2018
5							
6	REVENUE						
7	WATER REVENUE						
8	Residential Water Sales	946,854	78,000	75,000	64,000	64,000	67,600
9	Commercial Water Sales	380,773	28,000	22,000	27,678	24,783	25,000
10	Irrigation Water Sales	227,453	18,000	15,000	15,000	11,000	13,000
11	GWM Surcharge	165,286	12,344	7,000	8,986	9,118	14,705
12	Water Sales Power Portion	471,210	34,816	20,000	25,319	25,693	45,414
13	TOTAL WATER COMMODITY REVENUE:	2,191,576	171,160	139,000	140,984	134,594	165,718
14							
15	Readiness Water Charge	1,088,744	92,196	91,782	91,237	92,000	90,273
18	Meter Install/Reconnect Fees	30,765	-	-	340	0	0
19	Backflow Testing/installation	7,300	-	-	0	0	0
20	Bulk Water Sales	5,371	134	-	100	22	0
21	Penalty & Interest Water Collection	33,652	972	500	2,000	1,500	830
22	TOTAL WATER REVENUE:	3,357,408	264,462	231,282	234,660	228,117	256,821
23							
24	PROPERTY ASSESSMENTS/AVAILABILITY CHARGES						
25	641500 1% Property Assessments	67,155	22,365	10,616	2,321	2,102	14,638
26	641502 Property Assess wtr/swr/fld	147,410	44,680	50,292	914	693	1,056
28	641501 Water avail Standby	84,133	19,082	25,486	3,496	3,015	3,732
30	641504 ID 3 Water Standby (La Casa)	34,541	3,007	14,633	362	889	396
31	641503 Pest standby	20,259	4,563	6,954	443	416	651
32	TOTAL PROPERTY ASSES/AVAIL CHARGES:	353,498	93,697	107,981	7,536	7,114	20,472
33							
34	SEWER SERVICE CHARGES						
35	Town Center Sewer Holder fees	221,953	18,798	18,798	18,798	18,798	18,798
36	Town Center Sewer User Fees	84,214	7,107	7,107	7,107	7,107	7,107
37	Sewer user Fees	269,971	22,360	22,360	22,360	22,360	22,360
39	Penalty Interest-Sewer	1,750	250	250	250	250	250
40	Sewer Capacity Fees	-	-	-	0	0	0
41							
42	TOTAL SEWER SERVICE CHARGES:	577,889	48,515	48,515	48,515	48,515	48,515
43							
44	OTHER INCOME						
48	Miscellaneous Income -Solar application fee rebate	2,500	-	-	-	-	-
49	Water Credits income	33,500	-	-	0	0	0
53	Interest Income	19,102	1,600	1,600	1,600	1,600	1,600
54	TOTAL OTHER INCOME:	55,102	1,600	1,600	1,600	1,600	1,600
55							
56	TOTAL INCOME:	4,343,896	408,275	389,379	292,312	285,346	327,408
57							
58	CASH BASIS ADJUSTMENTS						
59	Decrease (Increase) in Accounts Receivable	(3,609)					
61	Deposits	11,025					
62	Other Cash Basis Adjustments	-					
63	TOTAL CASH BASIS ADJUSTMENTS:	7,416					
64							
65	TOTAL INCOME RECEIVED:	4,351,313	408,275	389,379	292,312	285,346	327,408

	C	CQ	CR	CS	CT
1	BWD	5/23/2017			
2	CASH FLOW	ADOPTED	Actual	Projected	Actual
3	2017-2018	BUDGET	November	November	YTD
4		FY 2018	2017	2017	2017-2018
66	EXPENSES				
67					
68	MAINTENANCE EXPENSE				
69	R & M Buildings & Equipment	185,000	8,016	15,500	72,783
70	R & M - WWTP	185,000	4,514	15,500	36,010
71	Telemetry	8,000	0	1,000	2,606
72	Trash Removal	4,200	929	350	2,141
73	Vehicle Expense	18,000	250	1,200	5,681
74	Fuel & Oil	23,000	2,370	1,800	11,207
75	TOTAL MAINTENANCE EXPENSE:	423,200	16,079	35,350	130,427
76					
77	PROFESSIONAL SERVICES EXPENSE				
78	Tax Accounting (Taussig)	3,000	0	-	1,453
79	Administrative Services (ADP)	3,000	215	250	1,348
80	Audit Fees (Squamliner)	15,995	5,332	5,332	15,996
81	Computer billing (Accela/Parker)	13,500	2,062	200	15,106
82	Financial/Technical Consulting (Raftelis) (Fieldman)	41,000	11,500	3,417	26,636
83	Engineering (Dynamic/Dudek)	50,000	17,500	4,000	31,626
84	District Legal Services (Downey Brand/BBK)	20,000	9,311	2,000	58,096
85	Testing/lab work (Babcock Lab)	8,400	60	700	1,510
86	Regulatory Permit Fees (SWRB/DEH/Dig alerts/APCD)	27,160	80	135	5,842
87	TOTAL PROFESSIONAL SERVICES EXPENSE:	182,055	46,059	16,034	157,613
88					
89	INSURANCE EXPENSE				
90	ACWA/JPIA Program Insurance	57,000	0	-	22,118
91	ACWA/JPIA Workers Comp	16,000	0	-	3,749
92	TOTAL INSURANCE EXPENSE:	73,000	0	-	25,867
93					
94	DEBT EXPENSE				
95	Citizens Bank-COP 2008 Debt Payment	251,475	0	-	202,425
96	BBVA-Viking Ranch Debt Payment	143,312	35,862	35,828	71,658
97	TOTAL DEBT EXPENSE:	394,787	35,862	35,828	274,083
98					
99	PERSONNEL EXPENSE				
100	Board Meeting Expense (board stipend/board secretary)	22,000	1,570	1,770	6,764
101	Salaries & Wages (gross)	826,000	72,625	74,324	336,165
102	Salaries & Wages offset account (board stipends/staff project salaries)	(55,000)	(5,705)	(5,000)	(24,621)
103	Consulting services/Contract Labor	24,000	1,740	2,000	9,049
104	Taxes on Payroll	22,000	1,194	1,334	5,403
105	Medical Insurance Benefits	220,100	16,912	17,965	107,697
106	Calpers Retirement Benefits	179,200	6,401	8,232	108,807
107	Conference/Conventions/Training/Seminars	8,000	488	103	12,879
108	TOTAL PERSONNEL EXPENSE:	1,246,300	95,225	100,728	562,144
109					
110	OFFICE EXPENSE				
111	Office Supplies	18,000	2,409	1,000	8,645
112	Office Equipment/ Rental/Maintenance Agreements	35,000	5,543	1,000	22,309
113	Postage & Freight	15,000	40	150	4,240
114	Taxes on Property	2,331	0	-	2,334
115	Telephone/Answering Service/Cell	19,000	1,335	1,583	6,983
116	Dues & Subscriptions (ACWA/CSDA)	21,526	293	-	2,128
117	Printing, Publications & Notices	3,000	167	350	444
118	Uniforms	5,400	532	550	2,674
119	OSHA Requirements/Emergency preparedness	4,000	265	400	1,726
120	TOTAL OFFICE EXPENSE:	123,257	10,585	5,033	51,482
121					
122	UTILITIES EXPENSE				
123	Pumping-Electricity	300,000	25,526	24,475	149,520
124	Office/Shop Utilities	20,000	52	1,500	4,072
126	TOTAL UTILITIES EXPENSE:	320,000	25,578	25,975	153,592
127					
128	GROUNDWATER MANAGEMENT EXPENSE				
129	GWM -legal/Misc -prop 1 grant/USGS	120,000	21,960	10,000	79,968
130	Conservation incentive program	30,000	-	3,334	-
131	District portion of GSP	120,000	-	10,000	-
132	TOTAL GWM EXPENSE:	270,000	21,960	23,334	79,968
133					
134	TOTAL EXPENSES:	3,032,600	251,347	242,282	1,435,177
135					
136	CASH BASIS ADJUSTMENTS				
137	Decrease (Increase) in Accounts Payable		282,902		47,846
138	Increase (Decrease) in Inventory		799		(2,275)
139	Other Cash Basis Adjustments				-
140	TOTAL CASH BASIS ADJUSTMENTS:		283,701		45,571
141					
142	TOTAL EXPENSES PAID:	3,032,600	535,048	242,282	1,480,747
143					
144	NET CASH FLOW (O&M)	1,081,447	(148,791)	109,895	420,309

	C	CU	CW	CX	CY	CZ	DA
1	BWD						
2	CASH FLOW	Actual YTD	Projected	Projected	Projected	Projected	Projected
3	2017-2018	and Projected	December	January	February	March	April
4		2017-2018	2017	2018	2018	2018	2018
67							
68	MAINTENANCE EXPENSE						
69	R & M Buildings & Equipment	180,283	15,500	15,500	15,500	15,500	15,500
70	R & M - WWTP	143,510	15,500	15,500	15,500	15,500	15,500
71	Telemetry	5,900	-	1,200	0	1,000	0
72	Trash Removal	4,591	350	350	350	350	350
73	Vehicle Expense	15,948	1,200	2,000	1,067	1,500	1,500
74	Fuel & Oil	23,930	1,660	1,077	1,987	2,000	2,000
75	TOTAL MAINTENANCE EXPENSE:	374,161	34,210	35,627	34,404	35,850	34,850
76							
77	PROFESSIONAL SERVICES EXPENSE						
78	Tax Accounting (Tausig)	2,453	-	-	0	0	0
79	Administrative Services (ADP)	3,098	250	250	250	250	250
80	Audit Fees (Squamliner)	15,996	-	-	0	0	0
81	Computer billing (Accela/Parker)	16,161	150	200	200	100	205
82	Financial/Technical Consulting (Raftelis) (Fieldman)	48,725	3,417	3,417	3,417	3,417	3,417
83	Engineering (Dynamic/Dudek)	59,626	4,000	4,000	4,000	4,000	4,000
84	District Legal Services (Downey Brand/BBK)	70,596	2,000	2,000	2,000	2,000	1,500
85	Testing/lab work (Babcock Lab)	6,410	700	700	700	700	700
86	Regulatory Permit Fees (SWRB/DEH/Dig alerts/APCD)	28,142	8,500	7,000	0	5,000	500
87	TOTAL PROFESSIONAL SERVICES EXPENSE:	251,207	19,017	17,567	10,567	15,467	10,572
88							
89	INSURANCE EXPENSE						
90	ACWA/JPIA Program Insurance	53,118	-	-	0	31,000	0
91	ACWA/JPIA Workers Comp	15,749	4,000	-	0	4,000	0
92	TOTAL INSURANCE EXPENSE:	68,867	4,000	-	-	35,000	-
93							
94	DEBT EXPENSE						
95	Citizens Bank-COP 2008 Debt Payment	251,475	-	-	0	49,050	0
96	BBVA-Viking Ranch Debt Payment	143,314	-	-	35,828	-	-
97	TOTAL DEBT EXPENSE:	394,789	-	-	35,828	49,050	-
98							
99	PERSONNEL EXPENSE						
100	Board Meeting Expense (board stipend/board secretary)	21,684	1,770	1,770	1,770	2,070	1,770
101	Salaries & Wages (gross)	812,743	67,475	70,734	66,479	66,207	67,475
102	Salaries & Wages offset account (board stipends/staff project salaries)	(59,621)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
103	Consulting services/Contract Labor	23,049	2,000	2,000	2,000	2,000	2,000
104	Taxes on Payroll	20,935	933	4,928	2,535	1,734	1,534
105	Medical Insurance Benefits	219,976	17,965	18,863	18,863	18,863	18,863
106	Calpers Retirement Benefits	166,431	8,232	8,232	8,232	8,232	8,232
107	Conference/Conventions/Training/Seminars	16,803	150	648	0	400	1,400
108	TOTAL PERSONNEL EXPENSE:	1,222,000	93,525	102,175	94,878	94,505	96,273
109							
110	OFFICE EXPENSE						
111	Office Supplies	19,176	1,500	1,500	1,500	1,500	1,531
112	Office Equipment/ Rental/Maintenance Agreements	39,731	2,000	2,000	2,000	2,217	3,700
113	Postage & Freight	14,890	2,100	2,000	2,000	175	2,100
114	Taxes on Property	2,334	-	-	-	-	-
115	Telephone/Answering Service/Cell	18,509	1,583	1,657	1,657	1,657	1,657
116	Dues & Subscriptions (ACWA/CSDA)	21,218	10,896	6,400	-	200	1,449
117	Printing Publications & Notices	2,516	250	250	350	300	322
118	Uniforms	6,524	550	550	550	550	550
119	OSHA Requirements/Emergency preparedness	3,865	300	300	339	300	300
120	TOTAL OFFICE EXPENSE:	128,762	19,179	14,657	8,396	6,899	11,609
121							
122	UTILITIES EXPENSE						
123	Pumping-Electricity	310,138	22,895	21,335	19,914	22,618	23,618
124	Office/Shop Utilities	14,172	1,200	1,000	900	850	1,900
126	TOTAL UTILITIES EXPENSE:	324,311	24,095	22,335	20,814	23,468	25,518
127							
128	GROUNDWATER MANAGEMENT EXPENSE						
129	GWM -legal/Misc.-prop 1 grant/USGS	149,968	10,000	10,000	10,000	10,000	10,000
130	Conservation incentive program	23,332	3,334	3,334	3,334	3,334	3,334
131	District portion of GSP	70,000	10,000	10,000	10,000	10,000	10,000
132	TOTAL GWM EXPENSE:	243,300	23,334	23,334	23,334	23,334	23,334
133							
134	TOTAL EXPENSES:	3,007,397	217,359	215,694	228,221	283,573	202,156
135							
136	CASH BASIS ADJUSTMENTS						
137	Decrease (Increase) in Accounts Payable	47,846					
138	Increase (Decrease) in Inventory	(2,275)					
139	Other Cash Basis Adjustments	-					
140	TOTAL CASH BASIS ADJUSTMENTS:	45,571					
141							
142	TOTAL EXPENSES PAID:	3,052,968	217,359	215,694	228,221	283,573	202,156
143							
144	NET CASH FLOW (O&M)	1,298,345	190,915	173,684	64,091	1,773	125,252

	C	CQ	CR	CS	CT
1	BWD	5/23/2017			
2	CASH FLOW	ADOPTED	Actual	Projected	Actual
3	2017-2018	BUDGET	November	November	YTD
4		FY 2018	2017	2017	2017-2018
145	CIP PROJECTS				
146	Water				
147	Pickup	50,000	0		39,555
151	New 900 Reservoir	525,000	58,987		394,538
155	Replace Twin Tanks-(prop 1 grant)	579,000			-
156	Replace Wilcox Diesel Motor-(Prop 1 grant)	59,000			-
157	Replace Indianhead Reservoir-(Prop 1 grant)	294,000			-
158	Rams Hill#2, 1980 balv. 0.44 MG recoating-(Prop 1 grant)	161,000			-
159	Rebuild Rams hill booster station pump 3				25,218
160	Emergency water pipeline repairs	25,000			-
161	10" Bypass at ID 1 Booster Station 2	15,000			16,140
162	Transmission line to convey Well 5 water to C.C. Reservoir (pipeline 2)	83,000	3,842		3,842
163	T Anchor Dr., Frying Pan Rd. to Double O Rd. (Pipeline 6)	34,000			-
164	Weathervane Dr., Frying Pan Road to Double O Road (Pipeline7)	34,000			-
169	ID 5-5, 200 HP	80,000			-
170	Well 12 pump and casing cleaning	50,000			90,849
172	Emergency Generator Mobile Trailer	12,000			-
174	Mail machine inserter				10,548
175	TOTAL WATER CIP:	2,001,000	62,829	-	580,690
176	Sewer				
184	Plant-Grit removal at the headworks-(Prop 1 grant)	100,000			-
188	WTF-Rehab Clarifier (Prop 1 grant)	118,500			-
194	TOTAL SEWER CIP:	218,500	0	-	-
228					
229	TOTAL CIP EXPENSES:	2,219,500	62,829	0	580,690
230					
231	CASH RECAP				
232	Cash beginning of period	4,589,663	4,200,895	4,138,131	4,149,656
233	Net Cash Flow (O&M)	1,081,447	(148,791)	109,895	420,309
234	Total Non O&M Expenses	(2,219,500)	(62,829)	0	(580,690)
235	CASH AT END OF PERIOD	3,451,611	3,989,275	4,248,025	3,989,275
236					
237	RESERVES				
238	Working Capital-Water (4 months)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
239	R & R Reserves	(532,000)	(532,000)	(532,000)	(532,000)
240	Contingency Reserves (8 % O&M)	(240,000)	(240,000)	(240,000)	(240,000)
241	Rate Stabilization Reserves	(800,000)	(800,000)	(800,000)	(800,000)
242	Available for Emergency Reserves	1,411,611	1,417,275	1,676,025	1,417,275
243	Target Emergency Reserves	2,000,000	2,000,000	2,000,000	2,000,000
244	Emergency Reserves Deficit	(588,389)	(582,725)	(323,975)	(582,725)
245					
246					
247					
248					
249	Total Income Received	378,349	352,176	New development	
250	Financial/Technical Consulting (Raftelis) (Fieldman)	\$ 11,500.00	\$ 3,417.00	Prop 1 survey/Rate study	
251	Engineering (Dynamic/Dudek)	\$ 17,499.90	\$ 4,000.00	Recycled water study	
252	Office Equipment/ Rental/Maintenance Agreements	\$ 5,543.31	\$ 1,000.00	Computer purchase	

	C	CU	CW	CX	CY	CZ	DA
1	BWD						
2	CASH FLOW	Actual YTD	Projected	Projected	Projected	Projected	Projected
3	2017-2018	and Projected	December	January	February	March	April
4		<u>2017-2018</u>	<u>2017</u>	<u>2018</u>	<u>2018</u>	<u>2018</u>	<u>2018</u>
145	CIP PROJECTS						
146	Water						
147	Pickup	39,555					
151	New 900 Reservoir	525,000	130,462				
155	Replace Twin Tanks-(prop 1 grant)	579,000					579,000
156	Replace Wilcox Diesel Motor-(Prop 1 grant)	59,000				59,000	
157	Replace Indianhead Reservoir-(Prop 1 grant)	294,000					
158	Rams Hill#2, 1980 balv. 0.44 MG recoating-(Prop 1 grant)	161,000					
159	Rebuild Rams hill booster station pump 3	25,218					
160	Emergency water pipeline repairs	25,000	5,000		5,000		5,000
161	10" Bypass at ID 1 Booster Station 2	16,140					
162	Transmission line to convey Well 5 water to C C. Reservoir (pipeline 2)	83,000		41,500		37,658	
163	T Anchor Dr., Frying Pan Rd. to Double O Rd. (Pipeline 6)	34,000		34,000			
164	Weathervane Dr., Frying Pan Road to Double O Road (Pipeline7)	34,000					34,000
169	ID 5-5, 200 HP	30,000				30,000	
170	Well 12 pump and casing cleaning	90,849					
172	Emergency Generator Mobile Trailer	12,000		12,000			
174	Mail machine inserter	10,548					
175	TOTAL WATER CIP:	<u>2,018,310</u>	<u>135,462</u>	<u>87,500</u>	<u>5,000</u>	<u>126,658</u>	<u>618,000</u>
176	Sewer						
184	Plant-Grit removal at the headworks-(Prop 1 grant)	100,000					
188	WTF-Rehab Clarifier (Prop 1 grant)	118,500					
194	TOTAL SEWER CIP:	<u>218,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
228							
229	TOTAL CIP EXPENSES:	<u>2,236,810</u>	<u>135,462</u>	<u>87,500</u>	<u>5,000</u>	<u>126,658</u>	<u>618,000</u>
230							
231	CASH RECAP						
232	Cash beginning of period	4,149,656	3,989,275	4,044,729	4,130,913	4,190,003	4,065,119
233	Net Cash Flow (O&M)	1,298,345	190,915	173,684	64,091	1,773	125,252
234	Total Non O&M Expenses	(2,236,810)	(135,462)	(87,500)	(5,000)	(126,658)	(618,000)
235	CASH AT END OF PERIOD	<u>3,211,192</u>	<u>4,044,729</u>	<u>4,130,913</u>	<u>4,190,003</u>	<u>4,065,119</u>	<u>3,572,371</u>
236							
237	RESERVES						
238	Working Capital-Water (4 months)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
239	R & R Reserves	(532,000)	(532,000)	(532,000)	(532,000)	(532,000)	(532,000)
240	Contingency Reserves (8% O&M)	(240,000)	(240,000)	(240,000)	(240,000)	(240,000)	(240,000)
241	Rate Stabilization Reserves	(800,000)	(800,000)	(800,000)	(800,000)	(800,000)	(800,000)
242	Available for Emergency Reserves	639,192	1,472,729	1,558,913	1,618,003	1,493,119	1,000,371
243	Target Emergency Reserves	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
244	Emergency Reserves Deficit	<u>(1,360,808)</u>	<u>(527,271)</u>	<u>(441,087)</u>	<u>(381,997)</u>	<u>(506,881)</u>	<u>(999,629)</u>
245							
246							
247							
248							
249							
250							
251							
252							



TREASURER'S REPORT November, 2017

% of Portfolio

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

Cash and Cash Equivalents:

Demand Accounts at UB/LAIF

General Account/Petty Cash	\$ 1,883,420	\$ 1,834,196	\$ 1,834,196	45.94%	0.00%	N/A	UB
Payroll Account	\$ 28,100	\$ 27,949	\$ 27,949	0.70%	0.00%	N/A	UB
MMA	\$ 2,109,583	\$ 2,109,583	\$ 2,109,583	52.83%	0.88%	N/A	UB
LAIF	\$ 21,286	\$ 21,286	\$ 21,286	0.53%	0.92%	N/A	LAIF

Total Cash and Cash Equivalents	\$ 4,042,388	\$ 3,993,013	\$ 3,993,013	100.00%			
--	---------------------	---------------------	---------------------	----------------	--	--	--

Facilities District No. 2017-1

Special Tax Bond- Rams Hill -US BANK	\$ 9,185	\$ 9,185	\$ 9,185				
--------------------------------------	----------	----------	----------	--	--	--	--

Total Cash,Cash Equivalents & Investments	\$ 4,051,573	\$ 4,002,198	\$ 4,002,198				
--	---------------------	---------------------	---------------------	--	--	--	--

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, Administration Manager



To: BWD Board of Directors
 From: Kim Pitman
 Subject: Consideration of the Disbursements and Claims Paid
 Month Ending November, 2017

Vendor disbursements paid during this period: **\$ 261,322.10**

Significant items:

San Diego Gas & Electric	\$	25,577.63
Medical Health Benefits	\$	19,948.15
BBVA Compass Bank Debt Payment	\$	35,861.88

Capital Projects/Fixed Asset Outlays:

Superior Tank-900 Tank	\$	51,150.00
------------------------	----	-----------

Total Professional Services for this Period:

Best Best & Krieger	Legal-general	\$	9,256.24
	GWM	\$	13,209.25
One Eleven Water Services-Jerry Rolwing	GWM	\$	3,805.00
Downey Brand, Attorneys	GWM	\$	54.45
Dudek Professional Services	Recycled water study	\$	17,500.00
	900 Tank	\$	5,155.30
Fairbank, Maslim, Maullin	Bond survey	\$	6,000.00
Raftelis Financial Consultants	Rate Study	\$	5,500.00

Payroll for this Period:

Gross Payroll	\$	72,596.00
Employer Payroll Taxes and ADP Fee	\$	1,394.00
Total	\$	73,990.00

Accounts Payable

Checks by Date - Summary by Vendor Number

Printed: 12/14/2017 9:15 AM



Vendor No	Vendor Name	Check Amount
1109	ABILITY ANSWERING/PAGING SER	249.17
1266	AFLAC	867.32
10892	ALAN ASCHE	138.98
9338	AMERICAN BACKFLOW SPECIALTIES	419.08
1001	AMERICAN LINEN INC.	531.81
61	AT&T MOBILITY	601.45
9529	AT&T-CALNET 3	370.50
91	BBVA COMPASS	35,861.88
9269	BENITO ARTEAGA	126.07
10884	BEST BEST & KRIEGER ATTORNEYS AT LAW	22,465.49
1201	BORREGO LANDFILL	476.60
1003	BORREGO SPRINGS BOTTLED WATER	64.22
1037	BORREGO SUN	166.50
1135	CENTER MARKET	628.56
56	CMS BUSINESS FORMS, INC.	649.69
1222	DEBBIE MORETTI	122.00
3030	DENIS HUNSINGER/DBA BORREGO ELECTRIC	447.39
1455	DIANA DEL BONO	1,740.00
96	DISH	70.72
9535	DOWNEY BRAND	54.45
9640	DUDEK	36,512.30
10874	FAIRBANK, MASLIM, MAULLIN, METZ, & ASSOCIATES, INC	6,000.00
3024	FED EX	40.24
UB*00015	GEORGE WALLACE	1,287.50
9579	GREEN DESERT LANDSCAPE	4,770.00
1136	HOME DEPOT CREDIT SERVICES	2,880.85
1022	JAMES HORMUTH DE ANZA TRUE VALUE	50.65
65	JC LABS & MONITORING SERVICE	1,500.00
10873	KESSLINGS KITCHEN	314.36
9378	LANDMARK	2,552.00
1000	MEDICAL ACWA-JPIA	19,948.15
1016	NAPA AUTO PARTS INC	249.89
10891	NEOPOST USA INC	625.06
10852	ONE ELEVEN WATER SERVICES, LLC.	3,805.00
1208	PACIFIC PIPELINE SUPPLY INC	9,479.54
3015	PITNEY BOWES INC	50.00
10850	RAFTELIS FINANCIAL CONSULTANTS INC.	5,500.00
9633	RAMONA DISPOSAL SERVICE	3,465.91
1065	SAN DIEGO GAS & ELECTRIC	25,577.63
10853	SQUARMILNER	5,332.00
1059	STAPLES CREDIT PLAN	835.81
9046	STATE WATER RESOURCE CONTROL DRINKING WATER OPERATOR CERTIFICATION PROGRAM	80.00
10877	SUPERIOR TANK COMPANY INC.	51,150.00
9106	T.S. INDUSTRIAL SUPPLY	395.38
10885	THE SOCO GROUP, INC.	2,370.43
9581	TRAVIS PARKER	2,034.57
35	U.S. POSTAL SERVICE	92.00
3000	U.S.BANK CORPORATE PAYMENT SYS	7,254.76
10847	USA COMMUNICATIONS	89.95
1100	VERIZON WIRELESS	114.25
1623	WENDY QUINN	500.00
92	XEROX FINANCIAL SERVICES	411.99
Report Total (56 checks):		261,322.10

AP Checks by Date - Summary by Vendor Number (12/14/2017 9:15 AM)




ASSETS	BALANCE SHEET November 30, 2017 (unaudited)	BALANCE SHEET October 31, 2017 (unaudited)	MONTHLY CHANGE (unaudited)
CURRENT ASSETS			
Cash and cash equivalents	\$ 3,989,275.81	\$ 4,200,181.34	\$ (210,905.53)
Accounts receivable from water sales and sewer charges	\$ 428,962.18	\$ 435,670.11	\$ (6,707.93)
Inventory	\$ 122,844.42	\$ 125,030.60	\$ (2,186.18)
Prepaid expenses	\$ 30,655.73	\$ 30,655.73	\$ -
TOTAL CURRENT ASSETS	\$ 4,571,738.14	\$ 4,791,537.78	\$ (219,799.64)
RESTRICTED ASSETS			
Debt Service:			
Deferred amount of COP Refunding	\$ 102,542.17	\$ 112,546.17	\$ (10,004.00)
Deferred Outflow of Resources-CalPERS	\$ 356,748.00	\$ 244,883.00	\$ 111,865.00
Total Debt service	<u>\$ 459,290.17</u>	<u>\$ 357,429.17</u>	\$ 101,861.00
Trust fund:			
Investments with fiscal agent -CFD 2017-1	\$ 9,184.58	\$ 8,065.57	\$ 1,119.01
Total Trust fund	<u>\$ 9,184.58</u>	<u>\$ 8,065.57</u>	\$ 1,119.01
TOTAL RESTRICTED ASSETS	\$ 468,474.75	\$ 365,494.74	
UTILITY PLANT IN SERVICE			
Land	\$ 2,287,413.65	\$ 2,298,413.65	\$ (11,000.00)
Flood Control Facilities	\$ 4,287,340.00	\$ 4,287,340.00	\$ -
Capital Improvement Projects	\$ 720,529.04	\$ 626,343.33	\$ 94,185.71
Sewer Facilities	\$ 5,992,778.56	\$ 5,992,778.56	\$ -
Water facilities	\$ 11,010,716.48	\$ 11,010,716.48	\$ -
General facilities	\$ 1,016,229.37	\$ 1,017,429.37	\$ (1,200.00)
Equipment and furniture	\$ 574,974.27	\$ 574,974.27	\$ -
Vehicles	\$ 622,357.41	\$ 622,357.41	\$ -
Accumulated depreciation	\$ (12,760,530.47)	\$ (12,838,917.47)	\$ (78,387.00)
NET UTILITY PLANT IN SERVICE	\$ 13,751,808.31	\$ 13,591,435.60	\$ 160,372.71
OTHER ASSETS			
Water rights -ID4	\$ 185,000.00	\$ 185,000.00	\$ -
TOTAL OTHER ASSETS	\$ 185,000.00	\$ 185,000.00	
TOTAL ASSETS	\$ 18,977,021.20	\$ 18,933,468.12	\$ 43,553.08



Balance sheet continued

	BALANCE SHEET November 30, 2017 (unaudited)	BALANCE SHEET October 31, 2017 (unaudited)	MONTHLY CHANGE (unaudited)
LIABILITIES			
CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS			
Accounts Payable	\$ 137,119.33	\$ 420,021.33	\$ (282,902.00)
Accrued expenses	\$ 123,110.45	\$ 123,110.45	\$ -
Deposits	\$ 16,025.00	\$ 14,825.00	\$ 1,200.00
TOTAL CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS	\$ 276,254.78	\$ 557,956.78	\$ (281,702.00)
CURRENT LIABILITIES PAYABLE FOM RESTRICTED ASSETS			
Debt Service:			
Accounts Payable to CFD 2017-1	\$ 9,184.58	\$ 8,065.57	\$ 1,119.01
TOTAL CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS	\$ 9,184.58	\$ 8,065.57	\$ 1,119.01
LONG TERM LIABILITIES			
2008 Certificates of participation	\$ 2,180,000.00	\$ 2,180,000.00	\$ -
BBVA Compass Bank Loan	\$ 894,419.63	\$ 918,919.86	\$ (24,500.23)
Net Pension Liability-CalPERS	\$ 819,059.00	\$ 693,352.00	\$ 125,707.00
Deferred Inflow of Resources-CalPERS	\$ 163,076.00	\$ 246,389.00	
TOTAL LONG TERM LIABILITIES	\$ 4,056,554.63	\$ 4,038,660.86	\$ 17,893.77
TOTAL LIABILITIES	\$ 4,341,993.99	\$ 4,604,683.21	\$ (262,689.22)
FUND EQUITY			
Contributed equity	\$ 9,611,814.35	\$ 9,611,814.35	\$ -
Retained Earnings:			
Unrestricted Reserves/Retained Earnings	\$ 5,023,212.86	\$ 4,716,970.56	\$ 306,242.30
Total retained earnings	\$ 5,023,212.86	\$ 4,716,970.56	\$ 306,242.30
TOTAL FUND EQUITY	\$ 14,635,027.21	\$ 14,328,784.91	\$ 306,242.30
TOTAL LIABILITIES AND FUND EQUITY	\$ 18,977,021.20	\$ 18,933,468.12	\$ 43,553.08

The logo is a circular seal with a light blue and yellow color scheme. It features a central figure of a person holding a staff, with a mountain range in the background. The text "OREGON WATER PUBLIC UTILITY" is written around the perimeter, and "EST. 1962" is at the bottom.

III B
WATER & WASTE
WATER
OPERATIONS
REPORT

November 2017

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: 86,607 (gallons per day)

Peak flow: 191,500 gpd Saturday November 11, 2017

The logo for Oregon Water District is a circular emblem. It features a central figure of a Native American man in traditional dress, holding a bow and arrow. The text "OREGON WATER DISTRICT" is written around the top inner edge of the circle, and "EST. 1962" is at the bottom. The background of the logo is light blue and yellow.

III C WATER PRODUCTION/ USE RECORDS



BORREGO WATER DISTRICT

WATER PRODUCTION SUMMARY

NOVEMBER 2017								
DATE	WATER USE	WATER PROD	WATER %UNACC	ID4 USE	ID4 PROD	ID4 %UNACC	TOTAL USE	TOTAL PROD
Nov-15	31.25	33.51	6.74	94.66	132.96	28.81	125.91	166.47
Dec-15	22.37	24.64	9.23	83.23	99.01	15.94	105.60	123.66
Jan-16	18.80	20.96	10.29	58.73	72.07	18.51	77.53	93.03
Feb-16	19.61	20.00	1.94	74.06	91.40	18.97	93.67	111.40
Mar-16	18.98	20.38	6.86	73.79	86.65	14.84	92.77	107.03
Apr-16	23.53	25.03	5.98	78.79	94.30	16.45	102.32	119.33
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
12 Mo. TOTAL	352.35	374.36	5.78	1191.72	1332.44	10.63	1544.07	1706.81

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.

UNACCOUNTED FOR WATER SUMMARY (%)

DATE	WATER	ID-4	ID-5	DISTRICT-WIDE AVERAGE
Nov-18	5.92	10.87	N/A	8.40
12 Mo. Average	5.78	10.63	N/A	8.21



III D GENERAL MANAGER REPORT

VERBAL PRESENTAION

1. 2017-18 Capital Improvement Plan
2. 900 Tank
3. Flood Control Safety
4. ATT Cell Phone Site
5. FOG Policy
6. Updated Board Calendar



JANUARY

- Design Agenda for 2017 Town Hall Meeting
- GSP AC Meeting – 1-25-18

FEBRUARY

- **Mid Year Budget Presentation** – Kim Pittman

MARCH

- **P & I PAYMENT FOR ID4 COP'S** - 1st half of payments due
- **ANNUAL EAR REPORT (CDHS)** – Due 3/31 for previous year
- **2018-19 BUDGET PROCESS BEGINS**
- **TOWN HALL MEETING**

APRIL

- **T2** – Raftelis spare capacity cost analysis
- **CASGEM** – Submit CASGEM water level data
- **SURPLUS WATER ACTIVITY** – 4/1 Calculate Surplus Water Activity
- **BUDGET** – Review draft CIP and Budget document

MAY

- **SURPLUS WATER ACTIVITY** – 5/1 Notify Rams Hill of Surplus availability
- **BUDGET** – Final Budget document/ Y Rate resolution
- **BUSINESS PLAN** – FY Budget and New Rates Approved

JUNE

- **SANTIAGO ESTATE** – Occupancy Report Due
- **BUDGET** – 6/9/2017 Approval of Budget
- **INVESTMENT POLICY** – Investments policies restated
- **SPECIAL ASSESMENTS / TAX BILL RESOLUTIONS TAUSSIG:**
Special Assessments resolutions due

JULY

- **T2 BORREGO** – 7/1/17 Establish water budget
- **COMPASS BANK** – 1st Payment due September 1st
- **GREEN DESERT LANDSCAPE** – Cost of water adjustment each July 1st with Cameron
- **XEROX** – Lease contract expires 7/2020



- **CCR** – CCR to be distributed July 1st
- **BUSINESS PLAN** – New Rates go in to effect

AUGUST

- **RAMONA DISPOSAL**
 - CLUB CIRCLE - Contact RDS RE: Contract Renewal
 - BWD Dumpsters – Contact RDS RE: Contract Renewal
- **AUDIT** – Begin Audit

SEPTEMBER

- **P & I PAYMENT FOR ID4 COP'S** - 2nd half of payments due
- **CHECK FALLOWED PROPERTY FOR WATER USAGE** – Annual fallow property check
- **AUDIT** – Review Audit draft report

OCTOBER

- **COMPASS BANK** - Payment due December 1st
- **CCR** – Mail CCR Certification Form
- **CAMERON BORS. WATER USAGE REPORT (GOLF COURSE) TO COUNTY**
Send to County DPLU by 10/31

NOVEMBER

- **CASGEM** – Submit CASGEM water level data
- **REPORT CONSERVATION LEVELS TO STATE** – Report Due

DECEMBER

- **T2 BORREGO**
 - 12/31/14: T2 to purchase land to fallow
 - 12/31/18 lease expires
 - Send invoice for Spare Capacity

IVB

AD-Hoc Committee Report

BWD Bond Financing – Brecht and Ehrlich

BORREGO WATER DISTRICT

2018 Water Revenue Bonds [title TBD]

FINANCING SCHEDULE

Board meets ~3rd Wednesdays of the month

Revised on:

January 10, 2018

I = Issuer - Borrego Water District
FA = Financial Advisor - Fieldman, Rolapp & Associates
BC = Bond and Disclosure Counsel - Best Best and Krieger
UW = Underwriter - TBD
T = Trustee - TBD

Date	Description	Responsible Parties	Status
Tuesday, October 17, 2017	Board meeting to review financing approach	I	Complete
Week of: Monday, November 13, 2017	District receives draft audited financials for FY 2016/2017	I	Complete
Week of: Monday, November 13, 2017	Bond/Disclosure Counsel contract determined	I	Complete
Tuesday, November 21, 2017	Initial Conference Call to discuss approach / next steps	BC, I, FA	Complete
Note: finance schedule was deferred until CIP Update completed			
Week of: Monday, December 18, 2017	Update CIP completed by District / Board	I	Complete
+/- Wednesday, January 17, 2018	Distribution of template District Section of Preliminary Official Statement (POS) / request for information	BC	
Week of: Monday, January 22, 2018	Distribution of 1st draft legal documents and authorizing resolution(s)	BC	
Week of: Monday, February 05, 2018	Distribution of majority of District information for POS	I	
Week of: Monday, February 19, 2018	Distribution of 1st full draft POS w/District section	BC	
Week of: Monday, February 19, 2018	Distribution of UW RFP	FA, I	
Week of: Monday, February 26, 2018	Conference call @ TBD	All	
Week of: Monday, March 05, 2018	Distribution of 2nd draft legal documents and authorizing resolution(s)	BC	
Week of: Monday, March 12, 2018	Underwriter selected	I, FA	
Week of: Monday, March 19, 2018	Substantially all District data / financial projections provided to BC	All	
Week of: Monday, March 26, 2018	Distribution of 2nd draft Preliminary Official Statement (POS)	BC	
Week of: Monday, April 02, 2018	Conference call @ TBD	All	

BORREGO WATER DISTRICT
2018 Water Revenue Bonds [title TBD]
FINANCING SCHEDULE

Date	Description	Responsible Parties	Status
+/- Tuesday, April 10, 2018	Distribution of 1st draft of Credit Presentation	FA	
Week of: Monday, April 09, 2018	Distribution of 3rd draft Preliminary Official Statement (POS)	BC	
Week of: Monday, April 09, 2018	Distribution of Bond Purchase Agreement (BPA)	UWC	
+/- Wednesday, April 18, 2018	Legal documents / POS distributed to rating agencies / analysts assigned	FA	
+/- Tuesday, April 24, 2018	Distribution of 2nd draft of Credit Presentation	FA / UW	
Week of: Monday, April 30, 2018	Conference call @ TBD to finalize Credit Presentation	I, FA, UW	
Week of: Monday, May 07, 2018	Rating agency presentation / conference call	I, FA, UW	
+/- Tuesday, May 15, 2018	Credit Rating(s) received	I, FA, UW	
TBD	Final Document / Docketing Agenda deadline - Board	All	
Wednesday, May 16, 2018	Board meeting to approve: a) legal documents / resolutions b) POS c) Bond Purchase Agreement	I	
+/- Wednesday, May 16, 2018	Due Diligence conference call	All	
+/- Friday, May 18, 2018	Post Preliminary Official Statement electronically	BC	
+/- Monday, May 28, 2018	Bond Pre-Pricing Conference Call TBD	I, FA, UW	
+/- Tuesday, May 29, 2018	Bond Pricing Conference Call @ TBD Execute Bond Purchase Agreement	I, FA, UW	
Tuesday, June 05, 2018	Post Final Official Statement electronically	BC	
+/- Tuesday, June 12, 2018	Closing and receipt of funds	All	